



المجموعة البترولية المستقلة ش.م.ك.ع.
Independent Petroleum Group K.S.C.P.



COMPANY PROFILE





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Independent Petroleum Group K.S.C.F.





Board of Directors

• <i>Khalaf A. Al-Khalaf</i>	Chairman
• <i>Ghazi F. Alnafisi</i>	Vice Chairman
• <i>Waleed J. Hadeed</i>	Chief Executive Officer
• <i>Abdullah A. Zaman</i>	Managing Director - Planning
• <i>Ali M. Al-Radwan</i>	Director
• <i>Ali R. Al-Bader</i>	Director
• <i>Abdullah E. Al-Kandari</i>	Director & Chief Financial Officer
• <i>Mohammad A. Qasim</i>	Director and General Manager - Marketing



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ABOUT US

Independent Petroleum Group K.S.C.P. - (IPG) (the “parent” Company) was established on September 11, 1976 as a closed Kuwaiti Shareholding Company. The main objectives of the Company are to carry out crude oil and petroleum products marketing, operations and construct related petroleum logistic facilities for its account.

Following the invasion of Kuwait, a fully owned subsidiary company named Independent Petroleum Group Limited was established on August 08, 1990 in the Commonwealth of the Bahamas to carry on with the same objectives of its Parent Company which later became the main international oil trading arm of the Group.

The authorized, issued and fully paid up share capital of Independent Petroleum Group K.S.C.P. is KWD 18,840,750 (US\$ 62,390,590) made up of 188,407,500 shares of 100 Kuwaiti fils each. The Parent Company was listed on the Kuwait stock exchange on December 10, 1995. Total equity of the Group was KWD 95.2 Million (US\$ 314.6 Million) as of 30.6.2017.





BUSINESS APPROACH

The Company has always approached new business with the aim of developing long-term relationship with the suppliers or consumers involved. As a result, the Company is now recognised throughout the industry as a first class International Trading Company with impeccable financial credentials and an outstanding record for meeting its contractual commitments.

The Company's activities extend far beyond the initial trading area and whilst maintaining a prominent position in the Red Sea, has expanded into Europe, the Arabian Gulf, the Indian Subcontinent, Africa and the Far East. Concurrently, close business relations have been established with many large international companies and a number of national oil companies including those of Saudi Arabia, UAE, Bahrain, Qatar, Yemen, Ethiopia, India, Pakistan, Iraq, Mauritius, Malaysia, Mozambique, Zimbabwe, and Zambia as well as a large number of independent traders and refiners.

Since its inception, the Company has maintained term contracts with a large number of national and major oil companies for purchase/sale of petroleum products.





ACTIVITIES

The Company's initial activities were centered on countries bordering the Red Sea and neighbouring areas. These were largely on trading and terminalling agreements with local producers involving storage and throughput rights and also permitted product blending and exchanges.

Trading

The Company was able to establish long-term supply arrangements in markets in the Arabian Gulf, East Africa and the Indian sub-continent. With such activities, the Company not only developed a strong network of suppliers and customers, but also established a reputation for honoring its commitments, and developing flexible and efficient services.

By building on this reputation and deploying its proven financial and operational skills, the Company's goal is to increase trading in its traditional markets as well as expanding its operations further into new regions such as Eastern Asia and the Eastern Mediterranean.

The Company is engaged in the marketing of all grades of petroleum products, crude oils and some petrochemical products. The petroleum products include but are not limited to the following.

- Motor Gasoline of different grades
- Jet fuels / Kerosenes
- Gas oil / Diesel oil of various grades
- Fuel Oil
- Naphtha / Condensates
- Asphalt of various grades

Shipping

Human safety, environment protection, preservation of vessel and cargo are given the utmost priority. International shipping and trading regulations and safe practices are followed. Vessels are operated by highly skilled professional staff including Master Mariner. IPG also owns and operates 4 oil tankers of Medium range, each of deadweight around 50,000 mt. These oil (products and chemicals) tankers are owned by our Dubai based fully owned subsidiary D&K Holdings.

On an average, about 3-4 vessels on time charter and about 4-5 vessels on voyage charter are operated on a daily basis. Vessels are operated all across the seas and oceans. Usage of vessels is optimized in all respects and operated very economically. Highest level of cooperation achieved from ship owners due to cordial relations.



Financial Highlights

	2012	2013	2014	2015	2016
Sales (KD Million)	1080	1251	899	582	508
Gross Margin	0.8%	0.7%	0.5%	1.0%	1.5%
Net Profit (KD Million)	5.8	6.1	3.7	3.8	5.0
Earning Per Share (Fils)	40.35	42.00	25.60	26.20	34.63
Price Earning (Times)	8.67	9.40	15.04	10.69	10.54
Book Value (Fils)	552	567	538	573	593
Cash Dividend	30%	30%	25%	25%	30%
Dividend Yield	8.6%	7.6%	6.5%	8.9%	8.2%
Total Assets (KD Million)	375.2	342.9	293.4	269.1	285.3
Shareholders' Equity (KD Million)	79.8	82.0	77.8	82.9	85.7
Return on Average Equity	7.8%	7.5%	4.6%	4.7%	5.9%
Return on Average Capital Employed	3.9%	3.9%	2.9%	2.9%	3.6%





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PROJECTS

IPG continues to implement its diversification policy strategy as part of its corporate strategy by developing logistical investments (storage terminals & pipelines) that support its marketing activities and are economically viable on standalone basis. This will enhance IPG's asset base, trading capabilities and will help to achieve the objective of income diversification.

Efforts continue and progress is being made through a wide range of techno-commercial activities, in cooperation with strategic partners (national oil companies, independents and local/international institutions), in developing investment and/or trading opportunities in company's target markets.

In pursuit of implementing this strategy of diversification, over the years, the company has invested its resources for the purpose of acquiring and/or constructing petroleum storage facilities, together with complementary logistics such as jetties, access to pipelines, rail lines, etc.

As a result, till date, the company has invested approximately US\$ 80 million as company's share of equity in more than 5,200,000 cbm storage terminals (IPG Share - 904,000 cbm) operating in Africa, Mediterranean, and Asia.

In addition, company participates effectively, in close coordination with its partners, in monitoring and following up projects under construction as well as developing new/expansion projects for its Joint Venture and Associate Companies.





PROJECTS

FACILITIES UNDER OPERATION

1 **D&K Holdings: (L.L.C) – UAE:**

(IPG share 100%)

D&K Holdings is the shipping arm of IPG. The company owns and operates 4 petroleum product vessels (about 50,000 mt capacity each) which are fully utilized by IPG. A long term vessels acquisition program was developed and being pursued targeting to expand the existing D&KH fleet over the next five years. The D&KH fleet will provide IPG with the required strategic controlled tonnage coverage.

2 **Uniterminals – Lebanon:**

(IPG share 50%)

Uniterminals markets petroleum products to wholesale buyers in Lebanon. It owns and operates a petroleum product storage terminal with a capacity of 74,000 cbm. It has paid up capital of US \$16.7 million.

Other shareholder is:

- Unihold SAL, Lebanon

3 **Inpetro SARL, Beira – Mozambique:**

(IPG share 40%)

Inpetro owns and operates petroleum products storage terminal in Port Beira, Mozambique with a storage capacity of 95,000 cbm constructed at a total capital cost of US \$26 million.

Other shareholders are:

- PETROMOC – National Oil Company of the Republic of Mozambique
- NOICZ – National Oil Infrastructure Company of Zimbabwe (PVT) Limited





PROJECTS

FACILITIES UNDER OPERATION

4 Arabtank Terminals Ltd (ATTL), Yanbu – Kingdom of Saudi Arabia:

(IPG share 36.5%)

ATT owns and operates a storage facility of 287,700 cbm of which 268,500 cbm is for petroleum products and 19,200 cbm for chemical products with a total capital cost of US\$ 79 million. Debottlenecking project was completed at a total cost of \$ 14 Mn; the project will enhance the terminal operational abilities.

Other shareholders are:

- Emirates National Oil Company (ENOC)
- Saudi Arabian Refining Company (SARCO)

5 Horizon Tangiers Terminals SA (HTTSA) Morocco:

(IPG share 32.5%)

HTTSA owns and operates a storage facility of 533,000 cbm for white petroleum products as well as bunker fuel with a capital cost of € 140.5 million. The construction of Jetty 2 was completed and commissioned at a total cost of € 7 million in addition to the expansion of the truck loading gantry, at a cost of € 2 million in efforts of doubling the truck loading capabilities.

Other shareholders are:

- Horizon Terminals Limited (HTL), 100% subsidiary of Emirates National Oil Company (ENOC)
- Afriquia SMDC

6 Horizon Djibouti Holdings Limited (HDHL) Djibouti

(IPG share 22.22%)

HDHL owns 90% of the Horizon Djibouti Terminals Limited (HDTL), with the remaining (10%) owned by Govt, of Djibouti. HDTL owns and operates an independent storage terminal for petroleum products, LPG, chemicals and edible oils with a storage capacity of 370,000 cbm constructed at a capital cost of US\$ 100 million. Plans to expand the existing storage capacity are under way.

Other shareholders are:

- Horizon Terminals Limited (HTL)
- Net Support Holdings Limited (NSHL)
- Essence Management Limited (EML)



PROJECTS

FACILITIES UNDER OPERATION

7 Horizon Singapore Terminals Private Limited (HSTPL) - Singapore:

(IPG share 15%)

HSTPL owns and operates an independent petroleum storage terminal with a storage capacity of 1.2 million cbm and four jetties at a capital cost of US \$299 million.

Other shareholders are:

- Horizon Terminals Limited (HTL)
- Boreh International Limited (BIL)
- South Korea Energy Asia Pte. Limited (SK)
- Martank BV (MBV)

8 Asia Petroleum Limited (APL) Pakistan:

(IPG share 12.5%)

APL owns and operates a petroleum products pipeline (including pumping station and storage) in Pakistan. The pipeline runs from Zulfiqarabad terminal at Pipri, Karachi to Hub, Baluchistan to transport Fuel Oil for HUBCO Power Plant. The facility was constructed at a total capital cost of US\$ 100 million.

Other shareholders are:

- Pakistan State OIL (PSO)
- Asia Infrastructure Ltd Singapore (AIL)
- VECO International of SA (VECO)

9 Vopak Horizon Fujairah Limited (VHFL) UAE:

(IPG share 11.11%)

VHFL owns and operates an independent petroleum storage terminal in Fujairah with a storage capacity of 2.60 million cbm including marine facilities with 4 berths and one single point mooring (SPM), at a total capital cost of US\$ 505 million.

Other shareholders are:

- VOPAK Oil Logistics Europe & Middle East B.V. of Netherlands (VOPAK)
- Horizon Terminals Limited (HTL)
- The Government of Fujairah



PROJECTS

PROJECTS UNDER CONSTRUCTION

1 IPG-Galp Beira Terminal Limitada (IGBTL) - Beira, Mozambique:

(IPG share: 45%)

The project envisages building a hydrocarbon storage facility in the Port Beira Mozambique, for a capacity of 65,000 cbm along with other logistical facilities such as, loading gantries, access to Jetty, access to CPMZ pipeline, etc. With a total project cost of US\$ 60 million, the project is expected to be commissioned by Q4 of 2018.

Other shareholders are:

- Petrogal Mozambique Lda, (part of Galp Energia Group, Portugal)
- SPI – Gestão e Investimento, S.A.R.L.

2 GALP – IPG Matola Terminal Limitada (GIMTL) Matola, Mozambique:

(IPG share: 45%)

The project envisages building a hydrocarbon storage facility (Liquid & LPG) in the Port Matola Mozambique for a capacity of 60,000 cbm along with other logistical facilities such as, loading gantries, access to Jetty, etc. With a total project cost of US\$ 75 million, the project is expected to be commissioned by Q2 of 2019.

Other shareholders are:

- Petrogal Mozambique Lda, (part of Galp Energia Group, Portugal)
- SPI – Gestão e Investimento, S.A.R.L.





PROJECTS

PROJECTS UNDER DEVELOPMENT

To expand its business opportunities geographically and consolidate its operations in operating markets, the company seeks to explore potential investment opportunities in strategic locations within areas where company has significant synergies or advantages in terms of trading. Currently company is investigating the feasibility of putting up storage facilities in its target markets to enhance its trading capabilities .

The table given below summarizes the locations which are currently in company scanner for investing in Midstream petroleum projects that support its trading/marketing activities.

<i>Region</i>	<i>Countries</i>
Arabian Gulf	Iraq, Saudi Arabia
Indian Sub-Continent	India, Pakistan
Red Sea	Djibouti, Jordan, Sudan, Yemen, Ethiopia
East & Southern Africa	Tanzania, Mozambique, South Africa, Malawi, Swaziland, Zimbabwe, Botswana, DRC, Kenya, Zambia, Angola, Namibia
North Africa	Morocco, Libya, Egypt
Mediterranean	Lebanon
West Africa	Nigeria, Ivory Coast, Angola, Cameroon, Mauritania, Ghana.



STORAGE TERMINALS & PIPELINE

PLACE & CAPACITY

- 1) Inpetro SARL, Beira - Mozambique
Storage Capacity - 95,000 cbm.
- 2) Arabtank Terminals Ltd. (ATT) Yanbu - Kingdom of Saudi Arabia
Storage Capacity - 287,700 cbm.
- 3) Horizon Tangiers Terminals SA (HTTSA) - Morocco
Storage Capacity - 533,000 cbm
- 4) Horizon Djibouti Holdings Limited (HDHL) - Djibouti
Storage Capacity - 370,000 cbm.
- 5) Horizon Singapore Terminals Private Limited (HSTPL) Singapore
Storage Capacity - 1.2 million cbm.
- 6) Vopak Horizon Fujairah Limited
Storage Capacity - 2.60 million cbm.
- 7) Uniterminals - Lebanon
Storage Capacity - 74,000 cbm.
- 8) Asia Petroleum Limited - Pakistan
82 Km pipeline.

LIST OF TANKERS (OWNED)

- 1) M/t D&K 1 - Dwt 47,262 Tons
- 2) M/t D&K Yusuf Al Ghanim - Dwt 49,749 Tons
- 3) M/t Abdul Razzak
Khalid Zaid Al-Khalid - Dwt 50,154 Tons
- 4) M/t Al-Betroleya - Dwt 50,154 Tons



COMPANY

HEAD OFFICE

Independent Petroleum Group K.S.C.P. (100% share holding public limited company listed in Kuwait Stock Exchange)

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4th Ring Road, Jabriya, Kuwait.

To co-ordinate our global activities, we have our regional offices in UK (London), Singapore, South Africa (Cape Town), Mozambique (Maputo), Zimbabwe (Harare) and Morocco.

OVERSEAS OFFICES

- 1) Independent Petroleum Group (Asia) PTE LTD
Singapore.
- 2) Independent Petroleum Group of Kuwait Limited
London U.K.
- 3) Independent Petroleum Mozambique, LDA
Maputo, Mozambique.
- 4) IPG (Southern Africa) (Proprietary) Limited
South Africa.
- 5) Independent Petroleum Group
Zimbabwe.
- 6) D&K Holdings LLC
Dubai - United Arab Emirates
- 7) Independent Petroleum Group
Morocco
- 8) Independent Petroleum Group
Zambia



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