



engro polymer & chemicals

Analyst Briefing – Q1 2022



a sustainable tomorrow



Key achievement & highlights

Q1 2022

- PAT growth of ~14% vs same period last quarter
- Highest ever quarterly sales reflecting strong demand
- Recognition as one of the **Top 25 PSX Companies** based on a comprehensive criteria including profitability, CCG and DE&I
- **OVR** project has been commissioned



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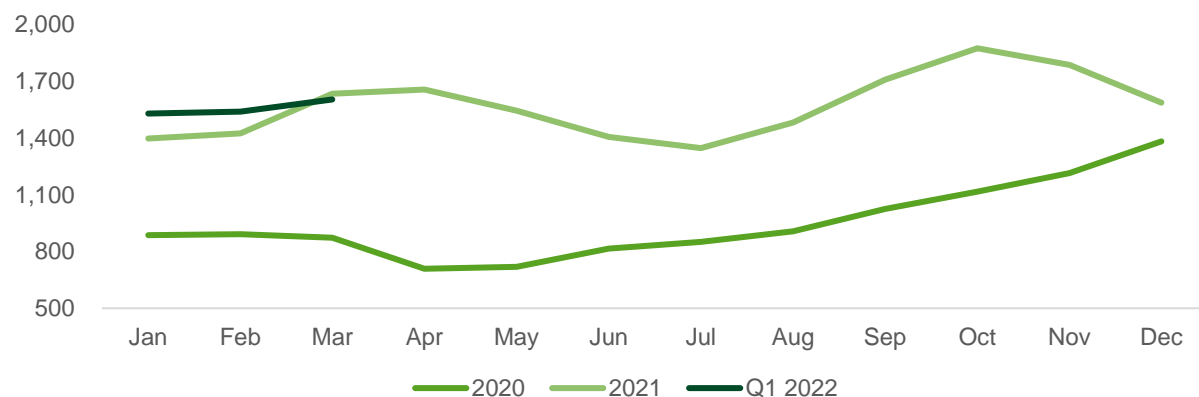
International Markets



International Market Prices

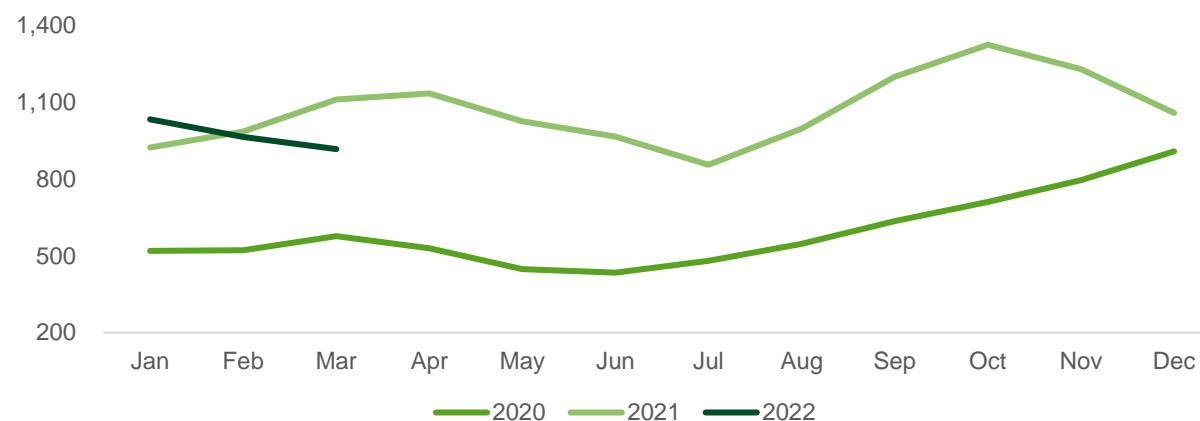
International PVC Price

USD/Ton



PVC – Ethylene Core Delta

USD/Ton



- International PVC prices continued their declining trend before facing a reversal from the latter half of February.
- Industrial activity in India picked up pace, with construction and agriculture sectors driving PVC demand, particularly in the pipes segment for water and sanitation.
- Ethylene prices increased significantly in tandem, and the market sentiment remained firm with increased cost pressure on producers and limited spot availability, particularly in Asia.
- In the US, abundance of Ethylene supply opened arbitrage windows to Asia and Europe as naphtha-based feedstock prices soared, however, trade volumes remained constricted due to deep sea cargo constraints.

Source: Platts, ICIS



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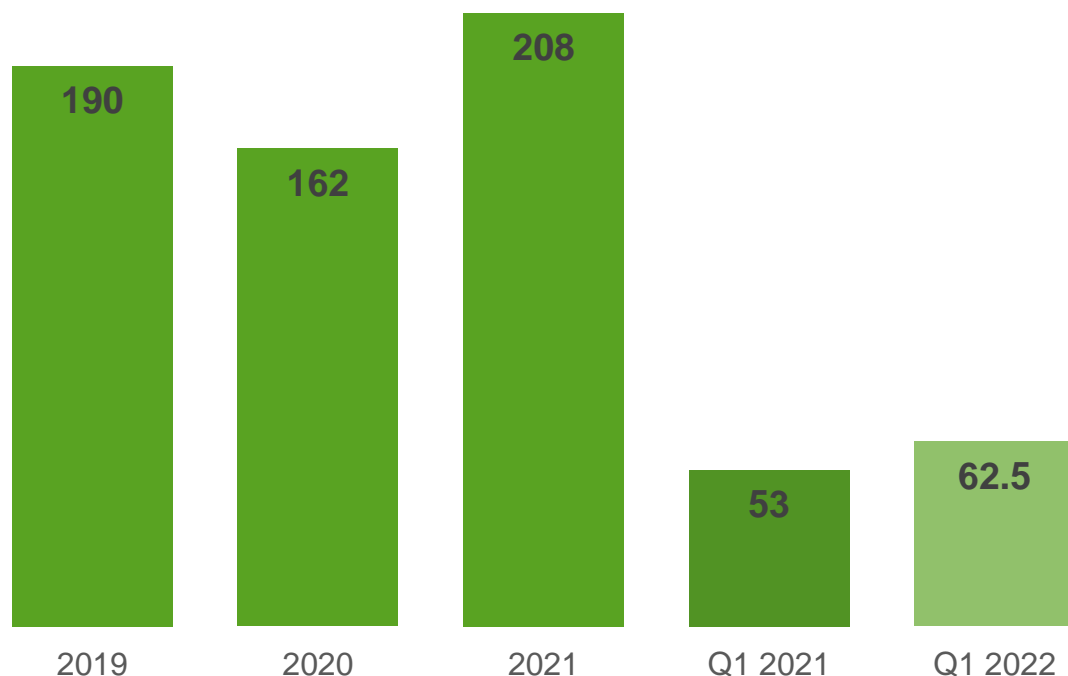
Business Updates



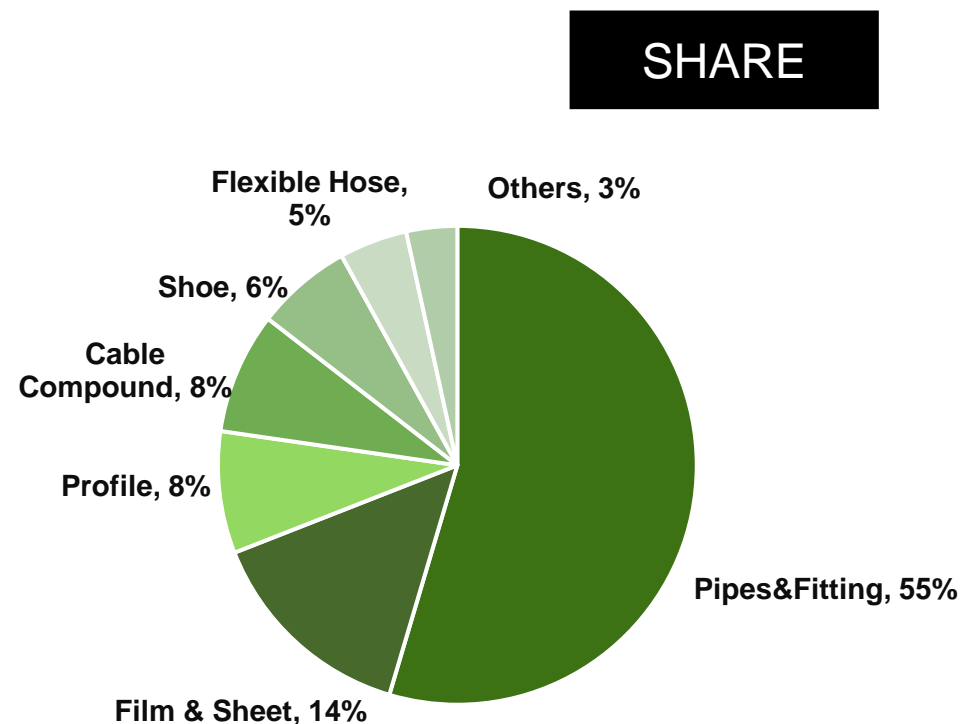
Vinyls Overview

Highest ever PVC sales for EPCL in the domestic market

Domestic Sales Volumes in KT



Pipes and fittings remain major application of PVC in Pakistan. Meanwhile, EPCL continues to play its part in promoting other downstream applications for which we have made significant investment in ThinkPVC outlet

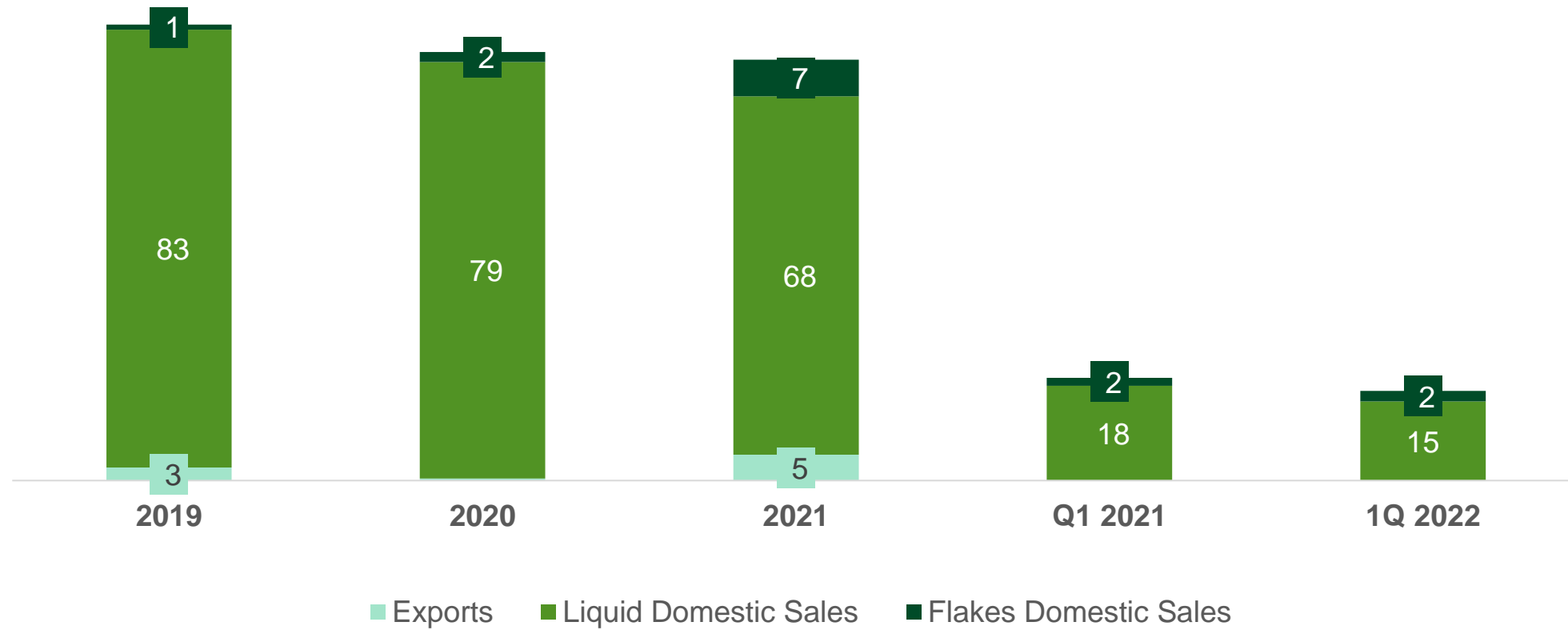


The Company also **exported 1.89KT of PVC** in 1ST quarter of 2022



Chlor Alkali Overview

Chlor Alkali – Sales Volumes (KT)





Performance Q1 2022 vs Q1 2021

	Unit	Q1 2022	Q1 2021	2021
Total revenue	PKR Mn	23,127	15,671	70,022
Profit after tax	PKR Mn	4,714	4,143	15,060
EPS Basic	Rs. / Share	5.19	4.56	16.28
EPS Diluted	Rs. / Share	3.90	3.42	12.46
DPS	Rs. / Share	5.00	0.08	16.30

- The Company recorded revenue of Rs. 23,127 million, indicating an increase of 48% compared to the same period last year on the back of higher volumetric sales
- During Q1 2022, the Company recorded a Profit After Tax of Rs. 4,714 on the back of i) higher volumes, ii) tax credit, and iii) efficient plant operations



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Looking Forward

Outlook



- ❑ HTDC project and Hydrogen Peroxide project are on track as per plan
- ❑ A CAPEX of USD 4 million has been approved for conducting Basic Engineering followed by a FEED study in relation to de-bottlenecking VCM production facility to 300 KT p.a.

Market Development:

- ❑ Promotion and awareness in both public & private sector and adoption of quality standards in collaboration with PHED for quality enforcement in projects.
 - Approached various government organizations and private institutions for inclusion of PVC downstream Products in their tenders/contracts for development works



THANK YOU

