

September 14, 2023

Mr. Jawad Haider Hashmi
Chief Market Operations Officer
Pakistan Stock Exchange Limited
Stock Exchange Building
Karachi.

Dear Sir,

ARCHROMA PAKISTAN LIMITED

Registered & Corporate Office

1-A/1, Sector 20,
Korangi Industrial Area,
Karachi-74900 Pakistan.

UAN : +92-21-111-275-786

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Fax : +92-21-35032337

Email: archroma.pakistan@archroma.com

Website: www.archroma.com.pk

Corporate Briefing Session

This is to inform you that the Corporate Briefing Session of Archroma Pakistan Limited ("the Company") will be held on Friday 22 September 2023 at 12:00 p.m. at the Company's Registered Office at 1-A/1, Sector 20, Korangi Industrial Area, Korangi, Karachi, to brief the investors /analysts / shareholders about the Company profile and its performance.

The Company will be providing the facility to all shareholders to participate in via video link. Those who wish to attend the session are requested to get themselves registered by sending their particulars at the designated e-mail address mohsin.ali@archroma.com, giving particulars as per below table by the close of business hours (5:00 p.m.) on September 20, 2023.

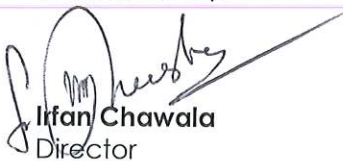
Name	CNIC No./NTN No.	CDC Participant ID/Folio No. (If any)	Cell No.	E-mail Address

The video link (Microsoft Teams Meeting) would be provided to the registered person who have provided all the requested information.

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Kindly acknowledge.

Yours sincerely,


Irfan Chawala
Director


M. Irfan Lakhani
Company Secretary

CC: The Chief, Security Exchange Commission of Pakistan, Islamabad.



ARCHROMA PAKISTAN LIMITED

CORPORATE BRIEFING SESSION

22 SEPTEMBER 2023



SUSTAINABILITY, IT'S OUR NATURE!

SAFETY First / Lets protect our Mental Health



- Collaborate and be supportive to each other
- Ensure quality time with your loved ones and yourself
- Be mindful of your physical health (sport, healthy diet, and sleep)

Executive Summary

- **Company's Profile**
- **Corporate Social Responsibility**
- **Strategic & operational developments**
- **Financial Outline**
- **Key Ratios**
- **Future Outlook**
- **Questions & Answers**

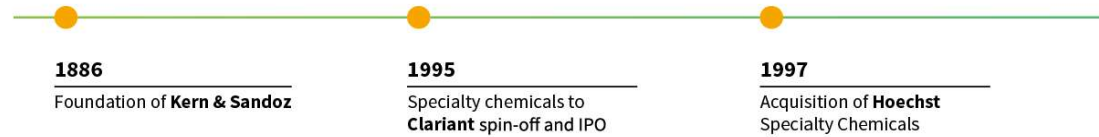
COMPANY'S PROFILE



Milestones



CLARIANT



Our Profile

Archroma is a global, diversified provider of specialty chemicals serving the Brand & Performance Textiles, Packaging & Paper and Coatings, Adhesives & Sealants markets. Headquartered and registered in Pratteln, Switzerland, the company operates with a highly integrated, customer-focused platform that delivers specialized performance and color solutions in over 90 countries. Archroma works with 5,000 employees in 42 countries with 35 production sites.

Principal Business Activities

We are engaged in manufacturing, sales and indenting business of Specialty Chemicals including Dyestuffs and Coating, Adhesives & Sealants.

A strong emerging market Leader

Our diversified product portfolio in textiles promises innovative solutions for mills and brands. Coatings, Adhesives & Sealants, some of which are more than a century old, are a vivid combination of heritage with new technology. Packaging & Paper chemicals are environment friendly and highly adaptable for every user. Home care and HI&I (Household, industrial & institutional cleaning) chemicals are latest pride additions to our product-lines.

Archroma Pakistan Limited
Corporate Briefing Session



Acquisition of Textile Effects Business of Huntsman Globally

After the closing of Global acquisition of Huntsman Textile effects business and local acquisition of Archroma Chemicals Pakistan (Private) Limited formerly Huntsman Textile Effects Pakistan during the financial year under review, your Company is now actively working towards the merger of Archroma Chemicals Pakistan (Private) Limited into Archroma Pakistan Limited.

The Board of Directors of the Company had approved the Draft scheme of Arrangement in its meeting held on 27 April 2023, which was further approved by the members of the Company in the Extraordinary General Meeting held on 23 June 2023. Currently Scheme of Arrangement is pending for issuance of sanction order by the Honorable Sindh High Court.



/ Quality & Sustainability commitment

The “ Archroma Way ” **SAFE**, **EFFICIENT**, **ENHANCED**. It's our nature



Quality Certification

- ISO 9001:2015
- ISO 14001:2015
- OHSAS 18001:2007

Friendlier products

- Aqueous dispersion
- Solvent free
- No toxic components
- Low emission

Recognized Leadership

- Archroma Pakistan won **Sustainability Award on growing business in Home Care industry** from Archroma Group.
- The Archroma group was recently awarded the **Platinum Sustainability Rating** by **EcoVadis**
- **Top 25 Best Performing Companies Award – 2020** by **Pakistan Stock Exchange** / 19th time
- Archroma ranked **NUMBER ONE** in the **‘INDUSTRIAL CHEMICALS’** List by Institute of Public & Environmental Affairs (IPE) for driving transparency in supply chain.
- 37th **Corporate Excellence Award 2022** by Management Association of Pakistan / 11th time
- **19th Annual Environment Excellence Award 2022** by National Forum for Environment & Health / 14th time
- **Tree Plantation** Award by National Forum for Environment & Health / 3rd time
- **Employer of the Year** award 2021 by Employers Federation of Pakistan / 6th time
- **Corporate Social Responsibility** Award 2022 by National Forum for Environment & Health / 6th time
- **UN Global Compact Sustainability** Award 2022 by Employers Federation of Pakistan / 4th time
- **Best Corporate Report** Awards 2022, Certificate of Merit / 2nd time
- **Occupational Safety, Health & Wellness Award 2021.**



National Forum
for Environment
& Health
www.nfeh.org.pk



**EMPLOYERS'
FEDERATION
OF PAKISTAN**
The Apex Body of Employers



Businesses

A global leader in specialty chemicals across the textile, paper and emulsions sectors

The markets segments that we serve

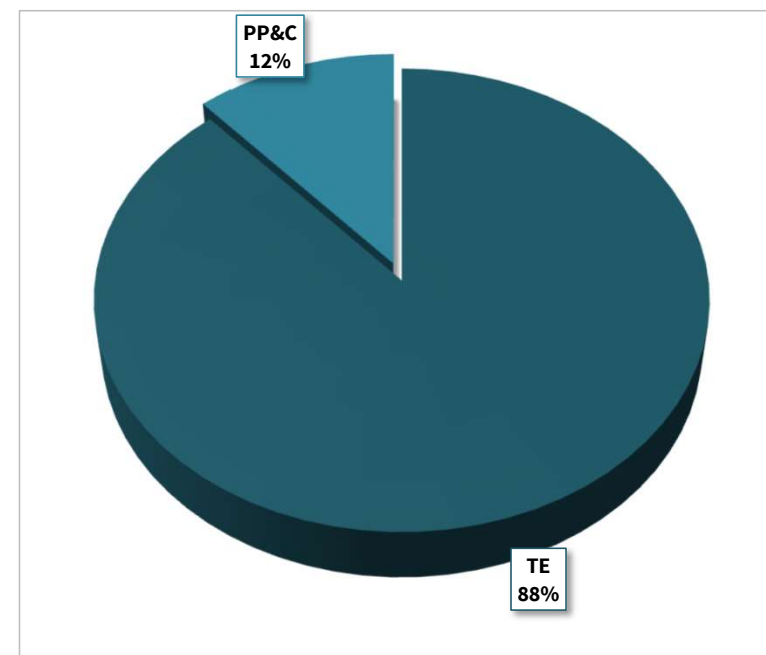
/Textile Effects(TE)

From fiber to finish, Archroma's Textile Effects division plays a key role throughout the entire textile supply chain, with special chemicals for pretreatment, dyeing, printing and finishing of textiles. Our R&D-enabled systems and solutions enhance the properties of apparel and other textiles in applications as diverse as high fashion, home textiles and special technical textiles.

/Packaging & Paper Coatings(PP&C)

Archroma's Packaging, Paper & Coatings division provides expertise in the management of whiteness, coloration, coatings and strength for all kinds of applications such as packaging & paper, paint, adhesive and construction. By combining our focused product range with the application services of our experts around the globe, we enhance both the optical and functional properties of innumerable end products.

**Sales For the period Oct-2022 to
June-2023: MPKR 24,544**



Business Overview

Archroma's major consumption Markets i.e. Textiles' and Construction Industry demand & consumer sales continued to remain slow both for local as well as exports during the third quarter of the current Financial Year under review, mainly due to prevailing Macroeconomic and fiscal challenges, ever highest inflation, energy & commodity prices triggered after RussiaUkraine conflict and devastating floods affecting one third of the Country.

Despite the challenging environment and less than 50% production and capacity utilization for the Textiles' Industry, your Company was able to increase the sales by 8%, mainly contributed by Textile Effects, whose sales increased by 5% and Paper, Packaging & Coatings business, whose turnover increased by 46%, in comparison to the same period last year.

Higher borrowing costs, foreign exchange losses and further increase in Taxation rates for Registered and Corporate businesses during the period further reduced the bottom-line profitability of the Company to PKR 903 million as against PKR 1,467 million achieved in comparison to the same period last year.

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility

- ❑ Sustainable Effluent Treatment plant, Jamshoro @ **zero liquid discharge**
- ❑ Providing clean drinking water to neighborhood of Jamshoro factory.
- ❑ To date training in Textile Wet Processing to 8000 students from technical institutes & universities.
- ❑ Monetary donations to social, medical and educational institutions.
- ❑ Memorandum of Understanding with universities
- ❑ Blood donation for Thalassemic child patients
- ❑ Tree Plantation Campaigns
- ❑ Installation of Solar Energy panel at one of TCF School
- ❑ Assistance towards Fire Station at Landhi
- ❑ Distribution of Grocery (Rashan) to needy peoples



STRATEGIC & OPERATIONAL DEVELOPMENTS

Home Care (Portfolio)

Archroma brings new products in home hygiene. Specially developed to maintain clean living space, manage disinfection, better odour & aesthetics and also offering major raw materials and colours to multinationals & local manufacturers.

Laundry
Washing Powder and Bar
Liquid Detergent
Washing liquids (woolens)
Fabric Softeners
Oil Soap
Detergent Speckles
Application Specific Cleaning



Dish Wash
Dish Wash Cake & Tablet
Dish Wash Powder
Hand Dish Washing Liquid
Lime Dissolver



Cleaners
House Hold Cleaners
Abrasive Cleaning Powder
Toilet Cleaners
Window / Glass Cleaners
Floor Cleaners
Car Cleaning



I & I Cleaning
Rim Cleaners
Metal / Hard Surface Cleaners
Foam Cleaners
Specific process house cleaning



Construction Chemicals

Chemical compounds used in construction activities to impart durability and strengthen the structures by improving the concrete performance.

They also increase the life of construction work and impart additional protection from environmental hazards.

Based on end use applications, these compounds can be broadly classified into five categories.

- Concrete Ad Mixtures
- Water Proofing Chemicals
- Flooring Compounds
- Repair and rehabilitation
- Miscellaneous



Winning beyond the Boundaries



Focus on Market Leaders / Home Care growing Industry



Production Plant & Capacity

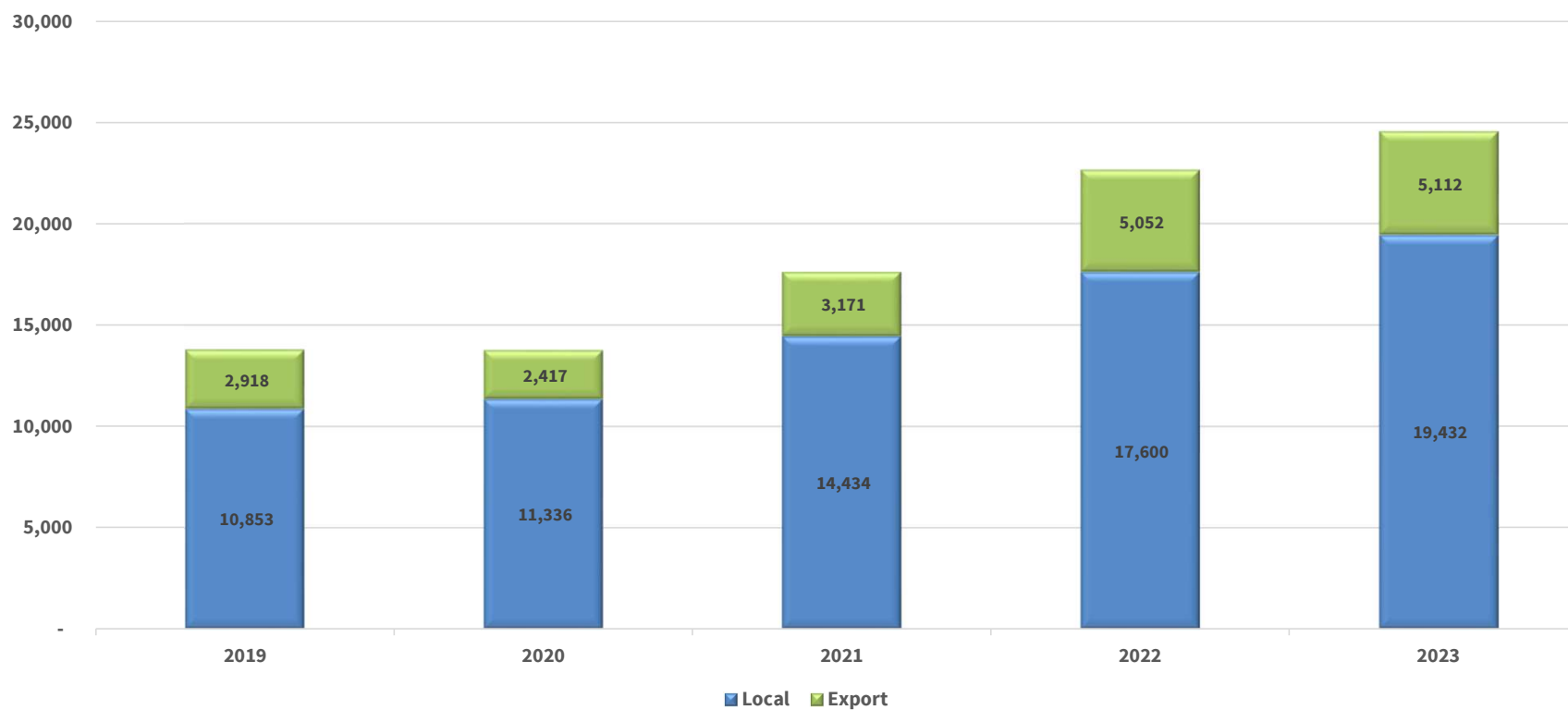
Segment	Jamshoro Tons/Annum	Karachi Tons/Annum	Total Tons/Annum
Dyes/OBAs	12,000	-	12,000
Chemicals	16,000	8,280	24,280
Pigments	800	720	1,520
Binders / Emulsions	36,500	15,720	52,220
Indigo	18,000	-	18,000
Total	83,300	24,720	108,020



FINANCIAL OUTLINE

Sales for the nine months ended 30 June

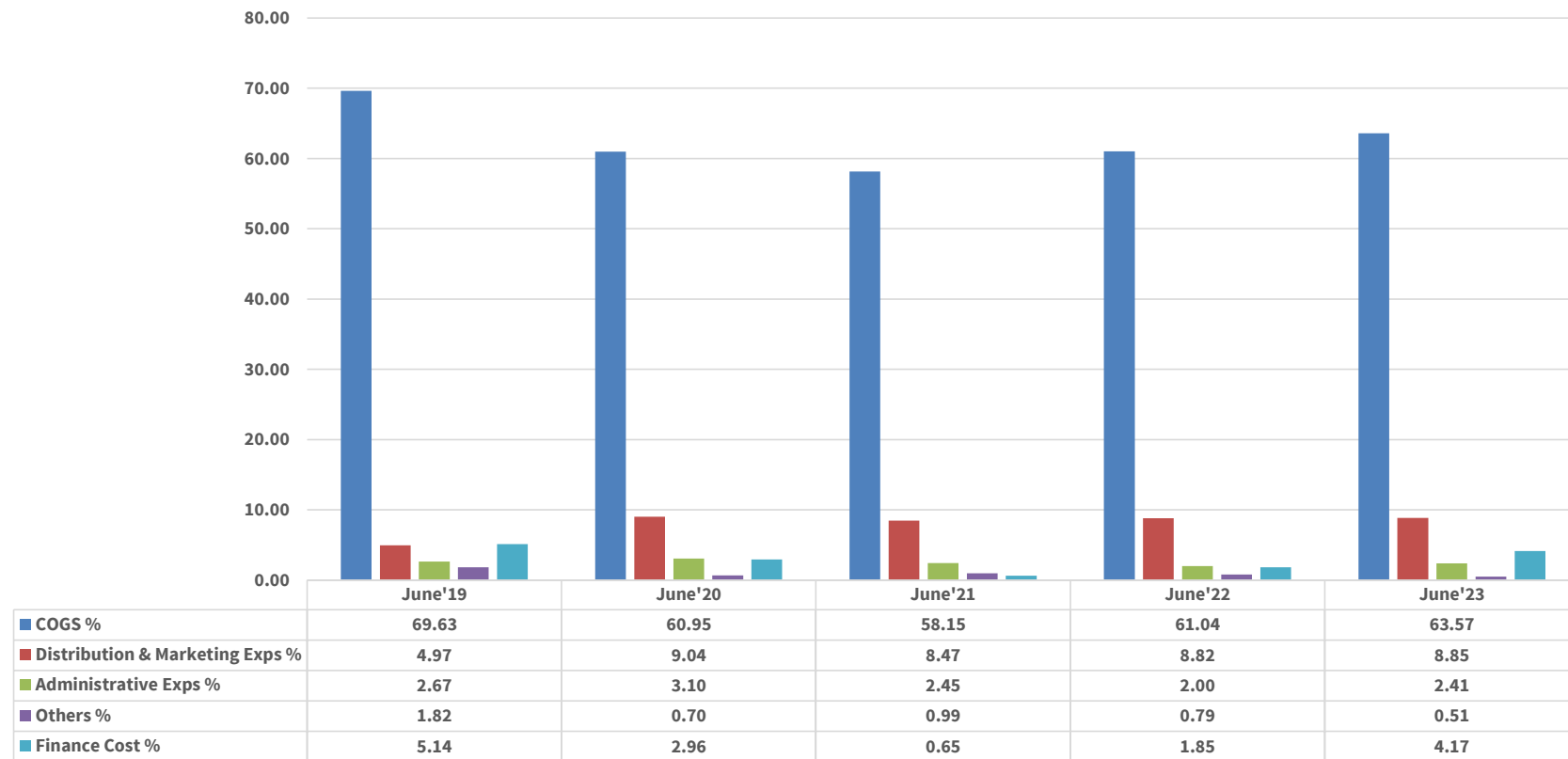
(MPKR)



Financial Highlights for the nine months ended 30 June

	Jun-23	Jun-22	Increase / (Decrease)
	Rs in 000'	Rs in 000'	%
Local sales	19,431,869	17,600,077	10
Export sales	5,111,975	5,051,604	1
Total Sales	24,543,844	22,651,681	8
COGS	15,601,575	13,825,944	13
Gross Profit	5,434,705	5,590,088	(3)
Finance Cost	1,023,365	420,448	143
Taxation	654,923	1,117,157	(41)
Net profit	903,139	1,467,018	(38)
EPS	26.47	43.00	(38)

Manufacturing & Operational Expenses



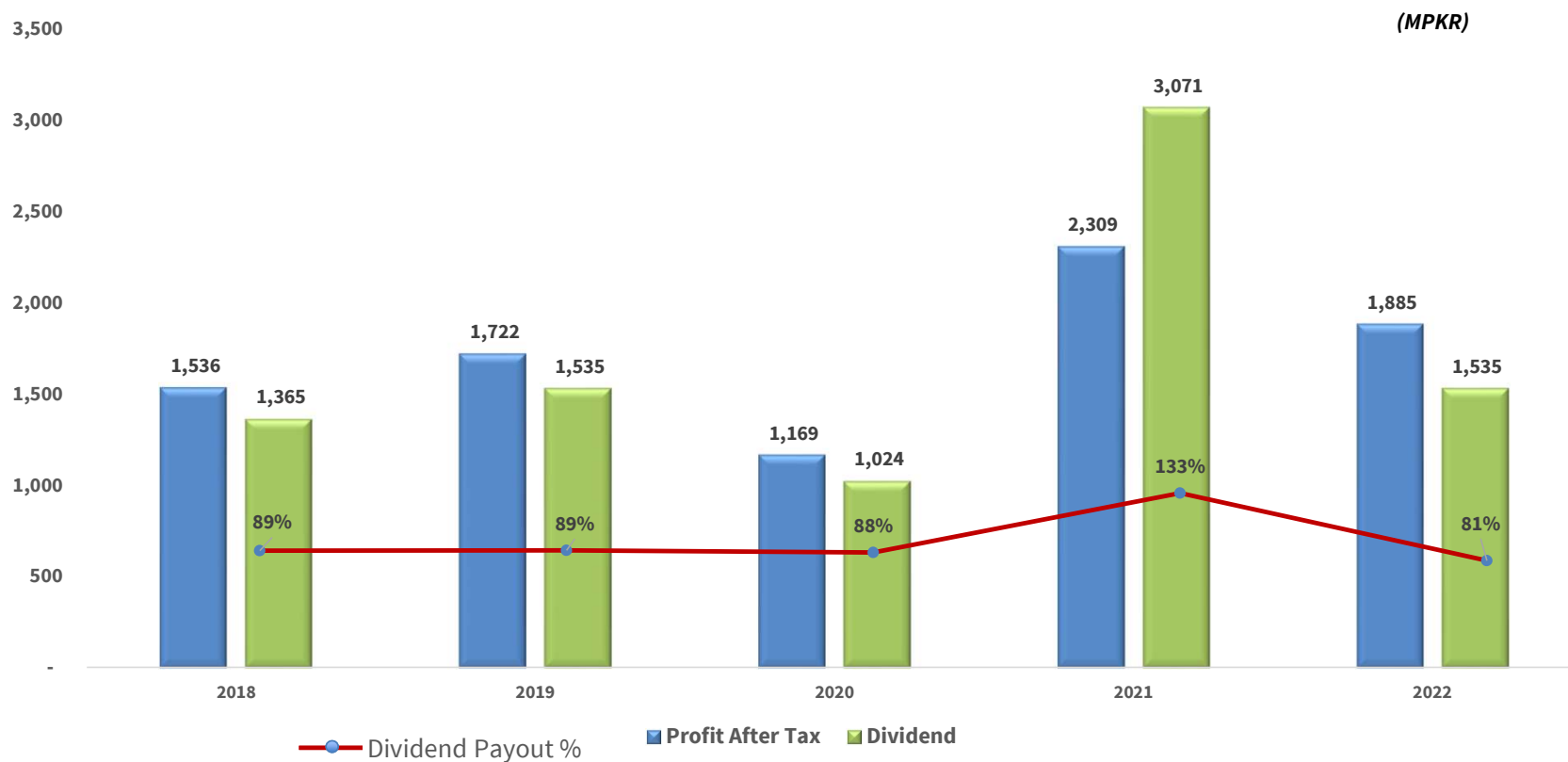
Earning Per Share

The profit for the period stood at MPKR 903 (last period MPKR 1,467). On this basis the earnings per share (EPS) for the period has decreased to Rs. 26.47 as compared to last period's EPS of Rs. 43.00



Dividend Payout History

Final cash dividend payout statistics for the years as follows.



KEY RATIOS

Liquidity Ratios

Period Ended 30 June 2023	2023	2022	2021
Current Ratio (Times)	1.17	1.18	1.57
Quick Ratio (Times)	0.67	0.71	1.02
Days Sales Outstanding (Days)	94	75	81
Days Inventory Outstanding (Days)	124	93	94

Profitability Ratios

Period Ended 30 June 2023	2023	2022	2021
Operating Profit Margin %	12.27	15.47	17.19
Gross Profit Margin %	25.83	28.79	31.03
Return on Assets %	4.81	10.83	14.56
Return on Equity %	22.62	43.26	33.54

Other Ratios

Period Ended 30 June 2023	2023	2022	2021
Mark-up Cover Ratio (Times)	6.66	35.22	34.11
Debt to Capital Ratio	42.43	50.79	29.32
Dividend Payout Ratio %	-	81.45	133.25

FUTURE OUTLOOK

Future Outlook

The ongoing Russia-Ukraine conflict, Global Energy and Commodities prices and availability situation, and consequential adverse Balance of Trade and Forex reserves' situation of Pakistan, continues to keep the outlook for the Textiles' Exports somewhat uncertain. However, with the recent additional financing agreement of USD 3 Billion with IMF is not only expected to contribute positively towards improvement in the overall macro-economic situation of Pakistan but also support business development for local Textiles and Construction Industry of the Country in the upcoming fiscal year.

Risk & Uncertainties

Adopting to the new norm of increasing speed and agility to smartly manage cash-flows and fixed costs are the key risks associated with Company's operations, going forward.

QUESTIONS & ANSWERS



