



Investors Briefing

November 21, 2023

Definitions and cautionary note

References in this presentation to “our Company” or the “Corporation” refer to SPL. The words “we”, “us” and “our” are used to refer to SPL or to those who work for SPL.

This presentation contains forward-looking statements concerning the financial condition, results of operations and businesses of SPL.

All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are statements of future expectations that are based on management’s current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. Forward-looking statements include, among other things, statements concerning the potential exposure of to market risks and statements expressing management’s expectations, beliefs, estimates, forecasts, projections and assumptions. These forward-looking statements are identified by their use of terms and phrases such as “anticipate”, “believe”, “could”, “estimate”, “expect”, “goals”, “intend”, “may”, “objectives”, “outlook”, “plan”, “probably”, “project”, “risks”, “schedule”, “seek”, “should”, “target”, “will” and similar terms and phrases. There are a number of factors that could affect the future operations of SPL and could cause those results to differ materially from those expressed in the forward-looking statements included in this presentation, including (without limitation): (a) price fluctuations in crude oil and natural gas; (b) changes in demand for Shell’s products; (c) currency fluctuations; (d) drilling and production results; (e) reserves estimates; (f) loss of market share and industry competition; (g) environmental and physical risks; (h) risks associated with the identification of suitable potential acquisition properties and targets, and successful negotiation and completion of such transactions; (i) the risk of doing business in developing countries and countries subject to international sanctions; (j) legislative, fiscal and regulatory developments including regulatory measures addressing climate change; (k) economic and financial market conditions in various countries and regions; (l) political risks, including the risks of expropriation and renegotiation of the terms of contracts with governmental entities, delays or advancements in the approval of projects and delays in the reimbursement for shared costs; and (m) changes in trading conditions. No assurance is provided that future dividend payments will match or exceed previous dividend payments. All forward-looking statements contained in this presentation are expressly qualified in their entirety by the disclaimer contained or referred to herein. Audience should not place undue reliance on forward-looking statements. Additional risk factors that may affect future results are contained in SPL Annual Report for the year ended 31 December 2021 (available at <https://www.shell.com.pk/investors/financial-reporting/annual-reports-publications.html>). These risk factors also expressly qualify all forward looking statements contained in this presentation and should be considered by the audience. Each forward-looking statement speaks only as of the date of this Quarterly Investors and Analysts’ Briefing on -----. Neither SPL nor any of its subsidiaries undertake any obligation to publicly update or revise any forward-looking statement as a result of new information, future events or other information. In light of these risks, results could differ materially from those stated, implied or inferred from the forward-looking statements contained in this presentation.

CORPORATE BRIEFING SESSION

PROCEDURE

- Prior intimation of date, time and place was given through PUCARS along with a notice on the corporate website
- Briefing is being held at the Shell House Karachi
- Presentation will be published on the website after the session

MEETING AGENDA

- Safety Brief
- Company Brief
- Strategic/Operational Developments
- CR updates
- Financial Details
- Q&A

FORMAT

- The session will be conducted by the CFO of SPL
- The session will be for the duration of 1 hour



SAFETY BRIEF



Safety First

For this meeting, please review the following



External Agencies:

Police: 15

Fire Brigade: 16

Ambulance: 1021 / 115

Fire:

- In case of fire, raise the alarm by breaking the glass of the fire alarm notification box
- Shout for help - don't panic
- Attempt to put out the fire using a fire extinguisher only if you know how to use it
- Evacuate the building through the nearest emergency exit
- Follow the enclosed Evacuation Plan

Earthquake:

- Stay indoors until the shaking stops
- Keep away from windows, glass partitions, mirrors, bookcases, tall furniture & light fixtures
- Take cover under a heavy table, desk or another piece of solid furniture and hold on
- As soon the tremor stops evacuate the building
- Follow the enclosed Evacuation Plan

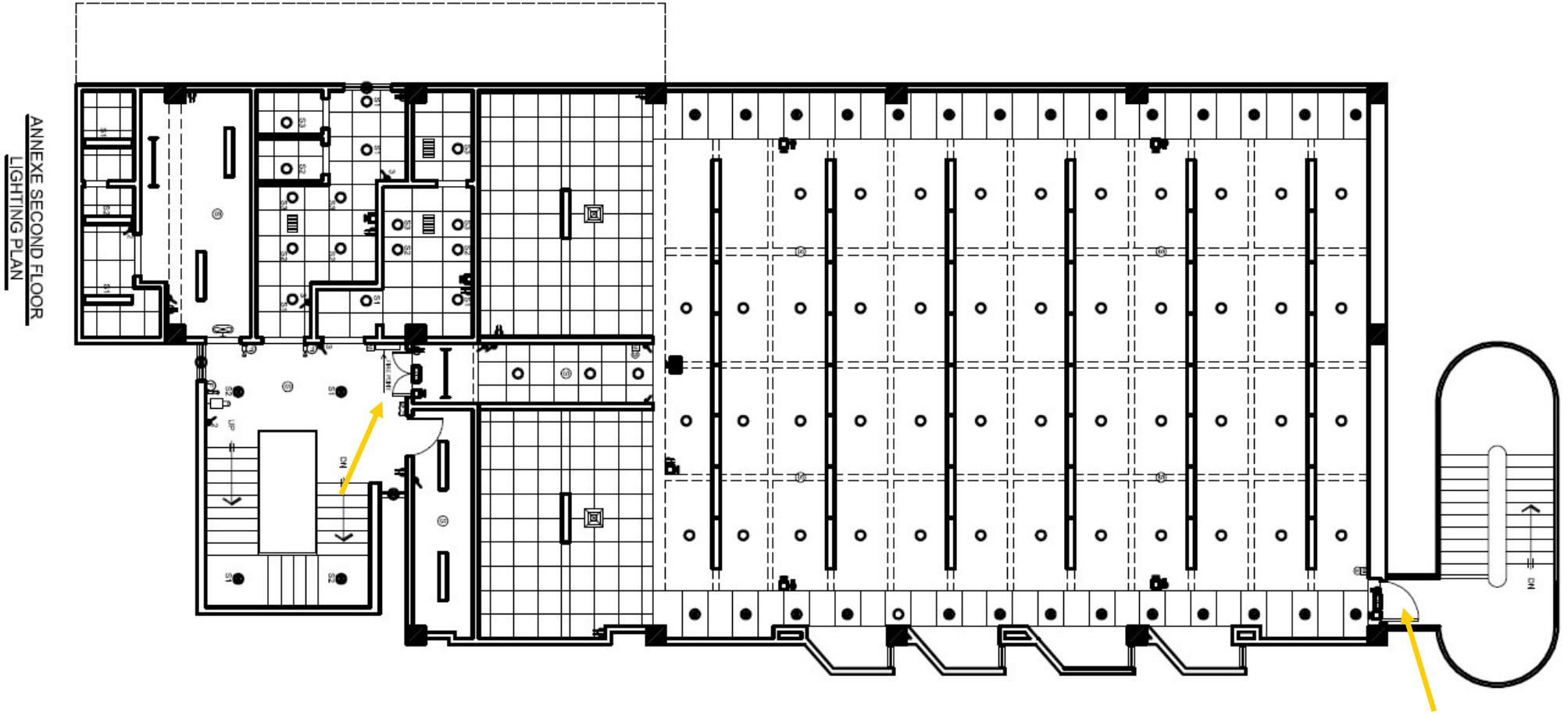
Bomb Threat:

- If you receive a bomb threat, stay calm and listen to the caller, note the information the caller passes on to you & immediately inform the Security Department

EVACUATION PLAN:

- On hearing the fire alarm, do not panic, remain calm
- Treat every alarm that has not been announced as a real situation
- Evacuate the building by using the nearest emergency exit
- When exiting the building, walk in an orderly manner towards the assembly area
- Do not return to collect personal belongings
- Do not re-enter the building
- At the assembly area, wait for further instructions from the Fire Marshall

Evacuation Plan

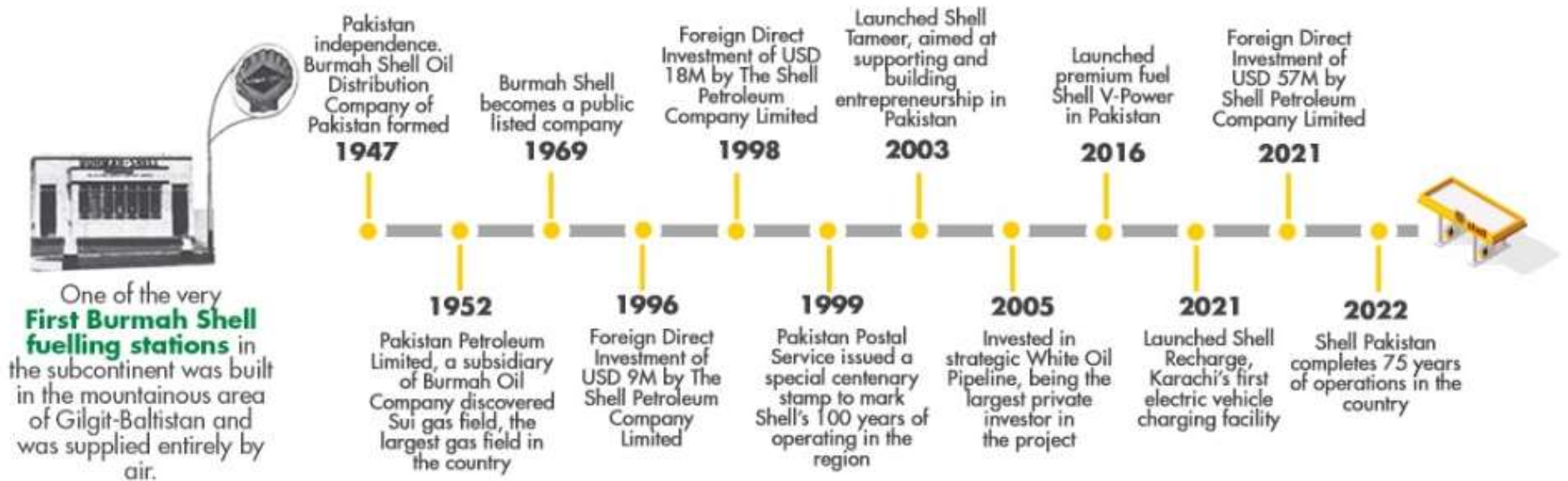




COMPANY BRIEF



Shell Pakistan Limited



Public-listed company with a **77.42%** shareholding by Shell Petroleum Company Limited



SPL Board comprises of **10** members



26% share in the 784km White Oil Pipeline operated by Pak-Arab Pipeline Company (PAPCO)



Shell Footprint in Pakistan

SHELL RECHARGE



3

Electric Vehicle charging stations installed in Karachi in collaboration with KE

RETAIL

- **640+** retail stations across Pakistan to help people reach their destinations
- **10,000+** service champions serve our customers
- **600+** retailers operating in 4 districts and 26 territories
- Supplying approximately **2 billion** litres of fuel annually

NON-FUELS RETAILING

- **100+** Shell Select stores
- Collaborations with Food & Beverage partners, FMCG Suppliers, Car Wash, Tyre Shops, and Oil Changers

LUBRICANTS

- The largest lubricant supplier in the country
- State of the art Lubricants Oil Blending Plant



1ST SOLAR POWERED oil terminal in the country at KEMARI



STRATEGIC AND OPERATIONAL DEVELOPMENTS

SPL Fuels business continues strong delivery in 2023 despite economic, political and internal headwinds



Building association with cricket, Shell V-Power partnered with Multan Sultans for the third time in PSL season 8. Alongside ran an exciting offer; aimed at incentivizing customer to refuel and win a chance to watch live cricket matches.



To drive premiumization and increase penetration, we have executed Shell V-Power and Helix integrated promotion. This offering brings more exciting giveaways for customers & competitions among our frontline for an integrated effort in driving premiumization.



Shell's partnership with Jazz Cash & Easy Paisa plays a significant role in accelerating digital payments. This collaboration allows customers to conduct QR transactions at retail sites through a quick, secure and easy process.

OGRA recognizes industry efforts in promoting refueling safety among two and three wheelers, trailblazed by Shell's initiative "Ehtiyaat Bunay Hifazat"



Shell Pakistan on eliminating risks around refueling at our forecourts with our headliner campaign: "Ehtiyaat Bunay Hifazat". Staying seated on bikes or rickshaw during fuelling is risky. This campaign will not only curtail incidents for better customer safety but also to ensure safer working environment for our Service Champions.



The Shell way of providing our customers value: "Mayaar, Miqdaar aur Hamara Pyaar"



Launched across 560 Retail Stations in Pakistan, Shell's campaign focuses on Quality Fuels, given at the right Quantity, coupled with exceptional Customer Service. The campaign focuses on the Shell difference when it comes to fulfilling these 3 promises.

Non-Fuels Retailing continues its strong growth trajectory to make life's journeys better

28%	UC3 Margin growth on Lubricants. 18% value growth on Helix 29% growth on Total C3 (YTD vs SPLY)
36%	Increase in Convenience Retail Sales – YTD 2023 vs 2022
FOOTPRINT GROWTH	14 new Gen-5 Shell Select stores added to the CR portfolio
35%	35% of network enabled on “On Demand Delivery” 70M+ in On demand delivery sales FY 2023 (YTD Sept)



Winning Promos, Winning Customers



Delivering world class offers.

Professional Road Transport Operations

serving the Business

Continuing to drive value while managing the impact of any challenges

Safe Operations



Goal Zero

Compliance to Shell Group



Managing fatigue
Mega drills

Professional Partners



Ensure sustainability

Strategy updated in line with technological Market developments



Professionally trained Captains.
Authorized & localized Professional workshops

Technology & Operational Excellence



State of the art vehicles

Onboard cameras, with geofenced journeys

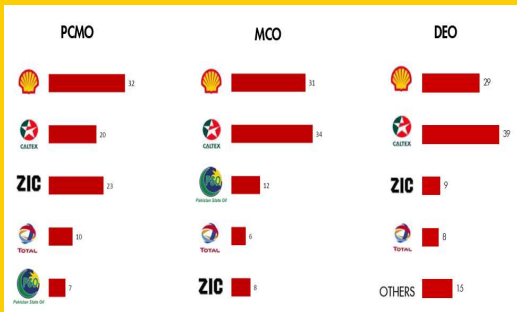


HSSE - Active Fatigue Detection Devices
Development of Captain App



Strong Lubricant performance amidst difficult market conditions

Brand Preference



We bring the Shell purpose of **Powering Progress** to life by producing the world's best lubricants, driven by impeccable quality, clean innovation and a customer-first focus



Shell Helix is the **No.1* Brand** in 10W40 and 5W30 category



Shell Advance is the **No.1* brand** in 20w50 category.



One of the Biggest player in the market with supplies to Original Equipment Manufacturers (OEMs), Power, Cement, Construction sectors etc.



Shell named **#1 GLOBAL LUBRICANTS SUPPLIER** for the 16th year in a row

NETWORK OF TECHNOLOGY CENTRES IN HOUSTON, HAMBURG AND SHANGHAI WITH OVER

200 R&D SCIENTISTS



DELIVER CUTTING-EDGE PRODUCTS TO ALL KINDS OF INDUSTRIAL MACHINERY



Shell celebrated World Mechanics' Day



SOCIAL INVESTMENT & IMPACT

DEVELOPING THE NATION TOGETHER



IMPACTING THE ECONOMY

- Over a **1,000 job opportunities** direct and indirect
- Tax contribution FY22 - **PKR 3.4 billion**

RESPONDING TO FLOODS IN 2022

Shell Pakistan donated **PKR 25.3 million** through HANDS and National Rural Support Program (NRSP) and helped around **2,770** flood affected households (approximately **19,400** individuals) in building homes, providing food rations, temporary shelter kits, hygiene kits and healthcare assistance.



ROAD TRANSPORT SAFETY

- 1,305** drivers have been certified on defensive driving
- 6,241** truckers provided free eye care in the last 5 years
- 30,000+** school children engaged in road safety awareness

BUILT PLASTIC INFUSED ROAD IN KARACHI

Over 2.5 tons of discarded Shell lubricant bottles were recycled for the construction of a 730 feet long and 60 feet wide road on which Shell House is located in Karachi.

BENEFITS

- HIGHER FLEXIBILITY
- MORE DURABLE
- LOWER COST
- REDUCES PLASTIC WASTE



BIOCHAR TECHNOLOGY IN PAKISTAN

Shell Pakistan worked with local farmers to transform agri waste into valuable biochar. The farmers witnessed an increase in land yield by a significant 50%. Biochar technology presents an opportunity to significantly reduce emissions associated with agricultural waste burning, as well as benefit soil health.



BUILDING THE FUTURE

SHELL ECO-MARATHON

A global competition for students to design the most fuel-efficient cars and work towards building a lower-carbon world



SHELL TAMEER

Established in 2003

Our flagship enterprise development programme, with the vision to strengthen the local economy by promoting entrepreneurship, innovation and meaningful employment.





NRSP

National Rural Support Program

Environment &
Resource Mana



Burning crop residue results in environmental pollution.



STRATEGIC UPDATE AND FINANCIALS



Wafi Energy LLC acquires SPL



- Shell Petroleum Company Limited (SPCo) is constantly assessing and seeking to high-grade and simplify its portfolio. The decision to divest SPCo's shareholdings in SPL is consistent with its business strategy.
- Wafi is acquiring SPL's business footprint in Pakistan includes more than 600 mobility sites, 10 fuel terminals, a lubricant oil blending plant, and a 26% shareholding in Pak-Arab Pipeline Company Limited.
- The sale is subject to regulatory approvals and expected to close by Q4 2024.
- The Shell brand will remain visible across the mobility and lubricants network in Pakistan through brand licensing agreements.

Wafi Energy LLC acquires SPL



ASYAD

Asyad Holdings

ATTS
(Power)

Tessuti Italiano
(Textile)

Al Ettisam
(Healthcare)

SNC
(IT)

Kayannat
(Real Estate)

Wafi Energy
(Oil & Gas)

Barajoun
(Entertainment)

Advanced
Electronics

Unified Lubricants

Sabbar
(Telecommunication)

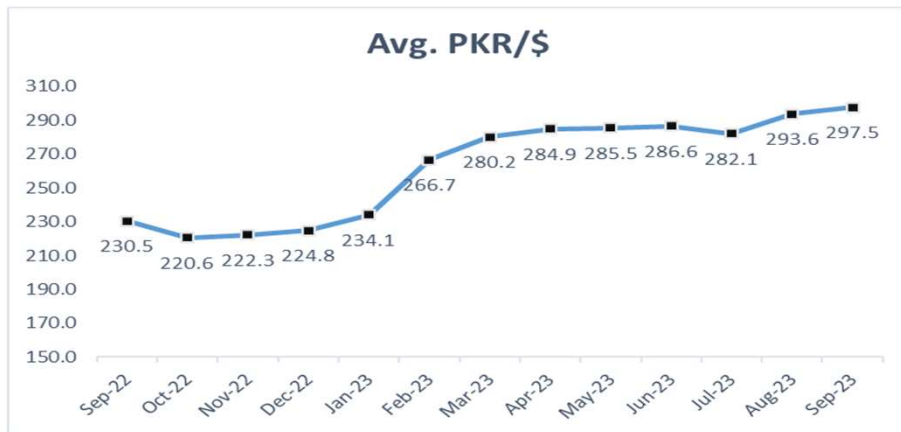
Deef
(Healthcare)

Based in Kingdom of Saudi Arabia, Asyad Holding's Private Equity division oversees several wholly-owned subsidiaries as well as joint-ventures operating in diverse sectors of the economy.

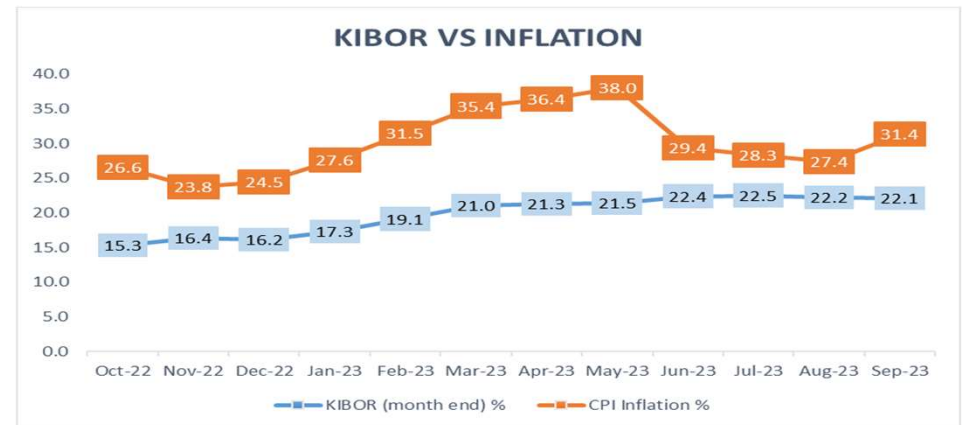
Expanding its vision and footprint, a wholly owned subsidiary of Asyad, Wafi Energy LLC signed a Sale Purchase Agreement with Shell Petroleum Company Limited on October 31, 2023, for acquisition of its entire stake of 77.42% in Pakistan.

Wafi Energy LLC aims to work hard to better position the company with stronger business plans for expanding its business with much more investments opportunities to strongly support growth.

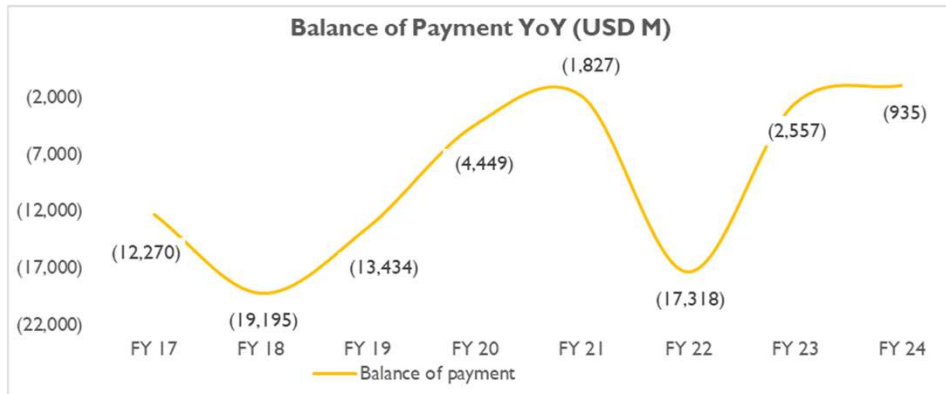
MACRO-ECONOMIC INDICATORS



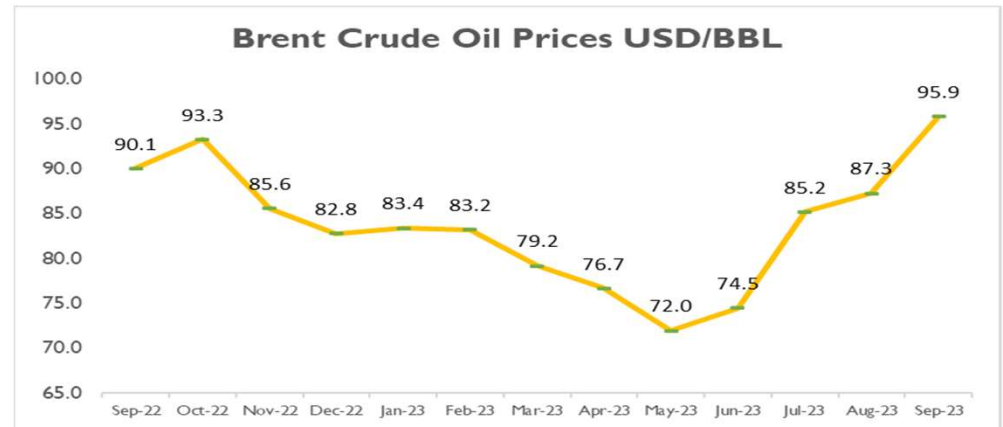
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<https://www.sbp.org.pk/ecodata/BOP-Services/bop.pdf>



<https://www.macrotrends.net/2480/brent-crude-oil-prices-10-year-daily-chart>

Statement of Comprehensive Income

Nine Months Ended September 30, 2023

	Note	Nine months ended		Quarter ended	
		September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
(Rupees '000)					
Sales		325,665,500	307,921,601	110,247,969	109,437,385
Other revenue		897,120	535,687	255,983	210,771
		326,562,620	308,457,288	110,503,952	109,648,156
Sales tax		(5,390,835)	(5,248,092)	(1,425,954)	(1,531,921)
Net revenue		321,171,785	303,209,196	109,077,998	108,116,235
Cost of products sold		(291,563,388)	(270,053,828)	(97,660,827)	(102,892,340)
Gross profit		29,608,397	33,155,368	11,417,171	5,223,895
Distribution and marketing expenses		(8,798,132)	(10,107,157)	(3,284,990)	(5,810,081)
Administrative expenses		(6,916,045)	(5,664,629)	(1,922,699)	(2,128,285)
Other expenses	13	(13,492,211)	(12,315,539)	(545,526)	(3,473,970)
Other income	14	12,740,424	973,480	521,815	(109,907)
Operating profit / (loss)		13,142,433	6,041,523	6,185,771	(6,298,348)
Finance costs	15	(1,954,502)	(1,043,801)	(782,068)	(559,055)
		11,187,931	4,997,722	5,403,703	(6,857,403)
Share of profit of associate - net of tax	6	399,570	617,546	146,204	13,524
Profit/ (loss) before taxation		11,587,501	5,615,268	5,549,907	(6,843,879)
Taxation	16	(5,137,131)	(2,751,371)	(2,639,488)	2,199,746
Net profit/ (loss) for the period		6,450,370	2,863,897	2,910,419	(4,644,133)
Other comprehensive income					
Items that may be subsequently reclassified to profit or loss					
Share of other comprehensive income / (loss) of associate - net of tax	6	2,108	(38,914)	-	-
Total comprehensive income / (loss) for the period		6,452,478	2,824,983	2,910,419	(4,644,133)
(Rupees '000)					
Earnings / (loss) per share - basic and diluted		30.14	13.38	13.60	(21.70)

Statement of Financial Position

As at September 30, 2023

		Unaudited September 30, 2023	Audited December 31, 2022
	Note	(Rupees '000)	
ASSETS			
Non-Current Assets			
Property, plant and equipment	5	22,228,554	20,579,301
Right-of-use assets		6,429,427	6,453,393
Intangible assets		-	2,101
Long-term investments	6	5,599,869	5,198,192
Long-term loans		69,135	51,163
Long-term deposits and prepayments		320,239	220,100
Deferred taxation		843,529	780,010
		<u>35,490,753</u>	<u>33,284,260</u>
Current Assets			
Stock-in-trade	7	61,208,022	42,921,597
Trade debts	18.4	6,430,738	5,910,061
Loans and advances		77,155	62,784
Short-term deposits and prepayments		84,973	535,584
Other receivables	8	6,615,736	8,216,986
Bank balances	9	15,156,611	10,801,097
		<u>89,573,235</u>	<u>68,448,109</u>
		<u>125,063,988</u>	<u>101,732,369</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
Equity			
Share capital	10	2,140,246	2,140,246
Share premium		11,991,012	11,991,012
General reserves		207,002	207,002
Unappropriated profit		7,259,579	807,101
Remeasurement of post-employment benefits - actuarial loss		(543,266)	(543,266)
Unrealized loss on remeasurement of equity investment classified as fair value through other comprehensive income		(5,000)	(5,000)
Total equity		<u>21,049,573</u>	<u>14,597,095</u>
Liabilities			
Non-Current Liabilities			
Asset retirement obligation		367,087	321,113
Long-term provisions		2,950,169	2,923,281
Long-term lease liabilities		6,274,463	5,945,991
Provision for post-retirement medical benefits		178,788	178,788
		<u>9,770,507</u>	<u>9,369,173</u>
Current Liabilities			
Trade and other payables	11	85,820,550	73,703,492
Advances received from customers (contract liabilities)		2,566,147	1,442,366
Unclaimed dividend		250,187	278,892
Unpaid dividend		454,565	508,954
Accrued mark-up		-	2,848
Taxation - net		3,826,186	882,792
Current portion of long-term provisions		603,832	236,964
Current portion of long-term lease liabilities		722,441	709,793
		<u>94,243,908</u>	<u>77,766,101</u>
	12	<u>125,063,988</u>	<u>101,732,369</u>
TOTAL EQUITY AND LIABILITIES			



Q&A

