



ITTEHAD CHEMICALS LIMITED

ICL/KSE-112/16
September 19, 2016

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

SUBJECT: FINANCIAL RESULTS FOR THE YEAR ENDED JUNE 30, 2016

Dear Sir

We have to inform you that the Board of Directors of the Company in their meeting held on September 19, 2016 at 11:00 a.m. at the Registered Office of the Company, 39-Empress Road, Lahore, has determined the following:

CASH DIVIDEND

A final Cash Dividend for the year ended June 30, 2016 at **Rs. 1.50 per share i.e. 15%**.

BONUS SHARES

Nil

RIGHT SHARES

Nil

FINANCIAL RESULTS

The financial results of the Company are attached as per Annexure "A"

ANY OTHER PRICE SENSITIVE INFORMATION

IEM PLANT-2 (Phase-II)

This is in continuation of our earlier communications wherein it was conveyed that the company is in the process of replacing its high power consuming Plant with power efficient Ion Exchange Membrane 2 – Phase II.

By the grace of Almighty Allah, we are now pleased to inform that the Company's state of the art power efficient Ion Exchange Membrane Plant 2 – Phase II (having capacity 25,000 M. Ton Per Annum) has commenced its commercial operations.

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ITTEHAD
GROUP

www.ittehadchemicals.com

Registered/Head Office: 39, Empress Road, Lahore, Pakistan. Tel: +92 42 3630 6586-88

Fax: +92 42 3636 5697 (A/Cs), 3636 7023 (Marketing) & 3636 5625 (Purchase)

Karachi Office: Town House No. 43-H/II, Street 43, Block 6, P.E.C.H.S., Karachi, Pakistan. Tel: +92 21 3452 7314-15 Fax: +92 21 3452 7321

Factory: G.T. Road, Kala Shah Kaku, District Sheikhpura, Pakistan. Tel: +92 42 3795 0222-25 Fax: +92 42 3795 0206



CERTIFICATE # 9911864



ITTEHAD CHEMICALS LIMITED

The new IEM Plant 2 (Phase II) is cost efficient and shall make its contribution towards the Company's profitability. The inclusion of new IEM Plant 2 (Phase-II) in company's operations testifies to the Management's commitment to enhance the shareholders' value.

CONTRACT TO SELL RAW CARBON DIOXIDE (CO₂) GAS

In order to mitigate the Greenhouse effect, the Company has entered into a contract to sell raw Carbon Dioxide (CO₂) Gas (emitted due to operations of Company's Plants) to a Contractor. The Contractor will set up a CO₂ Plant at Company's premises for conversion the raw CO₂ Gas into Liquid form of CO₂. The Contractor will further sell this CO₂ liquid to the relevant industry. The sale of raw CO₂ Gas will improve the bottom line of the Company.

Book Closure for Dividend

The shares transfer books of the Company will remain closed from **24th October, 2016 to 31st October, 2016 (both days inclusive)**. Transfers received at the Share Registrar Office, M/s CORPLINK (PVT.) LIMITED, Wings Arcade, 1-K, Commercial, Model Town, Lahore, Telephone Numbers 042-35839182, 35887262, Fax No. 042-35869037 at the close of business on 23rd October, 2016 will be treated in time for the purpose of entitlement of Cash Dividend to the transferees and for the purpose of attending and vote in the Annual General Meeting of the Company.

The Annual General Meeting of the Company will be held on **Monday, 31st October, 2016 at 11:00 A.M.** at the **registered office of the Company, 39- Empress Road, Lahore**. We will be sending you 200 copies of printed accounts of the Company for distribution amongst the members of the Exchange 21 days before the date of AGM.

Thanking You.

Yours truly

For Ittehad Chemicals Limited

Abdul Mansoor Khan
Company Secretary

Encl: A.A

Cc: The Director Enforcement, Securities and Exchange Commission of Pakistan, NIC Building, Jinnah Avenue, Blue Area, Islamabad

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ITTEHAD CHEMICALS LIMITED
 PROFIT AND LOSS ACCOUNT
 FOR THE PERIOD ENDED JUNE 30, 2016

| | YTD June 2016 | YTD June 2015 |
|---|---------------------|-------------------------|
| Sales | 4,557,440 | 4,045,537 |
| Cost of sales | <u>(3,766,514)</u> | <u>(3,622,599)</u> |
| Gross profit | 790,926 | 422,938 |
| Selling and distribution expenses | <u>(256,003)</u> | <u>(245,744)</u> |
| General and Administrative expenses | <u>(172,910)</u> | <u>(159,516)</u> |
| Other operating expenses | <u>(11,915)</u> | <u>(787)</u> |
| Other income | <u>21,846</u> | <u>13,878</u> |
| | <u>(418,982)</u> | <u>(392,169)</u> |
| Operating profit | 371,944 | 30,769 |
| Financial charges | <u>(165,249)</u> | <u>(108,886)</u> |
| Fair value gain / (loss) on investment properties | <u>17,400</u> | <u>4,200</u> |
| Profit before taxation | 224,095 | (73,917) |
| Taxation | <u>(56,722)</u> | <u>158,404</u> |
| Profit after taxation | <u>167,373</u> | <u>84,487</u> |
| Earning per share Basic and diluted | <u>2.76</u> | Restated <u>1.54</u> |