



# Corporate Briefing

August 28, 2019

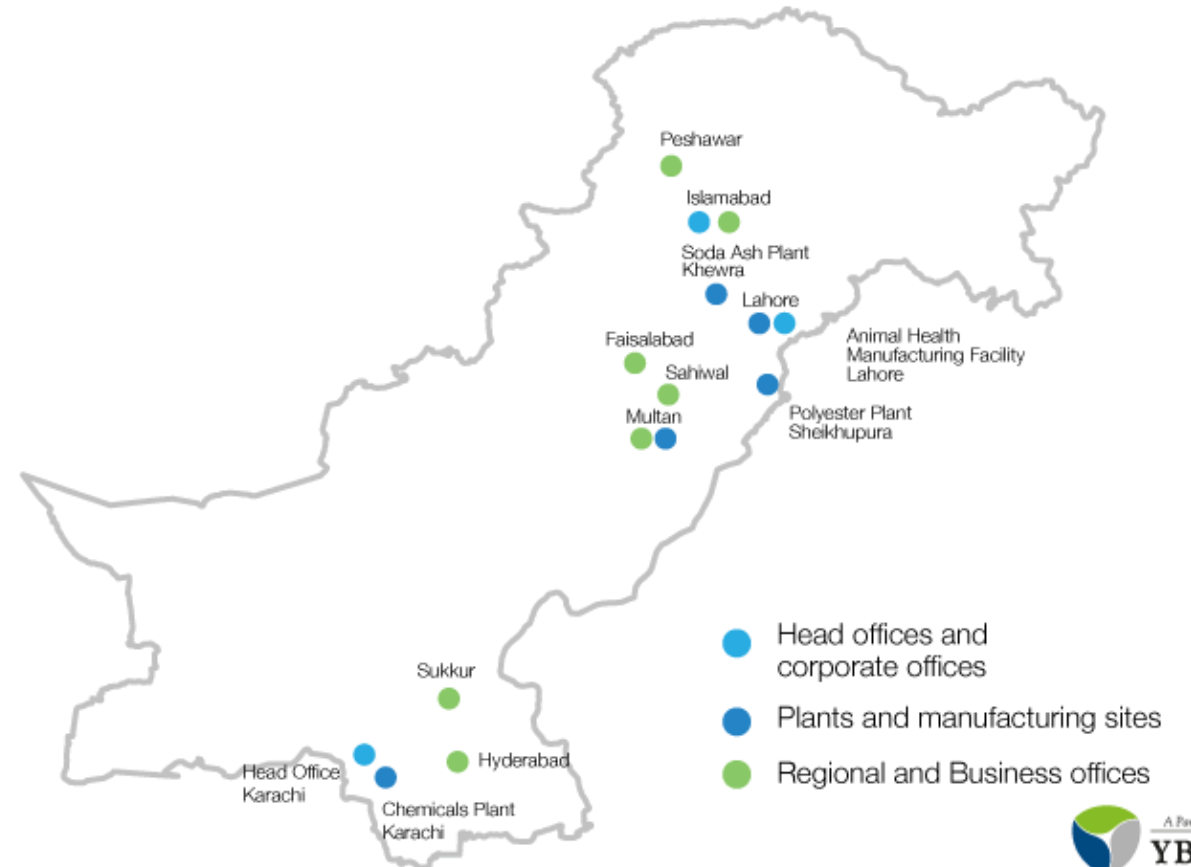
Karachi



# YBG: Unleashing the True Potential of ICI Pakistan Limited

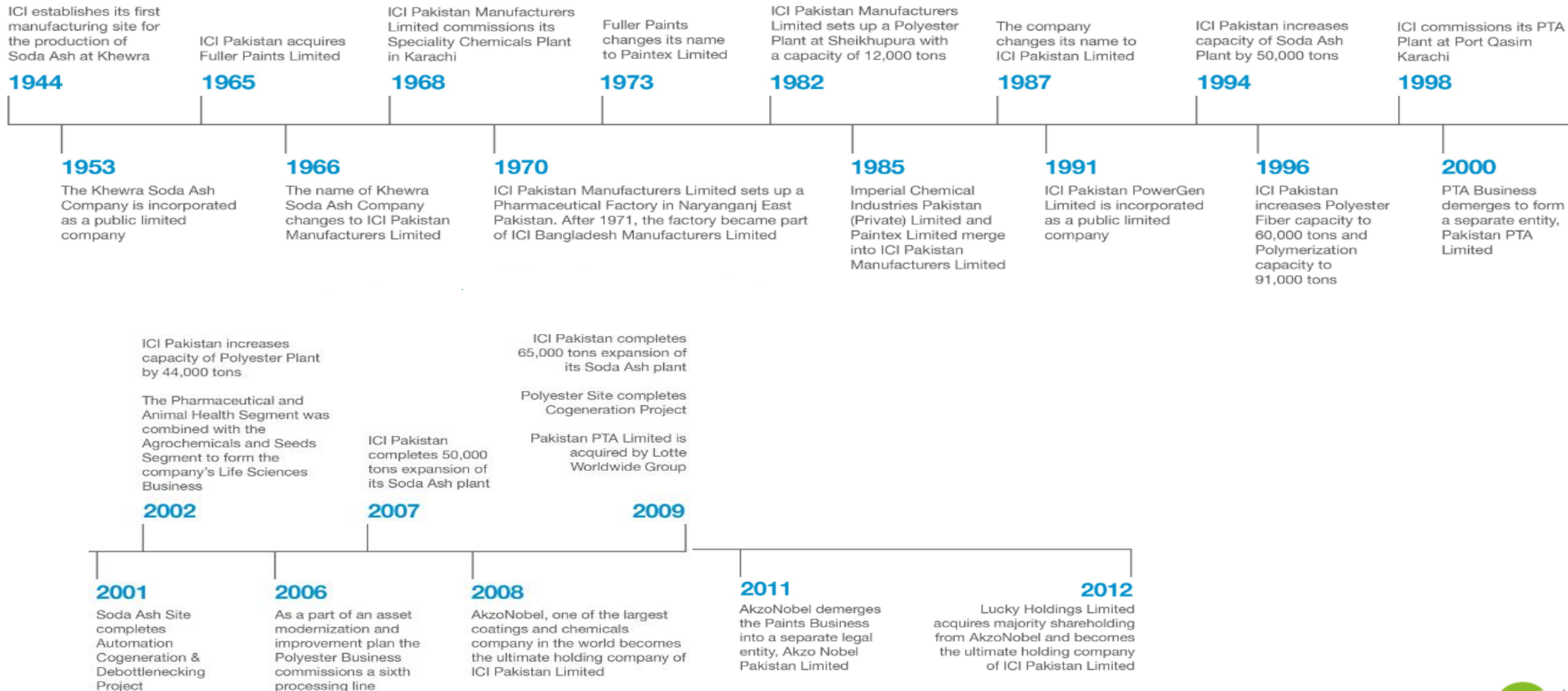
- ❑ ICI has over 70 years of presence in Pakistan and predates to the formation of the Country. This year, ICI Pakistan Limited is celebrating 75th year of its existence.
- ❑ Formerly part of British industrial giant ICI PLC UK which was acquired by Akzo Nobel N.V in 2008, a Fortune 500 Company.
- ❑ In 2012, YBG made a major breakthrough of acquiring a majority shareholding in ICI Pakistan limited and since then, has continued to build the company's legacy.
- ❑ One of the best performing companies in Pakistan with true potential to further leverage its corporate brand equity, through organic and inorganic growth.
- ❑ The market capitalization of ICI crossed US \$1bn on 2017. The market value per share as at 30th June, 2019, was Rs 532.

## ICI's presence in Pakistan





# The History of ICI Pakistan Ltd.





# Yunus Brothers Group

- ❖ Founded in 1962, YBG is a prominent industrial conglomerate in Pakistan with aggressive domestic and international investments
- ❖ More than USD 3.0bn worth of assets
- ❖ YBG has a strong financial and performance track record
- ❖ Committed to social and community welfare projects
- ❖ Employs a workforce of more than 28,000 people



### Industries YBG Serves

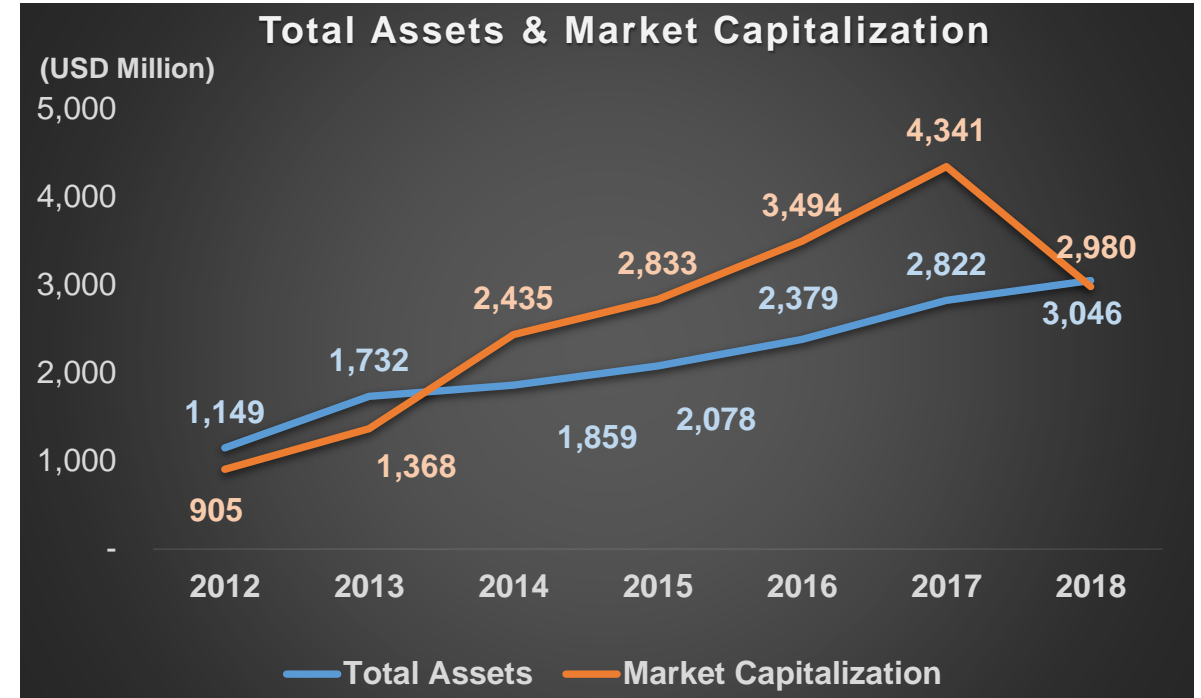
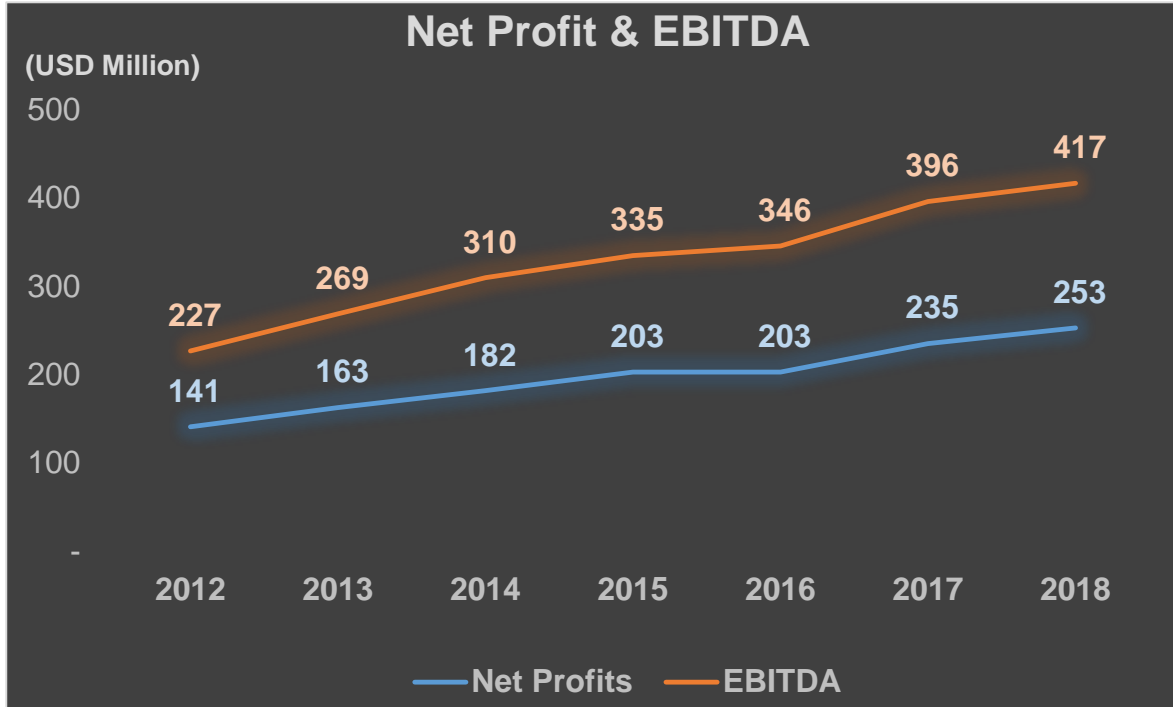
- Textiles
- Construction
- Chemicals
- Energy
- Real Estate
- Power
- Consumer Goods
- Commodities

## Business Overview

Textiles	Cement	ICI Pakistan	Overseas Projects	New Projects
<ul style="list-style-type: none"> <li>• Largest Textile company in Pakistan</li> <li>• Comprises of fully integrated units</li> <li>• Cumulative turnover of US\$ 679m</li> </ul>	<ul style="list-style-type: none"> <li>• Lucky Cement: 2<sup>nd</sup> largest producer in Pakistan with 9.35m tons of capacity</li> <li>• Investment in a 2.6m tons brownfield project in KPK</li> <li>• Turnover of US\$ 432m</li> <li>• Market share of 17%</li> </ul>	<ul style="list-style-type: none"> <li>• Acquired in 2012</li> <li>• Comprises of 4 main businesses : Soda Ash, Polyester, Life Sciences, and Chemicals</li> <li>• Morinaga Infant Formula Marketing and Distribution through JV Company NutriCo Pakistan.</li> <li>• Turnover of US\$ 371m</li> </ul>	<ul style="list-style-type: none"> <li>• Cement plant in DRC – US\$ 256m</li> <li>• Grinding Unit in Basra – US\$ 55m</li> <li>• Greenfield 1.2mt Clinker plant at Samawah, Iraq – US\$ 105m</li> <li>• Distribution in USA</li> <li>• Textiles in Europe</li> </ul>	<ul style="list-style-type: none"> <li>• Real Estate Development – US\$ 200m</li> <li>• 660 MW coal power plant - US\$ 885m.</li> <li>• JV with KIA Motors for automobile assembly plant – US\$ 150m</li> <li>• 100 MW solar power plant</li> </ul>

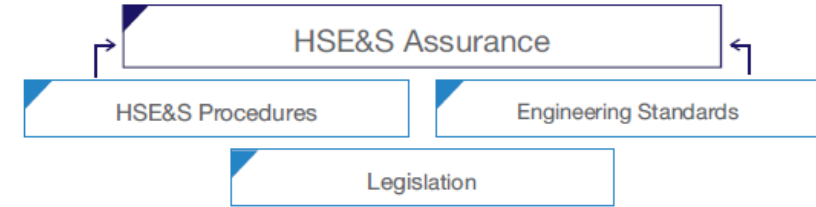


# YBG – Robust Financial Performance from 2012 to 2018





# Commitment to HSE&S: Cornerstone to our Operations



Process	Structure
Learning Events/ Incident Reporting	Site/Location HSE&S Committee
Competence	Specialist HSE&S Forum
Procedural Compliance	Executive HSE&S Management Team
Management of Change	Site Communications Sessions
HSE&S Communications	Training Programme for All Staff Levels
Auditing	Management Audit, Specialist Audit, Operational Audit

**+24**

**million man hours without  
injury  
(+19 million by Soda Ash  
Business)**



# ICI - Integrated part of Economic Fabric

ICI PAKISTAN LTD.

- Diversified business & product portfolio catering the needs of every industry in the country
- Strong reputation for excellent quality & customer service

Soda Ash

Polyester

Life Sciences

Chemicals

Infant Nutrition

Industries we serve

Textiles
Paints
Appliances
Construction
Automobile
Footwear
Oil/Petroleum/Lube/Grease
Food & Beverage
Personal Care
Metal Cleaning/Engineering
Pharmaceuticals
Cement/Mining
Chemical Processing/Resins
Plastics/Rubber/Tanneries
Agrochemicals/Seeds
Coatings/Inks
Detergents and Laundry Soaps
Surgical
Fertilizers
Paper/Ceramics/Glass



NutriCo  
BF-3

ماں کو درے مکمل اعتماد



# Our Businesses

ICI PAKISTAN LTD.





# The iconic Soda Ash Business ICI Pakistan Limited remains synonymous with quality and longevity since 1944



**Production capacity**  
of 425,000 tons per annum and operating at almost 100% capacity utilization with **another 75,000 tons per annum to be added by 2021**

**Long history of Technical excellence and reliability**

## Capacity expansion projects since acquisition by YBG

- ✓ 14 KTPA Refined Sodium Bicarbonate ~PKR 0.5bn
- ✓ 75 KTPA Light Ash ~PKR 5.3bn
- ✓ 84 KTPA Dense Ash ~PKR 0.5bn

## Captive Power and Steam Projects since acquisition by YBG

- ✓ Coal Fired Boilers 1&2 ~PKR 2.5bn
- ✓ Coal Fired Boilers 3&4 18 MW ~PKR 3.6bn

**Ideal location in terms of access to major raw materials – both salt and limestone**

**Close proximity to customer protects from import risk - located in Punjab (70% of domestic consumption)**

**Export competitiveness**  
due to our proximity to North Indian market

**Diverse applications**  
including silicate, glass, detergent, paper, textiles, chemicals, and food grade sodium bicarbonate

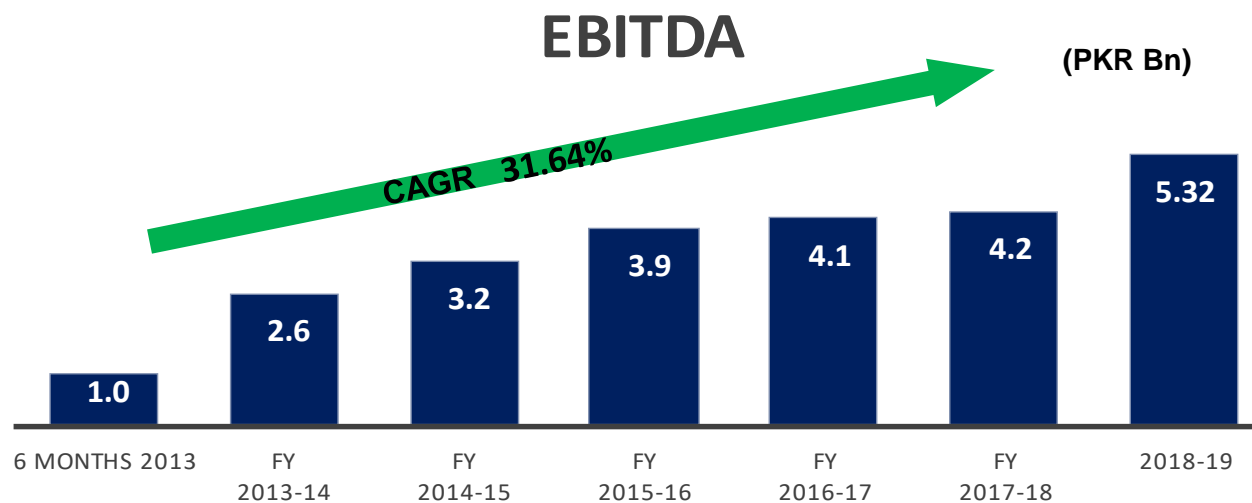
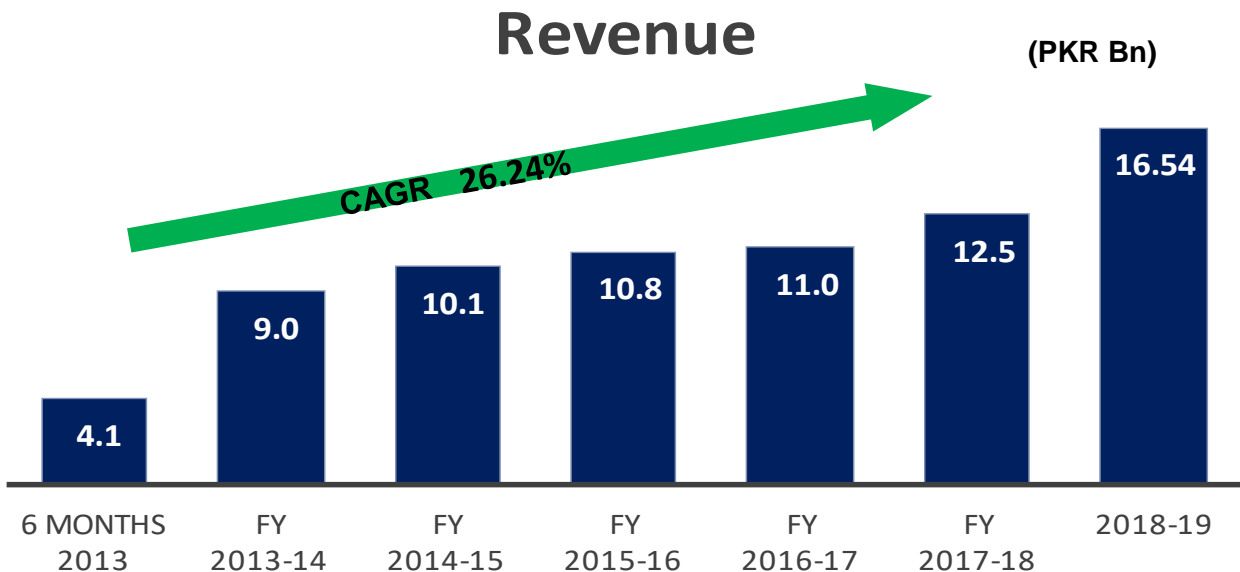
# Diverse Usage Across Multiple End-Use Segments



**The Soda Ash Industry is expected to continue its strong growth as Downstream industries grow**



# Soda Ash Business Performance





# Polyester Business

**ICI PAKISTAN LTD.**





# TERYLENE

POLYESTER FIBRE



Pioneer In Polyester Manufacturing In Pakistan

Second Largest Domestic Player

Strong Safety & Environment Record

Production capacity 135,400 tons per annum and operating at full capacity utilization

Captive Power Generation

Strong Technology Partner (Invista – a global leader in the sector)

Excellent Reputation For Customer Relationships, Product Quality And Technical Services

Strong Management Capability With Self Sufficiency In Plant Know-how

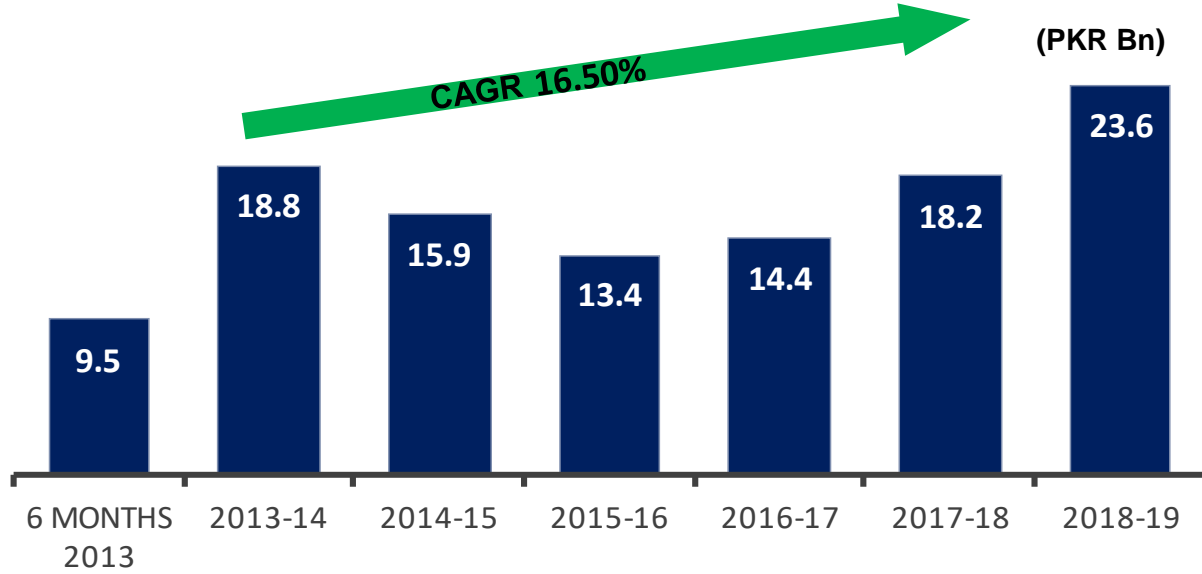
ICI Pakistan Limited introduced Polyester Fibre to the country in 1982 enabling the cotton rich textile industry to diversify its products and be more competitive in the international arena



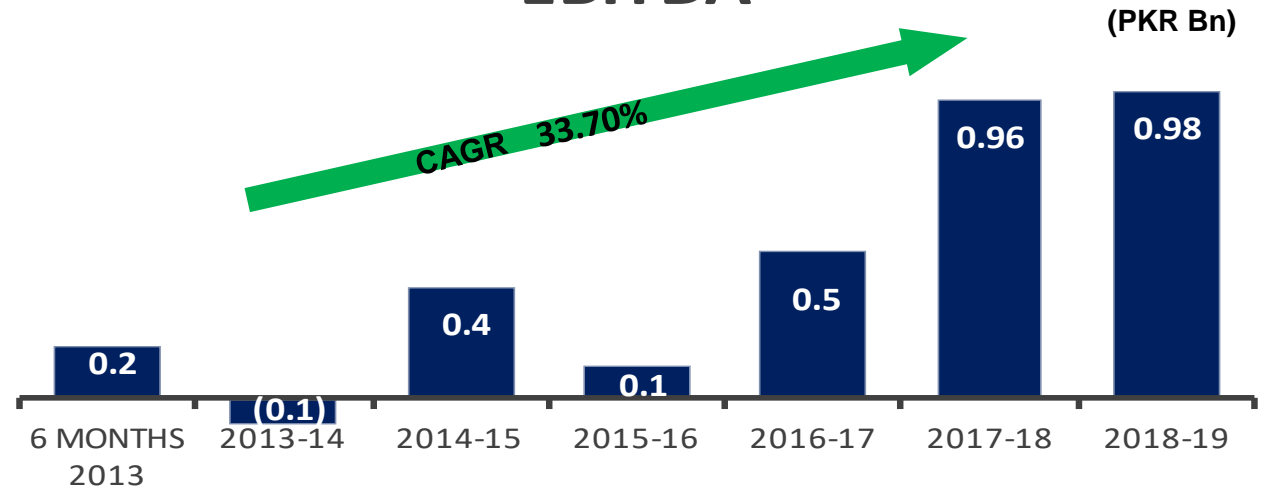
# Polyester Business Results

ICI PAKISTAN LTD.

## Revenue



## EBITDA



Note: Polyester includes PowerGen profit as well



# ***Life Sciences Business***



***Pharmaceuticals***



***Animal Health***





ICI PAKISTAN LTD.

Pharmaceuticals

TRANSFORMING  
TO IMPROVE LIVES

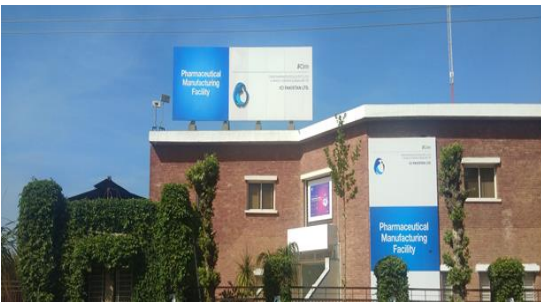




# Manufacturing Footprint

**3 Manufacturing Sites**  
1 Nutraceuticals Unit  
2 Pharmaceuticals Units

Producing  
**69,000,000**  
Units Annually



## Certifications:

Hattar Plant	HB Plant	Nutra plant
GMP Certified issued by DRAP Expiry: 06/05/2021	GMP Certified issued by DRAP Expiry: 26/02/2020	ISO Certified 9001:2015 One year validity
ISO Certified 9001:2015 One year validity	ISO Certified 9001:2015 One year validity	

	HB	Nutra	Hattar	Total
Products	9	11	52	72
Number Of SKU's	35	21	153	209



# We have the capability to manufacture multiple dosage forms at our facilities

## HATTAR PLANT

### Powder for Injection:

- Cephalosporins
- Carbapenems
- Penicillins
- Steroids

### Liquid Injectables:

Both Aseptic and terminally sterile products

### Orals:

- General Tablets
- General Capsules
- Oral Cephalosporin (Capsules and Dry Syps)
- Oral Penicillins( Capsules/ Dry Syrups/ Tablets)
- Sachet Area.
- Psychotropic Products(Tablets)

## HAWKESBAY PLANT

Solids (Tablet)



Liquid

## NUTRA PLANT



Tablet



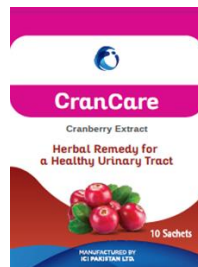
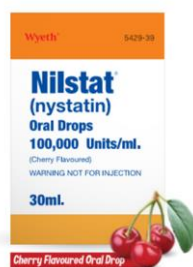
Sachet



Syrup



Soft Gel





**Our regulatory function is equipped to meet the registration and licensing needs of the Pharmaceuticals business**

**450 Registrations  
24 Enlistments**

**2 DMLs & 1 Enlist**

Hawkesbay and Hattar  
Plants

Nutra Plant

Validity of DML is 5 Years for Pharma Plants

**ICI Validity Status:**

- **Hattar Plant:** DML Valid till Sep 2020
- **Hawkesbay Plant:** DML Valid till Mar 2020

*\*Renewal process is initiated 3 months prior*

- **Nutra Plant Enlist:** No validity prescribed in DRAP Regulations.



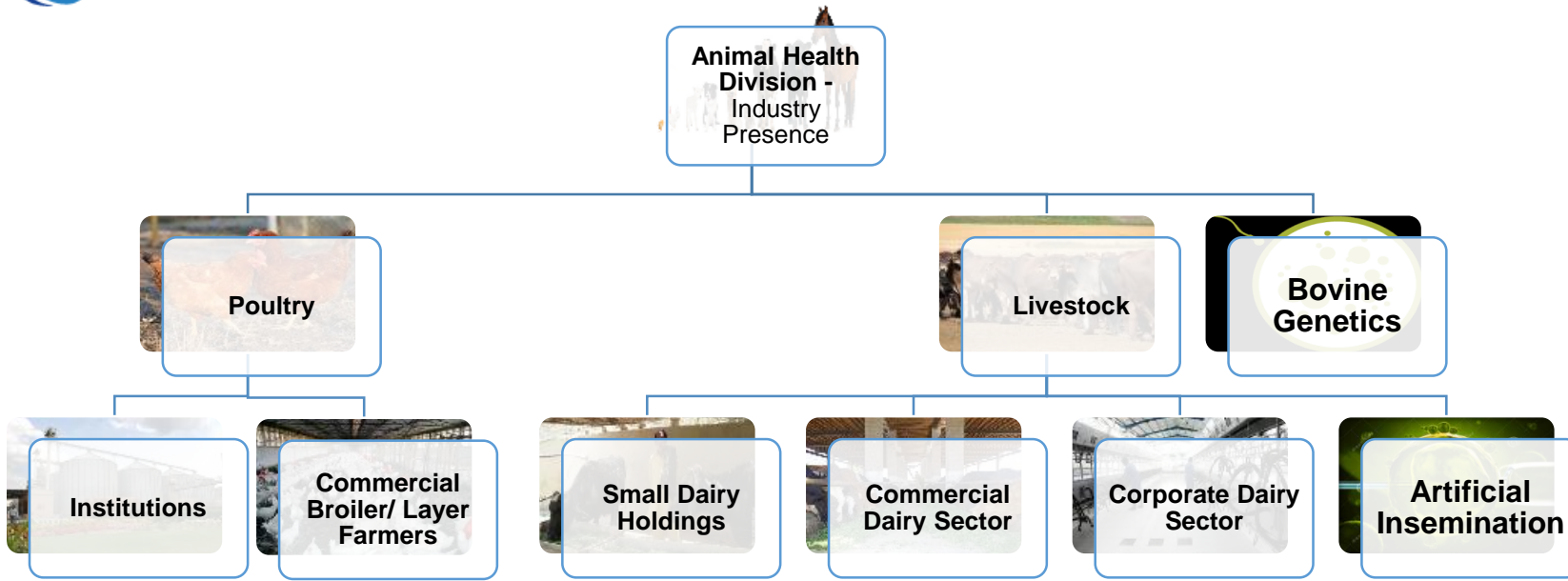
# Animal Health Business





# Animal Health Business Footprint

ICI PAKISTAN LTD.



**3** Manufacturing Operations

**1,670,000** Units

**15,000** MT Silage

**990,000** Bags Vanda Annually



Vet-Manufacturing Unit    Feed Mill    Silage Sites

**15,000** Farmers

Every Month **6,000** Vet Professionals

**500** Breeder, Feed Millers

**543** Distributed Nationwide

1 National Distributor (UDL)  
237 Vanda Dealers  
305 Medicine Dealers & Poultry Customers



PKR **17mn**

Revenue per Rep



**>235**

Passionate people!

## Manufacturing Expertise



Silage



Vanda



De-wormers



A Part of YBG



# Grow by leveraging our Core Competencies

## Brand Equity



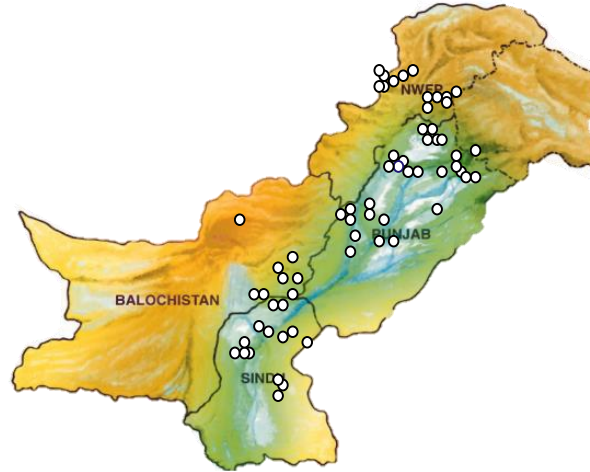
**ICI PAKISTAN LTD.**

- Top-of-mind recall
- one-stop solution provider



Our Brand umbrella for Branded Generics

## Optimum market access



- 15,000 farmers reached monthly
- 6,000 vet. professionals reached monthly
- 500 Breeder, Feed Millers
- Extensive retail outreach through distributor (2,500+ retail customers reached per month)

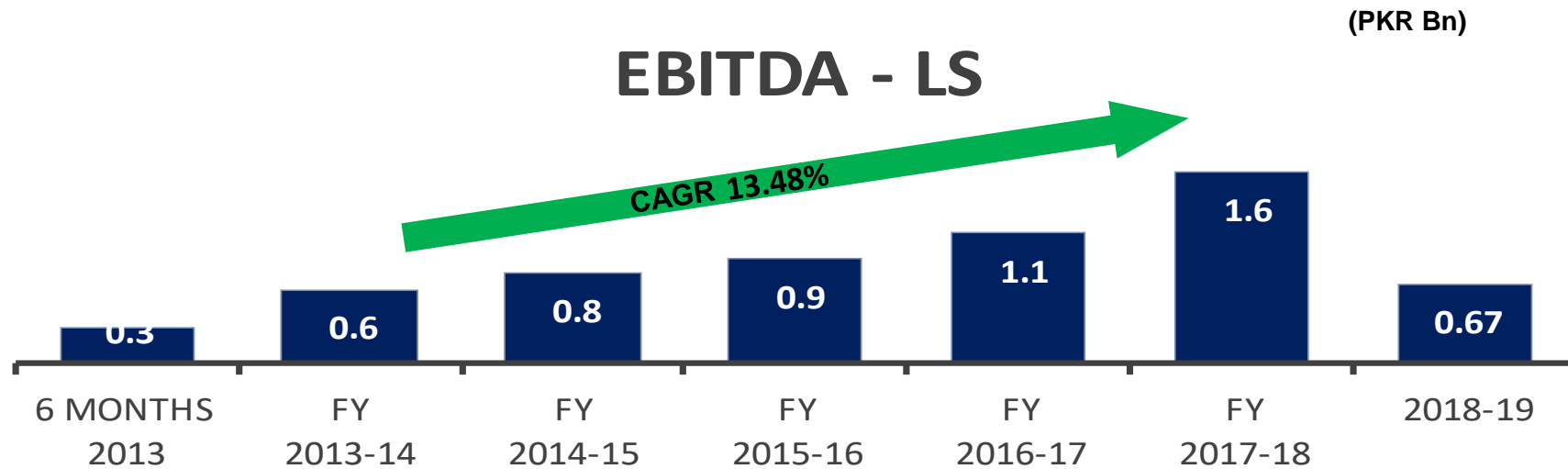
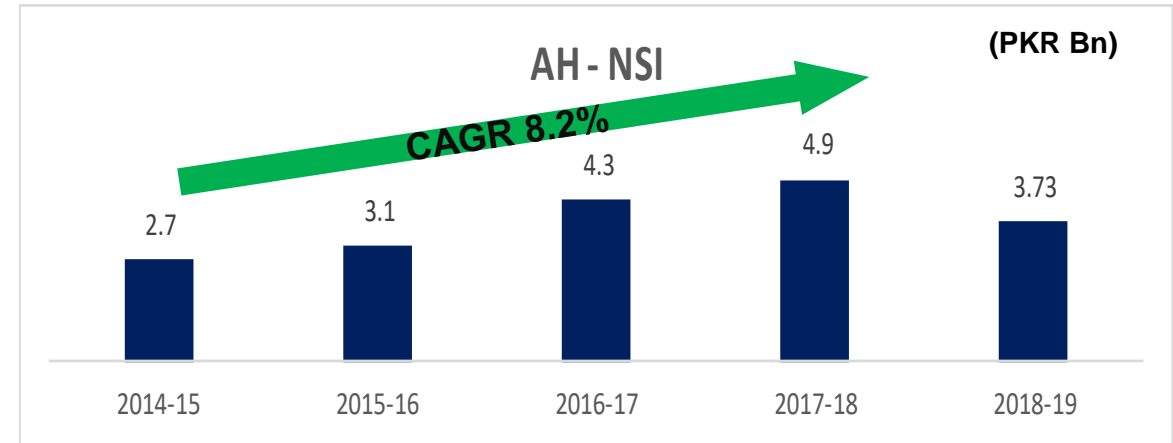
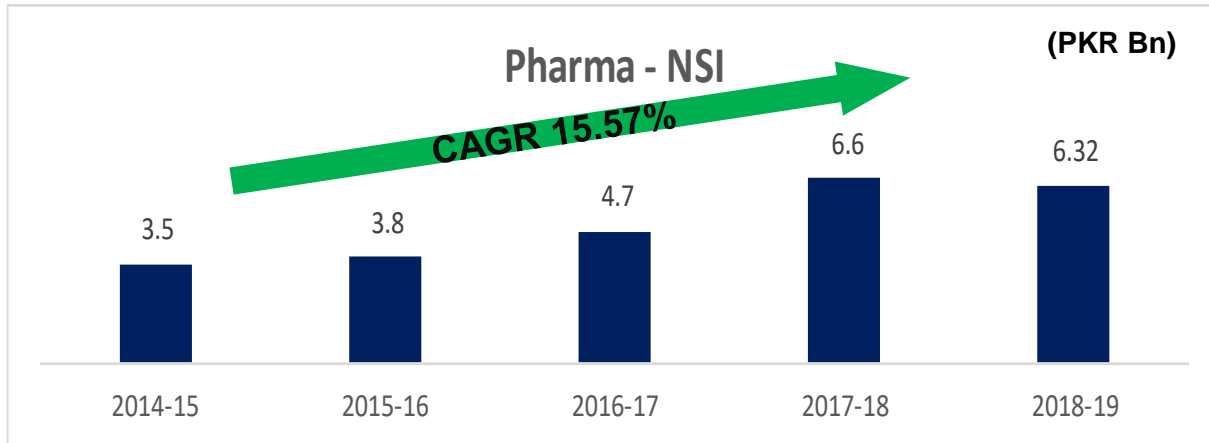
## Technical Excellence and Quality



- Highly trained and technically proficient salesforce
- Frequently host educational seminars for veterinary professionals and industry KOLs



# Life Sciences Business Results



\*EBITDA excluding Cirin

# Chemicals & Agri Sciences Business

Polyurethane



Masterbatch



Textile



Industrial



Crops



Consumer



Seeds



Agro Chem

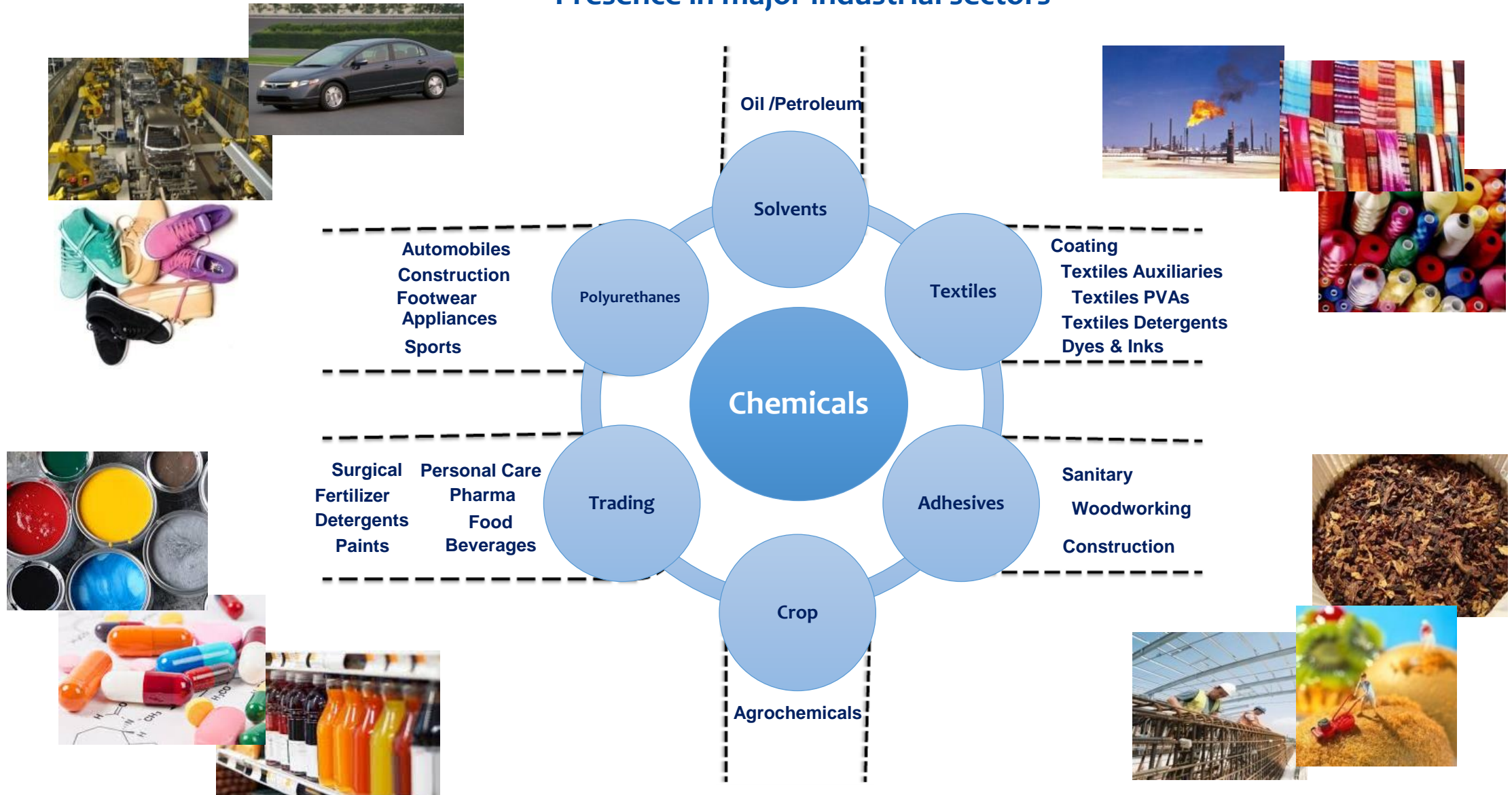






# Chemicals Business

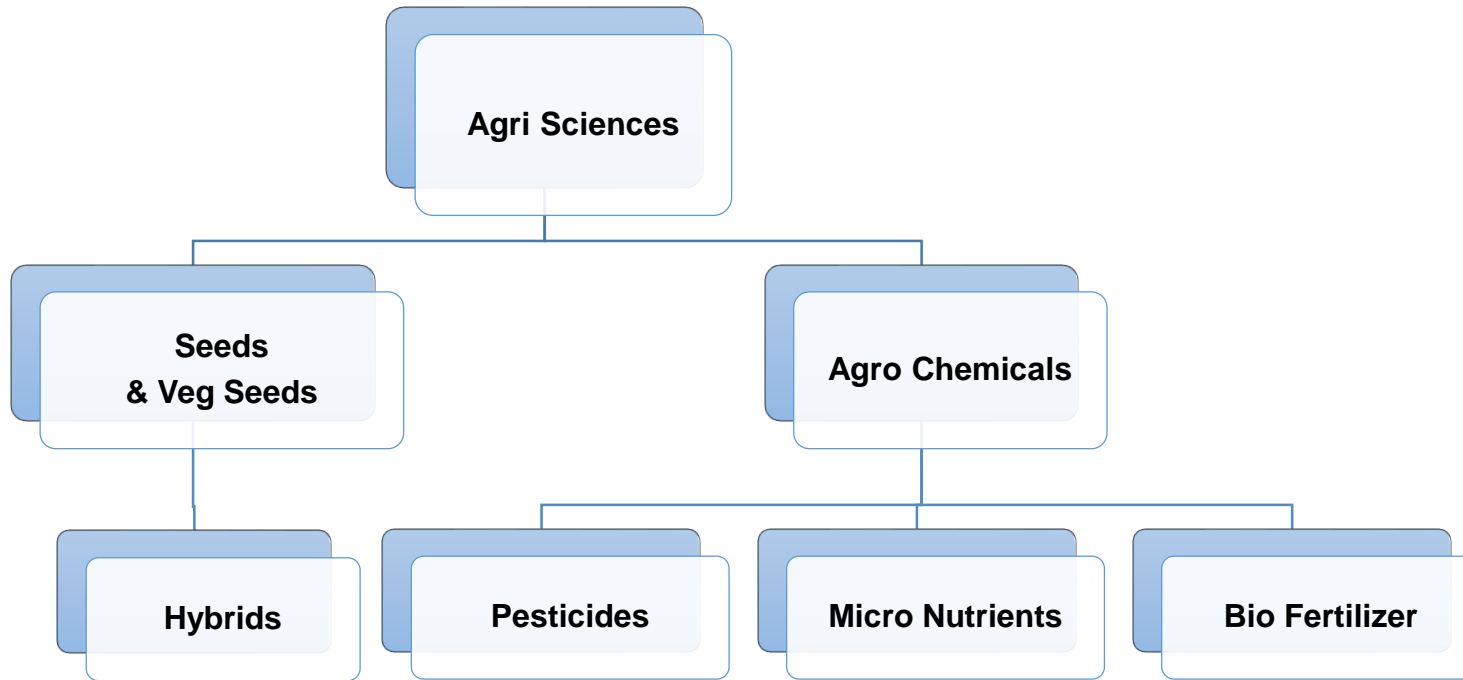
## Presence in major industrial sectors





# Agri Sciences

- Established brand and quality products with premium farm services
- Representing global seed companies, introducing premium products in Pakistan
- Owned seed processing & research facility at Multan
- Strong presence in sunflower, cotton, corn and wheat market



# Masterbatches



Brand “Shades” launched with a promise statement  
**“Bringing substance to life”**

Launched all product variants comprising of:

- **Standard Colours**
- **Specialized Colours**
- **Additives** – Antislip, Antistatic, UV Stabiliser etc.



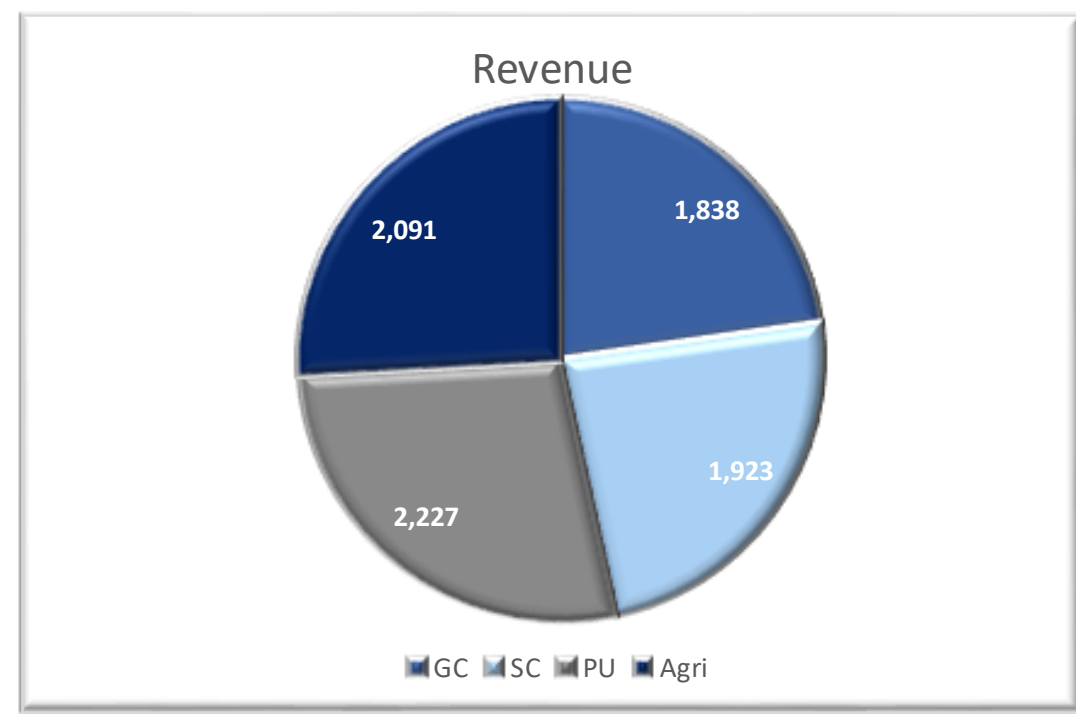
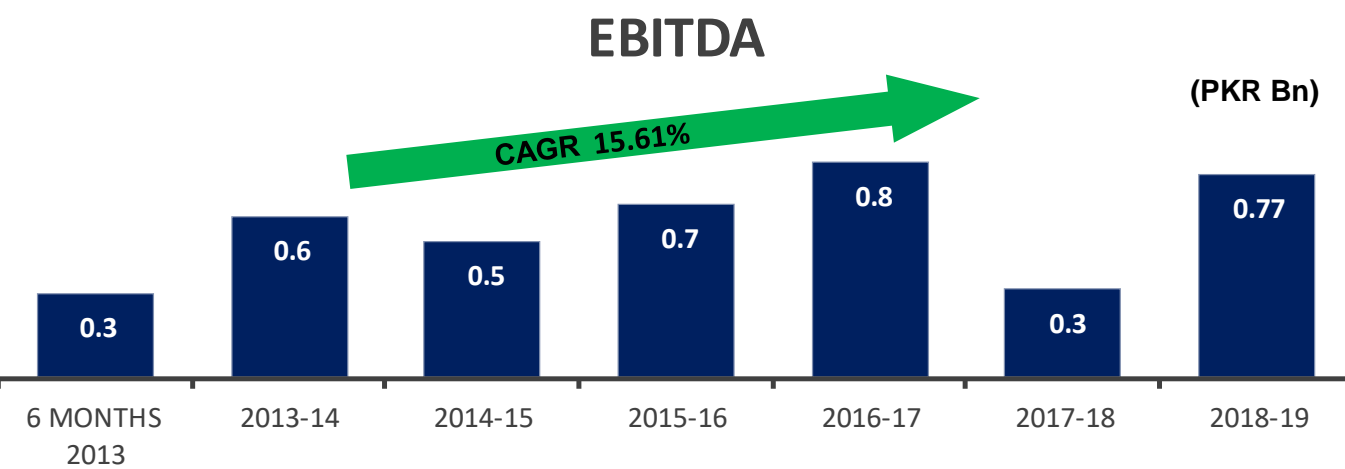
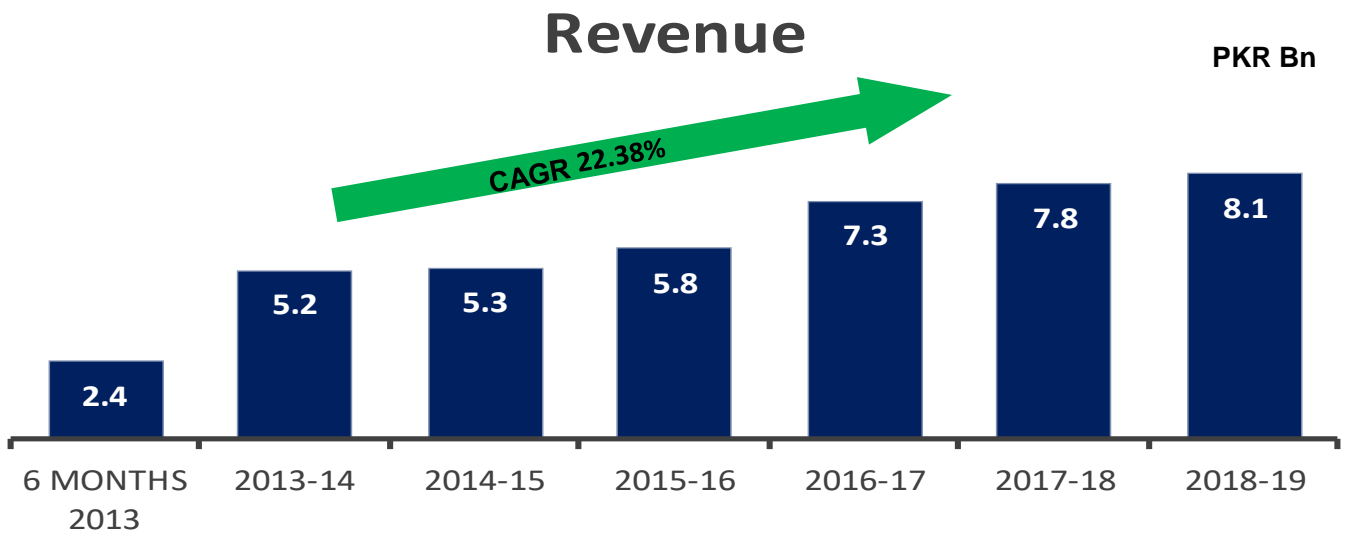
Construction of Masterbatches Facility Completed.  
Commercial Operations Launched in **May 2019**



Received **positive initial response** across all major application segments



# Chemicals & Agri Sciences Business Results





# Infant Milk Nutrition

## Trading

### **NutriCo Pakistan Pvt. Ltd.**

- *NutriCo manages the import, marketing and distribution of nutrition products of Morinaga Milk Industry Co., Ltd. in Pakistan*
- *We have a strong focus on increasing our market share and exploring growth opportunities*

	2018-19 PKR Mn (FY)	2017-18 PKR Mn (FY)
Investment	960	960
Share of Profit from Assoc.	526	586

## Manufacturing

**Morinaga  
Manufacturing  
Facility ~PKR  
4.8 Bn**

*ICI Pakistan Limited 51%  
Holding*

*Morinaga Japan*

*Unibrands Private  
Limited*





# NutriCo Morinaga Project

**NutriCo Morinaga is a project of setting up a plant to manufacture infant milk formula products**

Plant capacity is expected to be 12,000 tons per annum. Currently, shipments of plant and machinery have been arrived and the plant is installed. Trial runs of project have been started with the start of FY 2019-20.



## NutriCo Morinaga Pvt. Limited

**Morinaga Manufacturing Facility**  
~PKR 4.8 Bn

ICI Pakistan Ltd.

51% Holding

Morinaga Japan

Unibrands Pvt Ltd.





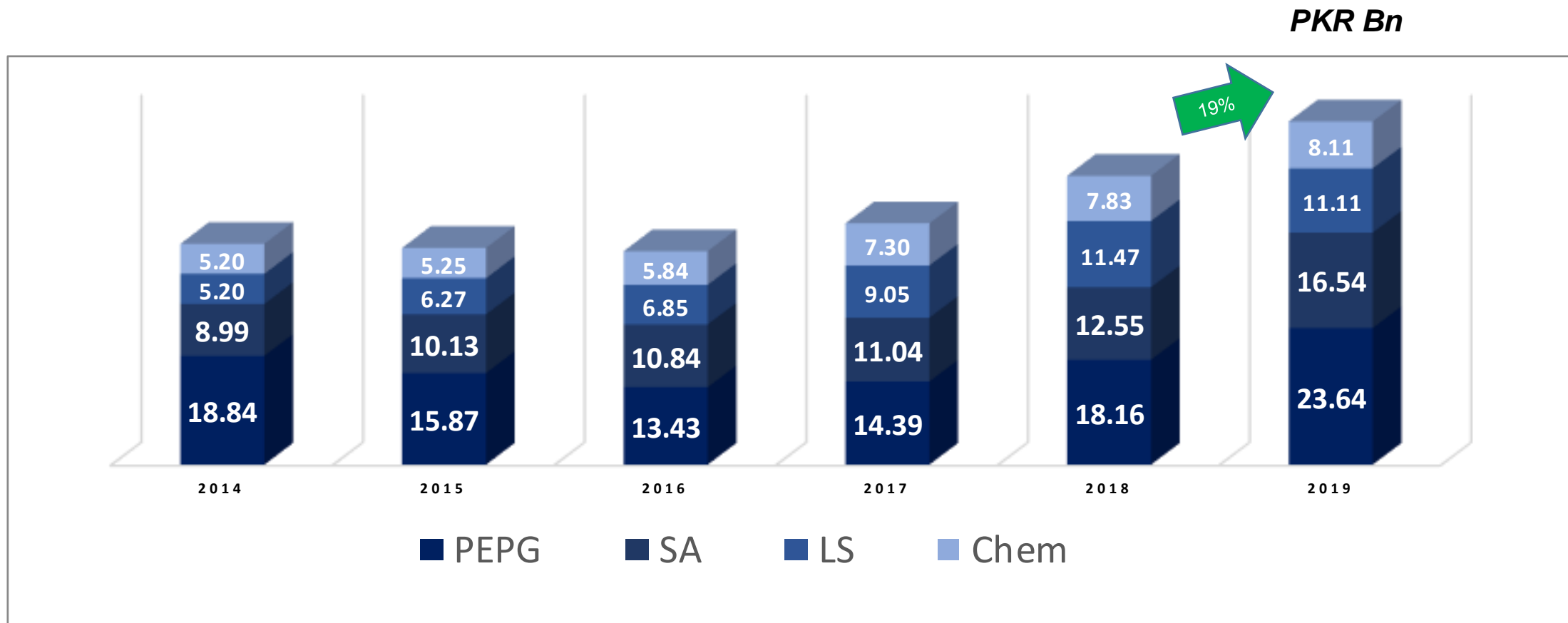
# Financial Results

**ICI PAKISTAN LTD.**



# Top Line Performance

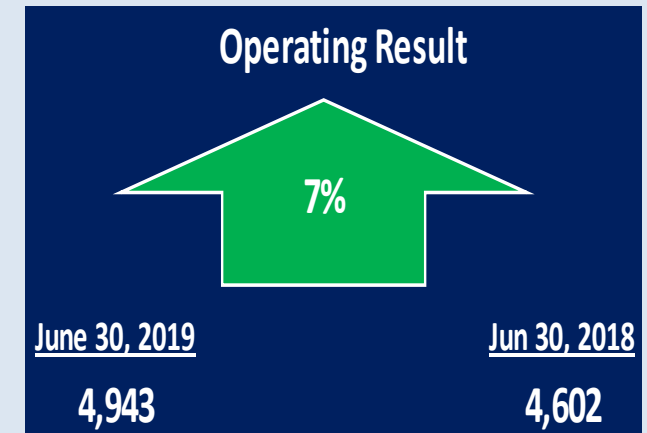
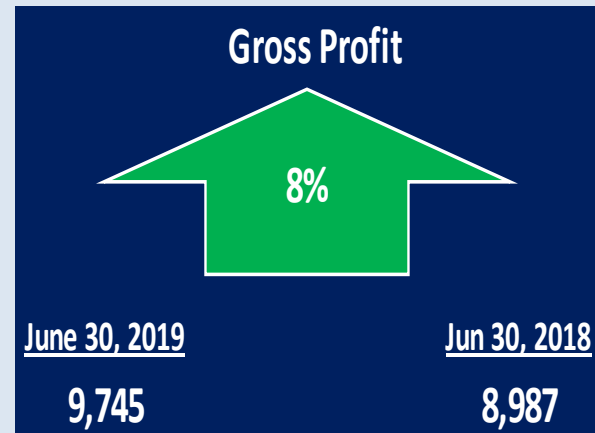
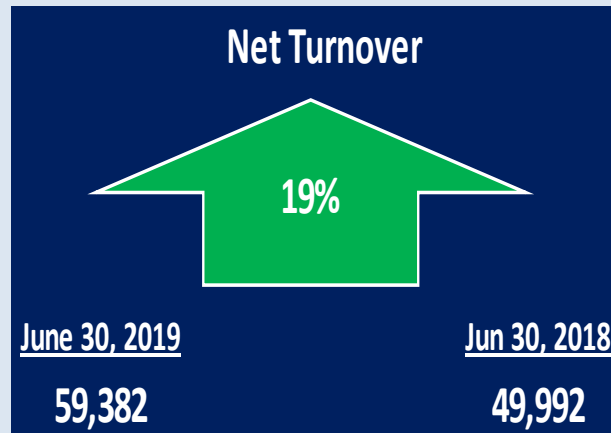
## Net Revenue







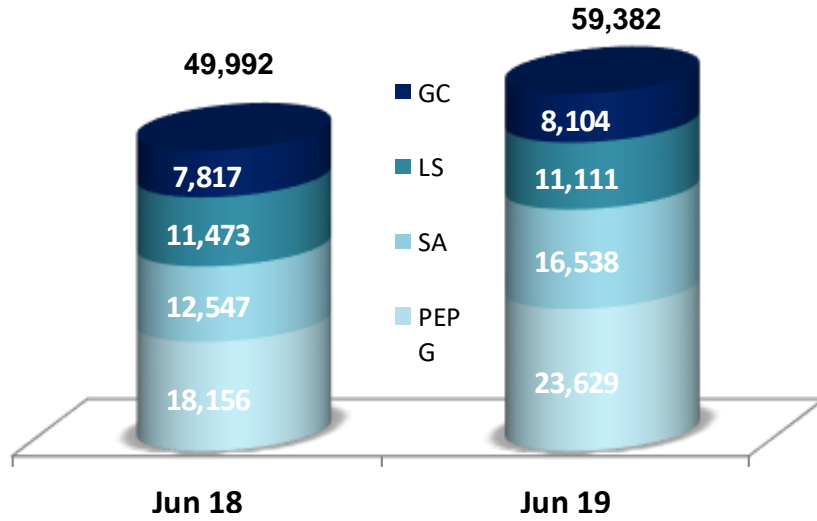
## Key Highlights – For the Year Ended June 30, 2019 (Consolidated)



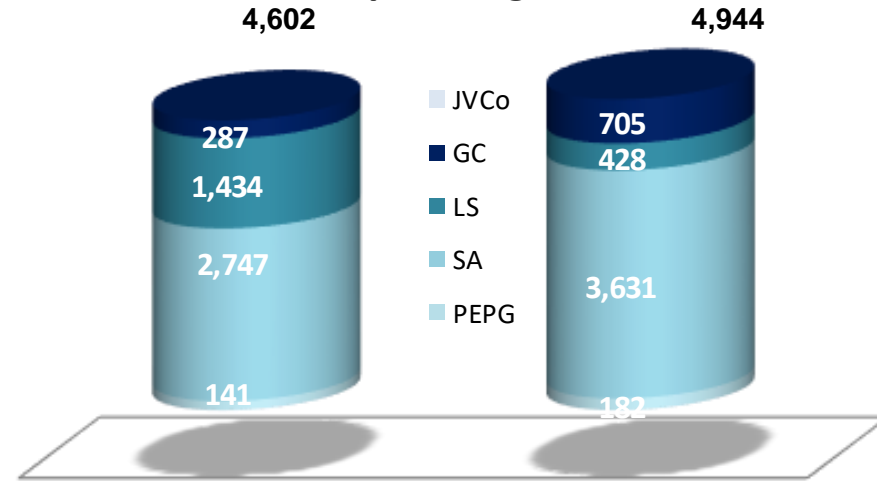


# Consolidated - Comparison Vs. Last Year

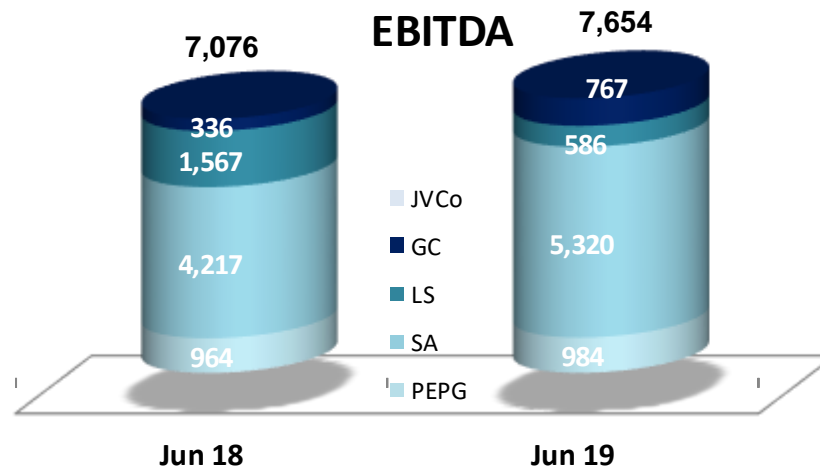
## Net Turnover



## Operating Result

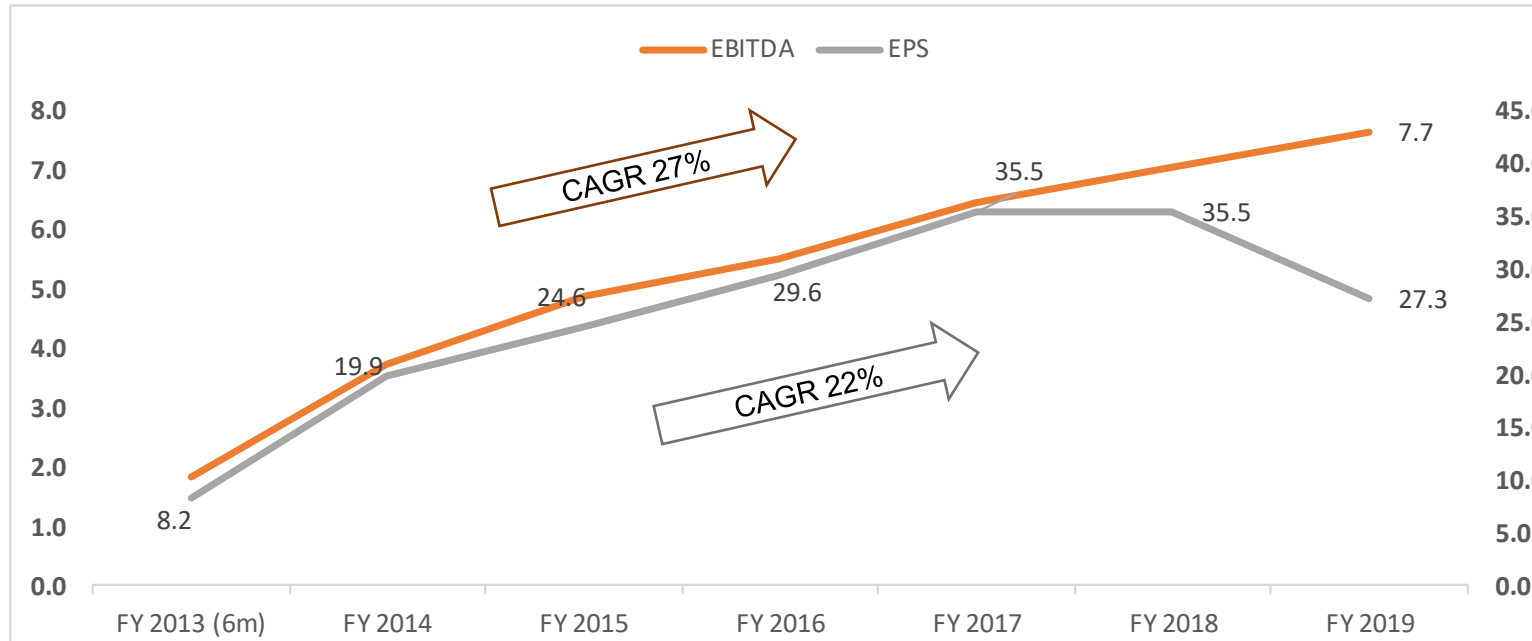


## EBITDA



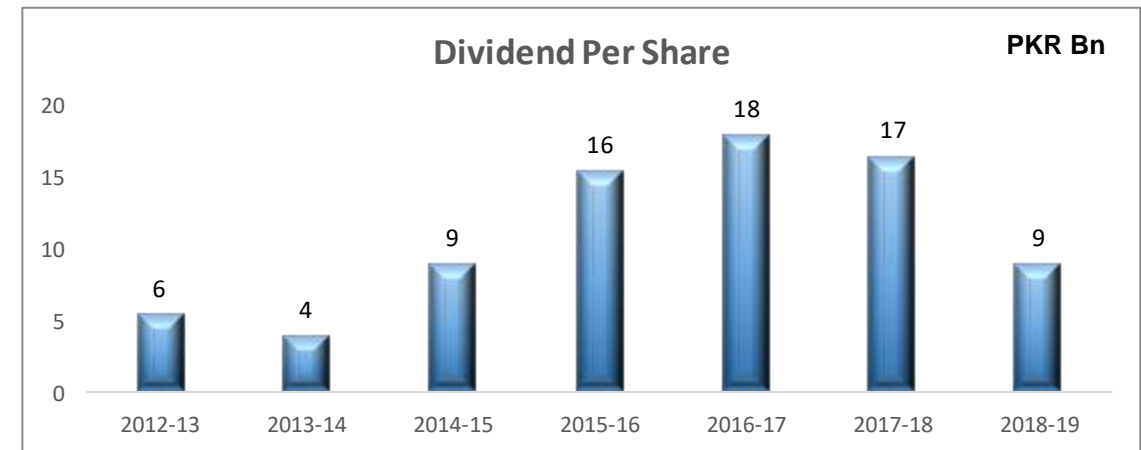
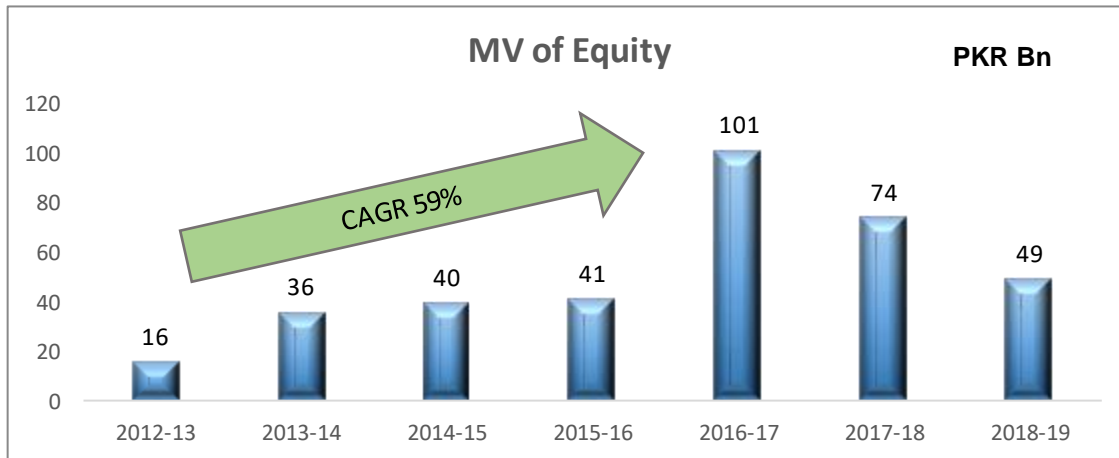


# Financial Performance



P&L

EBITDA PKR Bn  
EPS PKR



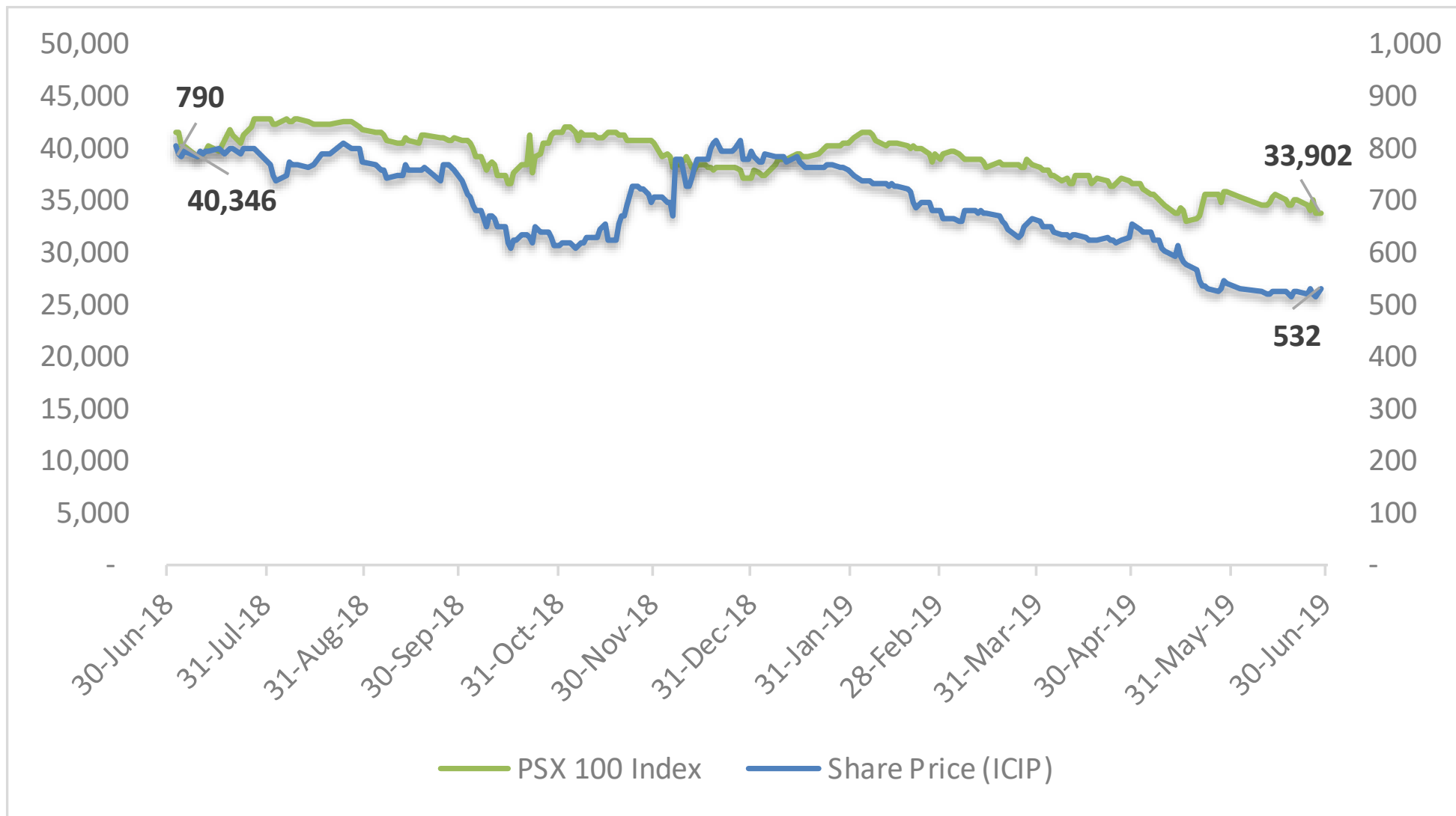
CAGR is calculated till FY 2016-17 for MV of equity.

\*CAGR is updated for the year ended June 2019 results.





# ICI Share Price

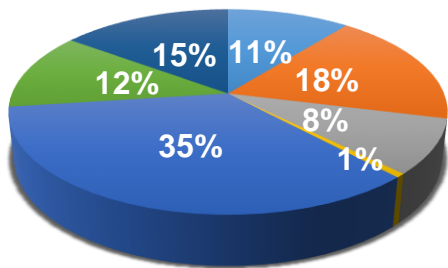


# HR Fact File

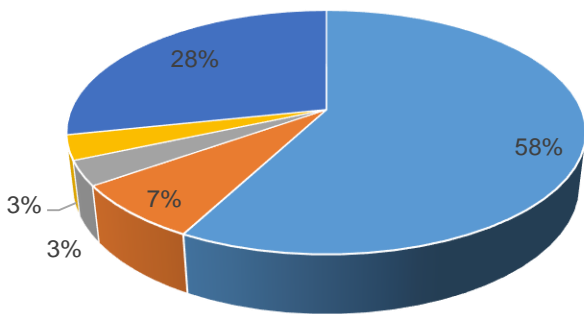
 **>1489**

Passionate people!

- Animal Health
- Chemicals
- Head Office
- Morinaga
- Pharma
- Polyester
- Soda Ash



- Commercial
- Finance/IT
- HR/CCPA
- Others
- Technical



**6.57 yrs** Average employee tenure

**USD 210,782** Revenue per employee

**25%** Women in Executive team

**6.2%** Women in Workforce



**61** Total trainees Company-wide to fuel leadership pipeline

- Animal Health
- Chemicals
- Head Office
- Pharma
- Polyester
- Soda Ash



ICI PAKISTAN LTD.



**7300** Candidates applied

**23** Graduate Recruits Hired



**81** Active Mentors

**13%** Talent Movement Index



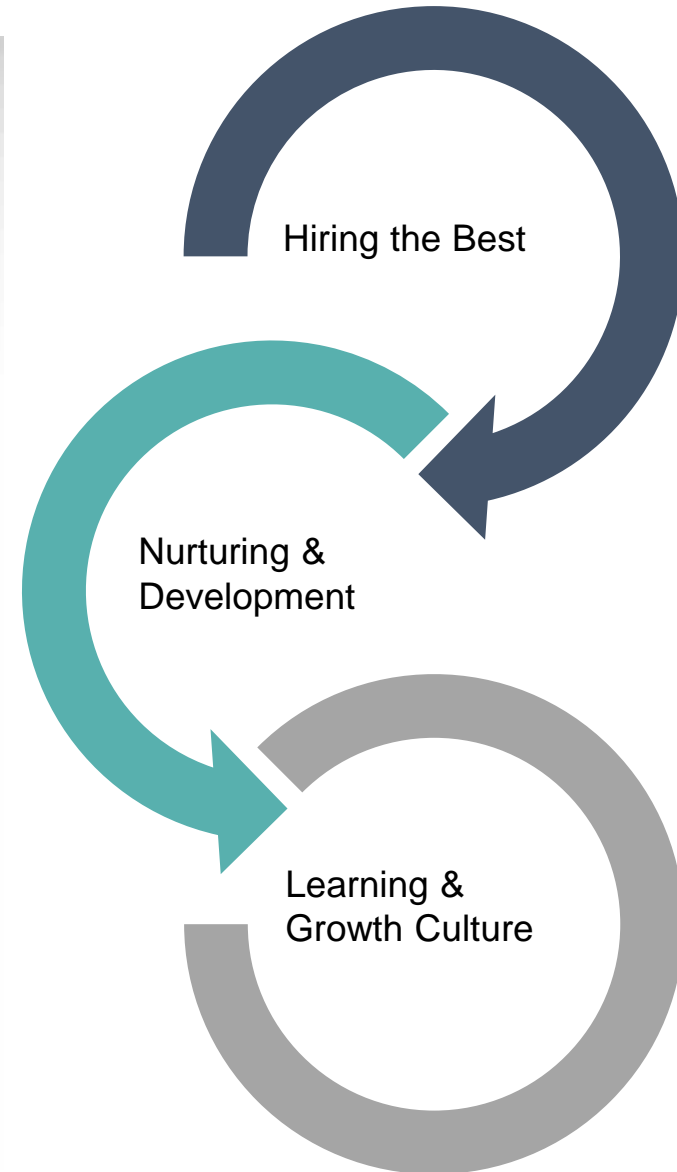
**13,917**

Training Man-days invested in learning





- Strong ownership of **Company Values** and deep rooted **Company association**
- Enviably high-performance talent pool with cross **Businesses & Functional exposure**
- Learning culture built on **capability enhancement opportunities**
- Cutting edge **strategically aligned HR systems, processes & practices**
- An Employer of Choice**





# CSR - Our Approach



**18**  
ongoing projects



**> 250k**  
Beneficiaries  
every year



**30** million  
annual  
funding

*“We believe that through direct and indirect social contributions to the communities that we operate in, we can create real value for people, as well as demonstrate our respect for them”.*



# Key Projects



## Hamqadam Community Clinic

- 7000+ children monitored for immunisation and nutrition
- 1700+ awareness sessions for pregnant women
- 31000+ OPD cases
- 200+ emergency trips by ambulance



## Free monthly eye camps

- 300+ eye camps organized
- 155,000+ OPDs
- 31,000+ refractions
- 18,000+ surgeries



## Clean water supply to Khewra

- 216,000+ litres of free, clean water provided from 22 taps and bowsers
- Donation of 2 gensets with capacity to pump 100,000+ litres of clean water even in case of loadshedding



## Ladies Welfare Centre

- Established 1973
- One-year course in fashion designing and tailoring
- 1300+ graduates
- Exhibition of handicrafts





# Employee Engagement – Pehchan Programme



**Urban Forest – Karachi  
Tree plantation**

**SOS village - Lahore  
14<sup>th</sup> August celebration**

**Tree plantation –  
Shekhupura NutriCo**

**400+** *volunteers*

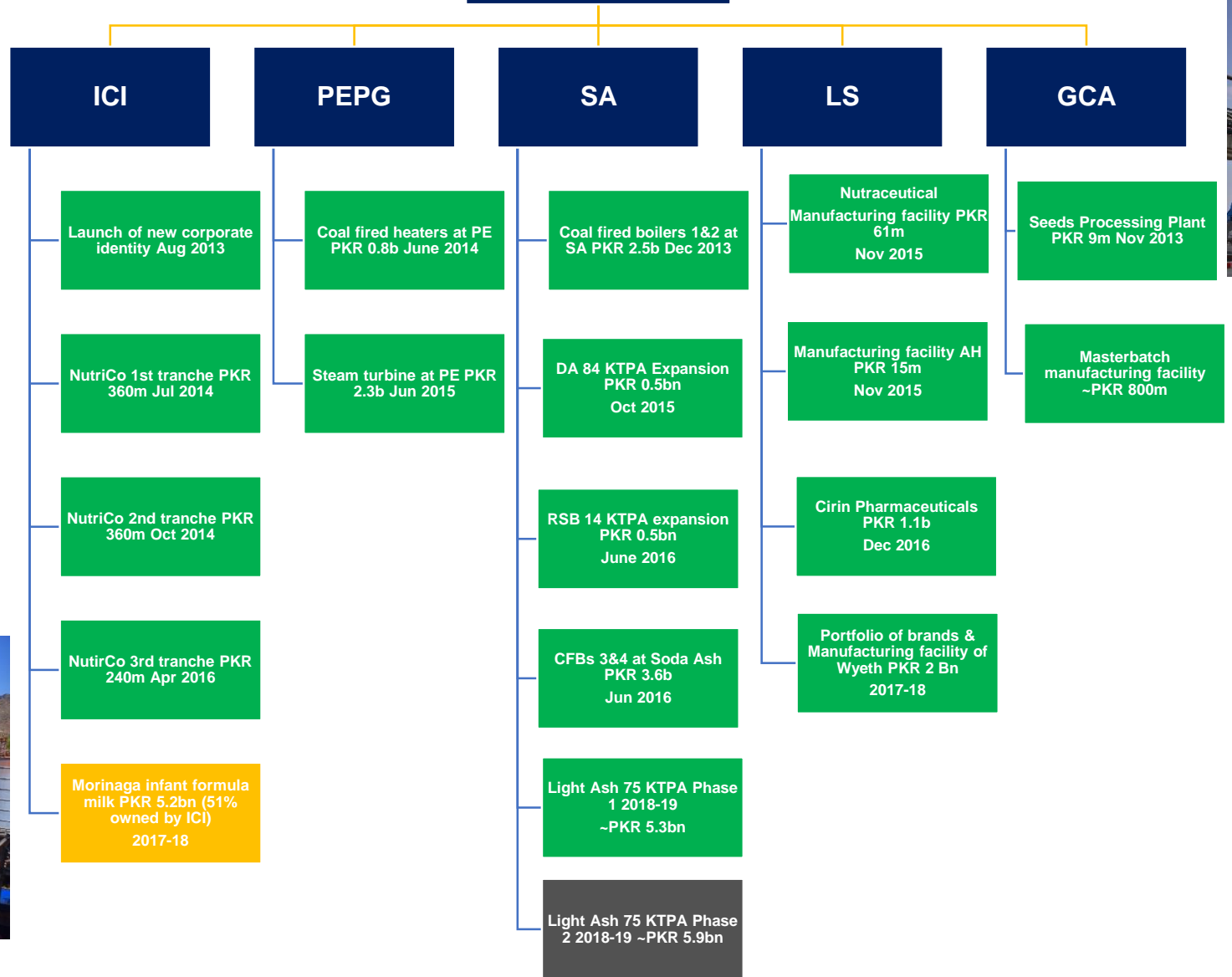
**1150+** *hours*





# Continued Investments...!

Acquisition by YBG  
December 2012



- Completed ~PKR 20.5bn
- Ongoing ~PKR 5.2bn
- Future Plans ~PKR 5.9bn



# Foreign Investment – Expression of Interest

- ICI Pakistan Limited has attracted ***“an expression of interest from a foreign financial institution to inject up to PKR 7 billion as growth capital through a convertible debt instrument”***.
- The Transaction is subject to completion of satisfactory due diligence, agreement of definitive contracts and receipts of all relevant regulatory, board and shareholder and other internal approvals by the investor and the Company.
- This proposal is an acknowledgement of the staggering strength and potential of the Company’s people, sponsor shareholders and businesses, which are backed by a strong focus on corporate governance, sustainability and core values.



# ICI Pakistan – Global & Local Recognition



— 2019 —

GALLUP GREAT  
WORKPLACE

**Gallup Great Workplace  
Award 2018 & 2019**



**ACES AWARDS™**

ASIA CORPORATE EXCELLENCE & SUSTAINABILITY AWARDS

**Asia’s Most Influential  
Companies 2019**



**ICAP-ICMA 2018 awards: Second prize for “Best Sustainability Report” and third prize in the “Best Annual Report” category**

***ICI Pakistan Ltd is the ONLY company from Pakistan to win these Global awards***



# Q&A

ICI PAKISTAN LTD.

