



LOTTE Chemical Pakistan Limited

Corporate Briefing Session

12.11.2020

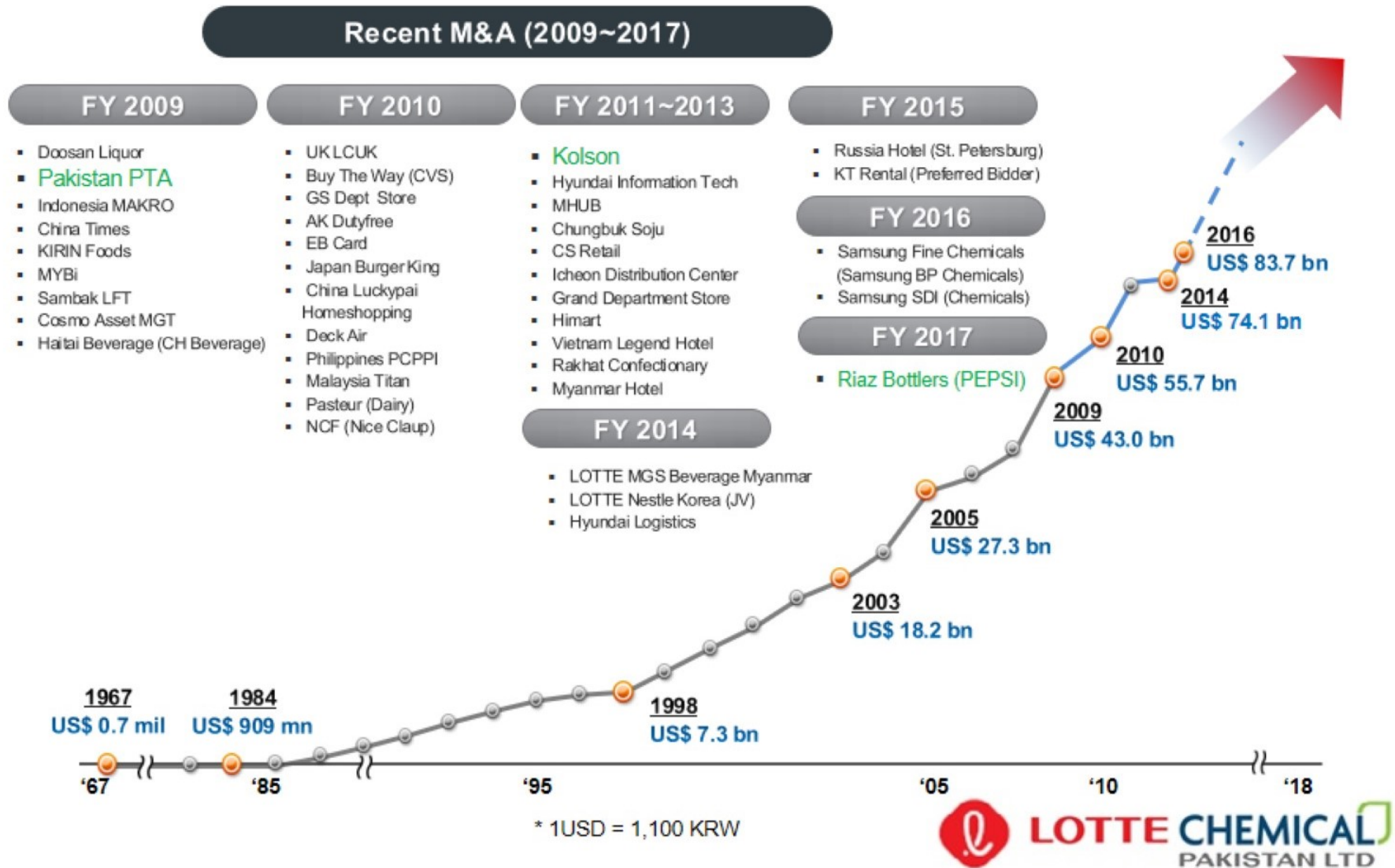
VISION

Lifetime
Value Creator

MISSION

We enrich people's lives by providing superior products and services that our customers love and trust

LOTTE has grown to be the 5th largest group in Korea



Our Mission

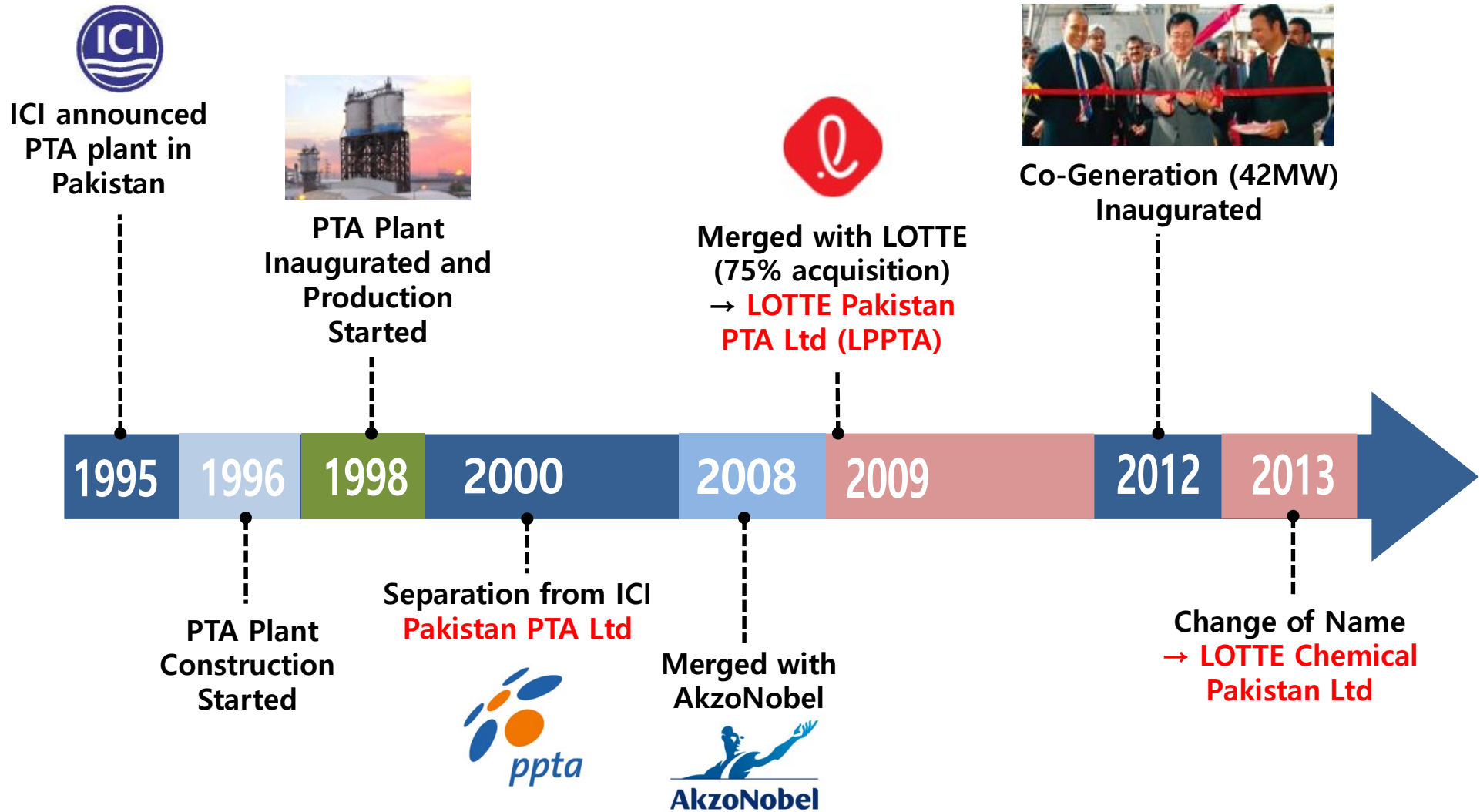
To be the supplier of choice to PTA customers in Pakistan and to maximize long-term business value



LCPL - Corporate History

More than Chemistry

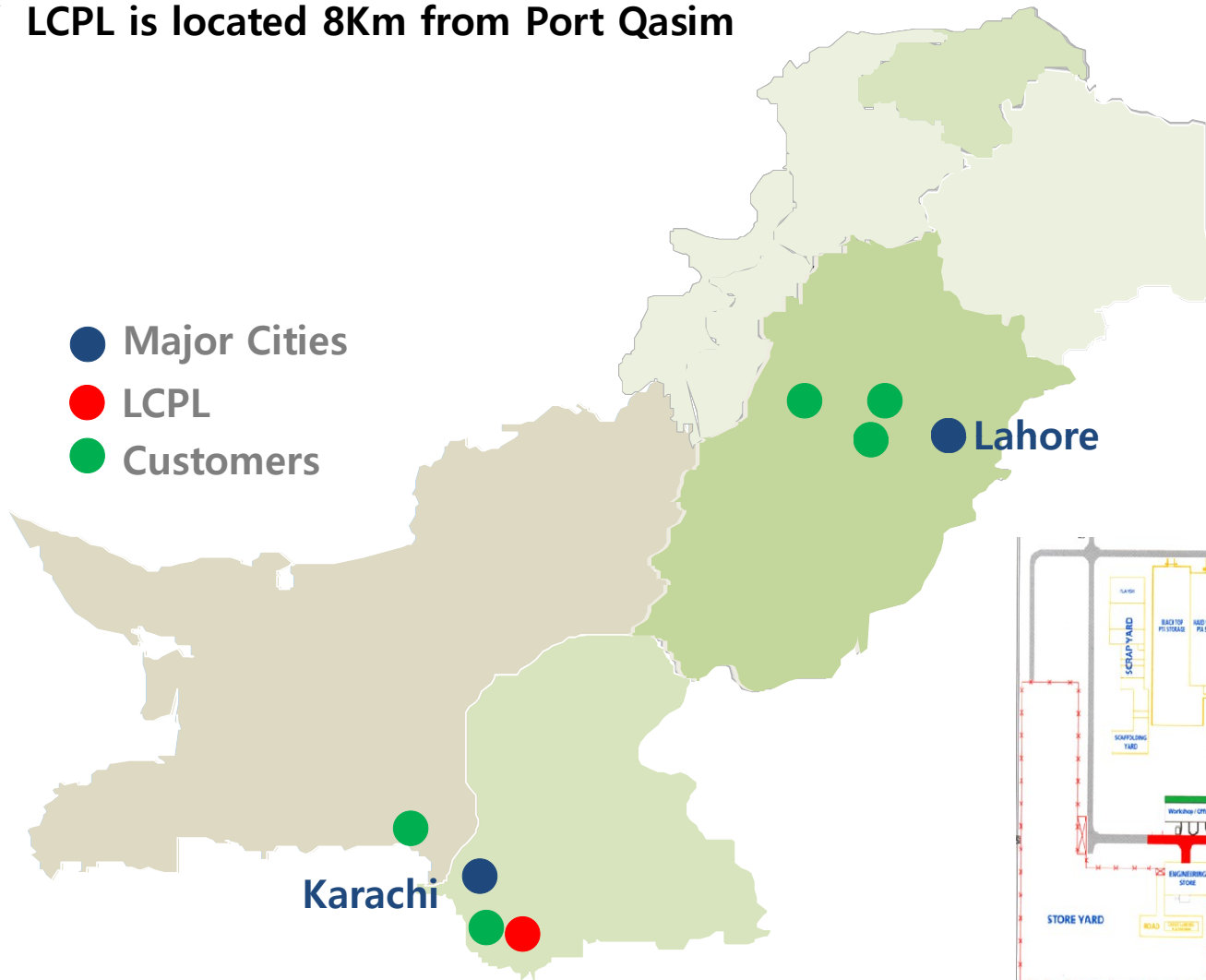
✓ ICI PTA Established in 1995 → Acquisition by LOTTE in 2009



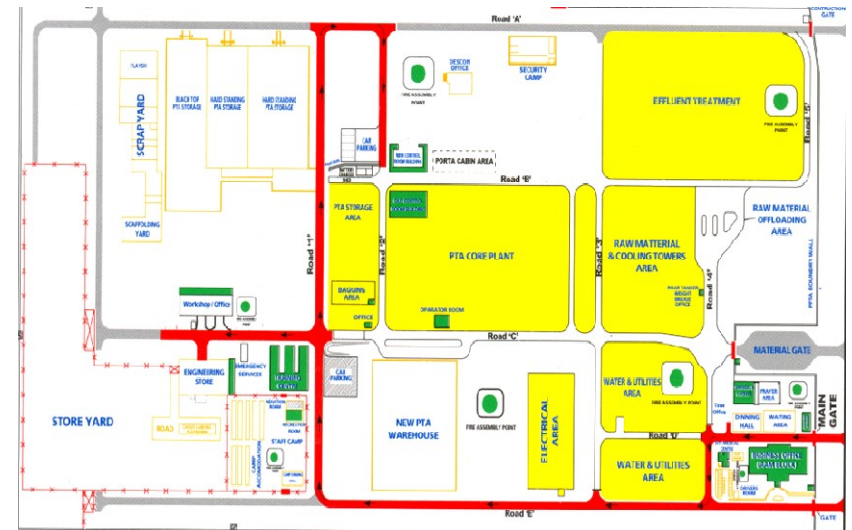
LCPL – Location and Site

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- ✓ LCPL is located 50 Km from Karachi
- ✓ LCPL is located 8Km from Port Qasim



- LCPL Site Total Area 150 acres
- LCPL Plant occupies 50% area
- 50% available for future project



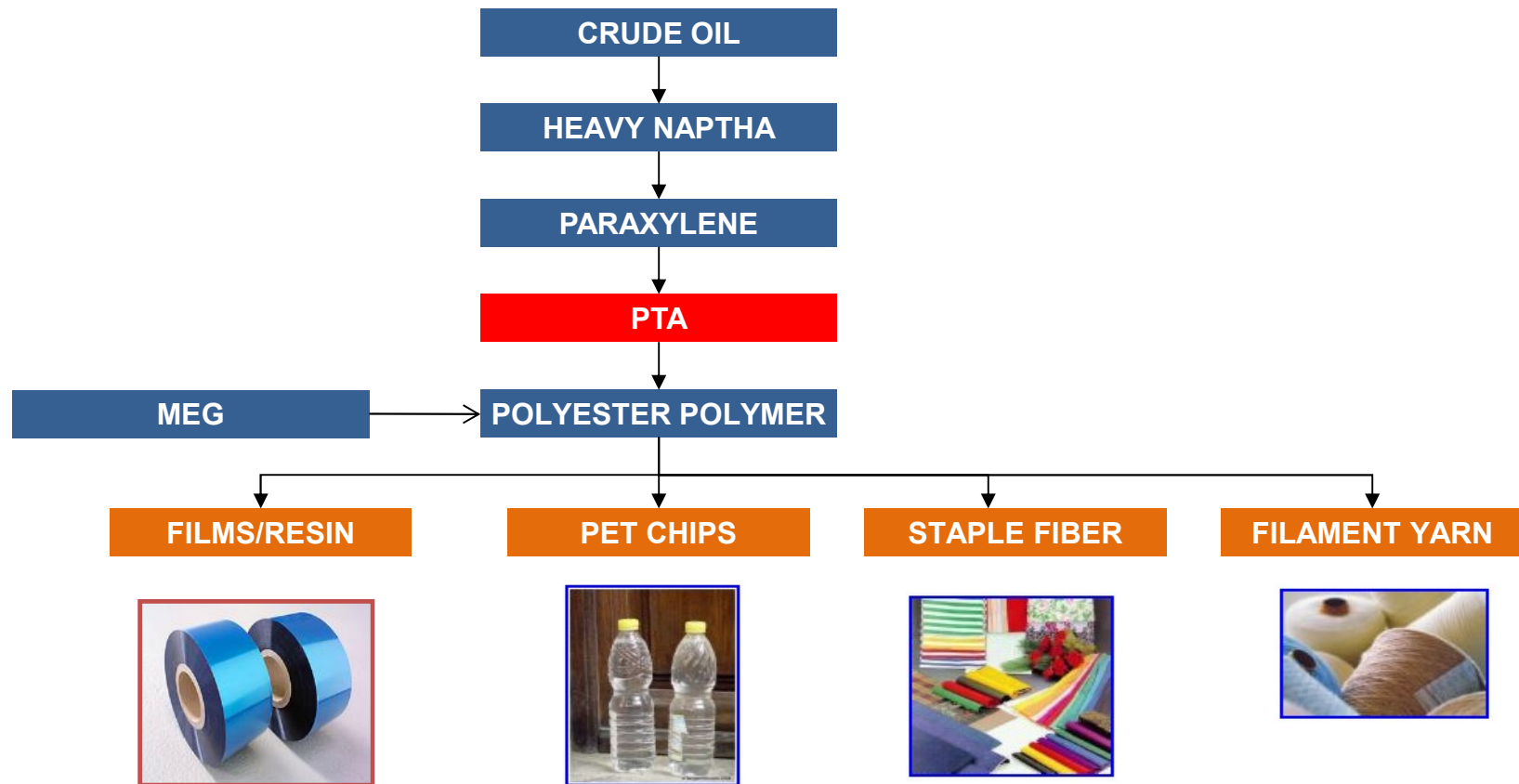
- Completed **22 years** of operations (1998-2020)
- Completed **11 years** with **LOTTE** (2009-2020)
- Excellent Safety record : **62 million manhours** without injury
- Excellent Operations and highly skilled workforce
- 100 % domestic market
- Raw-Material available in close by region



LCPL - Business Scope

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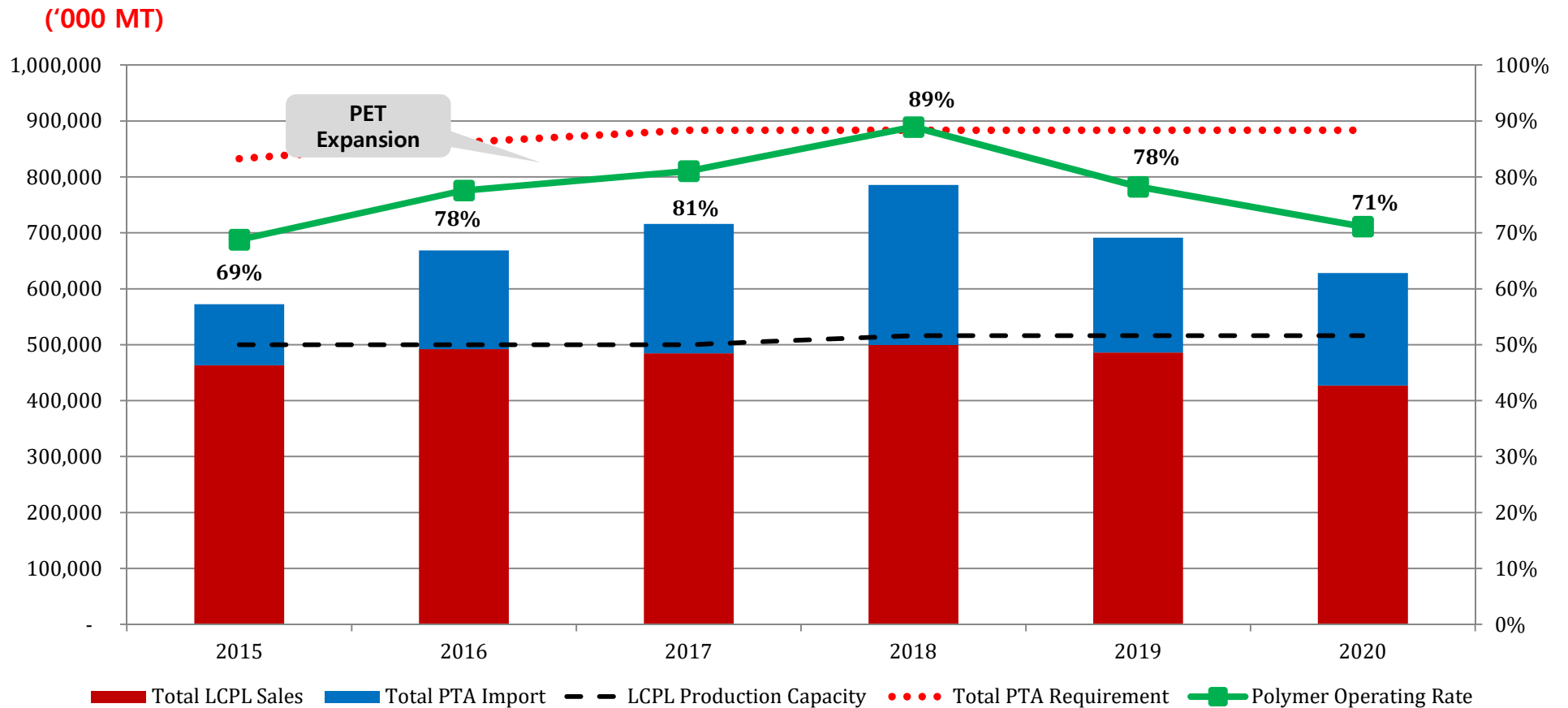
- ✓ LCPL is the only producer of PTA in Pakistan: Capacity 500 KT/Year
- ✓ LOTTE Chemical holding 75.01%
- ✓ PTA is key raw material for Textile and Packaging Industry



Pakistan PTA Market

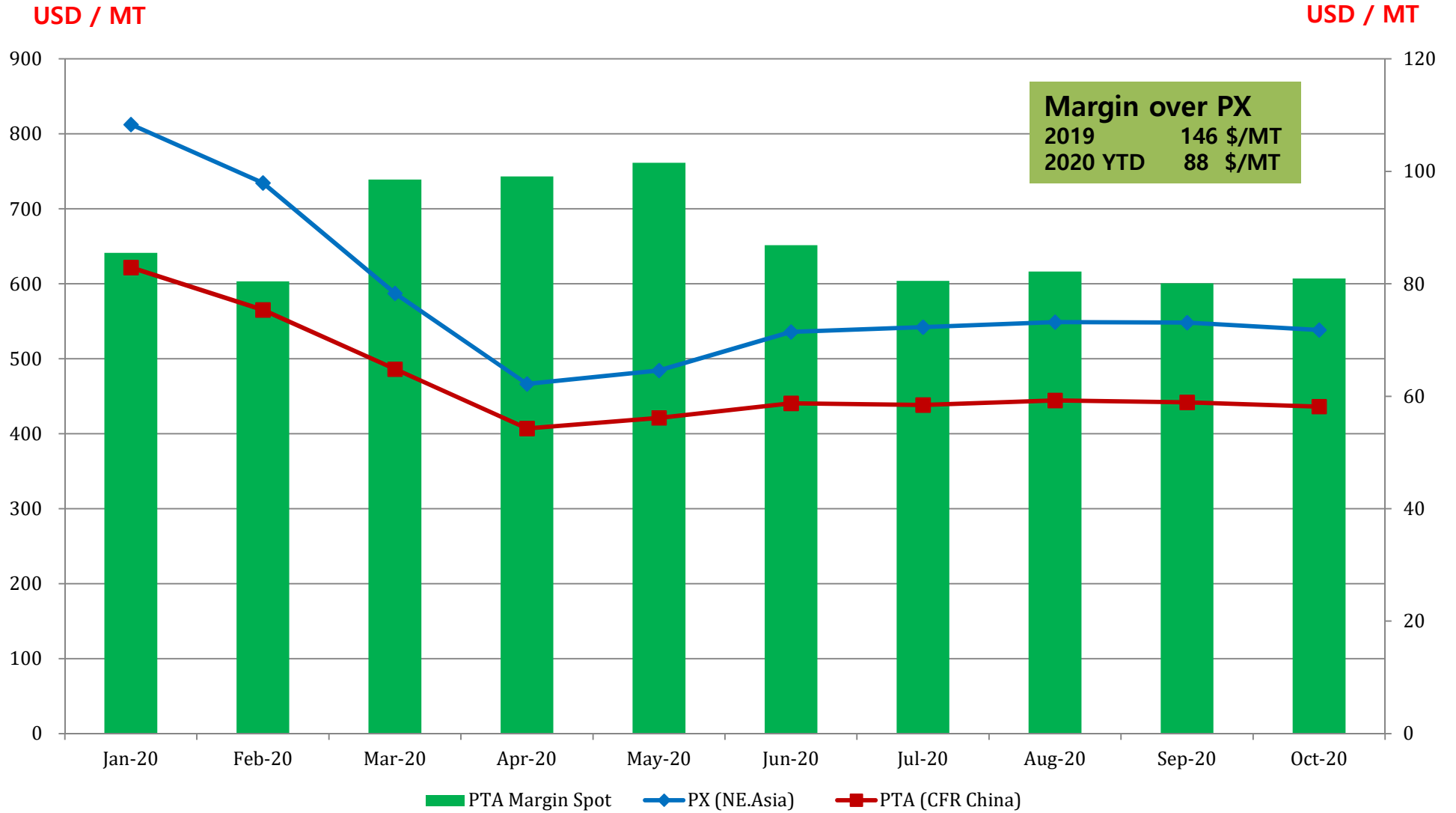
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- ✓ Market witnessed healthy growth during 2015-2018
- ✓ Future PTA expansion depends primarily on demand growth and downstream expansion
- ✓ LCPL has an advantage of infrastructure and experienced team for future expansion



PTA Margin over PX

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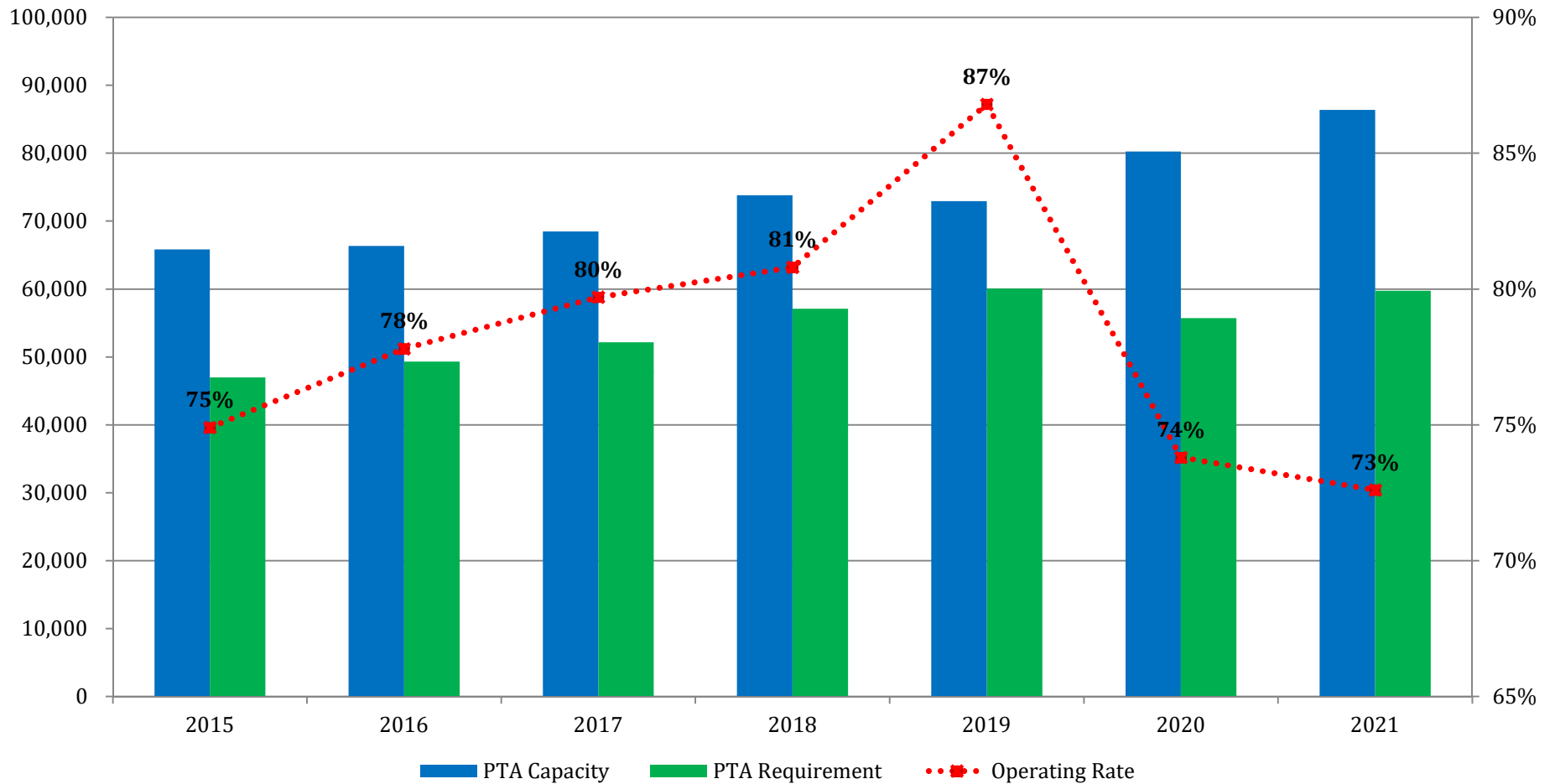


Source: ICIS and Platts

Regional PTA Capacity, Demand, Operating Rate

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('000 MT)



Source: PCI

Statement of Profit or Loss

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	Rs. '000			
	Quarter ended		Nine months period ended	
	30 Sep 2020	30 Sep 2019	30 Sep 2020	30 Sep 2019
Revenue - net	10,769,092	14,427,608	26,891,420	47,617,270
Cost of sales	(9,487,554)	(12,052,243)	(25,819,006)	(40,762,139)
Gross profit	1,281,538	2,375,365	1,072,414	6,855,131
Distribution and selling expenses	(28,583)	(24,604)	(80,847)	(74,925)
Administrative expenses	(110,221)	(108,438)	(318,084)	(303,982)
Other expenses	(101,497)	(183,082)	(244,051)	(505,509)
Other income	275,223	372,798	895,993	799,534
Finance income / (costs)	(14,415)	(19,188)	135,718	(136,608)
Profit before taxation	1,302,045	2,412,851	1,461,143	6,633,641
Taxation	(377,225)	(730,491)	(423,208)	(1,900,796)
Profit after taxation	924,820	1,682,360	1,037,935	4,732,845
	Amount in Rupees			
Earnings per share - basic and diluted	0.61	1.11	0.69	3.13

Statement of Financial Position (Rs 000)

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	30 Sep 2020 (Un-audited)	31 Dec 2019 (Audited)		30 Sep 2020 (Un-audited)	31 Dec 2019 (Audited)
Assets			Equity		
Non-current assets			Share capital and reserves		
Property, plant and equipment	5,108,970	4,699,499	Issued, subscribed and paid-up capital	15,142,072	15,142,072
Intangible assets	86	374	Capital reserves	2,345	2,345
Right-of-use assets	53,711	76,730	Revenue reserves	1,685,569	647,634
Long-term loans and advances	120,821	113,082	Total equity	16,829,986	15,792,051
Long-term deposits and prepayments	41,742	41,358			
Deferred tax assets	648,269	589,341			
	5,973,599	5,520,384	Liabilities		
Current assets			Non-current liabilities		
Stores and spare parts	950,350	1,201,478	Retirement benefit obligations	142,433	133,648
Stock-in-trade	3,514,781	4,482,468			
Trade debts	2,976,753	3,440,258	Current liabilities		
Loans and advances	55,635	58,872	Trade and other payables	11,792,312	11,330,495
Trade deposits and short-term prepayments	48,199	39,040	Accrued interest	252,133	235,076
Interest accrued	81,804	65,036	Unclaimed dividend	31,778	34,923
Other receivables	283,528	515,183			
Short-term investments - at amortised cost	14,312,685	11,521,377	Total liabilities	12,218,656	11,734,142
Tax refunds due from government - sales tax	476,278	446,485			
Taxation - payments less provision	329,123	194,299			
Cash and bank balances	45,907	41,313			
	23,075,043	22,005,809	Total equity and liabilities	29,048,642	27,526,193
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✓ LOTTE is actively participating in activities to serve Pakistan



- LOTTE Pakistan Foundation was successfully registered in 2019 after completing all legal requirements
- LOTTE Pakistan Foundation has donated a package of **PKR 36** million to support Pakistan fight against Covid-19
- 42 Students are being sponsored in TCF Schools since 2017
- 4 'Special' Children are being sponsored in Dar-ul-Sakoon
- 25 Students are benefitting from LOTTE scholarship (Karachi and Lahore)
- Go Green Initiative continued : Donated trees plants to BQATI, PQA and other industries to promote tree plantation and reduce carbon burden on the earth



Thank you