

CORPORATE BRIEFING SESSION

28th January 2026



Shah Taj Sugar Mills Ltd.

PROFILE OF COMPANY

Shahtaj Sugar Mills Ltd. is one of the companies of the **Shahnawaz Group**. It was incorporated on **27th March 1965** as a public limited company under the Companies Act, 1913 (now the Companies Act, 2017). The Company's core business is the manufacturing and sale of sugar, with **molasses and mud** as its by-products. Shahtaj Sugar Mills Ltd. is one of the renowned sugar mills in the **Punjab province** and has been contributing to the national economy since its inception.

In addition to its core operations, the Company has taken a strategic initiative to enter the **renewable energy sector** for the generation and sale of electricity for a period of **30 years**. It has signed an **Energy Purchase Agreement (EPA)** with the **Central Power Purchasing Agency (CPPA)** and an **Implementation Agreement (IA)** with the **Alternative Energy Development Board (AEDB)**. The power project has successfully achieved its **Commercial Operation Date (COD)** on **Friday, 10 October 2025**.

Head Office

72/C-1, M.M. Alam Road,
Gulberg-III, Lahore.
Phone : +92 42 3571 0482-84

Registered Office

19, Dockyard Road,
West wharf, Karachi.
Phone : +92 21 3231 3934-38

Production Facility

Mandi Bahauddin
Phone : +92 546 501 147-49

VISION, MISSION & CORPORATE STRATEGY

Our Vision

Shahtaj Sugar Mills Limited is committed to enhancing its core competencies and aims to be a leading entity through quality and innovation in White Crystalline sugar manufacturing and sustainable energy. We drive growth while ensuring the utmost satisfaction of our customers, employees, and shareholders. Our dedication to eco-friendly practices and diversification into renewable energy will pave the way for a prosperous and sustainable future.

Our Mission

At Shahtaj Sugar Mills Limited, we are dedicated to producing high-quality sugar while fostering sustainable practices that benefit both the environment and our community. Our mission is to innovate and lead in the sugar manufacturing industry by utilizing renewable energy from Bagasse, the by-product of sugarcane processing. Through this commitment, we aim to reduce our carbon footprint, promote energy independence, and support the growth of a greener economy. We strive to create value for our stakeholders by ensuring efficient, eco-friendly production processes and contributing to the sustainable development of our industry.

VISION, MISSION & CORPORATE STRATEGY (Continued...)

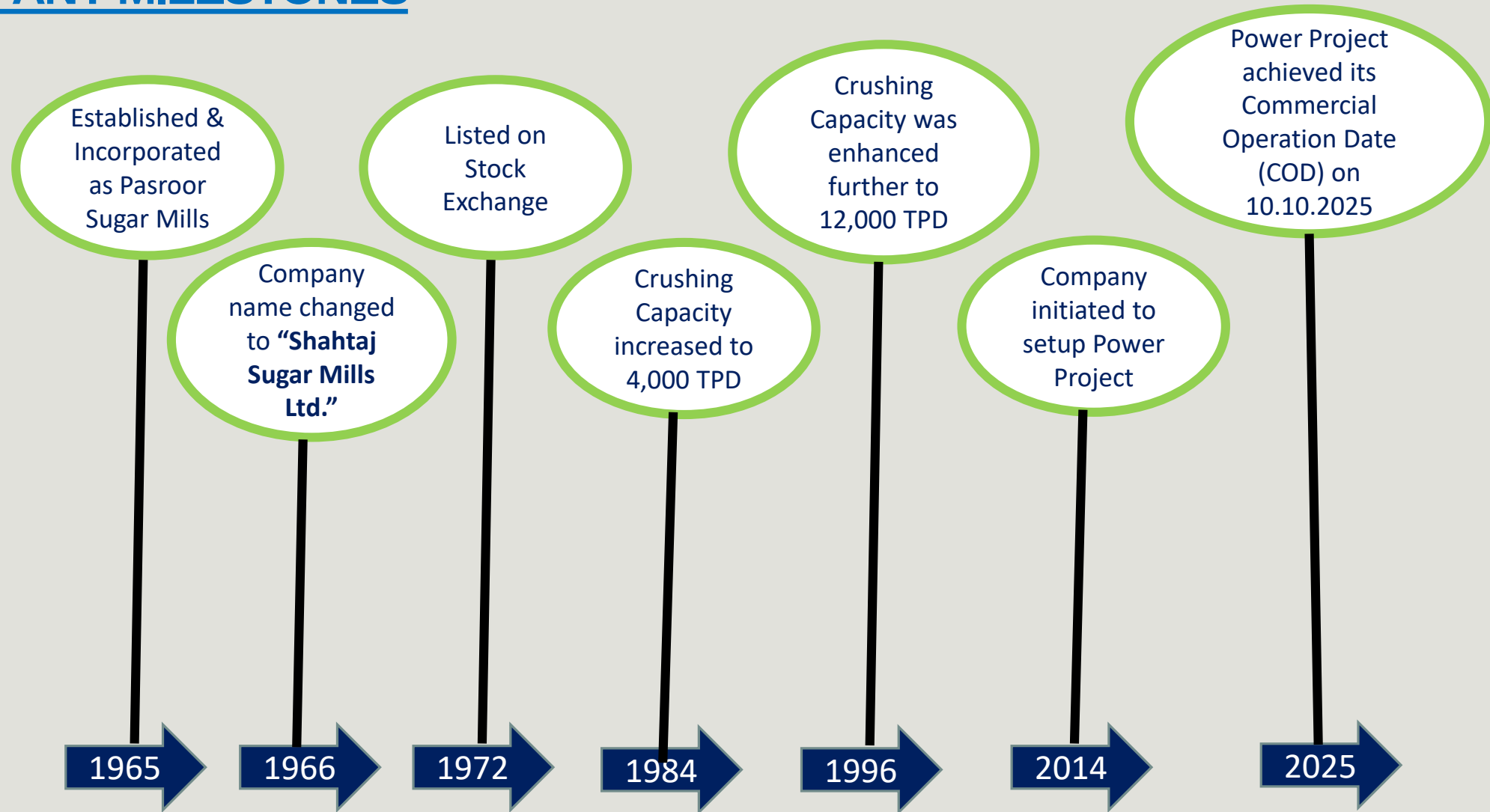
Our Corporate Strategy

To maximize the effective utilization of Manpower, material, and machines by encouraging, supporting, and rewarding employees, eliminating waste, and reducing costs. Our aim is to establish Shahtaj Sugar Mills Limited as a trusted, efficient, and successful name among all stakeholders and customers. We will achieve this through:

1. **Employee Empowerment and Development:** Foster a culture of continuous learning, innovation, and collaboration by providing ample opportunities for growth and recognizing outstanding performance.
2. **Operational Efficiency:** Implement advanced technologies and best practices to streamline operations, minimize waste, and enhance productivity.
3. **Cost Reduction:** Continuously identify and eliminate inefficiencies to reduce operational costs without compromising on quality.
4. **Sustainability:** Embrace eco-friendly practices, including the utilization of renewable energy sources like Bagasse, to reduce our environmental impact and promote sustainable development.
5. **Stakeholder Engagement:** Build strong, transparent relationships with all stakeholders, ensuring their needs and expectations are met and exceeded.
6. **Customer Satisfaction:** Deliver high-quality products and exceptional service to our customers, ensuring their loyalty and trust.

Through these strategic initiatives, we aim to achieve long-term success, creating value for our stakeholders and contributing positively to the industry and community.

COMPANY MILESTONES



CORPORATE SOCIAL RESPONSIBILITIES

➤ **Corporate Philanthropy**

→ Company contributes to the various organizations who serve the humanity.

➤ **Energy Conservation**

→ Energy Conservation Initiatives, like Recycling of utilities, Installation of various speed drives at centrifuges and cane carrier etc. Participation of technical personnel in Energy Conservation seminars.

➤ **Community Investment**

→ Company runs a High School of excellent standards in the Mills residential area for employees' children and children of mills surrounding areas. Company Spends around Rs. 10 Million per annum for the school.

➤ **Environment Protection**

→ Used water is recycled for irrigation purposes within Mills. Tree Plantation is done at mills to improve surrounding environment.

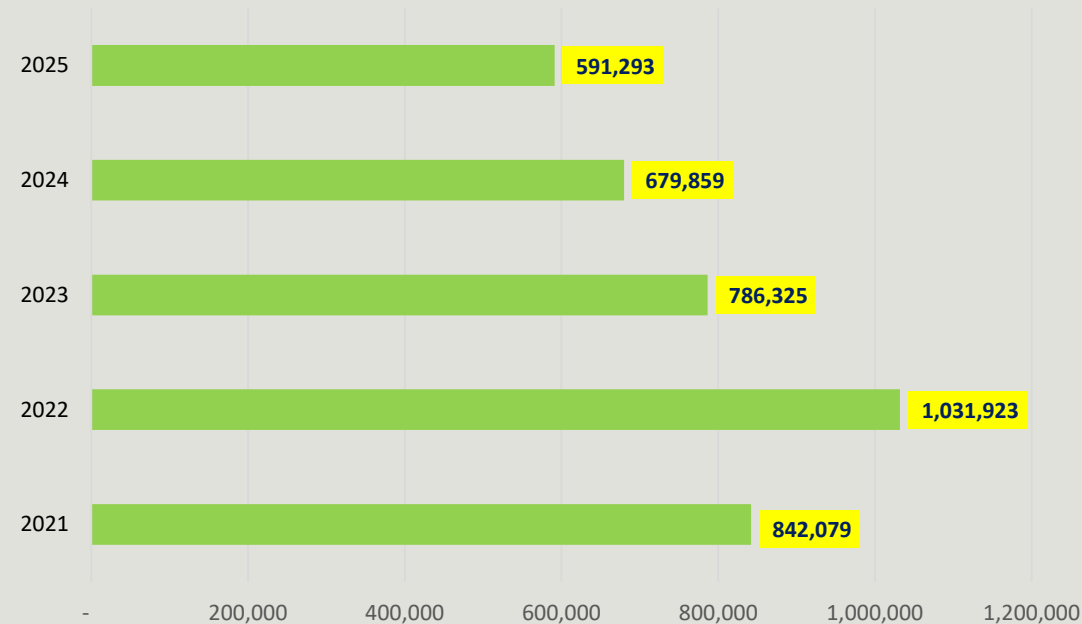
CORE BUSINESS ACTIVITIES

Sugarcane Crushing
(Installed Capacity)
12,000 M. Tons / day

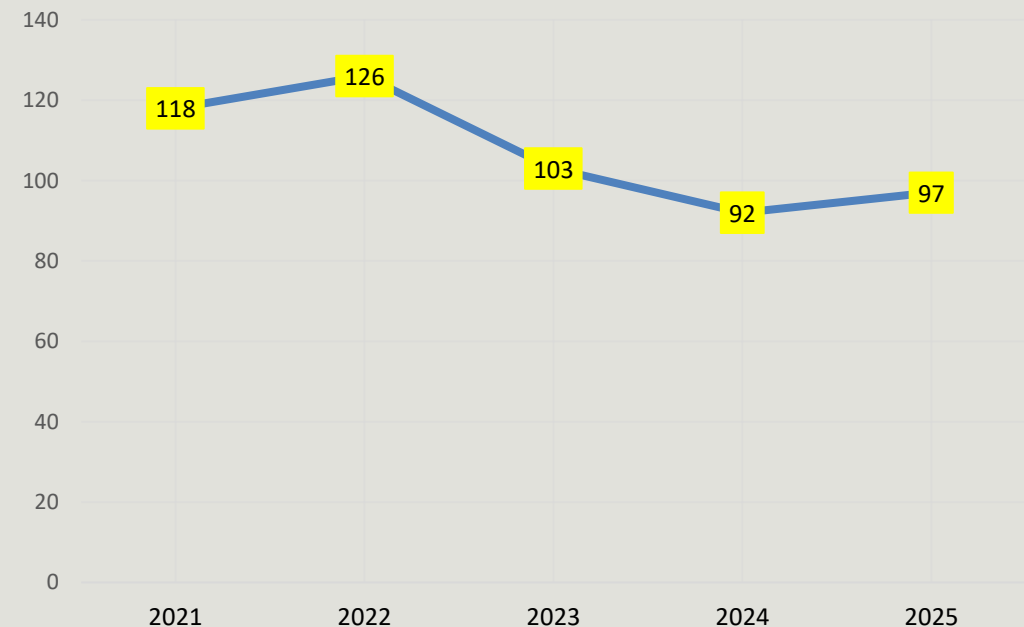
KPIs	Unit	2025	2024	2023	2022	2021
Sugarcane Crushed	M.Tons	591,293	679,859	786,325	1,031,923	842,079
Sugar Production	M.Tons	53,681	67,793	77,600	91,603	81,181
Sugar Recovery	%	9.10	9.97	9.87	8.88	9.64
Crushing Period	Days	97	92	103	126	118

CORE BUSINESS ACTIVITIES

Sugarcane Crushing (M. Tons)

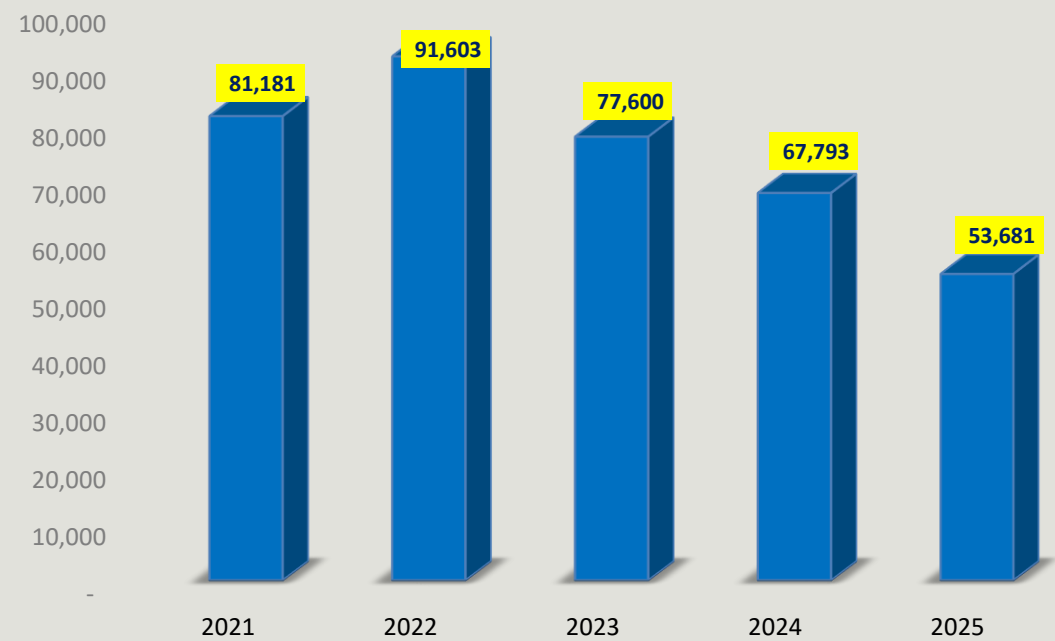


Crushing Period (Days)

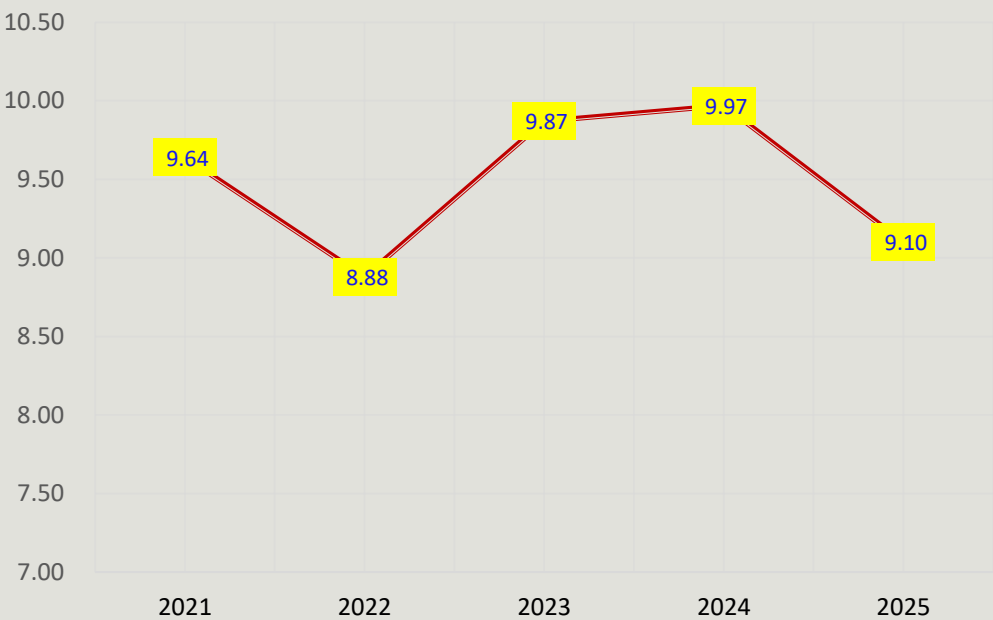


CORE BUSINESS ACTIVITIES

Sugar Production (M. Tons)



Sugar Recovery (%)



CREDIT RATING

June 14th 2024 - VIS Credit Rating Company Limited

→ assigns initial entity rating to Shahtaj Sugar Mills Limited at **A- / A-2**

VIS Credit Rating Company Limited

www.vis.com.pk

Shahtaj Sugar Mills Limited

Appendix II

REGULATORY DISCLOSURES					
Name of Rated Entity	Shahtaj Sugar Mills Limited				
Sector	Sugar				
Type of Relationship	Solicited				
Purpose of Rating	Entity Rating				
Rating History	Rating Date	Medium to Long Term	Short Term	Rating Outlook	Rating Action
	RATING TYPE: ENTITY				
	6/14/2024	A-	A-2	Stable	Initial

June 5th 2025 - VIS Credit Rating Company Limited

→ reaffirms entity rating of Shahtaj Sugar Mills Limited at **A- / A-2**

CERTIFICATIONS & AWARDS

→ HALAL FOOD MANAGEMENT SYSTEM – PS 3733-2019



TUV AUSTRIA Bureau
of Inspection &
Certification (Pvt.) Ltd.

→ FOOD SAFETY SYSTEM – FSSC 22000



TUV AUSTRIA Bureau
of Inspection &
Certification (Pvt.) Ltd.

→ TOP COMPANIES AWARD

- 1982
- 1984
- 1988
- 2011



Karachi Stock Exchange Ltd.

UPDATE ON POWER PROJECT

Year wise Evolution on 32 MW Bagasse based Co- Generation Power Project

- GoP announced framework “Power Cogeneration 2013 Bagasse and Biomass” 2013
- Shahtaj Sugar Mills Ltd. opted to install power plant under the framework 2014
- Alternative Energy Development Board ("AEDB") issued Letter of Intent to SSML 2014
- Issuance of Generation License to SSML by National Electric Power Regulatory Authority ("NEPRA") 2016
- NEPRA approved Upfront Tariff for SSML 2017
- AEDB issued Letter of Support to SSML 2017
- NEPRA approved Energy Purchase Agreement ("EPA") 2017
- Cabinet Committee on Energy ("CCOE") dis-allowed our power project 2018
- SSML filed a writ petition before Islamabad High Court against the decision of CCOE 2018
- The aforesaid decision was rectified by the Council of Common Interest ("CCI") 2020
- Revision of Upfront Tariff by NEPRA 2022
- Notification of Tariff in National Gazette of Pakistan 2022
- Energy Purchase Agreement - signed between SSML and Central Power Purchasing Agency ("CPPA") 2022
- Signing of Implementation Agreement between SSML and AEDB 2023
- Declaration of Financial Close 2023
- Successfully achieved Commercial Operation Date (COD) on Friday, the 10th October 2025

FINANCIAL INFORMATION

Balance Sheets

	2025	2024	2023	2022	2021
	----- (Rupees in Thousand) -----				
Total Non Current Assets	6,635,078	5,939,586	4,848,565	4,464,542	3,935,010
Current Assets	1,758,293	2,587,556	1,572,742	2,776,930	1,482,276
Total Assets	8,393,371	8,527,142	6,421,307	7,241,472	5,417,286
Issued, subscribed and paid-up Capital	120,111	120,111	120,111	120,111	120,111
Reserves	3,073,179	3,037,137	3,143,455	2,737,058	2,374,742
Loan from directors	150,000	150,000	150,000	146,000	150,000
Shareholders' Equity	3,343,290	3,307,248	3,413,566	3,003,169	2,644,853
Total Non Current Liabilities	2,812,578	2,568,935	1,460,202	700,122	983,886
Current Liabilities	2,237,503	2,650,959	1,547,539	3,538,181	1,788,547
Total Equity and Liabilities	8,393,371	8,527,142	6,421,307	7,241,472	5,417,286

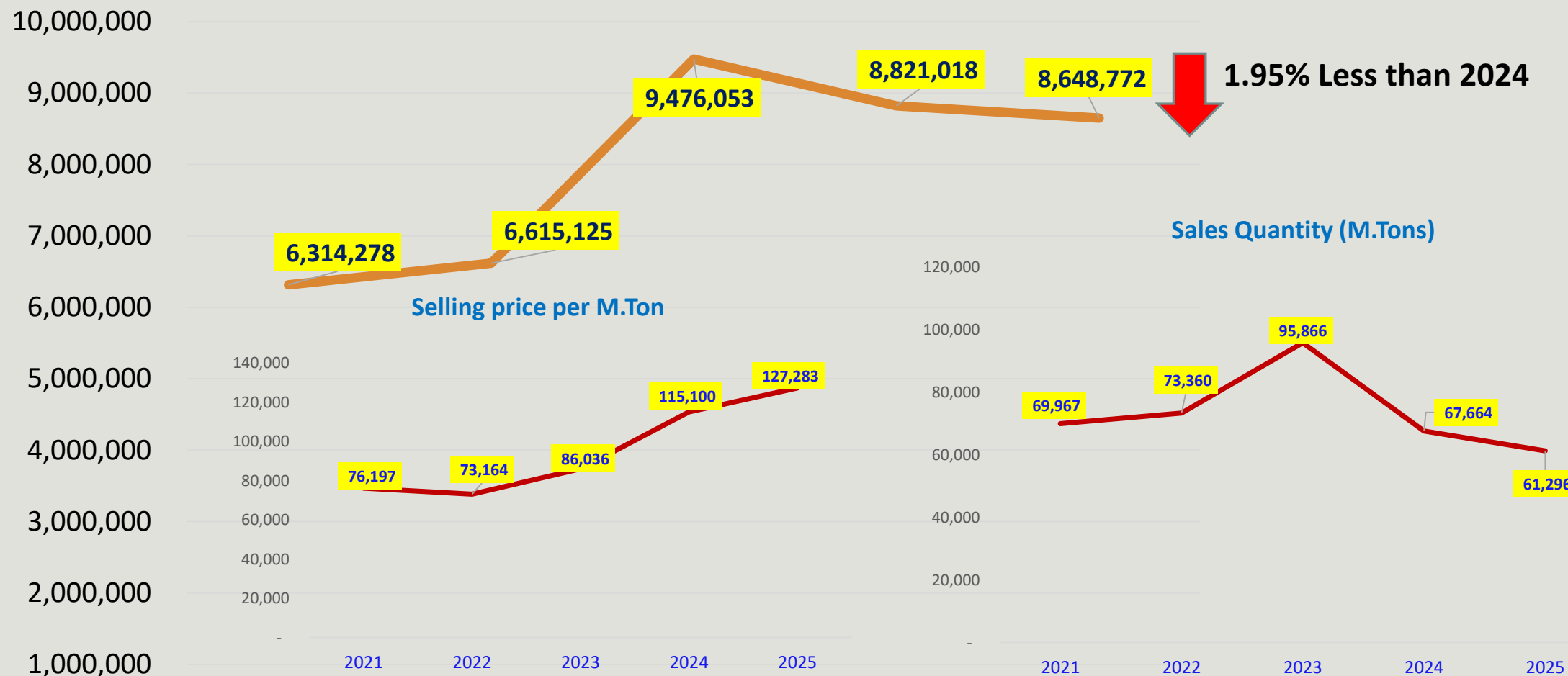
FINANCIAL INFORMATION

Income Statements

	2025	2024	2023	2022	2021
	----- (Rupees in Thousand) -----				
Sales Revenue	8,648,772	8,821,018	9,476,053	6,615,125	6,314,278
Cost of Sales	(7,789,382)	(7,893,589)	(7,885,007)	(5,841,353)	(5,503,573)
Gross Profit	859,390	927,429	1,591,046	773,772	810,705
Distribution, Administrative, Other expenses & Other Income	(369,840)	(352,014)	(442,992)	(292,339)	(262,994)
Finance Cost	(373,512)	(644,724)	(503,118)	(431,282)	(264,412)
Share of profit of associate	22,634	5,482	16,861	35,265	30,957
(Loss) / Profit before Income tax & Levy	138,672	(63,827)	661,797	85,416	314,256
Levy	(77,280)	(114,127)	(14,745)	(84,880)	(79,950)
(Loss) / Profit before Income tax	61,392	(177,954)	647,052	536	234,306
Income tax	(28,713)	210,099	(241,580)	541	(29,479)
Profit for the year	32,679	32,145	405,472	1,077	204,827

GRAPHICAL HIGHLIGHTS

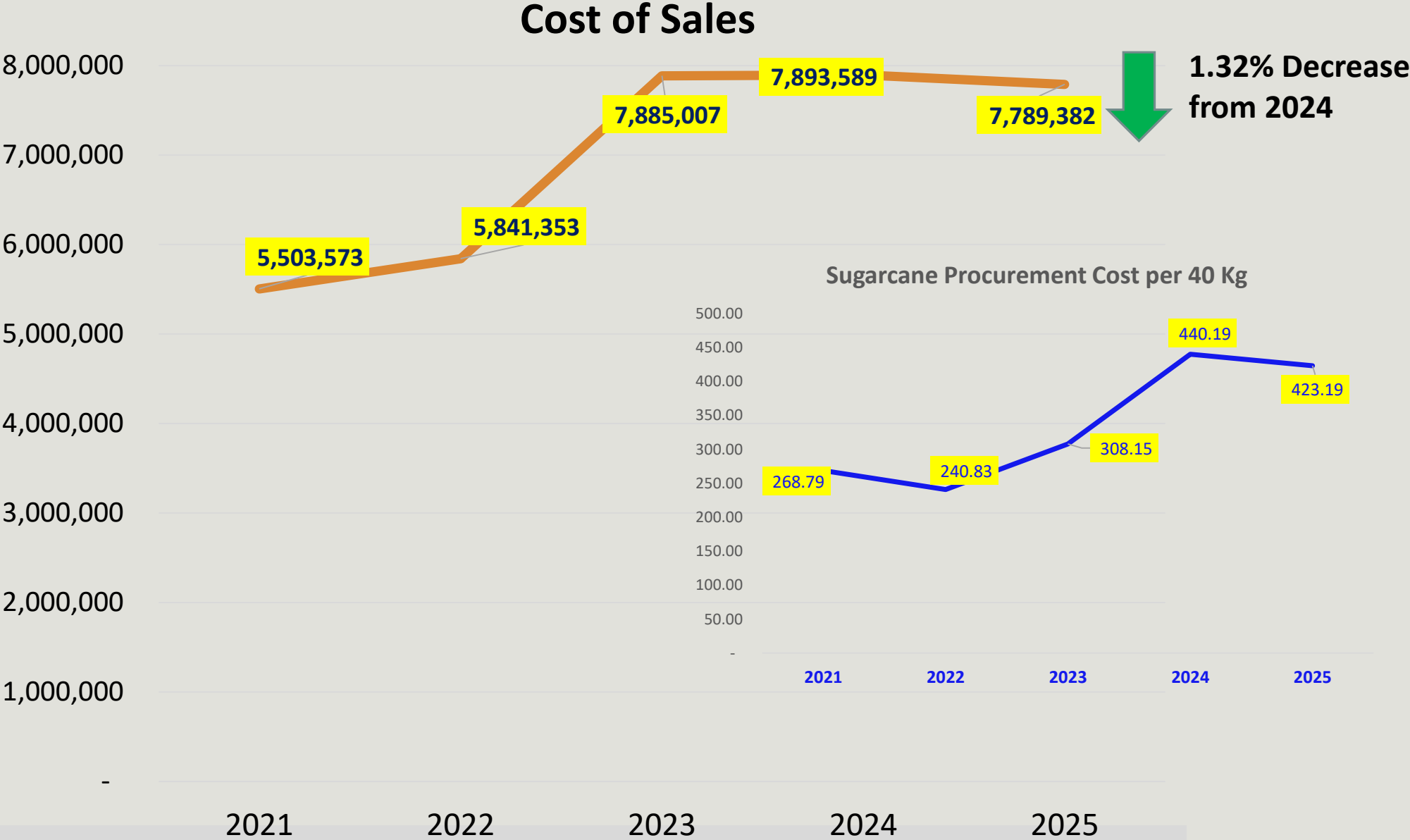
Sales Revenue



Company sells sugar mostly to market buyers (i.e. wholesalers, etc.)

2021 2022 2023 2024 2025

GRAPHICAL HIGHLIGHTS

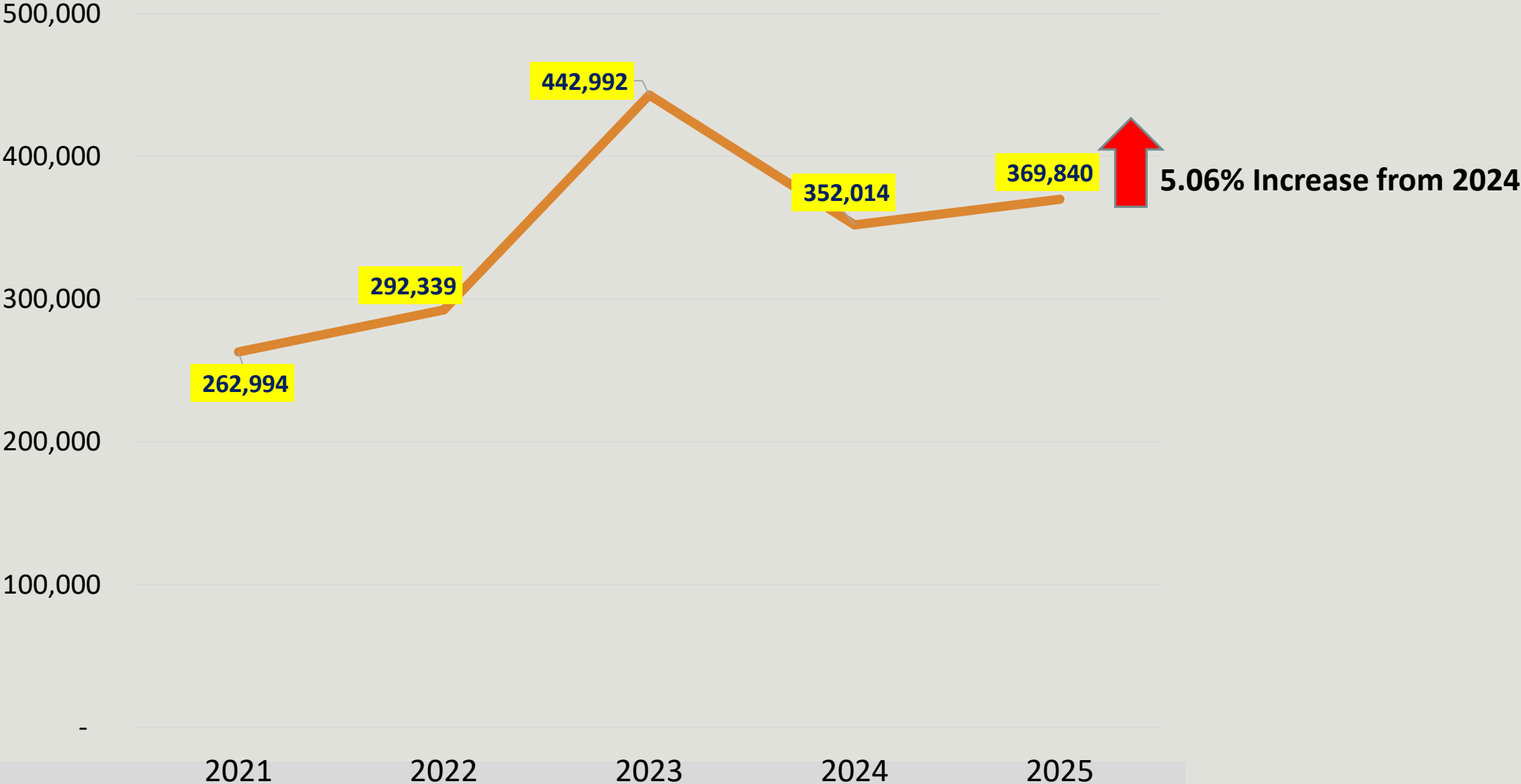


GRAPHICAL HIGHLIGHTS



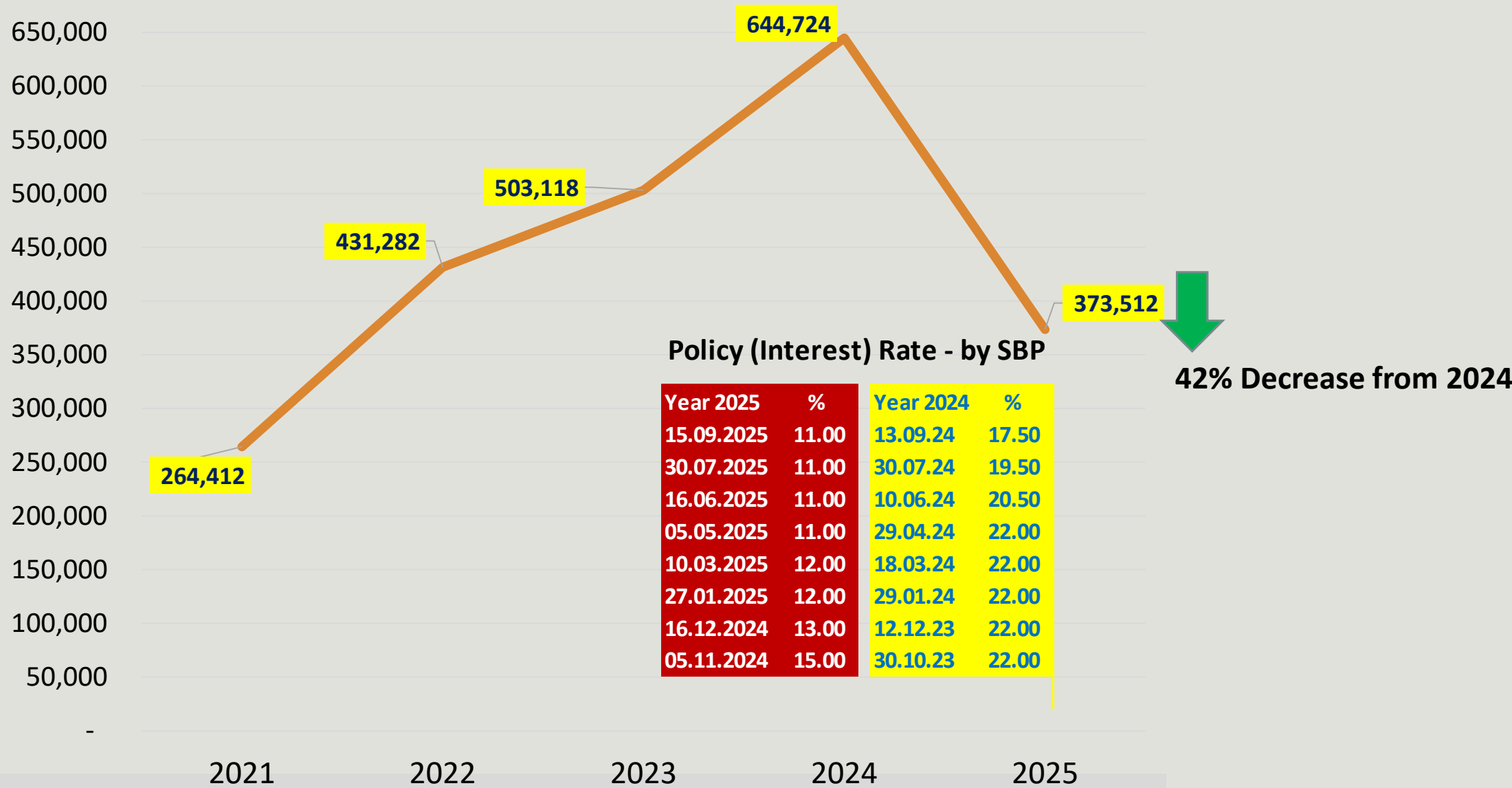
GRAPHICAL HIGHLIGHTS

Distribution, Admin., Other Expenses & Other Income



GRAPHICAL HIGHLIGHTS

Finance Cost



RISKS & UNCERTAINTIES

The company is exposed to the following risks and uncertainties:

- Heightened competition in the local market arising from aggressive sugarcane pricing by neighboring mills.
- Volatility and potential increases in oil, which may adversely impact operating costs in the oil and electricity prices.
- Escalation in the prices of raw and packaging materials.
- Increase in applicable tax rates, leading to higher statutory and compliance costs.
- Potential market disruptions resulting from changes in tax laws, regulations, and fiscal policies.
- Inconsistency and unpredictability in Government policies relating to the sugar industry.

We take these risks as a challenge with the confidence that Company has the ability to mitigate the impact of these risks.

FUTURE OUTLOOK

- Sugarcane crop for the next crushing season based on survey conducted by our sugarcane department is reported to be better than the last season. The weather conditions are favorable which will improve the yield per acre of sugarcane crop for the next crushing season. Hopefully next season with the favorable climatic conditions that will lead to better sucrose content in the sugarcane planted in our area.
- The Punjab Government has not notified the minimum support price of sugarcane for crushing season 2025-26. However last year support price will be the benchmark price for next crushing season. Company is putting its best efforts to procure maximum sugarcane.
- The selling price of sugar is expected to remain under government control until the sugar sector is fully de-regulated. Government intervention in regulating sugar prices continues to persist, creating uncertainties for the industry. The company's future financial results will depend on the sugar production during the ongoing crushing season and government policies.

FUTURE OUTLOOK - continued

- The Company executed an Energy Purchase Agreement (EPA) on December 23, 2022, for a period of thirty (30) years with the Central Power Purchasing Agency (Guarantee) Limited (CPPA-G) in respect of its 32 MW Bagasse-Based Co-generation Power Plant located at Mandi Bahauddin.
- Subsequently, the power plant has successfully achieved its Commercial Operation Date (COD) on October 10, 2025, following the completion of all requisite commissioning activities and performance acceptance tests.
- With the achievement of COD, the power plant is now fully operational and authorized to generate and supply electricity on a commercial basis in accordance with the terms and conditions of the Energy Purchase Agreement. This milestone marks a significant step in the Company's efforts to enhance energy efficiency, utilize renewable bagasse-based fuel, and generate sustainable revenue through the sale of surplus electricity to the national grid.

DISCLAIMER

This Corporate Briefing Session presentation by Shahtaj Sugar Mills Ltd. is exclusively for the discussion purpose with the participants only. Any expression, information, statement or representation made during the discussion shall not be infer by any investor or potential investor as an advice or recommendation in relation to holding , purchasing or selling securities without proper consideration. It is suggested before acting on any information's shared or and remarks made during the discussion process , one should seek appropriateness and accuracy of information.

THANK YOU

QUESTIONS & ANSWERS