



Damavand Petrochemical Co.



Iranian Privatization Organization (IPO)
Marketing & SOEs Divesting Office

Damavand Petrochemical Company (Private Joint-Stock) (Before the operation)



Base Value for 66% shares: US\$ 382,234,550

(Exchange Rate: 29,563 IRR)

Assessment date: July 2016

Assessment Method: Net Assets Market Value

Transferring Method: Tender

Part I: General Information

Damavand Petrochemical Company (private joint-stock) was registered in 1999 at Tehran State Organization for Registration of Deeds and Properties and in 2012; the company was transferred to Boushehr province and was registered at Kangan Companies Registration Office and Industrial Property. The main center of the company is located at Pars Energy Special Economic Zone, Asaluyeh Township.

The main activity of the company include: selling side services such as water & electricity, oxygen, nitrogen, steam, natural gas, compressed air containing construction & exploitation of distribution networks and other dependent services. The company was the operator for executing utility plan of phase2 of asaluyeh. Unfortunately, because of high needed investment and complexities of Damavand project, 4 phases of the company's offer through Farabouse Iran and by IPO, were not successful. So the continuity of this process and not settling down Damavand Petrochemical Company, are considered as the main factors of delay of the project.

Part II: Main Information

Parent Company: National Petrochemical Company (NPC) **Shareholder:** NPC (100%)

Capital: US\$ 423

Establishment Date: February 1999

Registration Place/Date: Kangan /September 2012

Chief Executive Officer: Mr. Hossein Shahriari

Investment estimation needed for the Plan (utility and offsite of phase 2 of Asaluyeh): 3/8 Billion Dollars

Total Assets (evaluated): 1,422,656,699 US\$ (assets at the completion: US\$ 1,062,713,527)

Total Liabilities (evaluated): 843,588,269 US\$ (Long-terms payable: US\$ 533,064,980)

Net Profit (Loss): US\$ 5,412

Retained earnings (loss): US\$ (254,710)

Location: Petrochemical Phase 2, Pars Energy Special Economic Zone, Asaluyeh, Booshehr Province

Field of Activity: Selling side services such as water & electricity, oxygen, nitrogen, steam, natural gas, compressed air containing construction & exploitation of distribution networks and other dependent services

Number of Staff in 2016: 89 (permanent: 19 - official: 7- temporary: 63)

Part III: Financial Information

3-1-Main Items of Assets in US\$

(Exchange Rate: 29,563 IRR)

Title	Book value (March 2016)	Evaluated by Independent Expert (July 2016)
Assets at the completion	563,812,874	1,062,713,527
Prepayments & outstanding capital (3-1-4)	169,840,679	139,836,958
Trade & non-trade receivables	55,914,488	55,914,488
Capital items in the store	27,432,940	33,826,066
Land	21,648,682	33,217,197
Buildings & installations	710,347	12,008,254
Cash & bank	3,314,955	3,314,955
Other assets	642,695	81,825,255
Total Assets	843,317,661	1,422,656,699

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3-1-1- Assets at the completion in US\$

3-2-Main Items of Liabilities and Capital in US\$

Title	Book value (March 2016)	Evaluated by Independent Expert (July 2016)
Long – term payable	533,064,980	533,064,980
Trade and non-trade payables	183,574,062	183,574,062
Long – term loans	109,190,542	109,190,542
Short – term loans	15,593,817	15,593,817
Other liabilities	2,164,868	2,164,868
Total liabilities	843,588,269	843,588,269
Capital	338	406
Retained earnings (loss) (3-2-1)	(258,431)	(254,710)
Revaluation surplus	0	579,310,625
Owner's equity	(258,093)	579,056,320

3-2-1- Retained earnings (loss) in US\$

Title	March 2016
Net profit (loss)	5,750
Retained earnings (loss) at the beginning of the financial year	(260,461)
Profit (loss) of the state	(3,721)
Retained earnings (loss) at the end of the financial year	(258,431)

3-3- Main Items of Income Statement in US\$

Title	March 2016	March 2015
Operating revenues	9,087,373	0
Cost of operating revenues	(8,251,869)	0
Gross profit(loss)	835,504	0
Sales, administrative & general expenses	(829,753)	0
Operating profit (loss)	5,750	0
Net other non-operating revenues & expenses	1,691	16,913
Operating net profit (loss) at the continuation before tax deduction	7,442	16,913
Income tax	(2,030)	0
Net profit (loss)	5,412	16,913

Part IV: Other Information

4-1-Estimation of investment needed for utility plan and offsite of phase2 of Asaluyeh and its comparison with conducted expenses in US\$

Name of Units of the Project	Investment Estimation	Conducted Expenses up to March 2016
Power plant Unit	12,853,905	166,052,160
Air separation and compressed air unit	12,278,862	3,517,911
Cooling water and desalination unit	14,409,904	7,069,648
Water treatment and water intake unit	2,131,042	2,232,520
Off-site unit	21,817,813	97,317,593
Non-industrialized areas inside and outside	11,331,732	0
Refinement of wastewater and dump blast furnace	2,300,173	811,826
Total	77,123,431	277,001,657

4-2- The Financial Progress of Offsite Unit Projects:

The executive status of the project in accordance with accelerating the activities in US\$:

The initial launching of power & steam power plant of phase1 was done with 51/97% progress. Unfortunately, due to not completing gas station, comparative post and impossibility of demineralized water production, which is resulted from lack of needed financial sources for complicating the above mentioned units, continues launching of turbines and steam production unit of the power plant has not been put into operation. The 120 tonnes aimed boiler to produce power plant's steam has been in orbit production continually from the beginning of the year.

Title	March 2016	March 2015
Stores for keeping spare parts & project's goods	1,894,260	980,956
Utility transfer lines system & products	72,759,869	56,286,574
Feeds system & gas pressure reduction stations	22,054,595	22,088,421
Electricity transfer lines system & stations & posts	36,126,239	34,570,240
Fire water supply system & stations	17,386,598	12,549,471
Temporary utility supply	8,828,603	8,794,777
West Ethylene line pressure reduction station	541,217	541,217
Capital items in the store	27,432,940	28,346,244
Total	187,024,321	164,157,900