



ICI PAKISTAN LTD.

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News Release

ICI Pakistan Limited annual results 2017-18; 85% Final Cash Dividend announced

The Company continues along its growth trajectory through improved performances and key developments

July 30, 2018

The Board of Directors of ICI Pakistan Limited is pleased to announce the Company's annual financial results for the year ended June 30, 2018.

On a consolidated basis net turnover of PKR 49,992 million for the year under review is 20% above net sales for the year ended June 30, 2017, recorded at PKR 41,771 million. The sales revenue growth is attributable to growth across all Businesses. Net turnover in the Polyester Business grew by 26% on account of increased demand and higher prices across the petrochemical chain. Soda Ash revenues grew by 14% on the back of enhanced sales volumes and higher selling prices. The Life Sciences Business recorded a 27% growth in sales owing to business expansion as a consequence of integration of selected assets of Wyeth Pakistan Limited (Wyeth), Cirin Pharmaceuticals (Private) Limited (Cirin) and improved commercial execution and new partnerships. Net Turnover of ICI Pakistan PowerGen Limited (PowerGen) grew by 22% due to an increase in electricity units sold to the Polyester Business and the rebound of furnace oil prices. Net turnover in the Chemicals & Agri Sciences Business grew by 7% against the same period last year (SPLY) owing to improved performances across the Chemicals Divisions of the Business.

Operating profit for the year at PKR 4,602 million is 10% higher than the SPLY, with improved performances in the Polyester and Life Sciences Businesses, which compensated for the decline in performance in the Agri Sciences Division housed within the Chemicals & Agri Sciences Business. In the Soda Ash Business, the impact of higher selling prices and increased sales volumes was offset by an increase in raw material prices, rupee devaluation, and increased depreciation charges due to capitalisation of the Business's 75,000 tons per annum (TPA) capacity expansion project; resultantly the operating profit remained at par with the SPLY. Profit after tax (PAT) for the year was PKR 3,298 million of which PKR 18 million is attributable to non-controlling interests, which translates into an EPS of PKR 35.51 as compared to EPS of PKR 35.54 for the SPLY. During the year, the Company recognised PKR 586 million as share of profit from NutriCo Pakistan (Private) Limited.

On an unconsolidated basis, PAT for the year ended June 30, 2018 at PKR 3,060 million is 7% lower than the SPLY owing to financing costs on account of higher interest charges, exchange losses following rupee

Safe Harbor Statement

This press release may contain statements, which address such key issues as ICI Pakistan Ltd.'s growth strategy, future financial results, market positions, product development, products in the pipeline, and product approvals. Such statements should be carefully considered, and it should be understood that many factors could cause forecasted and actual results to differ from these statements. These factors include, but are not limited to, price fluctuations, currency fluctuations, developments in raw material and personnel costs, pensions, physical and environmental risks, legal issues, and legislative, fiscal, and other regulatory measures. Stated competitive positions are based on management estimates supported by information provided by specialised external agencies. For a more comprehensive discussion of the risk factors affecting our business please see our latest Annual Report, a copy of which can be found on the Company's corporate website www.ici.com.pk





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devaluation, and lower Dividend Income from Associate as compared to the SPLY. Earnings per share (EPS) at PKR 33.13 is 7% lower, compared to PKR 35.69 for the SPLY.

During the year, a number of key developments contributed to the Company's overall success.

- ICI Pakistan Limited completed the acquisition of selected assets and brands of Wyeth and Pfizer Pakistan Limited, further enhancing the product portfolio and manufacturing capability of the Life Sciences Business.
- The Chemicals & Agri Sciences Business, commenced the construction of the Masterbatch manufacturing facility which is progressing as per plan. The Business also unveiled a state-of-the-art Chemicals Technical Centre, to allow the Company to offer enhanced technical services to its customers.
- Phase 1 of the 150,000 TPA capacity expansion project for the Soda Ash plant was commissioned. As a result of this 75,000 TPA expansion (in Phase 1) the plant's capacity now stands at 425,000 TPA.
- Through its subsidiary NutriCo Morinaga (Private) Limited, the Company, alongside its joint-venture (JV) partners Morinaga Milk Industry Company Limited and Unibrands (Pvt) Ltd., commenced construction in November of the NutriCo Morinaga infant formula manufacturing facility in Shekhupura. This ceremony marks an exciting new chapter in the joint venture partnership between ICI Pakistan Limited, Morinaga Milk Industry Company Limited, and Unibrands (Pvt) Ltd.

Chief Executive, ICI Pakistan Limited, Asif Jooma, shared his view on the completion of these developments and another eventful year: "2017-18 has been a significant year, with developments which enable ICI Pakistan Limited to continue on its growth trajectory. The year also marks the completion of five years since the acquisition of the Company by the Yunus Brothers Group (YBG), during which the Company has delivered on its brand promise of Cultivating Growth."

The Company remains committed to reinforcing its existing portfolio, strengthening relationships with customers and suppliers, and exploring opportunities for organic and inorganic growth.

The Board of Directors has recommended the Final Cash Dividend in respect of the financial year ended June 30, 2018 at the rate of 85% i.e. PKR 8.5/- per share of PKR 10/- each. This is in addition to the 80% Interim Cash Dividend (i.e. PKR 8/- per share) already paid, as recommended by the Board of Directors. The mentioned entitlement, if approved by the shareholders will be paid to those shareholders whose names will appear in the Register of Members on Tuesday, September 18, 2018 (close of business).

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About ICI Pakistan Limited: ICI Pakistan Limited a leading Pakistan-based manufacturing and trading company consisting of four diverse Businesses: Polyester, Soda Ash, Chemicals and Life Sciences. Through these Businesses, the Company manufactures and trades in a wide range of products including: polyester staple fibre (PSF), soda ash, general and speciality chemicals, toll-

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manufactured pharmaceuticals, nutraceuticals, animal health products and agricultural products (including chemicals, field crop seeds, vegetable seeds and more). The Company also has a management stake in the infant milk formula business under the name of NutriCo Pakistan Private Limited.

ICI Pakistan Limited is part of Yunus Brothers Group (YBG), one of the fastest-growing and most progressive Pakistani conglomerates with a wide portfolio of businesses including, but not limited to: cement, textiles, power generation and commodity trading.

For more information please visit: www.ici.com.pk

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