

Pakistan Oxygen Limited

Analyst briefing

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December 13, 2024

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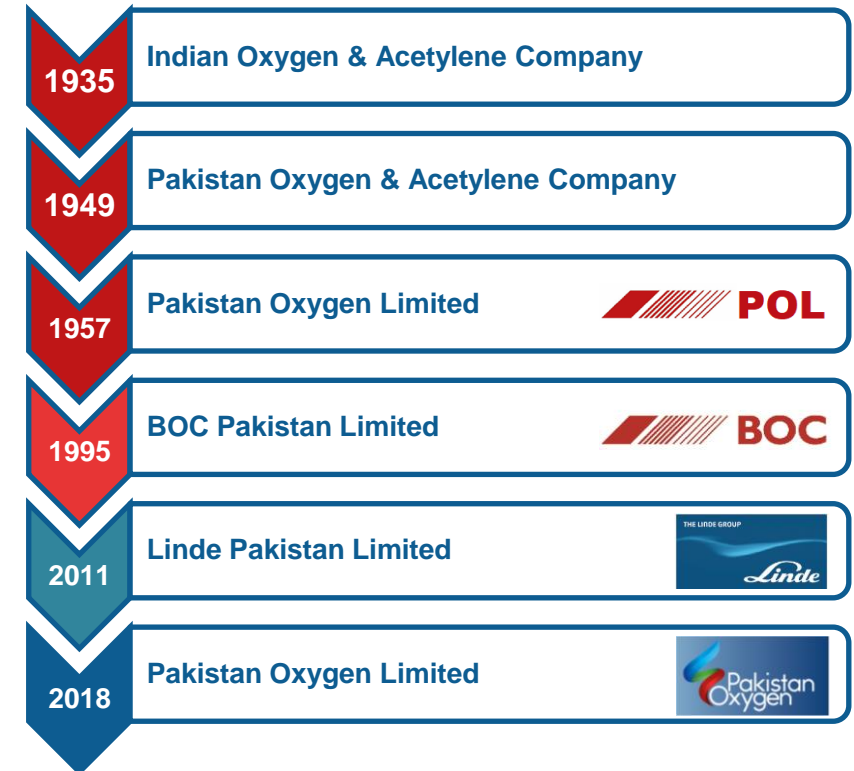
About us

Pakistan Oxygen Limited

About us



- Established in 1935, **Pakistan Oxygen Limited (“POL”)** is the leading supplier of industrial & medical gases, equipment and associated products/services along with welding & hardgoods portfolio in Pakistan.
- Our Oxygen supplies are compliant to European Pharmacopeia standards delivering medical gases to almost all major hospitals of the country.
- Industry-leader in Medical engineering and installation services to create and upgrade oxygen supply and monitoring systems at hospitals.
- Partner with private and public sector to create and upgrade hospital equipment with oxygen supply systems to save precious lives.
- Projects successfully commissioned during 2023;
 - Pakistan’s largest ASU 270 TPD plant (German origin) at Port Qasim.
 - 11 TPS Electrode plant at Port Qasim.



Leading with ~90 years legacy built on trust, reliability and performance.

Pakistan Oxygen Limited Company at a glance



Net worth PKR 9.1 Billion
Total Assets PKR 19.5 Billion
- YTD Sep 2024 published results



Net Sales PKR 8.3 Billion
- YTD Sep 2024 published results



Credit lines of
PKR 4 Billion



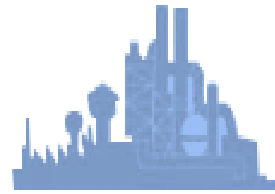
Team of 150+ people with
competence & dedication



Over 1,500 customers
across Pakistan



Leading supplier of industrial & medical gases, medical engineering, equipment, associated product/services and welding & hardgoods



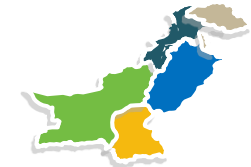
State-of-the-art plants



Safety, Health, Environment & Quality is paramount. ISO 45001, ISO 140001, ISO 9001, FSSC 22000 certified. CE marking for medical devices portfolio



World-class systems and processes



Largest geographic footprint and customer outreach in gases industry

Pakistan Oxygen Limited

National footprint



12 Plants

- 270 TPD ASU Port Qasim
- 100 TPD ASU Port Qasim
- 30 TPD ASU Port Qasim
- Electrode manufacturing plant Karachi
- Electrolytic Hydrogen plant Port Qasim
- 133 TPD ASU Lahore
- Nitrous Oxide plant Lahore
- 60 TPD CO₂ Multan
- On-site Nitrogen plant Mahmood Kot
- Dry ice plant Karachi
- Dissolved Acetylene plant Karachi
- Dissolved Acetylene plant Wah Cantt

5 Sales Offices & Compressing stations

- Karachi
- Sukkur
- Faisalabad
- Lahore
- Taxila

- Geographical presence across Pakistan.
- Multiple sales offices and sales depots to serve customers from South to North.
- Over 260 Bulk Industrial and Medical Customer Tanks (VIEs).
- Largest Delivery Vehicle fleet comprising 53 VITTs.
- Oxygen storage capacity of 1.5 million m³.

Business segments



- Leader in industrial and medical gases segment.
- Largest footprint and customer outreach across the country.

Overview

- Leader in industrial and medical gases with integrated gases supply model.
- Delivering medical gases to almost all major hospitals. Oxygen compliant to European Pharmacopeia standard.
- Serving customers ranging from a single cylinder to large refineries requiring turnkey solutions with complete application support.
- Providing a large variety of gas mixtures and speciality gases at all required purity levels.
- Sole producer of Hydrogen in the country. Engaged with IFC to develop a “Hydrogen Strategy for Pakistan” as a Clean Energy solution.

Portfolio

- **Industrial gases:**
Liquid Oxygen, Liquid Nitrogen, Liquid Argon, Liquid Carbon Dioxide, Pipeline and Trailer Hydrogen, Industrial pipelines and associated services, Dry ice.
- **Compressed gases:**
Compressed Oxygen, Compressed Nitrogen, Compressed Argon, Compressed Air, Compressed Carbon dioxide, Compressed Hydrogen, Dissolved Acetylene.
- **Speciality gases:**
High purity gases, Research grade, Gaseous chemicals, Calibration mixtures, Argon mixtures, Welding gas mixtures, Sterilization gases, Refrigerants.
- **Medical gases:**
Liquid Medical Oxygen, Compressed Medical Oxygen, Nitrous Oxide, Entonox, Speciality medical gases.

Projects commissioned in 2023

- Pakistan’s largest ASU 270 TPD plant commissioned in July 2023 at PQ. The plant is acquired from Linde AG.





- Leader in Tier-I electrodes.
- One-window solution to customers for hardgoods and gases.

Overview

- Welding portfolio is in strategic alignment with gases business.
- The Company offers widest range of tailored solutions to match individual needs across full welding and cutting spectrum.
- In 2009, electrode manufacturing was shifted to toll-based model during Linde era.
- In 2018, the Board approved to restart own production of electrodes and further investment approval in 2021.



Portfolio

- Fortrex and Zodian:**
Tier-I ESAB brands: Fortrex and Zodian, manufactured locally using their blend. Both electrodes are market leaders and are widely used by heavy fabrication industry.
- Matador 47 and Matador 48:**
Tier-II widely used for small to medium work pieces, ordinary tensile strength mild steel, cosmetic welding and piping work.
- POL 113, POL SUPER and HEROWELD:**
Tier-III a product-line for light to medium fabrication along with repair and maintenance of mild steel.
- POLHARD (Hardfacing):**
Used for protection and restoration of parts subjected to severe abrasion from rock, sand, cement and similar activities.

Also offering a wide range of special electrodes, imported welding consumables, welding machines and related accessories, including welding outfit and PPEs.

Projects commissioned in 2023

- In 2023, a new plant at Port Qasim was commissioned improving supply reliability and product quality



- 250KW solar panel installation over PEB





- Market leader in MES (**M**edical **E**ngineering **S**ervices).
- Localization and brand building of medical equipment.

MES (Medical Engineering Services)



Overview

- MES portfolio is in strategic alignment with Medical gases business.
- Proud legacy of being the pioneer and market leader in MES segment.
- In 2018, the Management decided to expand the portfolio with increased focus on MES.
- In 2019, due to COVID-19 pandemic, the situation emerged as a catalyst to focus growth through pursuance of public and private sector projects.
- In addition to collaboration with leading international companies, developed MGPS equipment as indigenous product-line for MES.

Portfolio

- Installing supply sources of medical gases, pipeline distribution systems with complete associated equipment installation.
- Design, sourcing, engineering and installation of medical pipeline as per HTM standards by our certified professionals.
- Supply, installation & commissioning, and facility management of current projects.
- Supply and installation of:
 - Compressed Medical Air Plant,
 - Medical Vacuum Plant,
 - Bed Head Units
 - Anesthetic Gas Scavenging System,
 - Zone Valves and Medical Alarm Systems.
- Strategic alliances and partnerships with world's leading healthcare solution and equipment providers.

Projects commissioned in 2023

- Successful commissioning of first ever Medical PSA Plant at SIUT .
- PSA plants and medical pipeline projects for Government of Balochistan (Total 24 PSA Plants).
- Gas Pipeline System installation & commissioning at Shaukat Khanum Memorial Hospital Karachi.
- 600 bedded facility, Medical Gas Pipeline System at Indus Hospital Karachi.

Financials

YTD Sept 2024 Highlights



Financials (PKR M)	YTD Sept 2023	YTD Sept 2024	% 2023 vs 2024
Net Sales	6,073	8,272	+36%
Gross Profit	961	2,200	+129%
GP %	16%	27%	
Overheads	554	762	-38%
Operating Profit	452	1,573	+248%
Finance Cost	397	810	-104%
Profit After Tax	39	457	+1080%
PAT %	0%	6%	

Other Highlights

- No fatality / major incident
- Margins at a 10-year high
- ~ PKR 750 M long-term loan repaid in 2023-24
- Better than design Specific Power Consumption (SPC) achieved on the new ASU 270 TPD resulting in improved margins
- Successful turnaround of Sunder plant after 12 years
- Leadership position in the Hydrogen market secured
- New products in Medical Engineering & Welding contribute ~ PKR 130 M to sales

YTD Sept 2024

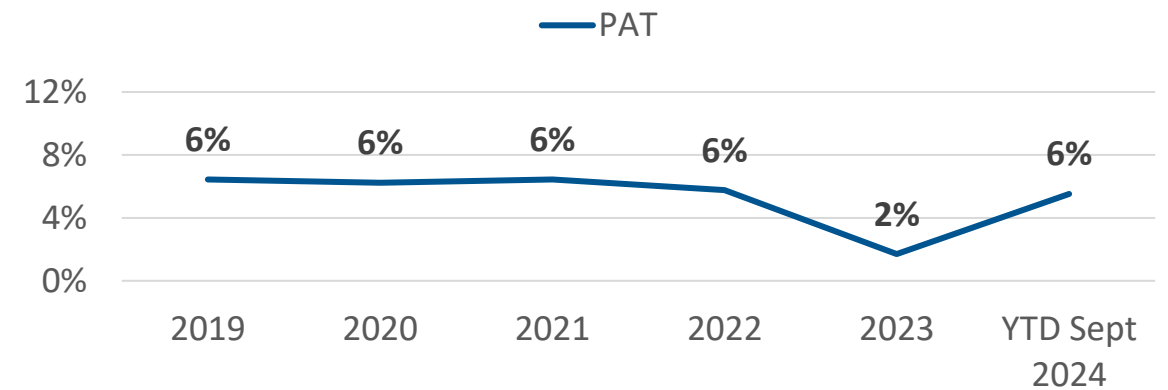
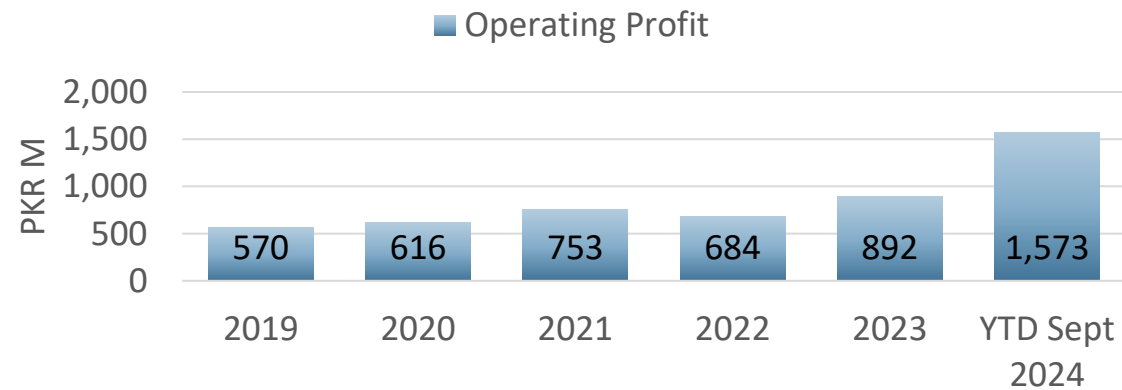
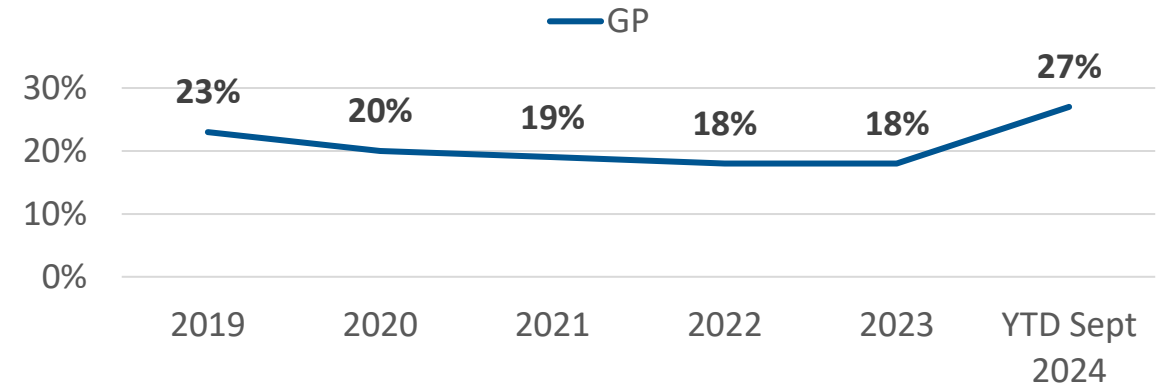
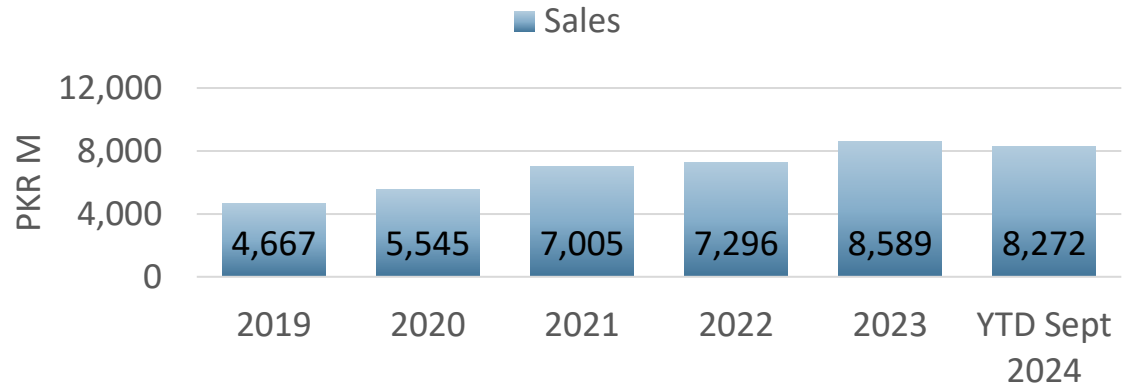
Key Ratios



Financial Ratios	YTD Sept 2023	YTD Sept 2024
Debt to equity ratio	37:63	34:66
Total debt to equity ratio	50:50	44:56
Current ratio	0.83	1.00
Interest cover-time ratio	1.14	1.94
Total debt to EBITDA ratio	9.94	3.38
Long term debt to EBITDA	5.80	2.14
Debit Servicing Ratio	0.90	1.38
ROE	1%	7%
ROE (excl. Revaluation Reserves)	1%	13%
ROA	0%	3%
ROA (excl. Revaluation Reserves)	0%	4%

Financials

P&L Trend



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Q&A



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