



Century Paper & Board Mills Limited Corporate Briefing 2020

October 08, 2020
Karachi



Corporate Briefing -2020

Contents:

- ❖ Lakson Group Intro.
- ❖ Company Intro.
- ❖ Capacities and Market Share
- ❖ Historical Financial Performance
- ❖ Financial Results (FY2020 vs. FY2019)
- ❖ Strategic and Operational Development
- ❖ Future Outlook



Corporate Briefing -2020

A Brief Introduction
of



LAKSON GROUP OF COMPANIES



Lakson Group of Companies

Introduction:

Group was founded by Mr. Hasan Ali Karabhai in **1954** as a Trading Concern.

Presently Group Portfolio Consists of:

- ☐ Soaps & Detergents
- ☐ Toothpastes & Surface Care Products
- ☐ Internet Services & Software Development
- ☐ Cloud Computing & Call Centers
- ☐ **Paper & Paperboard Manufacturing**
- ☐ Printing & Packaging
- ☐ Publications & Media
- ☐ Food & Fast Food Restaurant Biz
- ☐ Agriculture (Drip Irrigation)
- ☐ Surgical Instruments Biz
- ☐ Insurance & Investments
- ☐ Travelling & Tour Operations



Lakson Group - Major Associated Companies



Lakson Group –Foreign alliances



Colgate-Palmolive Inc. USA
(Joint Venture)



McDonalds Corporation, USA
(Franchise)

Eat Well, Live Well.



Ajinomoto-Co, Inc. (Japan)
(Joint Venture)

International New York Times

International New York Times, USA



Century Paper & Board Mills Limited

(A Lakson Group Company)

Century – Vision and Mission

Vision

To be the market leader and enduring force in paper, board and packaging industry, positively influencing and providing value to our stakeholders, society and our nation

Mission

To strive incessantly for excellence and sustain our position as preferred supplier of quality paper, board and packaging material within a team environment and with a customer focused strategy

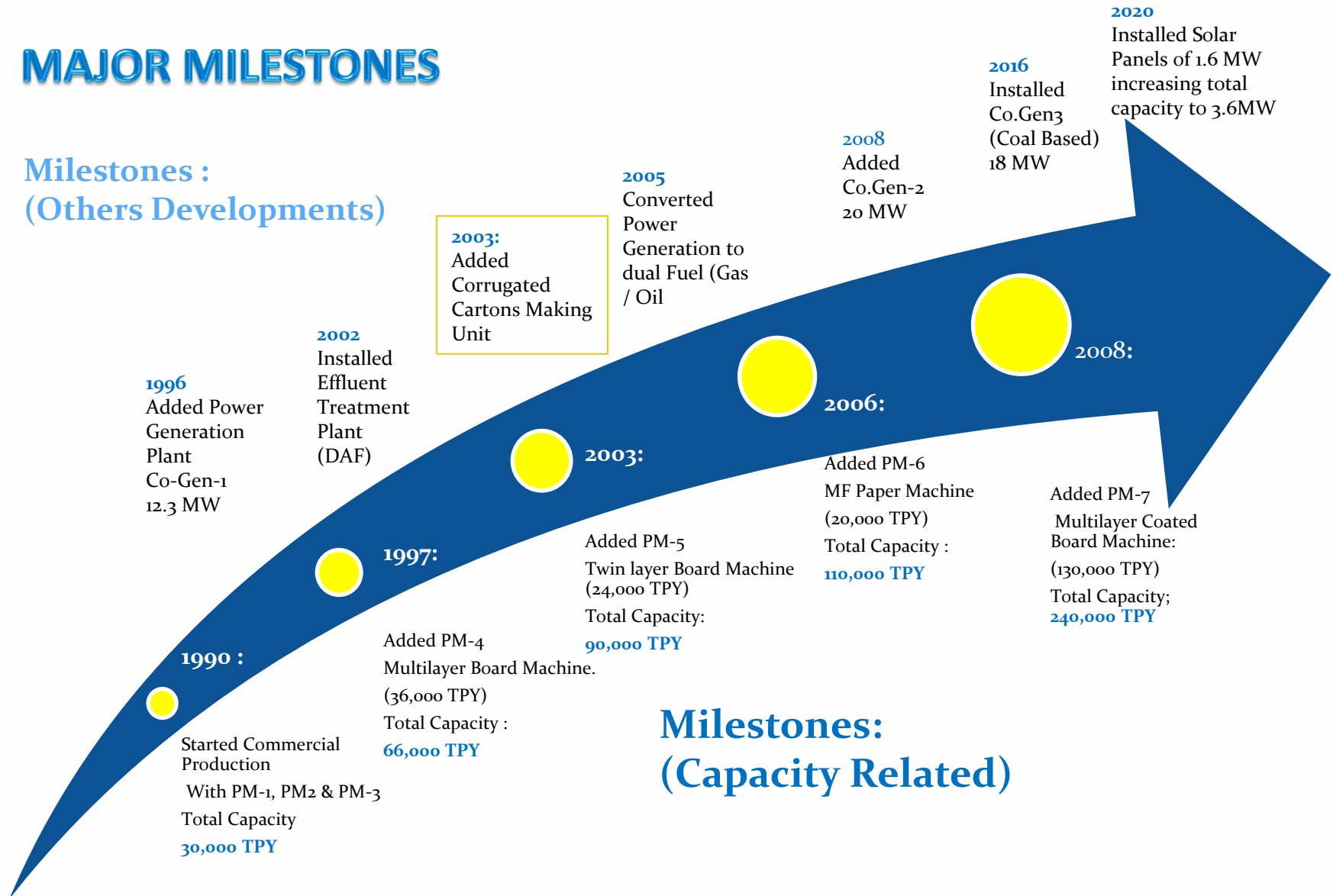


Century - Core Values



MAJOR MILESTONES

Milestones : (Others Developments)



Milestones: (Capacity Related)

Certifications

Century Paper is certified for “Integrated Management System (IMS), which consists of:

Quality
Management
System (QMS)
ISO 9001:2015

(Since 1998)

Environmental
Management
System (EMS),
ISO 14001:2015

(Since 2006)

Occupational,
Health and
Safety
Assessment
Series
(OHSAS),
18001:2017

(Since 2011)



Certificat
Certificate

N° 2018/78862.1

AFNOR Certification certifies that the management system implemented by:
AFNOR Certification certifie que le système de management mis en place par :

CENTURY PAPER AND BOARD MILLS LIMITED

for the following activities:
pour les activités suivantes :

DESIGN, DEVELOPMENT, MANUFACTURING AND SALE OF PAPER,
PAPER BOARD AND CORRUGATED BOXES.

has been assessed and found to meet the requirements of:
a été évalué et jugé conforme aux exigences requises par :

ISO 9001: 2015 - ISO 14001 : 2015 - OHSAS 18001:2007

and is developed on the following locations:
et est déployé sur les sites suivants :

Head office: Lakson Square Building #2, Sarwar Shaheed Road, Karachi, PAKISTAN
Mills: 62-KM, Lahore-Multan Highway N-5, PAKISTAN

The description of certified activities and locations per standard is mentioned on the following certificates:
Le détail des activités et sites certifiés par norme est mentionné sur les certificats suivants :

Certificat ISO 9001: 2015 n° 78852
Certificat ISO 14001 : 2015 n° 78848
Certificat OHSAS 18001:2007 n° 78853

This certificate is valid from (year/month/day)
Ce certificat est valable à compter du (année/mois/jour)

2018-04-18

Until
Jusqu'au

2021-03-11



Signature/Signatureur

Franck LEBEUGLE
Managing Director of AFNOR Certification
Directeur Général d'AFNOR Certification

Scan this QR code to check the
validity of the certificate

The electronic certificate only, available at <https://www.afnorcertification.com>, is the only valid version of the certificate. No other version of the certificate is valid. The certificate is valid only if it is signed by the Managing Director of AFNOR Certification. The certificate is valid only if it is signed by the Managing Director of AFNOR Certification. The certificate is valid only if it is signed by the Managing Director of AFNOR Certification. The certificate is valid only if it is signed by the Managing Director of AFNOR Certification.

11 rue Francis de Pressensac - 93571 La Plaine Saint-Denis Cedex - France - T. +33 (0)1 41 82 80 00 - F. +33 (0)1 48 17 80 00
SAS au capital de 15 187 000 € - 475 076 000 RCS Belgium - www.afnor.org

afnor
CERTIFICATION



Awards (2019-20)

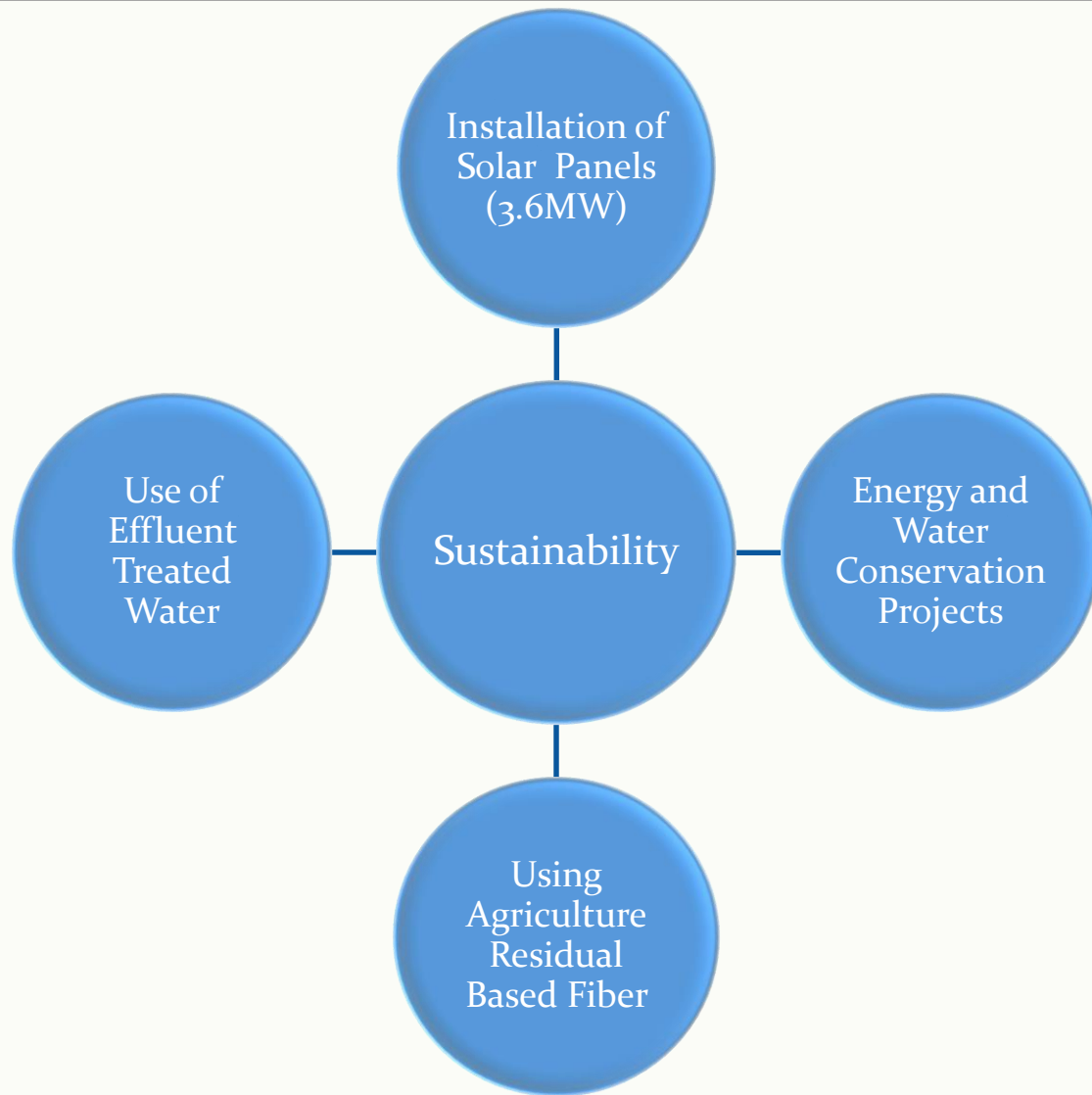


Environment Excellence Award
by
National Forum for
Environment & Health (NFEH).

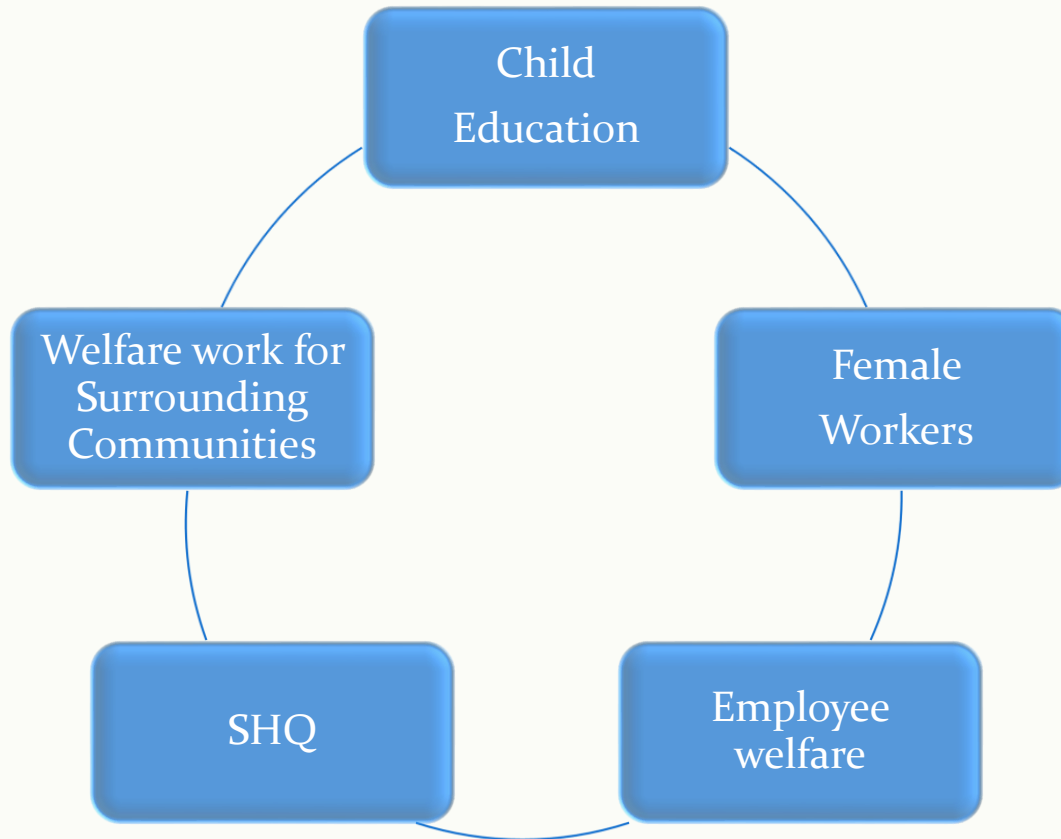
Finalist for
Eleventh Annual Pulp and Paper International
(PPI) European award
for
water efficiency.



Sustainability at Century



CSR at Century

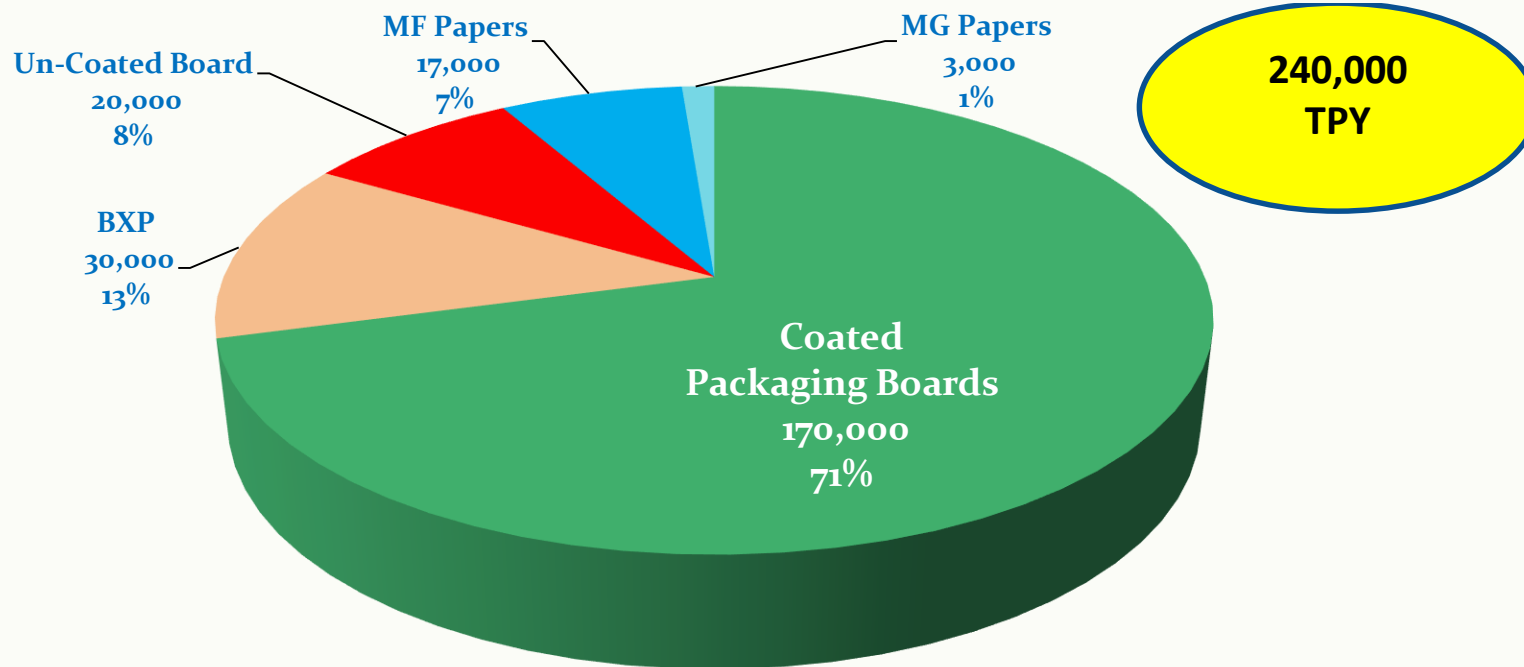


Century, with the help of local authorities distributed ration among needy people of surrounding communities and also donated Protective Equipment to Health Workers of the vicinity.



CURRENT INSTALLED CAPACITY

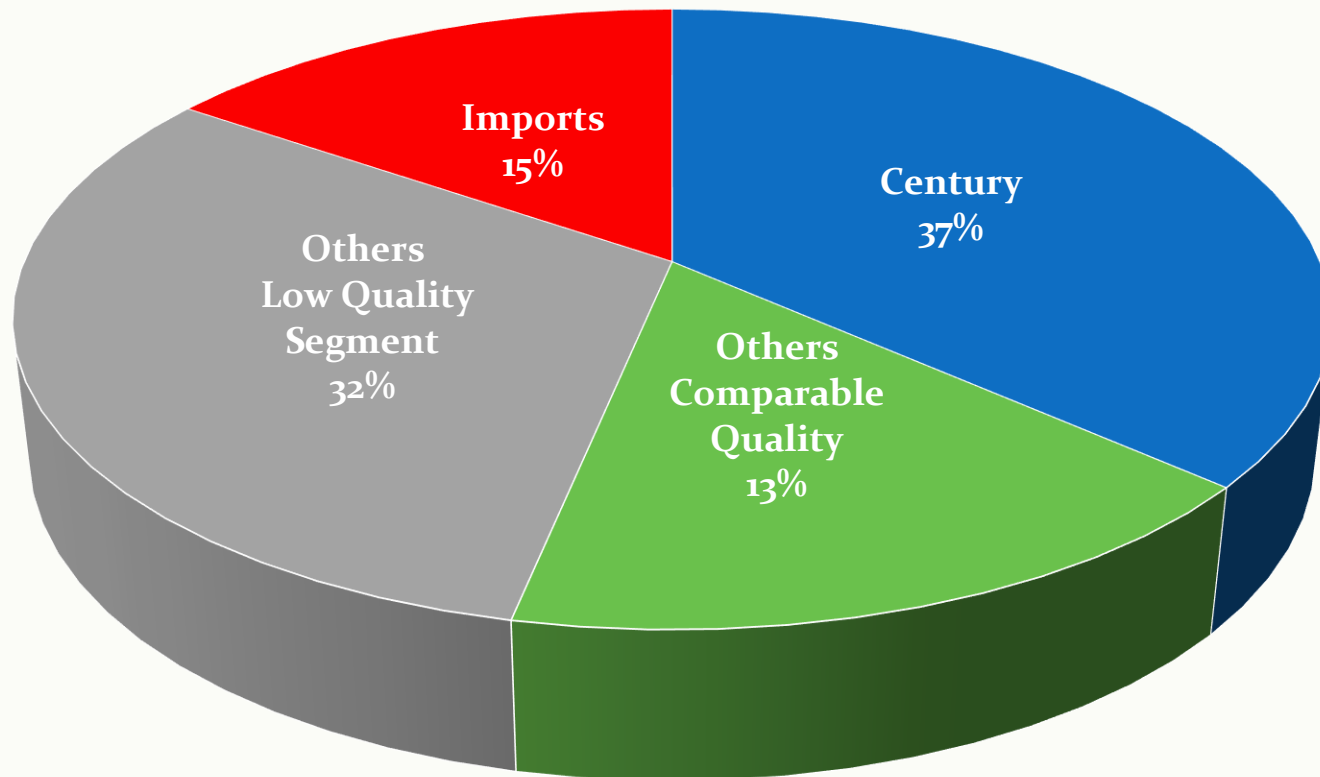
(Product Category Wise Break Up – TPY)



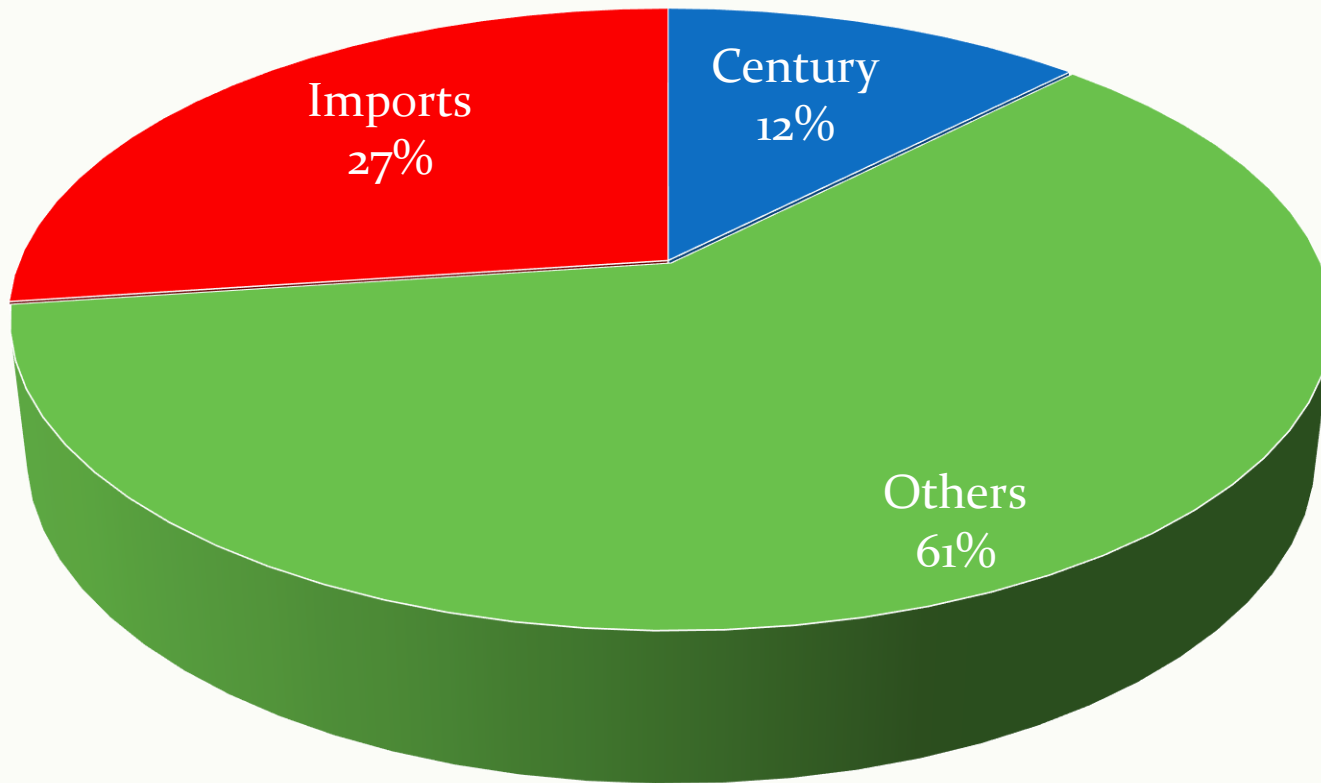
This current announced Capacity 240,000 TPY is expected to increase by around 15 % within this years, mainly for Coated packaging Board.



Century – Market Share - Coated Packaging Boards



Century - Market Share – All Paper & Board Products



Century - Major Customers / Regular End Users:





COVID-19 related SOPs and Preventive Measures

COVID 19 - Preventive and Relief Measures

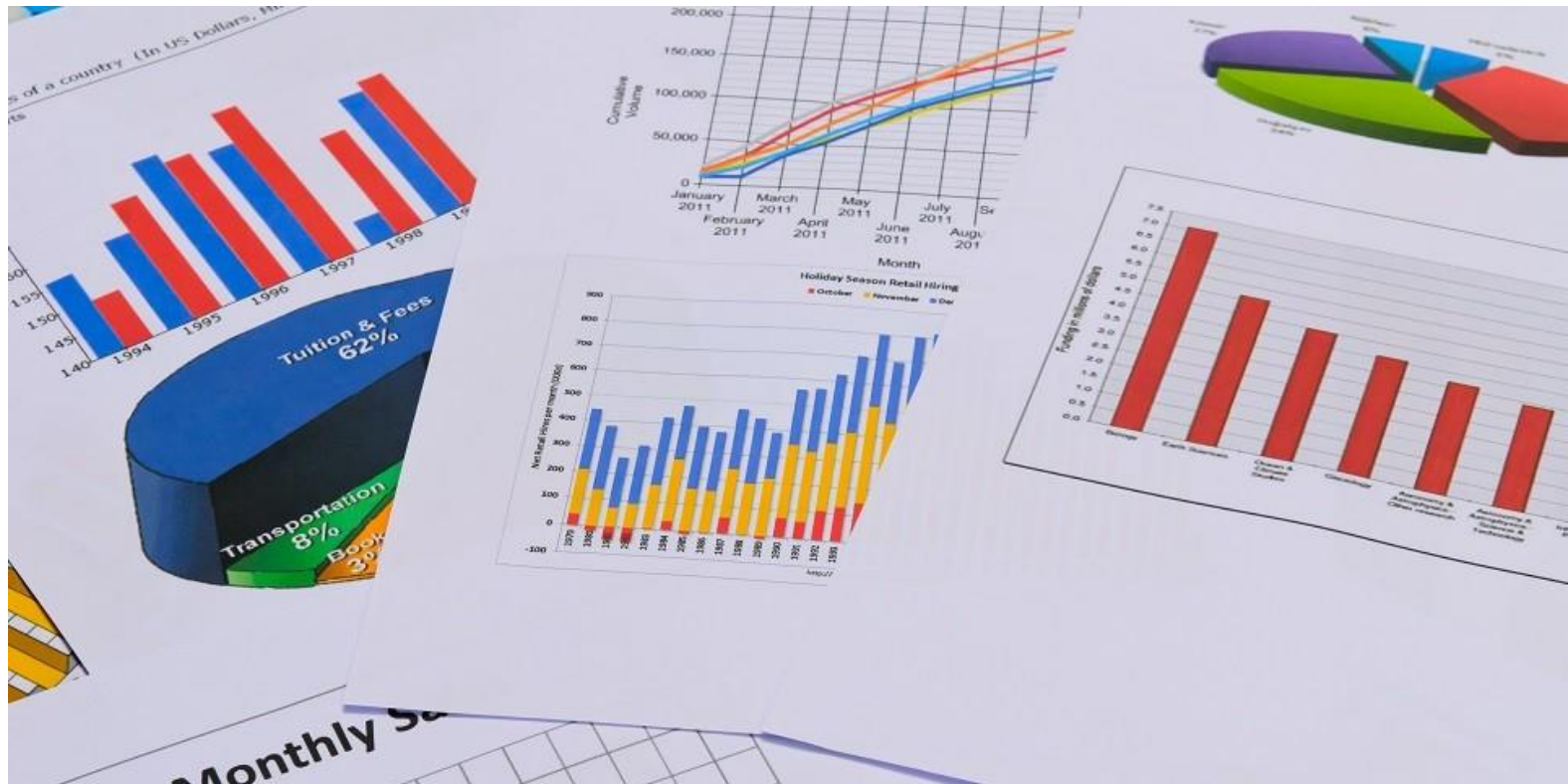
After the outbreak of COVID 19 pandemic, Century Paper was immediately resorted to implementation of SOPs to prevent spread of virus at one side and to ensure smooth operations on the other side.

Following measures were implemented at Mills and different offices:-

- Staff was encouraged to work remotely, wherever possible
- Temperature checking at entry points
- Provision of PPE, Soap and Hand Sanitizers to Workers/Staff
- Distribution of Ration to poor people in vicinity of Mills
- Distribution of Protective Equipment to Health workers in the vicinity



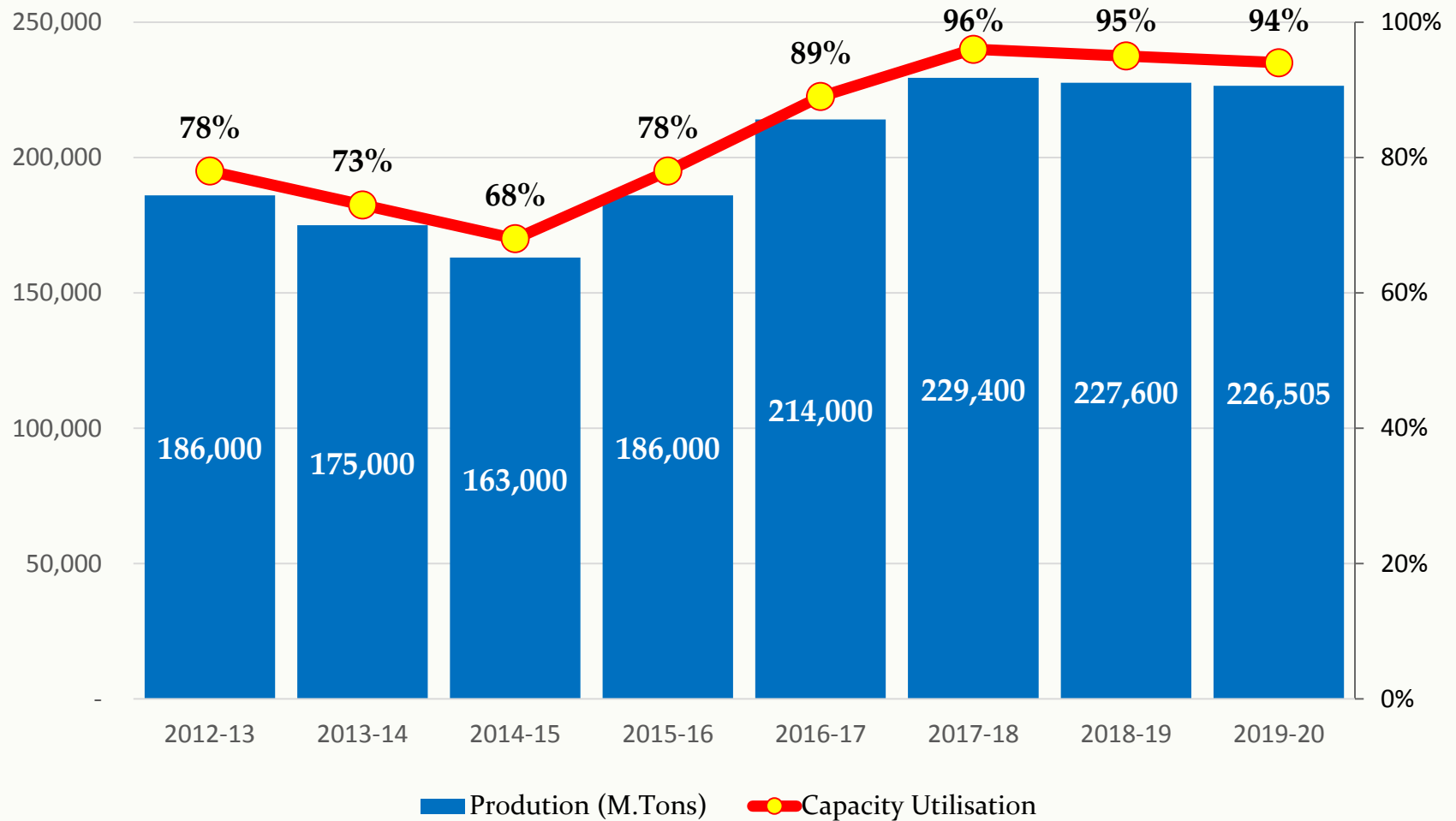




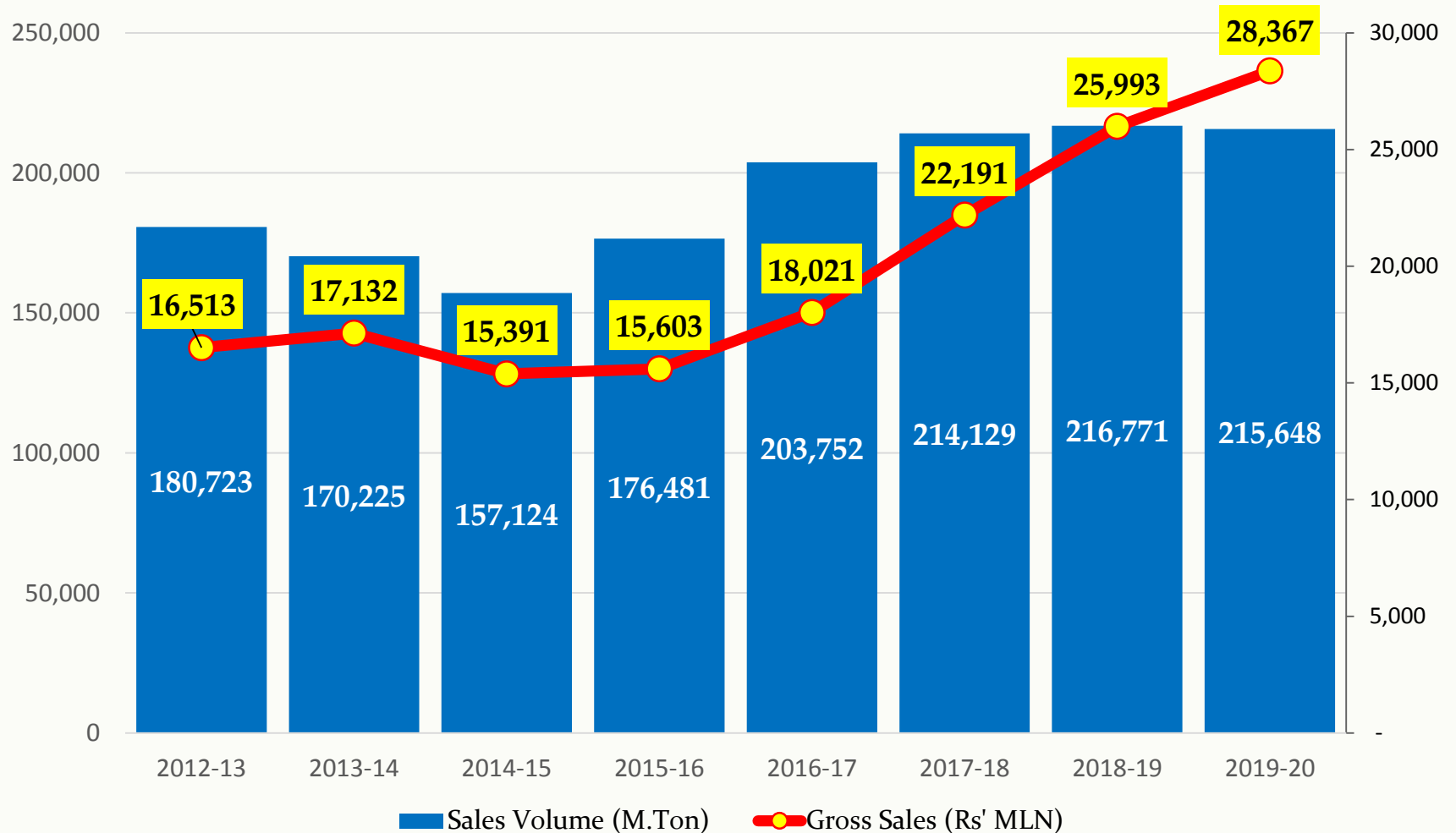
Historical Financial Performance

Century Paper & Board Mills Limited

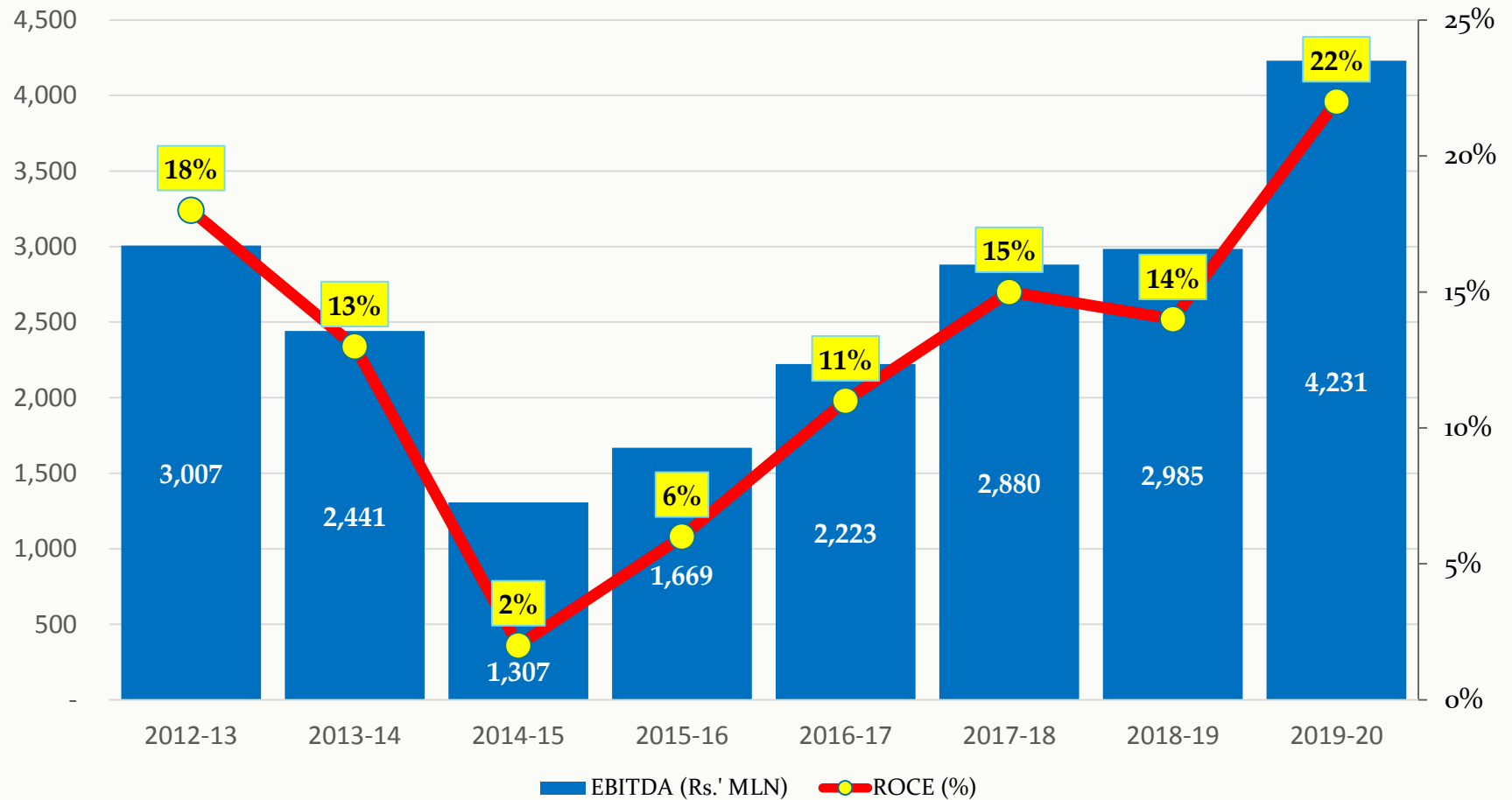
Production (M. Tons)

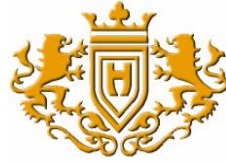


Sales Volumes (MT) & Gross Sales (PKR -Millions)



EBITDA (PKR -Millions) & ROCE (%)

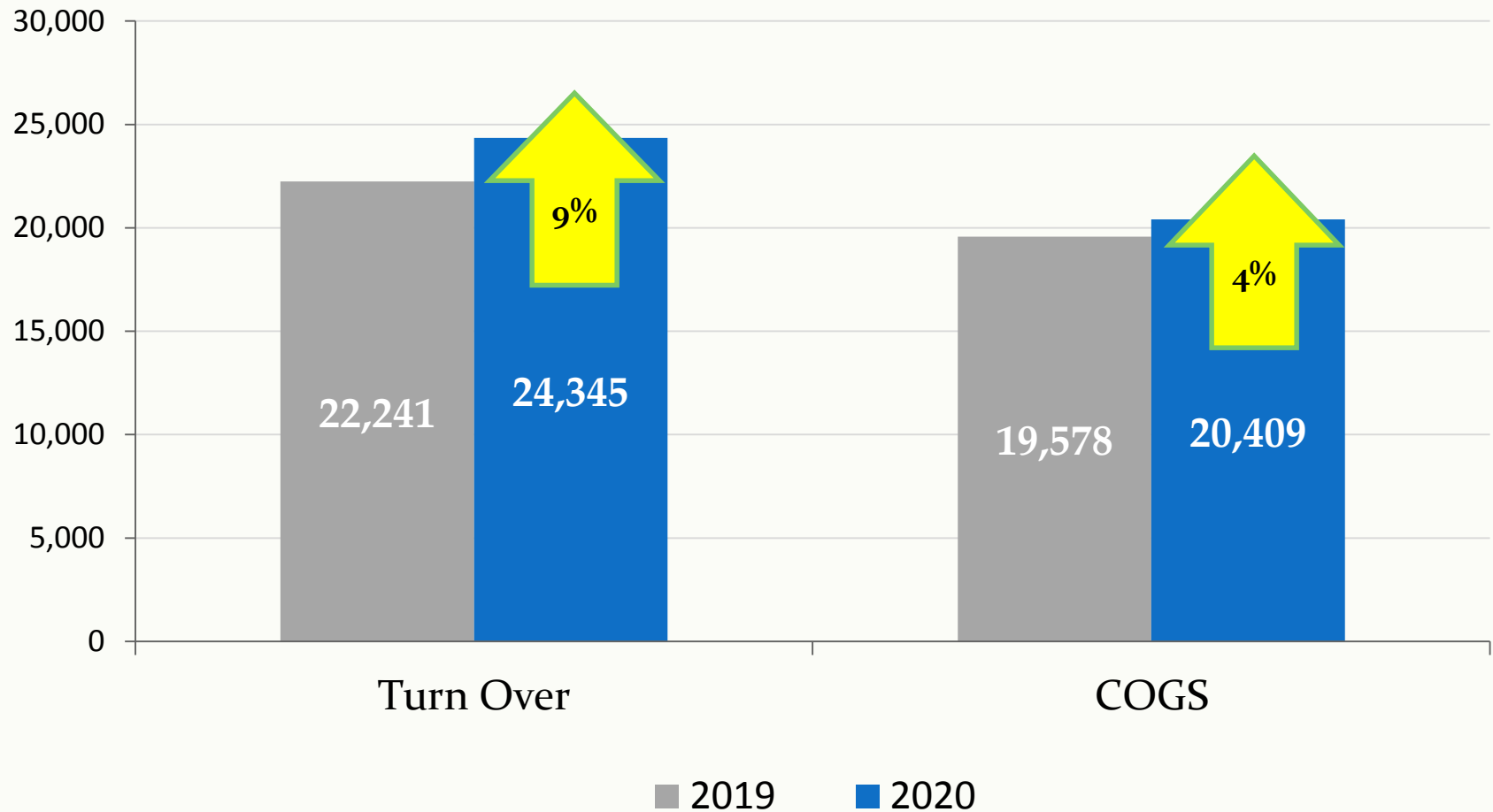




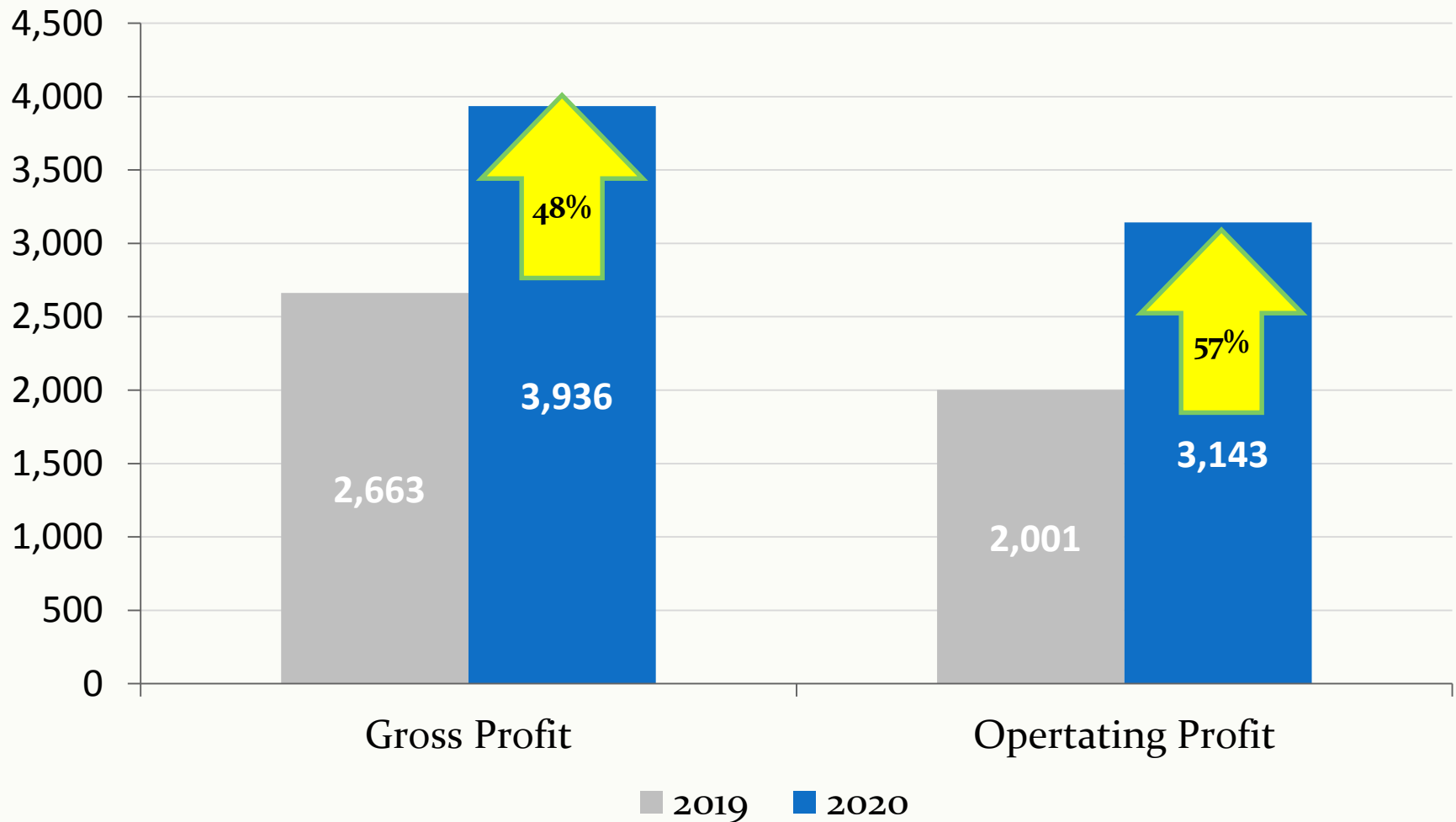
Financial Results (FY2020 vs FY2019)

Century Paper & Board Mills Limited

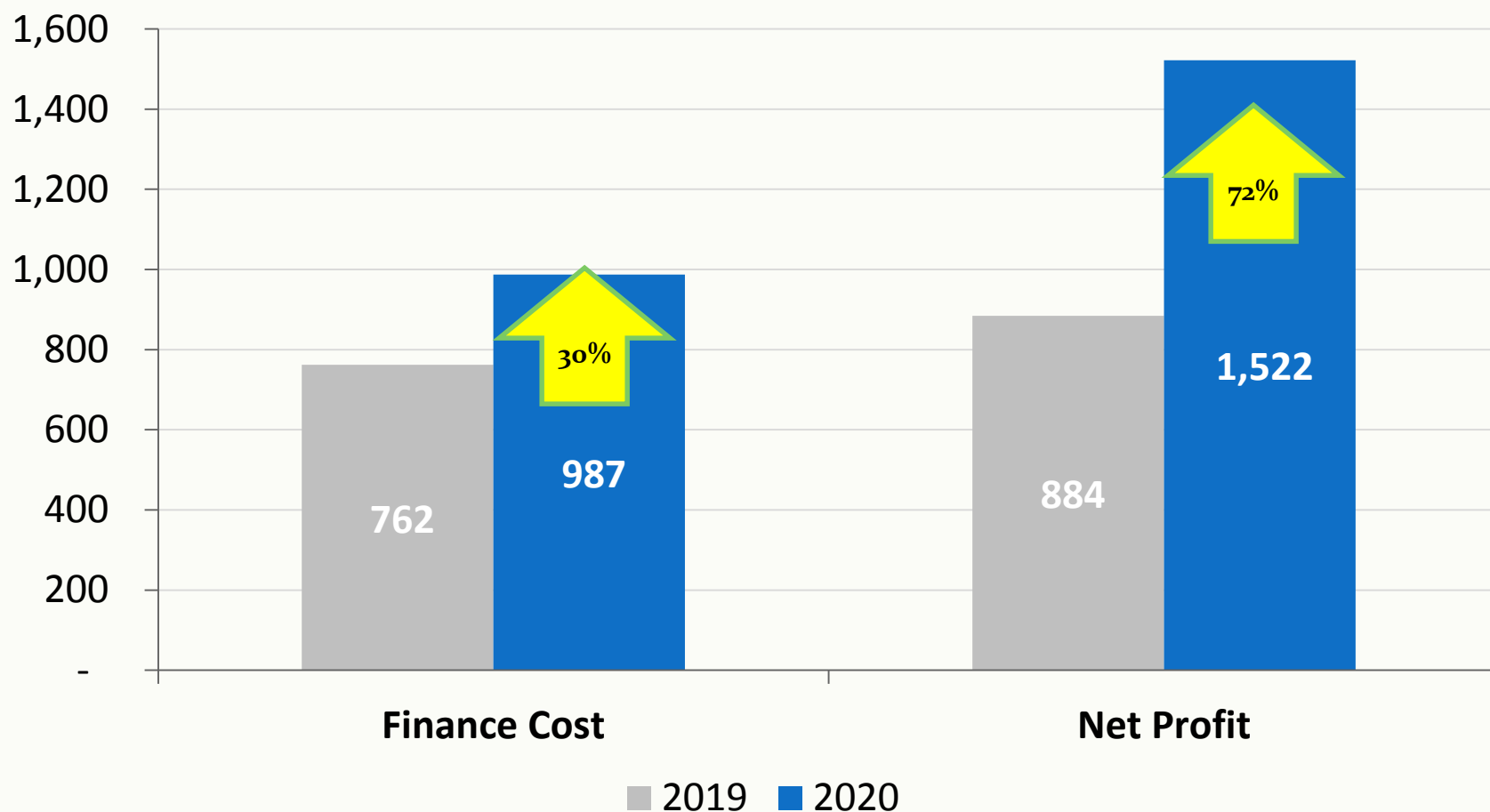
Turnover & COGS (PKR - MLN)



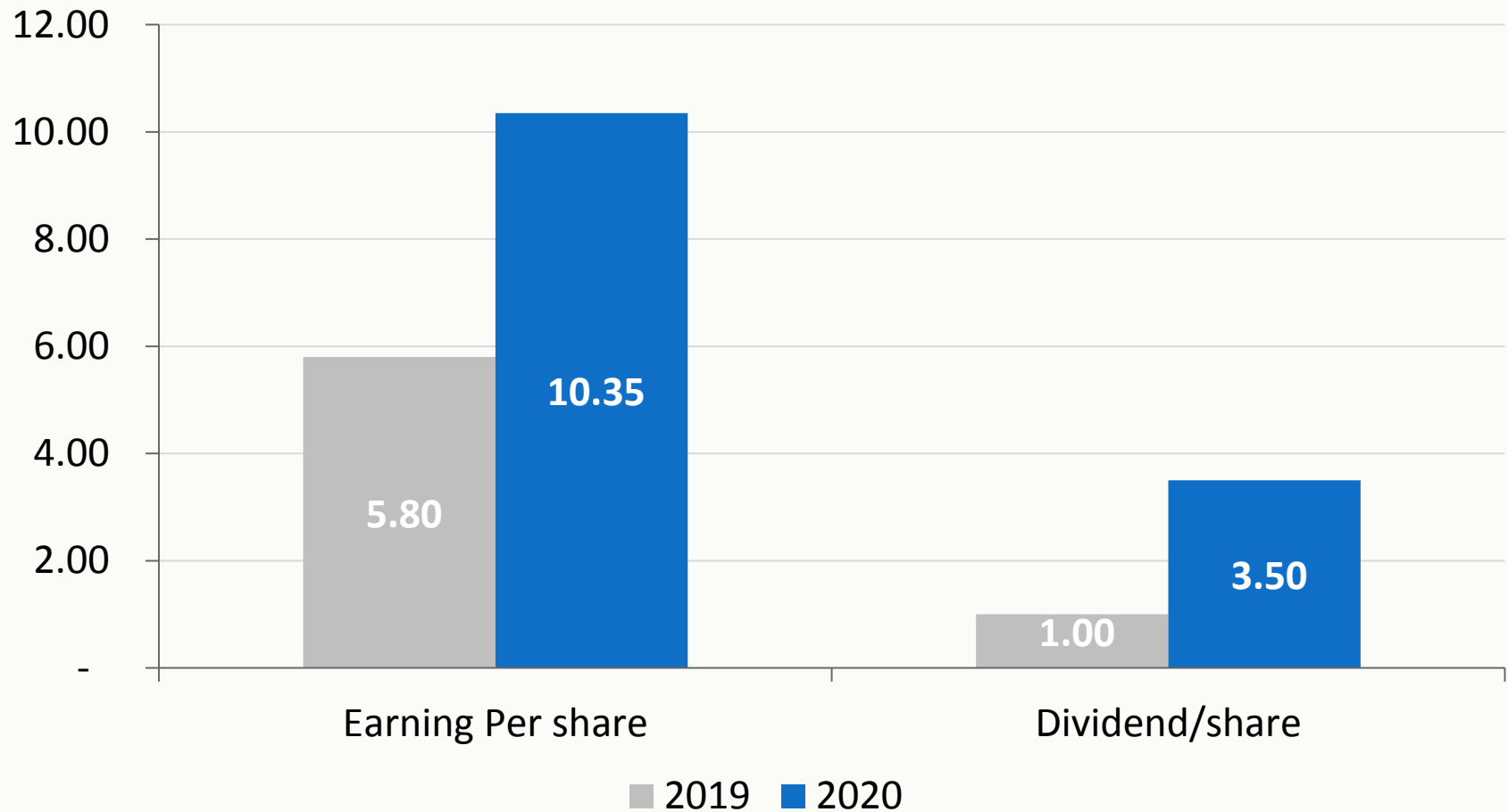
Gross Profit and Operating Profit (PKR -MLN)



Finance Cost and Net Profit (Rs.' MLN)



Earnings and Dividend (Rs./Share)



Distribution to Shareholders (Rs.'MLN)

Particulars	2018	2019	2020
Ordinary Dividend			
Cash	330.79	147.02	220.53
Stock	-	-	294.04
Total Ordinary Dividend	330.79	147.02	514.57
Preference Dividend	75.99	31.58	-
Total	406.78	178.60	514.57
Dividend Payout	41%	20%	34%





Strategic and Operational Developments

Strategic and Operational Developments

Project
Optimus
implemented
to continually
improve
productivity
and reduce
waste

*Resource
Conservation
Program with
the help of
IFC*

Increase in
Production
Capacities and
efficiencies by
Continuous
BMR

Development
of Export
Market base in
regional
Countries



Future Certifications





Future Outlook

Future Outlook

Overall Market

- Over all Market Size of Paper & Paperboard contracted in two consecutive years:
 - 2018-19 3% Drop
 - 2019-20 6% Drop
- Likelihood of any further contraction in 2020-21 is low as market is now in recovery phase.
- A moderate growth over last year market size is expected in 2020-21.
- Curtailed imports neutralized negative impact of market size contraction on domestic Industry.



Future Outlook

Packaging Board

- Packaging Board's demand stayed slightly positive in last two years when overall market was contracting.
- In post COVID19 scenario Packaging Demand is expected to stay stable rather improved.
- Changing life style and health consciousness is leading to increased use of branded and packed food items in particular.



Future Outlook

Writing/ Printing Paper

- Writing Printing Paper market may stay under pressure for quite some time due to:-
 - Increasing paperless working trend in corporate sectors
 - Prolonged closure of educational institutions.
- CPBM have very low stake in paper biz as only 7% of the capacity is for Paper Biz



Important Disclaimer

This Presentation is not an offer to buy or sell any securities or any Investment

This presentation has been prepared by Century Paper & Board Mills Limited (CEPB) solely for information purposes. No representation or warranty express or implied is made thereto, and no reliance should be placed on, the sufficiency, completeness or relevance 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 CEPB nor any of its affiliates, officials, advisors, associates, employees or any person working for, under or on behalf, shall have any 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 CEPB own beliefs and expectations about the future. These forward looking statements are based on a number of assumptions about the future, which are beyond CEPB control. Such forward looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario. Such forward looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those contemplated by these forward looking statements. CEPB does not undertake any obligation to update any forward looking statements to reflect events that occur or circumstances that arise after the date of this presentation and it does not make any representation, warranty (whether express or implied) or prediction that the results anticipated by such forward looking statements 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 CEPB believes to its knowledge, information and belief to be reliable, but CEPB 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, CEPB makes no assurance, representation or warranty as to the accuracy, sufficiency, correctness or completeness of that data, and such data involves risks and uncertainties and is subject to change based on various factors.

By attending this presentation, you are agreeing to be bound by the foregoing limitations.



Corporate Briefing -2020

Q & A Session



Corporate Briefing -2020

THANKS

