

Shield Corporation Limited

Corporate Briefing 2019

November 23, 2019

Karachi

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The Art of Caring

 **Shield**[®]
Corporate
Profile



Activate Windows
Go to Settings to activate Windows.

Corporate Profile

Shield Corporation Limited was established in 1975. We manufacture Oral Care & Baby Care products. The range includes variety of Diapers, Toothbrushes, Baby Feeders, Soothers, Teethers, Nipples, and Training Cups. Team Shield is committed to providing best quality products to our consumers under the guidelines of ISO 9001 system requirements, moreover to the protection of the environment and for enforcement of strict code and regulations of ISO 9001 and ISO 14001 system.

Shield Vision & Mission

Vision: Transform lives with love and happiness.

Mission: To become the best consumer products company by focusing on quality, consumer needs and marketing excellence, while maintaining an ethical code of conduct, showing care and compassion towards employees, being fair to all shareholders and symbolizing responsible corporate citizenship.

Certifications



PSQCA

Auditors

BDO Ebrahim & Co. Chartered Accountants



Deloitte Yousuf Adil Chartered Accountants



Board of Directors

- Mr. Ebrahim Qassim Chairman
- Mr. Muhammad Haroon Qassim Chief Executive
- Mr. Vali Muhammad A. Habib Director
- Mr. Pir Muhammad Director
- Mrs. Saadia Butt Naveed Director
- Mr. Syed Imran Chishti Director
- Mr. Muhammad Salman Qassim Director

Board Committees

- Audit Committee
- Human Resource & Remuneration Committee
- Risk Management Committee

Procurement & Global Presence

With increased interconnectivity between financial and product markets, Shield® is following the trend of globalization and determinedly navigating a single economic sea. Shield's® procurement and imports, including sole representations, reach out to different continents like, Europe, Asia and Africa.



Shield® is currently importing its raw material for Baby Care & Oral Care segments from world renowned manufacturers located globally including Germany, United Kingdom, Saudi Arabia, China, Singapore, France, Thailand, Taiwan, and Malaysia.

For private labeling, Shield® jointly works with its foreign customers in China for the development of their product and its packaging / branding as per their demand which is in-line with the end consumer expectations.

Countries included in their circle of businesses are

- 📍 China
- 📍 Germany
- 📍 United Kingdom
- 📍 Ireland
- 📍 Italy
- 📍 France
- 📍 Afghanistan
- 📍 Saudi Arabia
- 📍 Kuwait
- 📍 Uganda
- 📍 Singapore
- 📍 Thailand
- 📍 Taiwan
- 📍 Malaysia

Products

Shield[®]
Baby





DIAPERS

Product Range



MEGA BACHAT PACK



DIAPER REGULAR PACK



SUPER BACHAT PACK

 **Shield[®] Feeders & Nipples**
Product Range



120ml

230ml

Available in 3 colors 

SLIP GRIP FEEDER



180ml

260ml

Available in 3 colors 

WIDE NECK FEEDER



WIDE NECK SILICONE NIPPLE



Regular Nipple  Extra Soft Nipple 

EVENFLO NIPPLE

 **Shield**[®] **OTHER BABY CARE**
Product Range



Available in 4 colors 

REGULARSOOTHER



Available in 2 colors 

SILICONE TEETHER



180ml 180ml 180ml

Available in 3 colors 

REGULAR TRAINING CUP



Available in 4 colors 

PPSOOTHER



Available in 4 colors 

REGULAR TEETHER



180ml 180ml 180ml

Available in 3 colors 

NON-SPILL TRAINING CUP

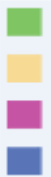
 **Shield**[®] **ORAL CARE**
Product Range

Available in 4 colors



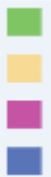
MYSTIQUE

Available in 4 colors



DUAL PRO

Available in 4 colors



SOF-TIP

Available in 4 colors



CLARITY

Available in 4 colors



ANTI-BAC

Available in 4 colors



SENSATION

Available in 4 colors



SMOKERS

Available in 4 colors



PROCLEAN

Available in 4 colors



FLEX

Available in 4 colors



RIGHTO

Available in 4 colors



FALCON

Available in 4 colors



CLASSIC

Available in 4 colors



MR. TOOTH

Available in 4 colors



ANGULAR



SShield[®]
Family Of
KIDS'
TOOTHBRUSHES



Available in 4 colors



HIPPO



Available in 4 colors



GIGGLES



Available in 4 colors



FLEX JUNIOR



Available in 4 colors



BIO JUNIOR



Shield[®]
TOOTHPASTE
Portfolio

PEPPERMINT



CINNAMON



CHAMPS ORANGE



CHAMPS BUBBLEGUM



CHAMPS STRAWBERRY



Financial Results



Key Highlights

Net-Sales		
2019	2018	%
1,778,794,872	1,678,897,969	5.95

Net-sales of the Company increased by 5.95%

Key Highlights

Sales Discount		
2019	2018	%
209,623,358	163,124,452	28.51

The focus was on trade marketing in form of discounts which are deducted from gross sales.

Key Highlights

Cost of Sales		
2019	2018	%
1,222,057,829	1,067,416,649	14.49

Cost of sales of the Company increased by 14.49%

Gross Profit		
2019	2018	%
556,737,043	611,481,320	(8.95)

Gross margin declined by 5.12% mainly due to Rupee devaluation, increase in imported raw material prices, increased custom duties and change in sales mix of the Company.

Key Highlights

Selling and Distribution Expenses

2019	2018	%
338,493,789	418,214,780	(19.06)

The Company has spent Rs. 22.57 million and Rs 57.14 million lesser as compared to the last year on Selling & distribution expenses and Advertisement respectively.

Key Highlights

Finance Cost		
2019	2018	%
41,594,682	18,714,378	122.26

Finance cost of the Company has increased by Rs. 22.88 million due to the increase in utilization of short term financing facilities and massive increase in Bank rate by 88.46% during the year.

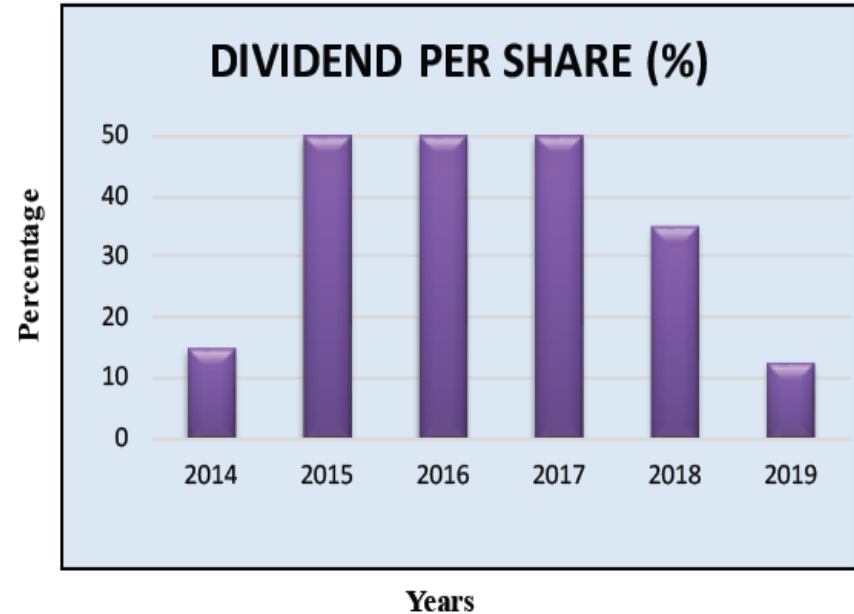
Key Highlights

Earnings per Share			
2019	2018	%	
6.24	17.41	(64.17)	

Earnings per share reduced by Rs. 11.17

Key Highlights

- The Company paid 12.50% final cash dividend i.e. Rs. 1.25 per share for the year 2018-19.



Future Outlook



No respite from economic vows in short term.

- More stringent policies coming in due to IMF extended fund arrangement.
- The tight budgetary measures have negative impacts on sales.
- Spike in bank rates.
- Increase in regulatory/custom duty.
- Abolishment of tax credits on investments in new plant and machinery are anticipated to build pressure on margins of the Company.

Action Plans

- Actively on a quest to identify new product categories which will be supplementary to the existing categories.
- Plans to manage it with competitive pricing strategy.
- Building on distribution led competitive edge.
- Investment in new technology to enhance the quality and consumer base.
- The Company's baby care category is going strong and it must capitalize and sustain this effort so it continues to lead in this area.
- Export market is currently being explored and developed, to create a new platform where the Company can meet demands of the challenging market.

Q & A



