

Corporate Briefing Session

Sakrand Sugar Mills Limited

Financial Year Ended September 30, 2024





Corporate Briefing Session Financial Year -2024

You are Cordially Invited to the Corporate Briefing Session Of Sakrand Sugar Mills Limited (SSML) wherein the Company's Senior Management shall Present the Company's Financial performance and outlook.

Presented By

Mr. Muhammad Imran Akber
Company Secretary

Mr. Shams Ghani
Director / CFO

Venue

ICAP Auditorium, Karachi.

Date : Tuesday January 28, 2025

Time : 3:45 P.M.

You can also join session via zoom link

Zoom link will be shared to the members via email

Note : Link will only be shared those members whose details received as per the given format.

IMPORTANT DISCLAIMER

THIS PRESENTATION IS NOT AN OFFER OR SOLICITATION OF AN OFFER TO BUY OR SELL ANY SECURITIES OR ANY INVESTMENT.

This presentation has been prepared by Sakrand Sugar Mills Limited {"Sakrand Sugar Mills"} solely for information purposes. No representation or warranty express or implied is made thereto. And no reliance should be placed on the fairness, accuracy, sufficiency, completeness or correctness of the information or any opinion contained herein, or any opinion rendered thereto. The information contained in this presentation should be considered in the context of the circumstances prevailing at the time and will not be updated to reflect any developments that may occur after the date of the presentation. Neither Sakrand Sugar Mills Limited nor any of its affiliates, officials, advisors, associates, employees, or any person working for, under or on behalf, shall have the responsibility and/or liability of any nature whatsoever (in contract or otherwise) for any loss whatsoever arising from any use of this presentation or its contents or otherwise arising in connection with this presentation.

This presentation does not constitute or form part of a prospectus, offering circular, or offering memorandum or an offer, solicitation, invitation, or recommendation to purchase or subscribe for any securities and no part of it shall form the basis of, or be relied upon in connection with, or act as any inducement to enter into any arrangement, agreement, contract, commitment, or investment decision in relation to any securities. This presentation shall not at all be intended to provide any disclosure upon which an investment decision could be made. No money, securities or other consideration is being solicited, and, if sent in response to this presentation or the information contained herein, will not be accepted.

The presentation may contain statements that reflect Sakrand Sugar Mills Limited own beliefs. These information are based on a number of assumptions, which are beyond Sakrand Sugar Mills Limited control. Such information represents, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario. Such information is subject to certain risks and uncertainties that could cause actual results to differ materially from those contemplated by the relevant information. Sakrand Sugar Mills Limited does not undertake any obligation to update any of such information to reflect events that occur or circumstances that arise after the date this presentation and it does not make any representation, warranty (whether express or implied) or prediction that the results anticipated by such information will be achieved. In addition, past performance should not be taken as an indication or guarantee of future results.

Certain data in this presentation was obtained from various external data sources that Sakrand Sugar Mills Limited believes to the best of its knowledge and information to be reliable, but Sakrand Sugar Mills Limited has not verified such data with independent sources and there can be no assurance, representation or warranty as to the accuracy, sufficiency, correctness or completeness of the included data. Accordingly, Sakrand Sugar Mills Limited makes no assurance, representation or warranty as to the accuracy; sufficiency, correctness or completeness that data, and such data involves risks and uncertainties and is subject to change based on various factors.

CONTENTS



- 01 Introduction
- 02 Company Information
- 03 Business & Financial Analysis
- 04 Operational Highlights
- 05 Future Outlooks
- 06 Question & Answer Session



Introduction

Sakrand Sugar Mills Limited was incorporated in Pakistan as a public limited company under the Companies Ordinance, 1984 [Repealed with the enactment of Companies Act, 2017], on March 02, 1989, and its shares are quoted on Pakistan Stock Exchange.

The registered office of the Company is situated at 41-K, Block-6, P.E.C.H.S, Karachi while the Company's mill is situated at Deh Tharo Unar, Taluka Sakrand, District Shaheed Benazirabad, Sindh, Pakistan, having an area of 102.18 acres.

Products

Molasses



Bagasse



Sugar



Fertilizer



Mud



Company information



BOARD OF DIRECTORS

Mr. Saleem Zamindar	Chairman / Director
Mr. Dinshaw H. Anklesaria	Director
Mr. Shams Ghani	Director
Miss. Sadia Moin	Director
Mr. Muhammad Saleem Mangrio	Director
Mr. Abdul Qayyum Khan Abbasi	Director
Mr. Muhammad Omar Arshid	Director

AUDIT COMMITTEE

Miss. Sadia Moin	Chairperson
Mr. Saleem Zamindar	Member
Mr. Muhammad Saleem Mangrio	Member

HR COMMITTEE

Mr. Abdul Qayyum Khan Abbasi	Chairman
Mr. Muhammad Omar Arshid	Member
Mr. Shams Ghani	Member

LEGAL ADVISOR

Mr. Muhammad Jameel Choudhry

CHIEF EXECUTIVE OFFICER

Mr. Mansoor Afzal Subzwari

CHIEF FINANCIAL OFFICER

Mr. Shams Ghani

COMPANY SECRETARY

Mr. Muhammad Imran Akber

STATUTORY AUDITOR

Parker Russell A.J.S
Chartered Accountants

REGISTRAR

M/s. JWAFS Registrar Services (Pvt.) Ltd.
407-408 Ameera Centre
Shahrah-e-Iraq, Saddar, Karachi-74400

REGISTERED OFFICE

41-K, Block-6, P.E.C.H.S., Karachi
Phone : 0092-21-35303291-2
www.sakrandsugar.com

FACTORY ADDRESS

Deh Tharo Unar, Taluka Sakrand
District Shaheed Benazir Abad, Sindh

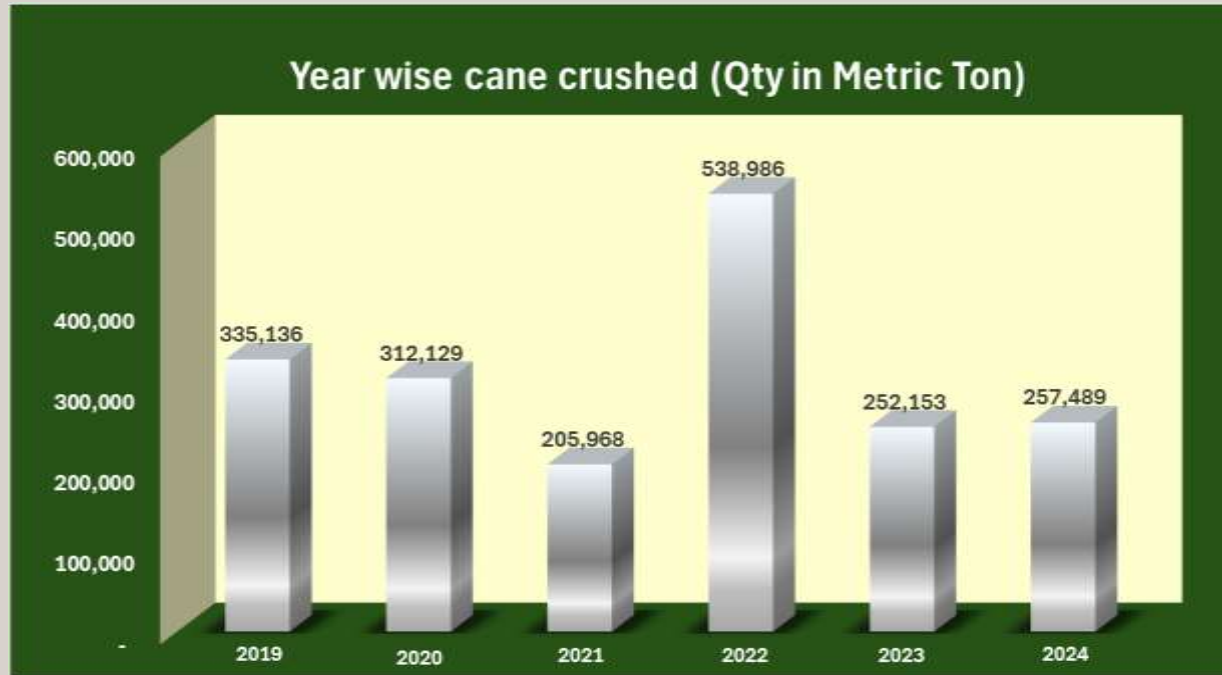


BUSINESS AND FINANCIAL ANLYSIS

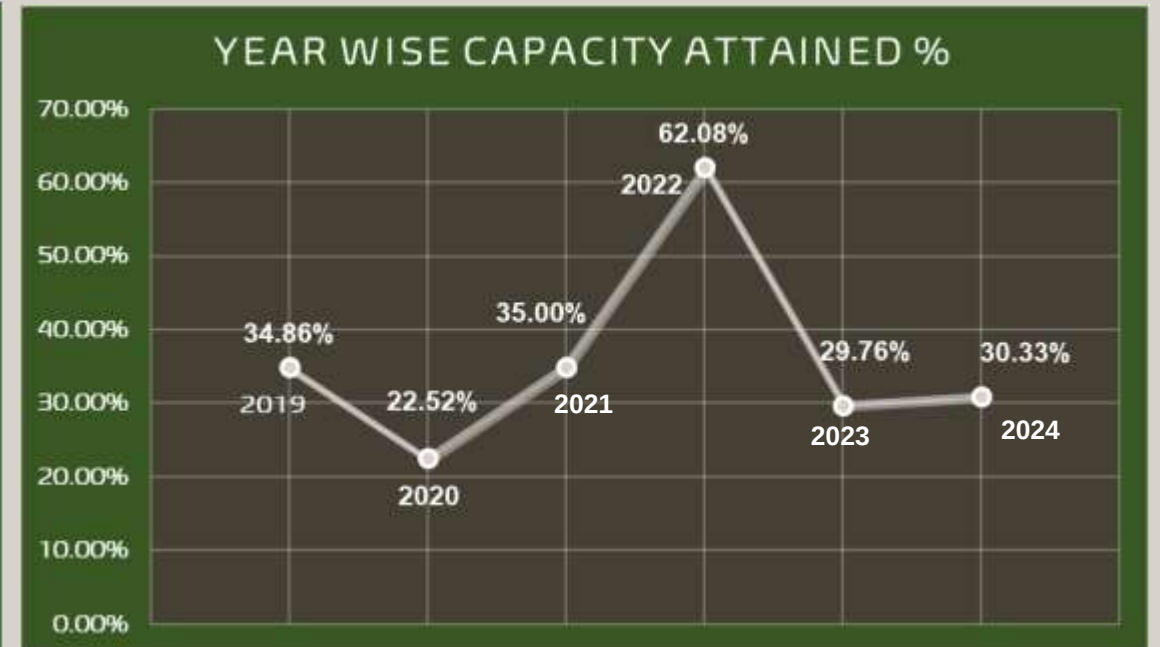
BUSINESS & FINANCIAL ANALYSIS

The Company has the crushing capacity of 6,500 TCD, The annual cane crushing volumes and capacity utilization over the years are outlined as follows:

Cane Crushed



Capacity Attained



The 2023-2024 crushing season spanned 98 days, up from 74 days in the previous year. Despite the extended duration, the total crushing volume remained nearly unchanged, as the management prioritized procuring high-quality and improved sugarcane varieties to minimize production losses.

FINANCIAL RESULTS & OVERVIEW

The key financial figures of the Company for the year ended **September 30, 2024** along with the comparatives for the corresponding year are summarized as under:

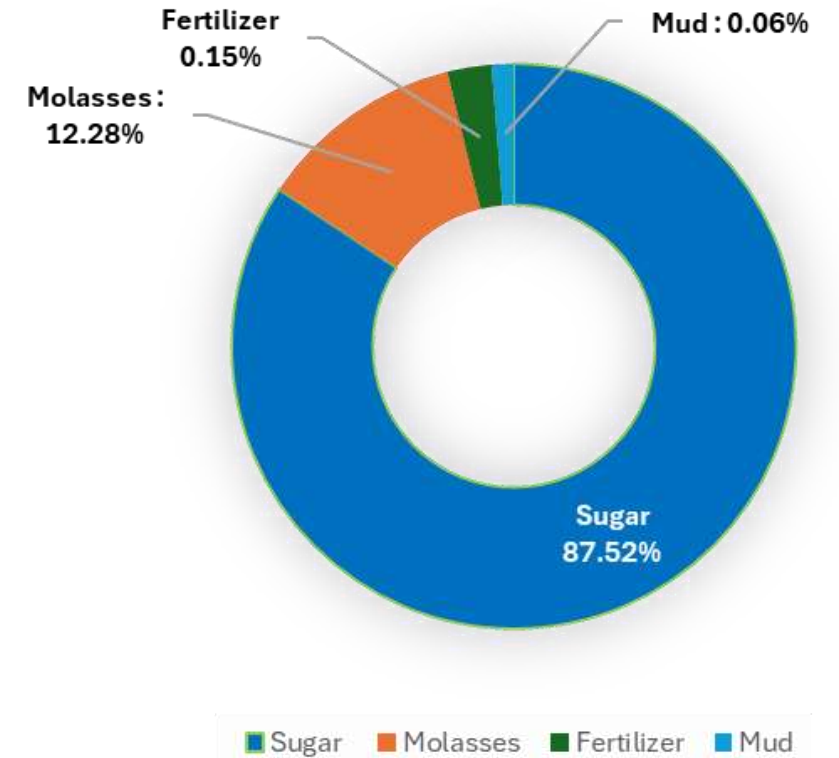
Description	Rupees in million	
	2023-2024	2022-2023
Sales - net	3,335.74	2,626.59
Cost of sales	(2,529.46)	(2,529.46)
Gross profit / (loss)	(64.37)	97.13
Loss before taxation	(206.43)	(123.95)
Loss after taxation	(245.99)	(156.06)
(Loss) / Earning Per Share	Rs. (5.51)	(3.50)

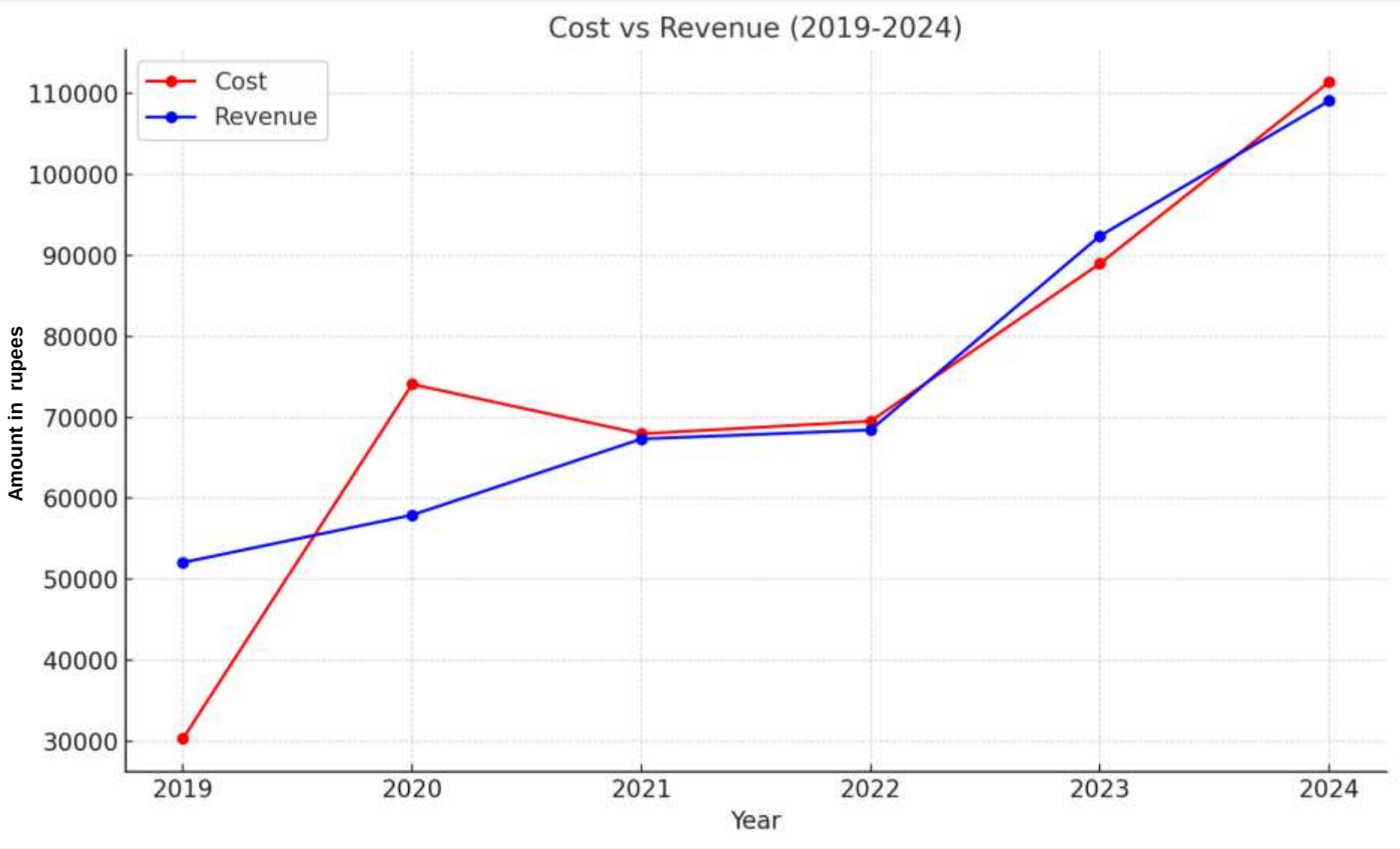
During the period, the Company reported a loss before taxation of Rs. 206.43 million, compared to a loss of Rs. 123.95 million in the previous period. This increase is primarily attributed to the selling price of sugar remaining under pressure despite a significant rise in production costs. The Government has continued the long-standing "mismatch" in its policy by setting a minimum price for sugarcane while adopting a free market approach for the price of sugar. This is evident as, despite sugar prices not being particularly high, the Government of Sindh significantly increased the sugarcane price, announcing a minimum price of Rs. 425 per 40 kg, which is Rs. 123 higher than the previous season. This has substantially impacted on production costs. While the Government regulates the sugarcane price to protect growers' interests, it does not apply similar controls to the price of sugar, preventing a balanced outcome for all stakeholders.

GRAPHICAL HIGHLIGHTS

Product wise Sales Ratio

SALES REVENUE (Rs in million)





Cost



41% Over 2023

Year	Sindh Govt. Announced Cane Support Price per Mund
2024	425
2023	302

Cost



50% Over 2023

Year	Average Cane Cost Per M. Ton
2024	113,232
2023	75,373

Revenue



37% Over 2023

Year	Average Sugar Price Per M. Ton
2024	109,121
2023	79,114



OPERATIONAL HIGHLIGHTS

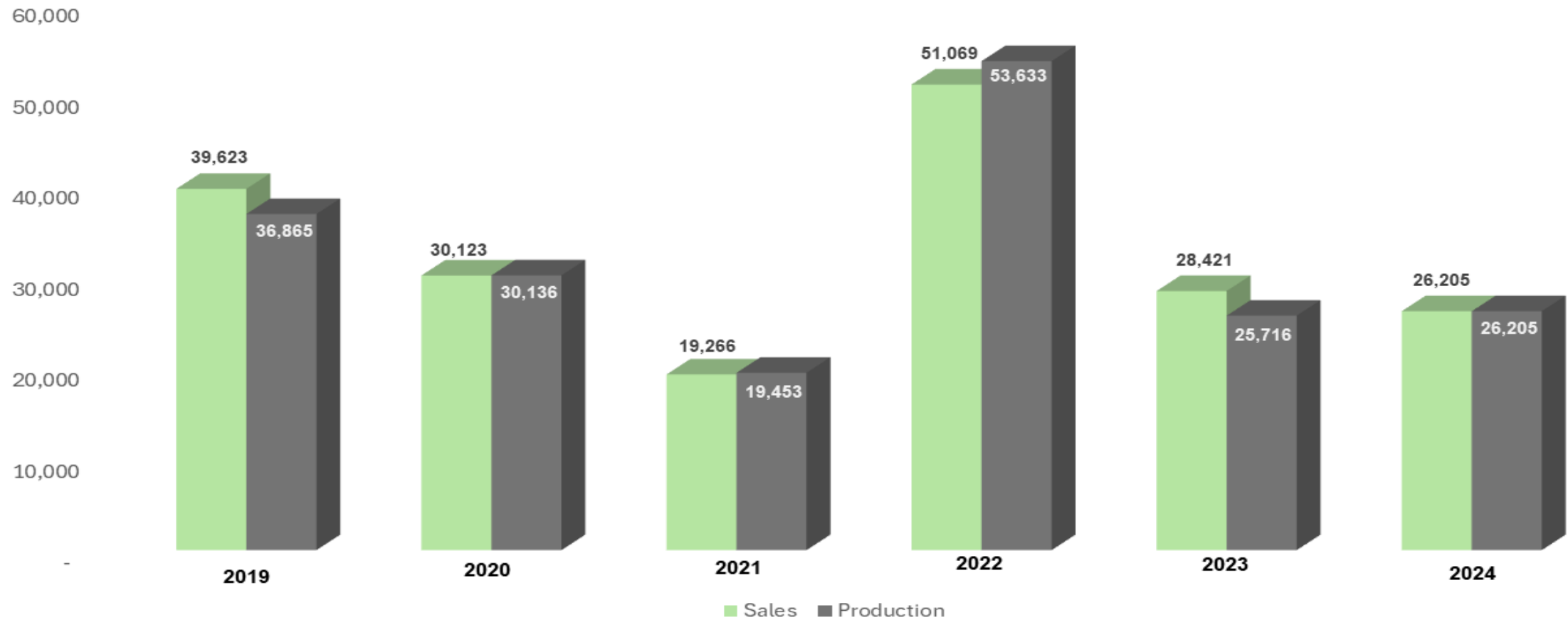
OPERATING RESULTS & Overview

The Operational Performance for the period under review as compared with that last year's corresponding period is tabulated hereunder;

		2024-2023	2022-2023
Season Started on		06-Nov-23	26-Nov-22
Season Duration	Days	123	80
Operational Days	Days	98	74
Sugar Cane Crushed	M. Tons	257,489	252,153
Sugar	M. Tons	26,205	25,716
Molasses	M. Tons	13,580	12,330
Sugar	%	10.202	10.217
Molasses	%	5.278	4.895

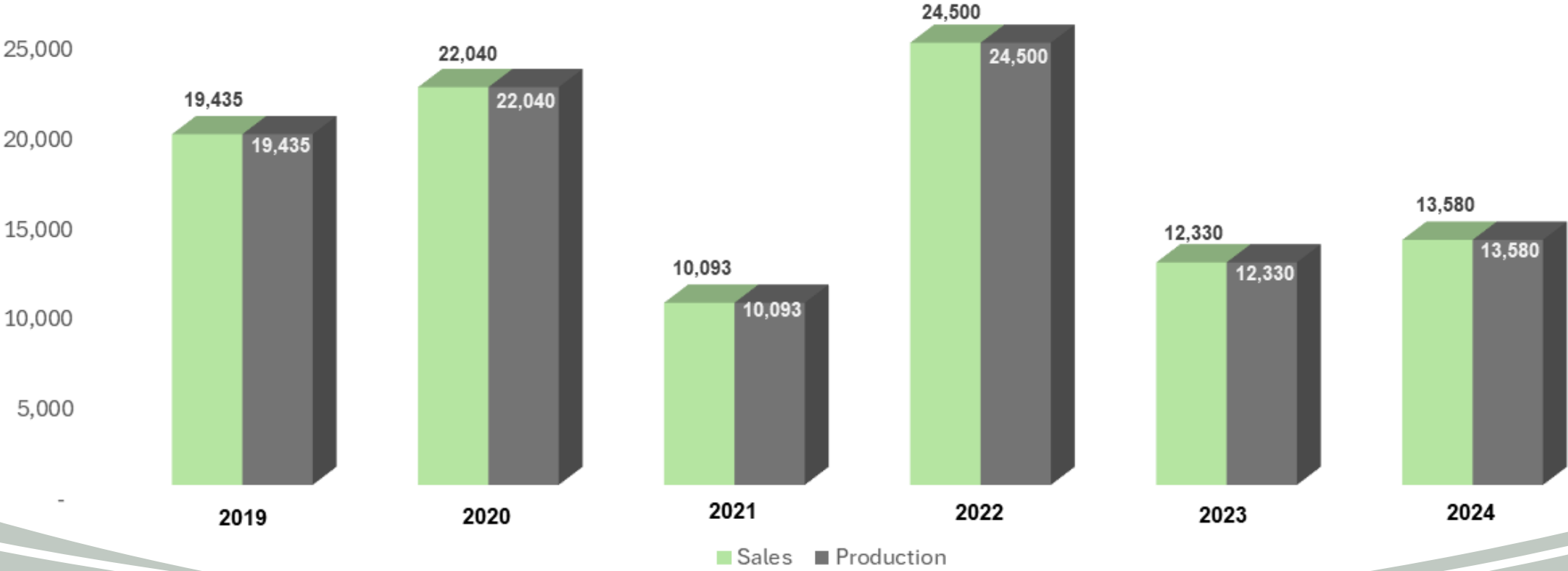
Last Six Years Production & Sales Trend of Sugar

Quantity in Metric Tons

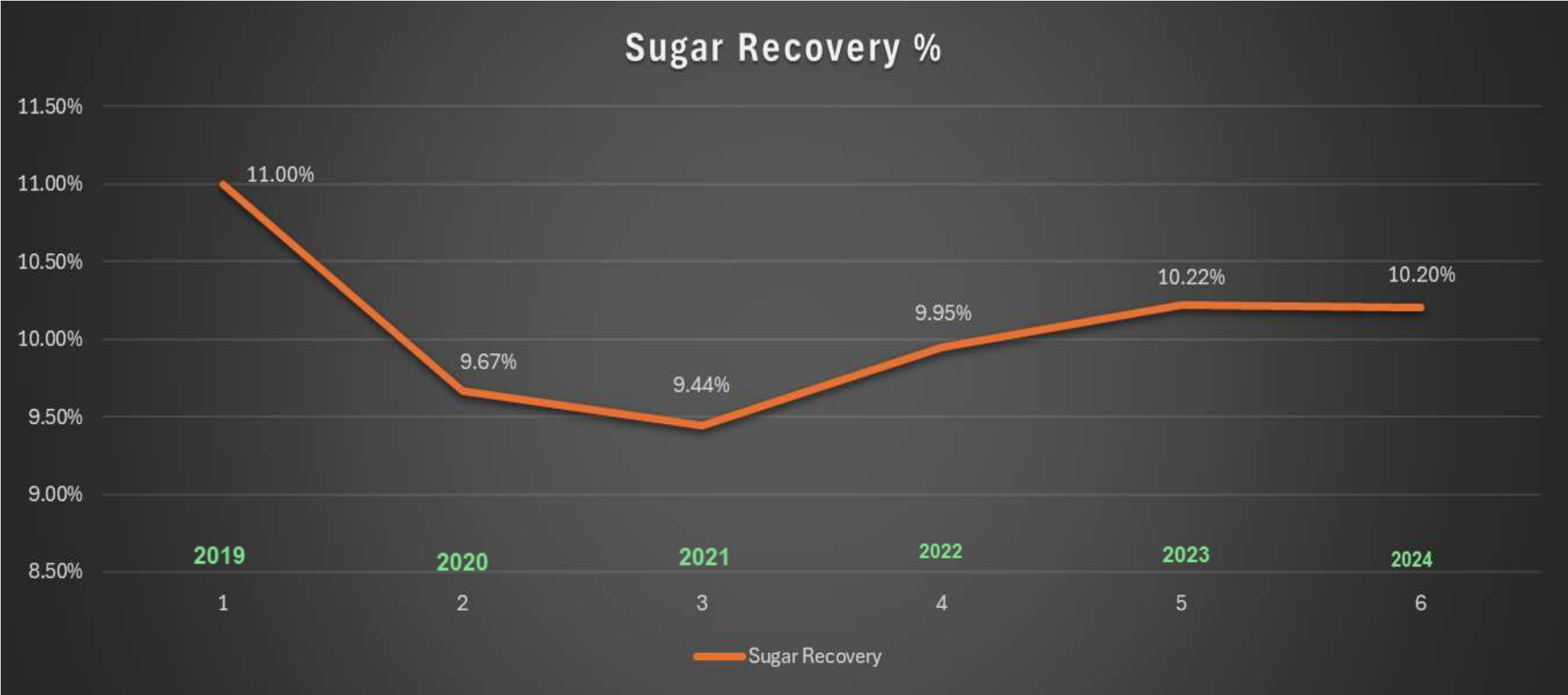


Last Six Years Production & Sales Trend of Molasses

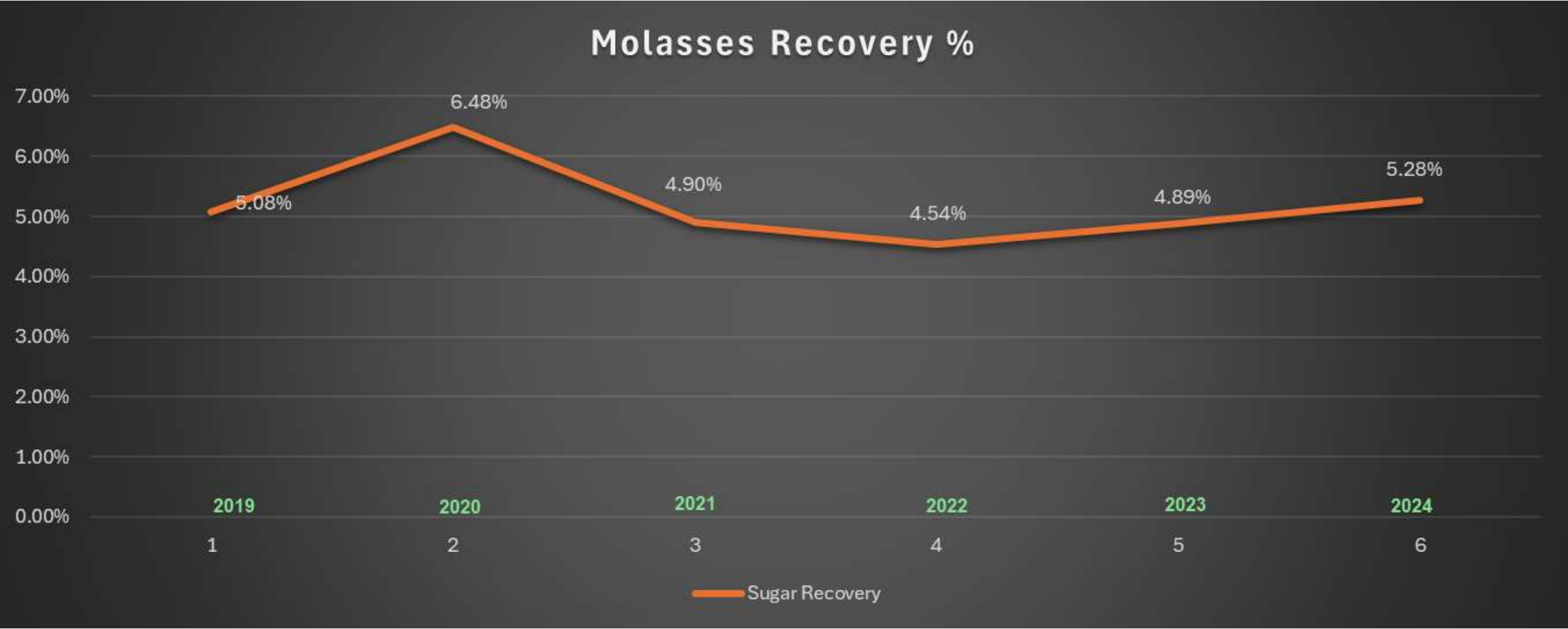
Quantity in Metric Tons



Last Six Year Sugar Recovery Ratio



Last Six Year Molasses Recovery Ratio





AUDITOR'S OPINION

As regards the adverse opinion by the Auditors as to Going Concern, it may be mentioned that, despite the stringent unfavorable conditions faced by the industry in general and as an entity in particular, the Company has managed to produce 26,205 M. tons, an increase from last year reported 25,763 M. tons. Further, during the financial year the Company has successfully started its fertilizer production and sales and expected that this will contribute to minimizing the losses suffered in the sugar segment. The management is taking all necessary steps to turn around the entity into a profitable venture.

FUTURE OUTLOOK



The company is poised for a strong future, underpinned by its recent accomplishments and strategic initiatives;

- The successful export of the 4,000 metric tons allocated by the government marks a significant achievement, contributing positively to revenue.
- During the financial year 2024-2025 management has negotiated and settled its long terms outstanding debts of National Bank of Pakistan which strengthened the Company's financial stability.
- As stated above the Company has started its fertilizer production & sales and expected growth in this segment in current year which help to minimize the losses suffered in the sugar segment.

These initiatives collectively position the company for sustainable growth and improved performance in the coming years.



