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# Corporate 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
- Strategic Update and Financials
- Q&A

## FORMAT

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

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# **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

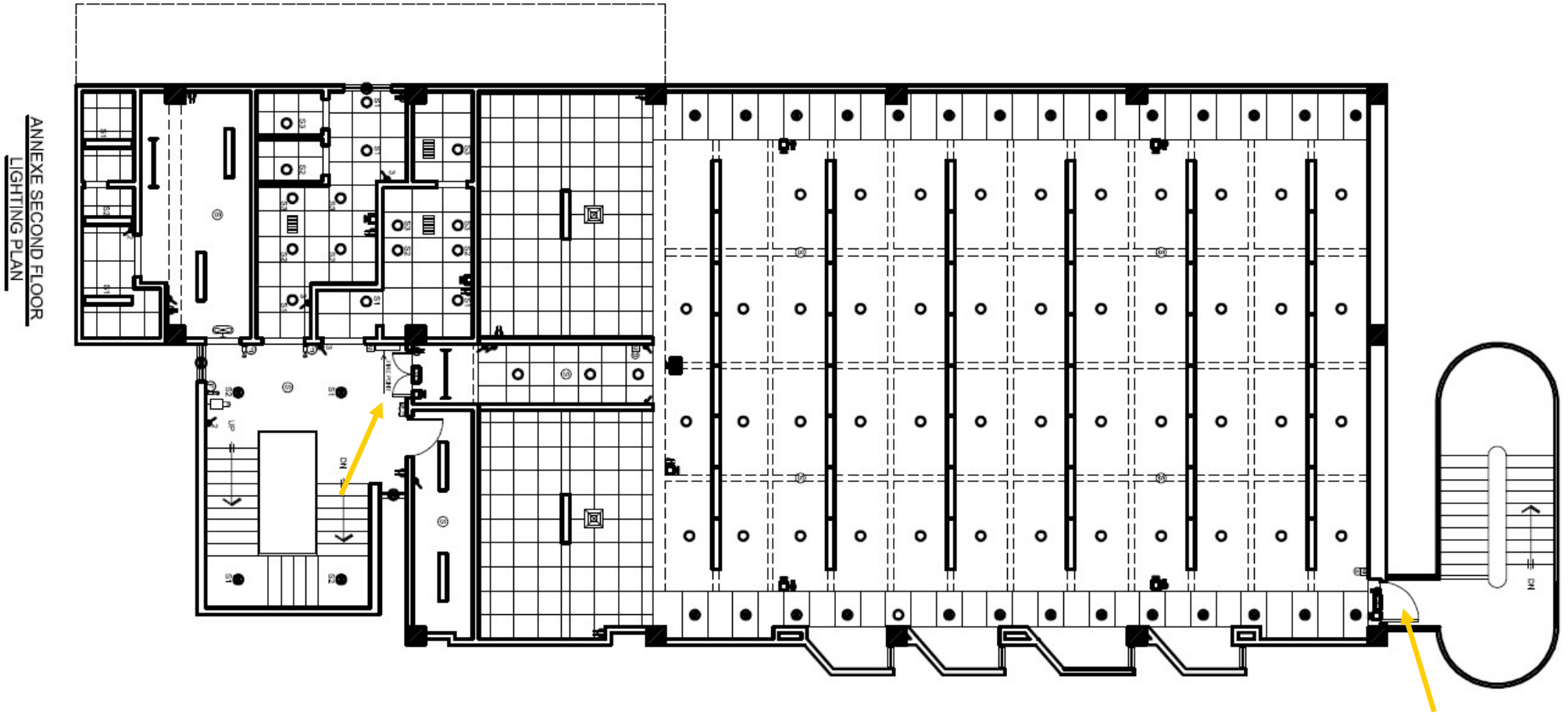
## Bomb Threat:

- 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

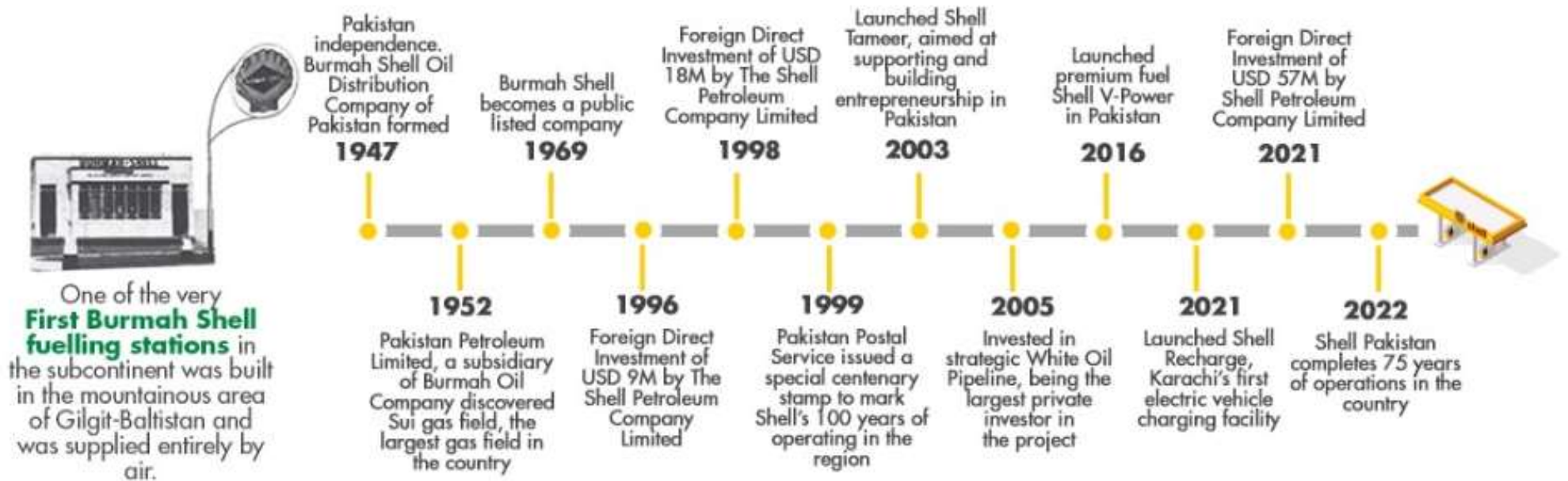




# **COMPANY BRIEF**



# 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

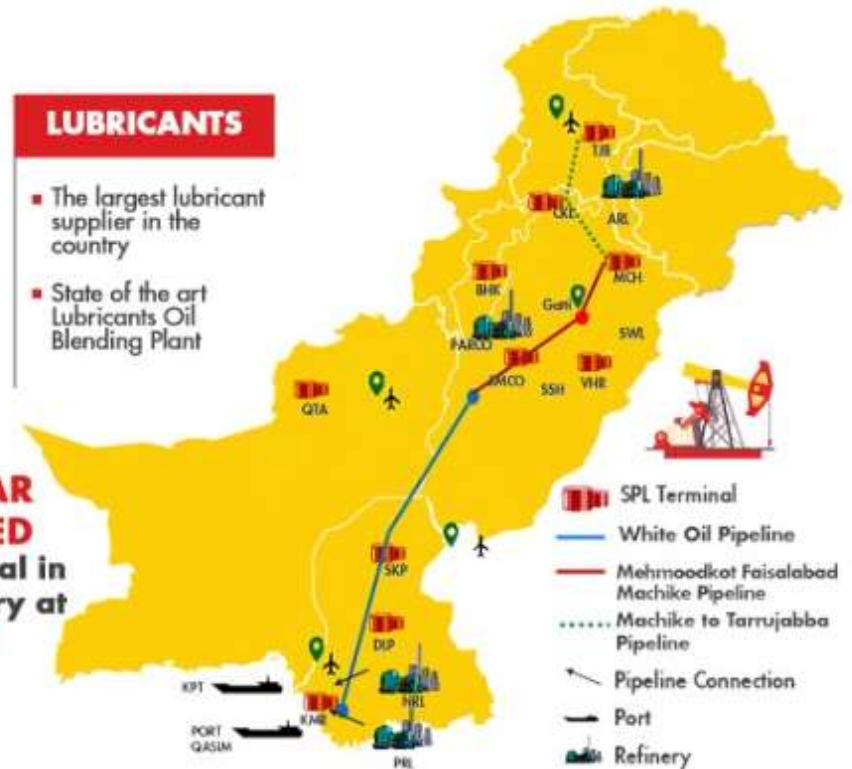
- **100+** Shell Select stores
- Collaborations with Food & Beverage partners, FMCG Suppliers, Car Wash, Tyre Shops, and Oil Changers

## LUBRICANTS

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



**1<sup>ST</sup> SOLAR POWERED oil terminal in the country at KEMARI**



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# **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"



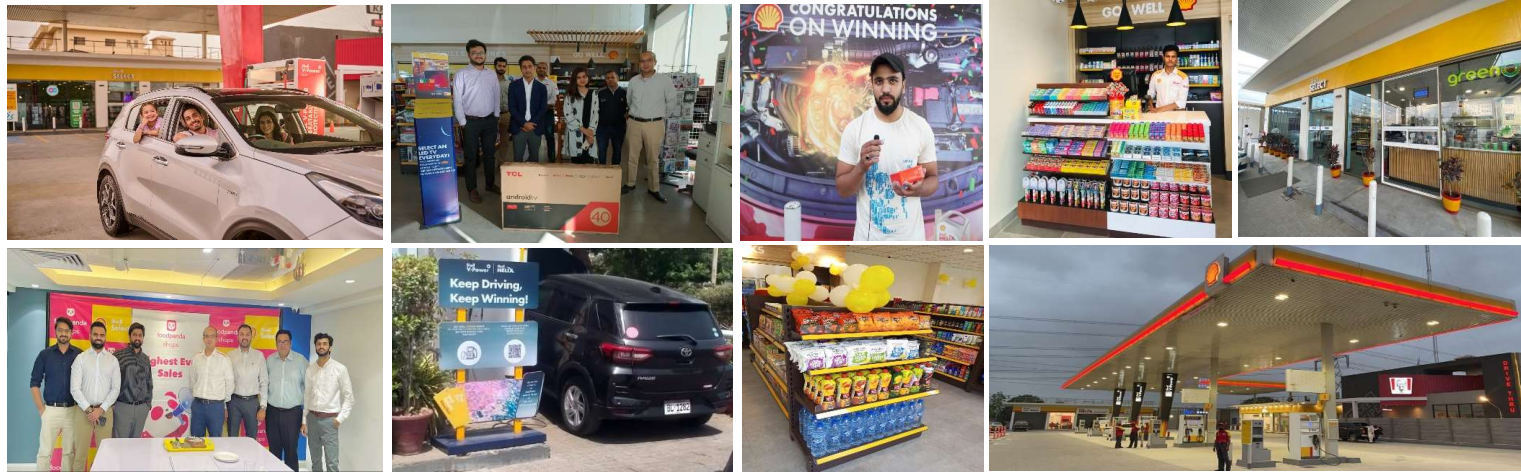
Launched across 560 Retail Stations in Pakistan, Shell's campaign focuses on Quality Fuels, given at the right Quantity, coupled with exceptional Customer Service. The campaign focuses on the Shell difference when it comes to fulfilling these 3 promises.

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

<b>28%</b>	<b>UC3 Margin growth on Lubricants.</b> 18% value growth on Helix 29% growth on Total C3 (YTD vs SPLY)
<b>36%</b>	<b>Increase in Convenience Retail Sales – YTD 2023 vs 2022</b>
<b>FOOTPRINT GROWTH</b>	<b>14 new Gen-5 Shell Select stores added to the CR portfolio</b>
<b>35%</b>	<b>35% of network enabled on "On Demand Delivery"</b> 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

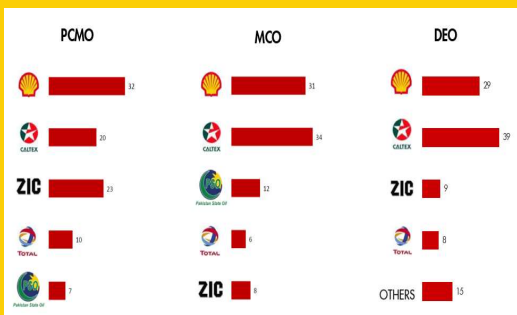


HSSE - Active Fatigue Detection Devices  
Development of Captain App



# 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 16<sup>th</sup> 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 to acquire 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 to acquire 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)

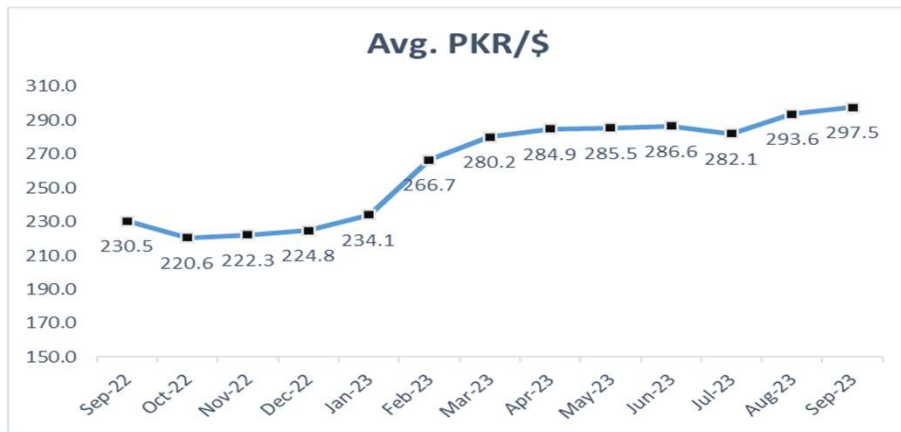
Deef  
(Healthcare)

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.

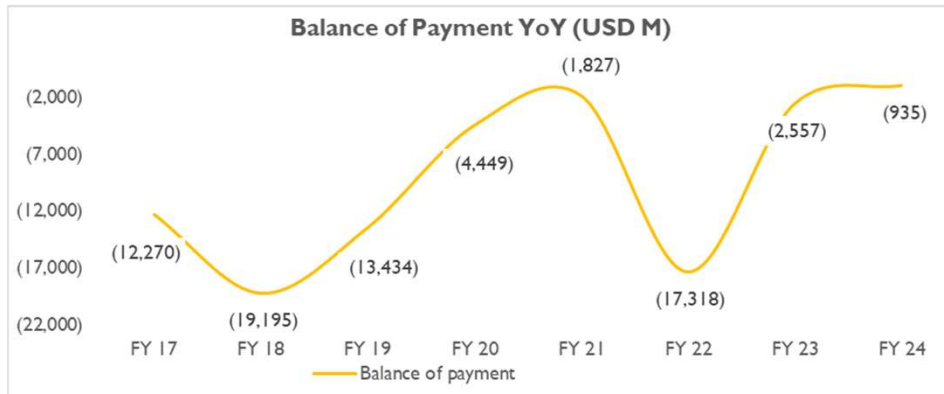
# MACRO-ECONOMIC INDICATORS



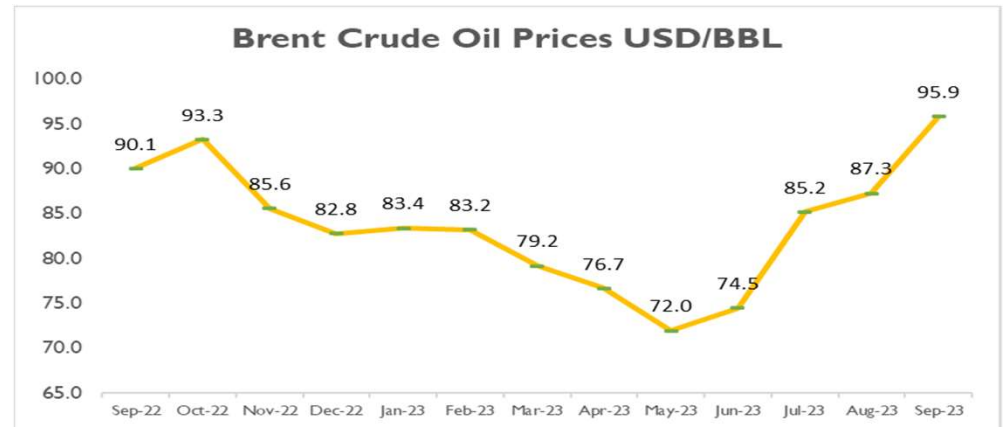
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<https://www.sbp.org.pk/ecodata/BOP-Services/bop.pdf>



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

# FINANCIAL SUMMARY

Financial KPI's (PKR'Bn)	2023YTD	2022YTD
Net revenue	321.2	303.2
Operating profit	13.1	6.0
Profit after tax (PAT)	6.5	2.9
Equity	21.0	14.6
Cashflows from Operations	6.4	(6.8)
Gearing	0%	0%

- **Net revenue:** Increased by 6% mainly on the back of price increase.
- **Operating profit:** Increased by 118% mainly due to waiver of technical service fee and other costs by Shell International Petroleum Company Limited.
- **PAT:** Increased by 124% on the back of higher operating profit partially offset by higher finance costs and taxation.
- **Cashflows:** Improved significantly due to robust working capital optimization.



# Q&A

