



Dehloran Sepehr Petrochemical Co.



**Iranian Privatization Organization (IPO)**  
**Marketing & SOEs Divesting Office**

### **Dehloran Sepehr Petrochemical Complex (private joint stock) (Before the Operation)**



**Base Value for (10%) Shares:** US\$ 1,318,202

**(Exchange Rate:** 29,563 IRR)

**Assessment Date:** April 2016

**Assessment Method:** Net Assets Market Value

**Transferring Method:** Tender

### **Part I: General Information**

Dehloran Sepehr Petrochemical Complex was registered on 23 July, 2011 at Dehloran State Organization for Registration of Deeds and Properties as private joint-stock company. Currently, the company is considered as subordinated units of Oil Pension Fund Investment Company.

The location of implementation of the project is in an area of 200 hectares at Dehloran city and central office of the company is located at Tehran. The Elephene Project capacity (17th Elephene) is annually 658,000 tonnes and its products include High Density Poly Ethylene (HDPE), Ethylene, Propylene, Pyrolysis Gasoline and Fuel Oil.

The estimated investment to complete the project is IRR 12,458 billion and estimation of foreign expenses is about US\$ 644 million. Project progress till 21 December, 2014 has been equal to 9% and anticipated launch time of the project will be in 2019.

## **Part II: Main Information**

**Parent Company:** National Petrochemical Company (NPC)

**Shareholders:** Oil Pension Fund Investment Company (89/97%), NPC (10%), Others (0.3%)

**Capital:** US\$ 338,261

**Chief Executive Officer:** Mr. Yousefian

**Establishment Date:** 2011

**Establishment Place:** Dehloran

**Project Performing Period:** 54 months

**Launch Date:** 2019

**Land:** 200 hectares

**Transferring Method:** Tender

**Total Assets (evaluated):** US\$ 16,162,095 (Industrial royalties: US\$ 15,390,860)

**Total Liabilities (evaluated):** US\$ 2,980,076 (Long-term accounts payable: US\$ 2,587,694)

**Net Profit (loss):** US\$(16,913)

**Retained earnings (loss):** US\$ (101,478)

**Location:** 15 km south east of Dehloran, Dehloran – Andimeshk Rd., next to 2 Towers installations, Ilam Province

**Center Office:** Unit 10, 2<sup>th</sup> Floor, No.22, 5<sup>th</sup> Alley, Khaled Slambolic St., Tehran.

**Field of Activity:** Producing, selling & exporting petrochemical products

**Number of Staff:** 11 (contractual: 8- permanent & temporary: 3)

## **Part III: Financial Information**

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

**(Exchange Rate:** 29,563 IRR)

Title	Details	Book value (December 2015)	Evaluated by Independent Expert (April 2016)
Assets	Intangible assets (industrial royalties)	845,652	15,390,860
	Assets at the completion	2,276,494	622,400
	Other assets (3-1-1)	104,861	148,835
Total assets		3,227,007	16,162,095

#### **3-1-1-Land**

The land of company in an area of 200 hectares is in Moosian section of Dehloran Township which has been divested by the Ministry of Agriculture Jihad for implementing the project. It has no official title deed and has the lease contract, so it has not been assessed by evaluated expert and its book value (\$ 3,687) has been mentioned in the evaluated report.

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

Title	Details	Book value (December 2015)	Evaluated by Independent Expert (April 2016)
Liabilities	Long-term accounts payable	2,587,694	2,587,694
	Other accounts & notes payable	382,235	382,235
	Provision for employees termination benefits	10,148	10,148
<b>Total liabilities</b>		<b>2,980,076</b>	<b>2,980,076</b>
<b>Profit (loss) from 21 December 2015 to 19 April 2016</b>		<b>0</b>	<b>0</b>
<b>Retained earnings(loss)</b>		<b>(101,478)</b>	<b>(101,478)</b>
<b>Capital (3-2-1)</b>		<b>338,261</b>	<b>338,261</b>
<b>Owner's equity</b>		<b>246,930</b>	<b>13,182,018</b>

#### 3-2-1-Capital

The primary capital of the company was US\$ 338,261 which during the extraordinary general assembly dated 26 June, 2013 the capital increase in amount of US\$ 192,808,578 was approved and the board of directors was authorized to increase the capital during 4 years in different stages from the source of cash/non-cash contribution and current receivable of shareholders. The board of directors is obliged immediately after holding the assembly to increase the capital of first stage to US\$ 16,913,033 from the source of current receivable of shareholders & cash contribution that with regard to minutes of meetings of the Board, the capital increase of first stage was made null & void. From US\$ 16,574,773 of shareholders' commitments, US\$ 2,398,268 of it was fulfilled as follows which has been transferred to the long-term debts of the company:

Title	Deposit in US\$
Energy Sepehr Company (private joint stock)	723,878
National Petrochemical Company (NPC) (private joint stock)	1,674,390
<b>Total</b>	<b>2,398,268</b>

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

Title	December 2015	December 2014
Administrative & general expenses	(23,678)	(20,296)
<b>Operating profit (loss)</b>	<b>(23,678)</b>	<b>(20,296)</b>
Net other non-operating revenues & expenses	6,765	13,530
<b>Net profit (loss)</b>	<b>(16,913)</b>	<b>(6,765)</b>

## **Part IV: Other Information**

### ***4-1-Annually Production Capacity***

Products	Quantity (ton)
High Density Poly Ethylene (HDPE)	300,000
Ethylene	198,200
Propylene	81,300
Pyrolysis Gasoline	63,500
Fuel Oil	15,000
<b>Total</b>	<b>658,000</b>

**4-2- Inputs:** Annual consumption rate of C2+ gas liquids is 865,896 tonnes equals to 35,000 barrels daily which is provided from gas refinery and NGL 3100.

### ***4-3-The Last Estimation of Elephene Project in the Process of Execution (17<sup>th</sup> Elephene)***

Title	Expenses (US\$)
Construction of Ethylene Unit	184,893,279
Construction of HDPE Unit	110,577,411
Construction of Side Services Unit	68,328,654
Construction of Ethylene Transfer Unit	27,974,157
Employer Expenses before performing	12,515,645
Other Expenses	17,115,990
<b>Total Expenses</b>	<b>421,405,135</b>

**4-4- Conducted Expenses:** Total conducted expenses till 21 December 2014 was about: US\$ 2,841,390.

**4-5- Percentage of Project Progress:** According to time schedule, percentage of progress project till 21 December 2014 was supposed to be 35% but real progress of the project up to the mentioned date is 9%.

**4-6- Launch Date:** The launch date of the project will be in 2019.