



CORPORATE BRIEFING SESSION

FINANCIAL RESULTS FOR THE YEAR ENDED JUNE 30, 2020

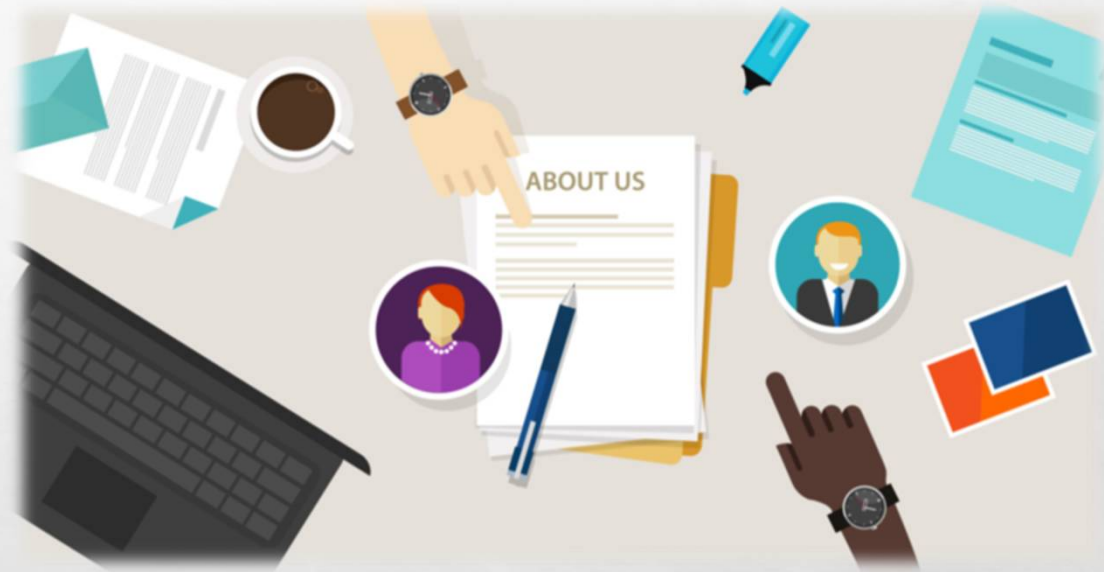


NOVEMBER 20, 2020

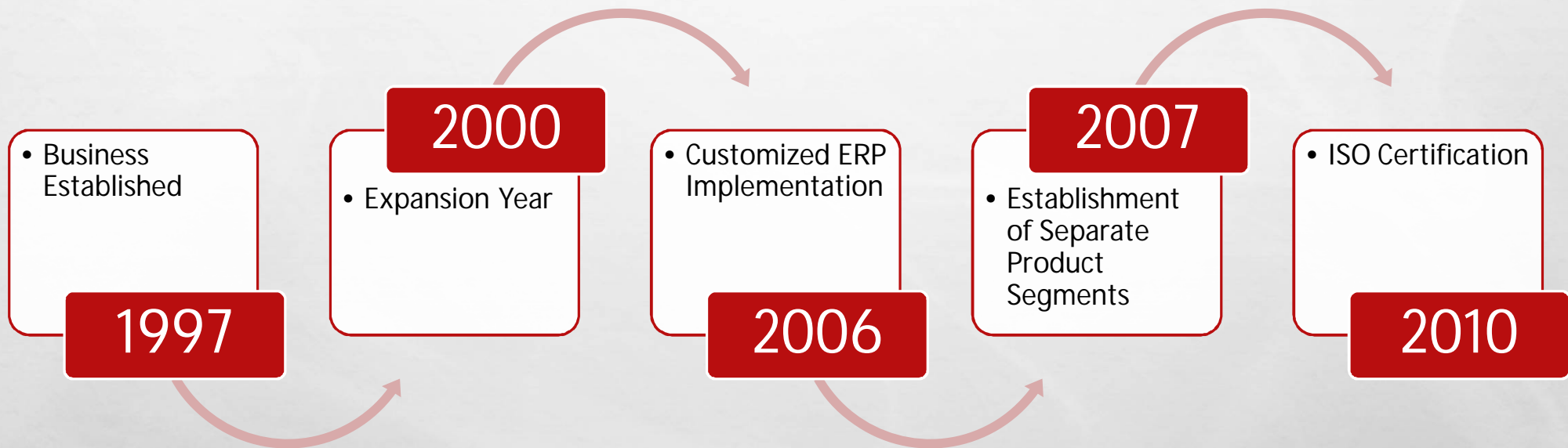
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- FINANCIAL REVIEW
- QUESTIONS & ANSWERS

COMPANY BRIEF



HTL JOURNEY SO FAR



HTL JOURNEY SO FAR



HTL STRUCTURE



ZIC LUBRICANTS



HTL EXPRESS



HTL FUEL STATIONS

HTL STRUCTURE



HI-TECH BLENDING (PVT.) LTD.

SUBSIDIARY COMPANY

(100% WHOLLY OWNED BY HTL)



ILMGAH SCHOOL SYSTEM

CSR PROJECT

DULY APPROVED BY:

PAKISTAN CENTRE FOR PHILANTHROPY

BUSINESS OVERVIEW



ZIC LUBRICANTS PRODUCT RANGE

DIESEL ENGINE OILS



MOTOR CYCLE OILS



GASOLINE ENGINE OILS



ZIC LUBRICANTS PRODUCT RANGE

DIESEL ENGINE OILS



X1000-50 (CF/SF)
(Economy)

MOTOR CYCLE OILS



M0-10W-40

M3-20W-50

M1-20W-50



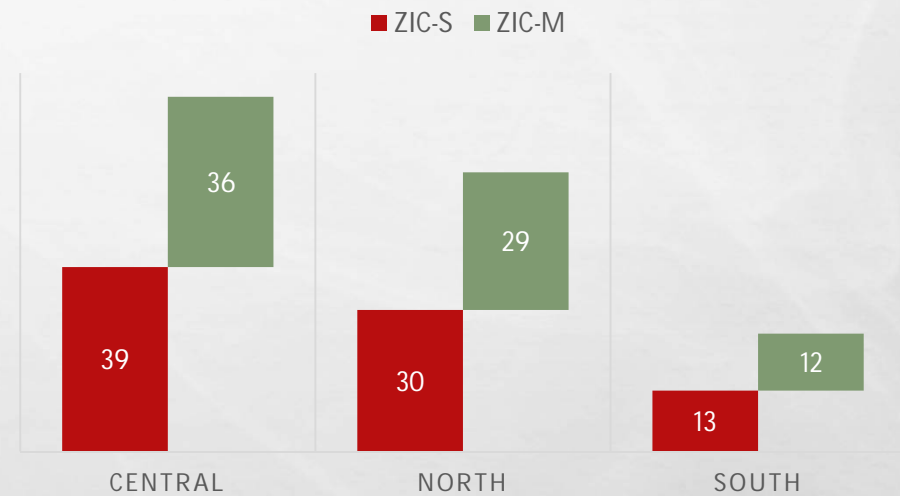
X1-20W-50
(Economy)

GASOLINE ENGINE OILS

LUBRICANTS DISTRIBUTION NETWORK

Region	ZIC-S	ZIC-M	Total
Central	39	36	85
North	30	29	59
South	13	12	25
Total:	82	77	159







NO. OF DISTRIBUTORS



HTL EXPRESS CENTERS

HTL EXPRESS IS A ONE-STOP SOLUTION FOR ALL VEHICLE MAINTENANCE NEEDS. WITH AN HTL EXPRESS CENTER, OUR CUSTOMER CAN BE SURE TO EXPERIENCE BOTH HIGH QUALITY PRODUCTS AND HIGH QUALITY SERVICES TO MATCH THEM.

SERVICES

OIL CHANGE	
CAR WASH /SERVICE	
TIRE SERVICE	
BATTERY SERVICE	
AC SERVICE	
ACCESSORIES	

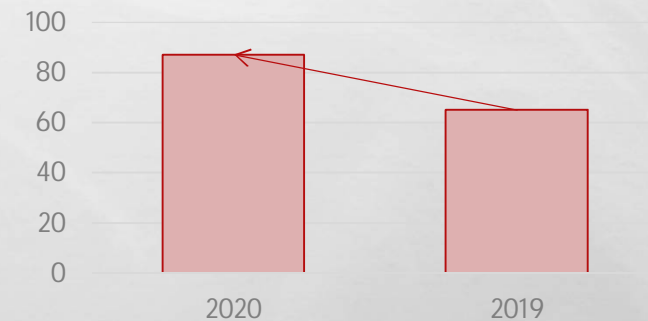
NO. OF CENTERS

Location	No.
Lahore	4
Karachi	3
Rawalpindi	1

REVENUE

(PKR IN MILLION)

34% Revenue Growth



HTL FUEL STATIONS

- EXPANSION FOR SAHIWAL DEPOT. PLANNED WHICH WILL ADD ANOTHER 24 PUMPS IN PUNJAB
- CONSTRUCTION OF NOWSHERA KPK DEPOT. IS EXPECTED TO COMPLETE BY END NOVEMBER 2020 AND IS EXPECTED TO OPERATIOONAL IN JANUARY 2021
- AGREEMENTS HAVE BEEN FINALIZED FOR ESTABLISHING 26 FUEL STATIONS IN PUNJAB PROVINCE.
- PLAN IS TO ESTABLISH 126 FUEL STATIONS IN 05 YEARS TIME SPAN.

NO. OF FUEL STATIONS IN OPERATION AND PLANNED

Province	Year 20 (Operational)	Year 21 (Planned)	Year 22 (Planned)	Year 23 (Planned)	Year 24 (Planned)
Punjab	11	15	15	15	10
Sindh	-	-		5	10
KPK	-	10	15	10	10

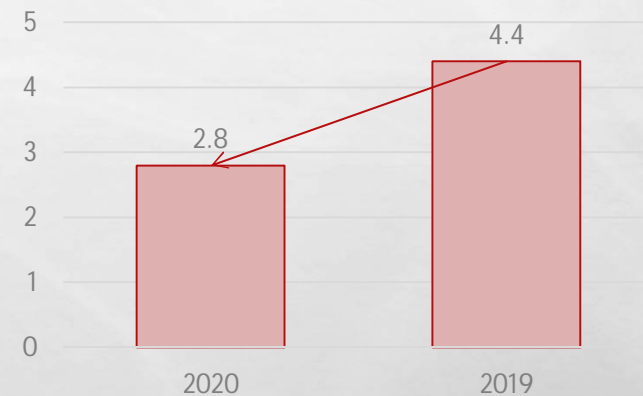
BLENDING PLANT

HI TECH BLENDING HAS STARTED COMMERCIAL RUN OF ZIC MID-TIER RANGE. HTBL WITH ITS FINE LAB, FILLING LINES AND QUALITY CONTROLS ARE THE KEY TO SUCCESS.

CAPACITY VS. PRODUCTION (2020)

Description	Unit	Capacity	Production	%
Bottles	No.	16,072,941	3,996,674	25%
Caps	No.	29,700,000	4,339,318	15%
Filling	Ltr.	37,950,000	8,817,853	23%
Blending	Ltr.	20,000,000	2,484,261	12%

REVENUE (PKR IN BILLION)



FINANCIAL REVIEW



ECONOMIC HIGHLIGHTS

- GDP GROWTH RATE OF THE COUNTRY WAS -0.4% IN FY2020 VS. 1.9% IN FY2019
- PER CAPITA INCOME EXPECTED TO REDUCED FROM \$1,185 TO \$1,130 BY THE END OF 2020
- CPI DECREASED TO 8.9% YOY IN OCT-2020 VS. 10.58% IN FY2019
- INTEREST RATES REMAIN AT 13.25% TILL MARCH 2020 AND REDUCED TO 7% IN LAST QUARTER
- USD RATES WENT UP FROM PKR 163.85/\$ TO 168.1/\$ (DEVALUATION OF 2.6%)
- **54% DECLINE IN CAR SALES IN FY 2020 AS COMPARED TO FY 2019 AND 27% DECLINE IN OVERALL VEHICLE SALES DURING THE PERIOD.

*Source: Economic Survey 2020, Pakistan Bureau of Statistics and State bank of Pakistan.

**Pakistan Automotive Manufacturer Association (PAMA).

HTL PERFORMANCE LAST 12 MONTHS

Profit and Loss (PKR in Millions)	Last 12 Months	1st Quarter 2020-21 (July- Sept. 20)	Last 9 Months 2019-20 (Oct 19 – June 20)
GROSS REVENUE	9,947,550,854	2,474,134,081	7,473,416,773
Discounts	(334,047,190)	(78,864,570)	(255,182,620)
Sales tax	(2,609,181,281)	(556,373,961)	(2,052,807,320)
NET REVENUE	7,004,322,383	1,838,895,550	5,165,426,833
COST OF SALES	(5,237,159,113)	(1,379,035,677)	(3,858,123,436)
GROSS PROFIT	1,767,163,270	459,859,873	1,307,303,397
DISTRIBUTION COST	(730,843,095)	(203,799,167)	(527,043,928)
ADMINISTRATIVE EXPENSES	(443,597,213)	(119,549,657)	(324,047,556)
OTHER EXPENSES	(69,595,214)	(14,029,941)	(55,565,273)
	(1,244,035,522)	(337,378,765)	(906,656,757)
OTHER INCOME	99,859,149	13,903,483	85,955,666
PROFIT FROM OPERATIONS	622,986,897	136,384,591	486,602,306
FINANCE COST	(212,775,843)	(29,648,221)	(183,127,622)
PROFIT/(LOSS) BEFORE TAXATION	410,211,054	106,736,370	303,474,684
TAXATION	42,737,084	(17,477,326)	60,214,410
PROFIT/(LOSS) AFTER TAXATION	452,948,138	89,259,044	363,689,094
PROFIT/(LOSS) PER SHARE - BASIC AND DILUTED	3.90	0.77	3.14

FY 2020 VS. FY 2019

Profit and Loss (PKR in Millions)	2020	2019	2020 vs. 2019
Net Sales	5,629	9,431	(3,802)
Gross Profit	1,415	2,069	(654)
GP Ratio (% of Sales)	25%	22%	3%
Distribution Cost	(738)	(807)	69
Distribution Cost (% of Sales)	13%	9%	4%
EBITDA	473	812	(339)
Exchange Loss	(19)	(107)	88
Exchange loss (% of Sales)	0.33%	2.04%	-1.7%
Finance Cost	(236)	(314)	78
Finance Cost (% of sales)	-4.19%	-3.33%	-0.86%
Interest Cover Ratio (Times)	2	3	(1)
Profit Before Tax	76	301	(225)
Tax	46	(259)	305
Tax (% of Sales)	-0.82%	2.75%	-3.57%
Profit After Tax	122	41	81
Net Profit Ratio (% of Sales)	2.17%	0.44%	-1.73%
Dividend Declared	104.4	29.00	75.4

FOUR YEARS FINANCIAL HIGHLIGHTS

Profit and Loss (PKR in Millions)	2020	2019	2018	2017
Net Sales	5,629	9,431	9,255	7,328
Gross Profit	1,415	2,069	2,395	1,931
GP Ratio (% of sales)	25%	22%	26%	26%
Distribution Cost	(738)	(807)	(606)	(445)
Distribution Cost (% of Sales)	13%	9%	7%	6%
EBITDA	473	812	1,378	1,164
Exchange Loss	(19)	(107)	(62)	(18)
Exchange Loss (% of Sales)	0.33%	2.04%	1.17%	0.52%
Finance Cost (4.2% of Sales)	(236)	(314)	(127)	(77)
Interest Cover Ratio (Times)	2	3	11	15
Profit Before Tax	76	301	1,151	1,079
Tax	46	(259)	(391)	(335)
Tax (% of Sales)	-0.82%	2.75%	4.22%	4.57%
Profit After Tax	122	41	760	744
Net Profit Ratio (% of Sales)	2.17%	0.44%	8.21%	10.15%
Dividend Declared	104.4	29	406	406

QTR Wise Seasonal Analysis of FY 20 & FY 19

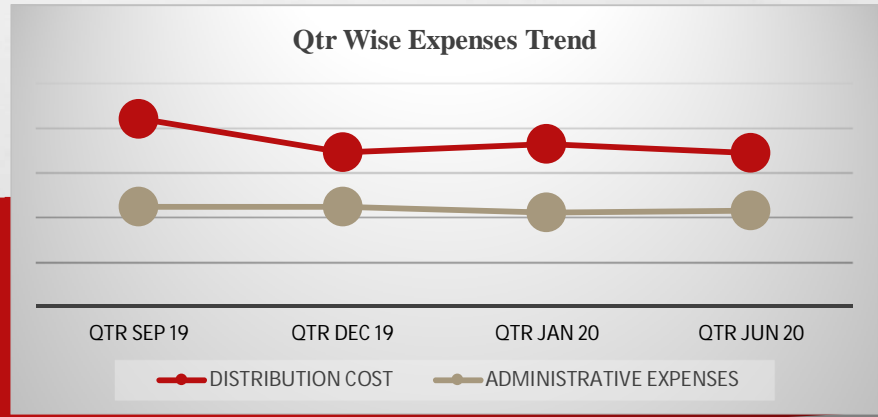
Net Revenue

DISCOUNTS

		QTR SEP	QTR DEC	QTR MAR	QTR JUNE	JULY - DEC	JAN - JUNE	TOTAL
Net Sale	FY 20	463	1,613	1,636	1,916	2,077	3,552	5,629
	FY 19	1,749	2,486	1,587	3,609	4,235	5,196	9,431

		QTR SEP	QTR DEC	QTR MAR	QTR JUNE	JULY - DEC	JAN - JUNE	TOTAL
Discounts	FY 20	15	9	71	175	24	246	270
	FY 19	43	343	(4)	134	387	129	516

		QTR SEP	QTR DEC	QTR MAR	QTR JUNE	JULY - DEC	JAN - JUNE	TOTAL
PAT	FY 20	(242)	108	42	214	(134)	256	122
	FY 19	(143)	(129)	3	310	(272)	313	41
EPS	FY 20	(2.09)	0.93	0.36	1.85	(1.16)	2.21	1.05
	FY 19	(1.24)	(1.11)	0.02	2.68	(2.34)	2.70	0.35





FUTURE OUTLOOK

FUTURE OUTLOOK

- 85% OF LUBRICANTS VOLUME WILL BE FILLED AND BLENDED LOCALLY THROUGH OUR BLENDING PLANT THAT WILL ALLOW US TO ENTER MID-TIER MARKET WHICH IS ALMOST 55-60 % OF THE TOTAL LUBRICANT MARKET SIZE.
- 26 RETAIL FUEL STATIONS ARE EXPECTED TO BE OPERATIONAL BY DECEMBER 2020 IN PUNJAB.
- STORAGE SITE IN KPK PLANNED OPERATION BY JANUARY 2020 THAT WILL ALLOW HTL TO BUILT ANOTHER 35 RETAIL STATIONS.
- 5-7 NEW HTL EXPRESS CENTERS PLANNED ON HTL FUEL STATIONS THAT WILL GENERATE SIGNIFICANT SYNERGY.

QUESTIONS AND ANSWERS

CORPORATE BRIEFING SESSION
FINANCIAL RESULTS FOR THE YEAR
ENDED JUNE 30, 2020



THANK YOU!