



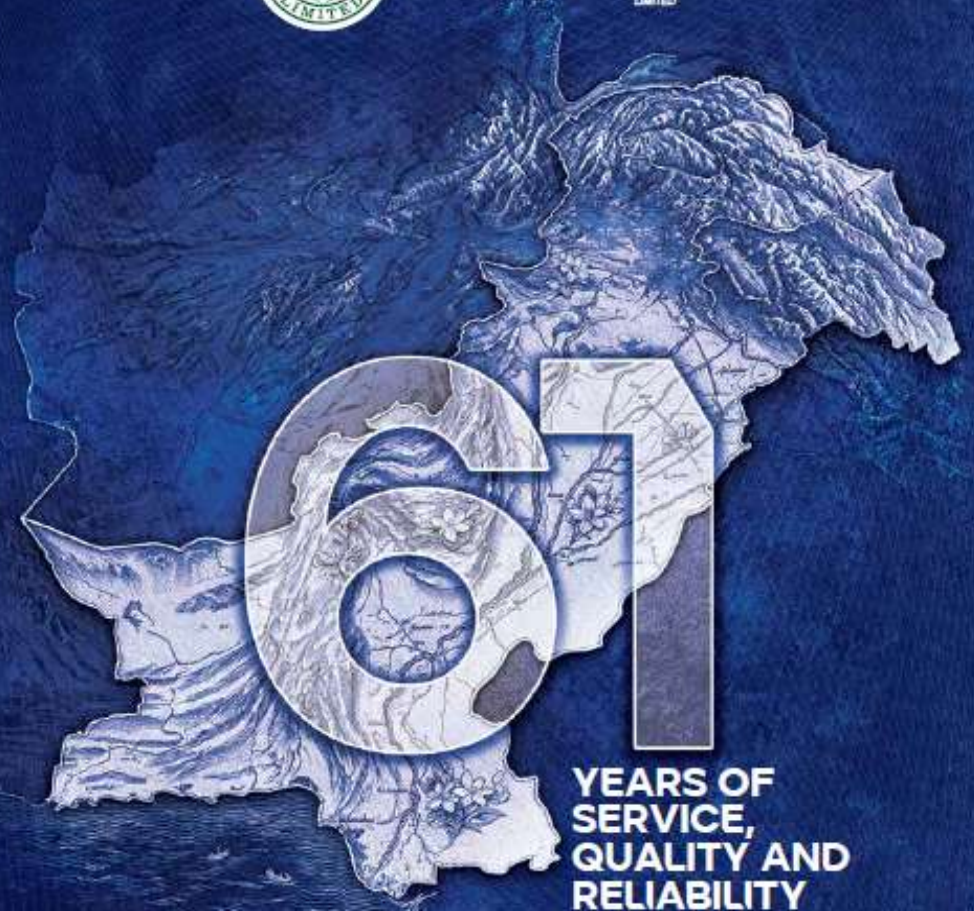
SECURITY PAPERS LIMITED

Corporate Briefing Session

October 16th, 2026



Security Papers
LIMITED



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Contents & Format of Presentation

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Profile of
Company



Strategic/
Operational
Developments



Details of
Financial
Information



Question &
Answers



Profile of the Company

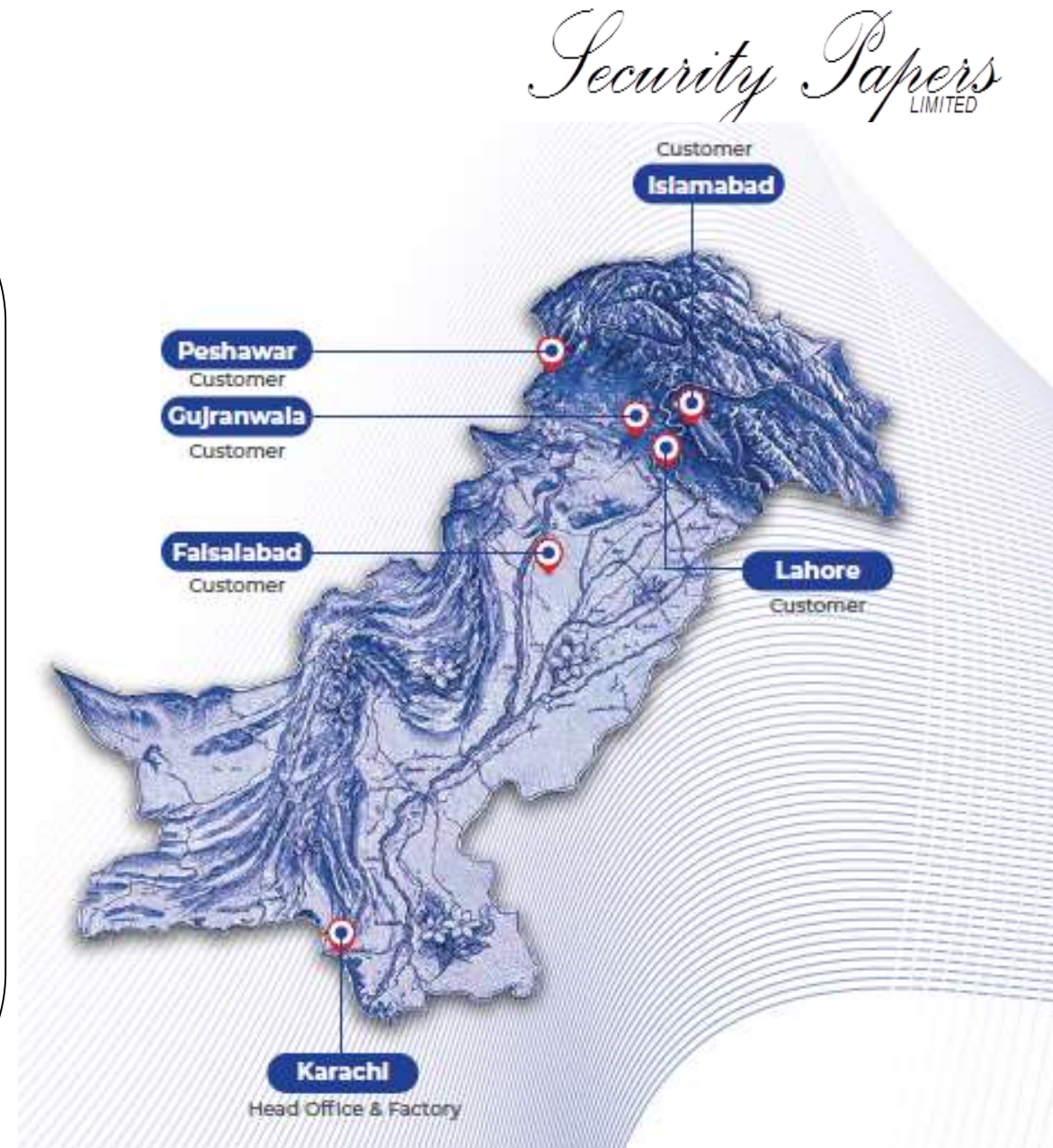


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ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018,
ISO/IEC 27001:2013 CERTIFIED

The Company's Profile

- Security Papers Limited is a strategic Company engaged in the business of manufacturing security paper for Banknotes and Other Security Paper products.
- The Company head office and manufacturing facility is situated in Karachi, Pakistan.
- The geographical presence of its customers are Karachi, Lahore, Gujranwala, Faisalabad, Islamabad and other major cities of the country.



ORGANIZATIONAL OVERVIEW AND EXTERNAL ENVIRONMENT

Vision Statement

To be a nationally and internationally recognized and accepted Security Paper producing organization, providing highest quality paper to our customers, both in Pakistan and abroad.

Mission Statement

We are the only national organization producing strategically important Security Paper products for the nation. We have developed a unique set of strengths and competencies. We wish to build on these assets and will strive continuously to achieve higher levels of excellence.

Our mission is to exceed the expectations of our customers in producing, with security and efficiency, highest quality paper products, employing international best practices and applying an integrated approach to product research and development, manufacturing technology, operations management, counterfeit deterrence, materials procurement, human resource management, financial management and information systems.

Core values

- Striving for continuous improvement and innovation with commitment and responsibility.
- Treating shareholders/stakeholders with respect, courtesy and competence.
- Practicing highest personal and professional integrity.
- Maintaining teamwork, trust and support, with open and candid communication.
- Ensuring cost consciousness in all decisions and operations.

CODE OF CONDUCT



Overview

SPL is dedicated to fostering an organizational culture centered on transparency and accountability. It emphasizes honesty, integrity, and diligence across all dealings with staff, customers, financial markets, government entities, regulatory bodies, and other key stakeholders.

Core Principles & Policies



Gender Equality

- The organization actively promotes gender equality and forbids discrimination based on factors such as race, gender, caste, creed, religion, ancestry, family background, age, or disability.
- All employees are granted fair and equal opportunities for career advancement without bias.



Compliance to Law / Policies

- SPL enforces strict adherence to all governing laws and internal organizational policies.
- Staff members are prohibited from entering into, recommending, or approving any contracts, expenditures, investments, or transactions that breach legal or policy rules.



Ethics & Integrity

- Ethical behavior and integrity are foundational values, guiding the company to meet high moral standards beyond basic legal requirements.
- In ambiguous legal scenarios, employees are expected to follow policies established by the Board of Directors.
- Employees must refrain from soliciting or receiving gifts, benefits, or items of value from vendors, suppliers, or contractors that could color business judgment. Any potential or existing conflicts of interest must be disclosed promptly to senior management.



Anti-Discrimination and Harassment

- The company maintains a workplace free from harassment and discrimination regarding race, gender, caste, creed, ethnicity, or disability.
- Disciplinary measures are strictly applied against any staff member engaging in harassment or discriminatory behavior in line with corporate guidelines and statutory laws.

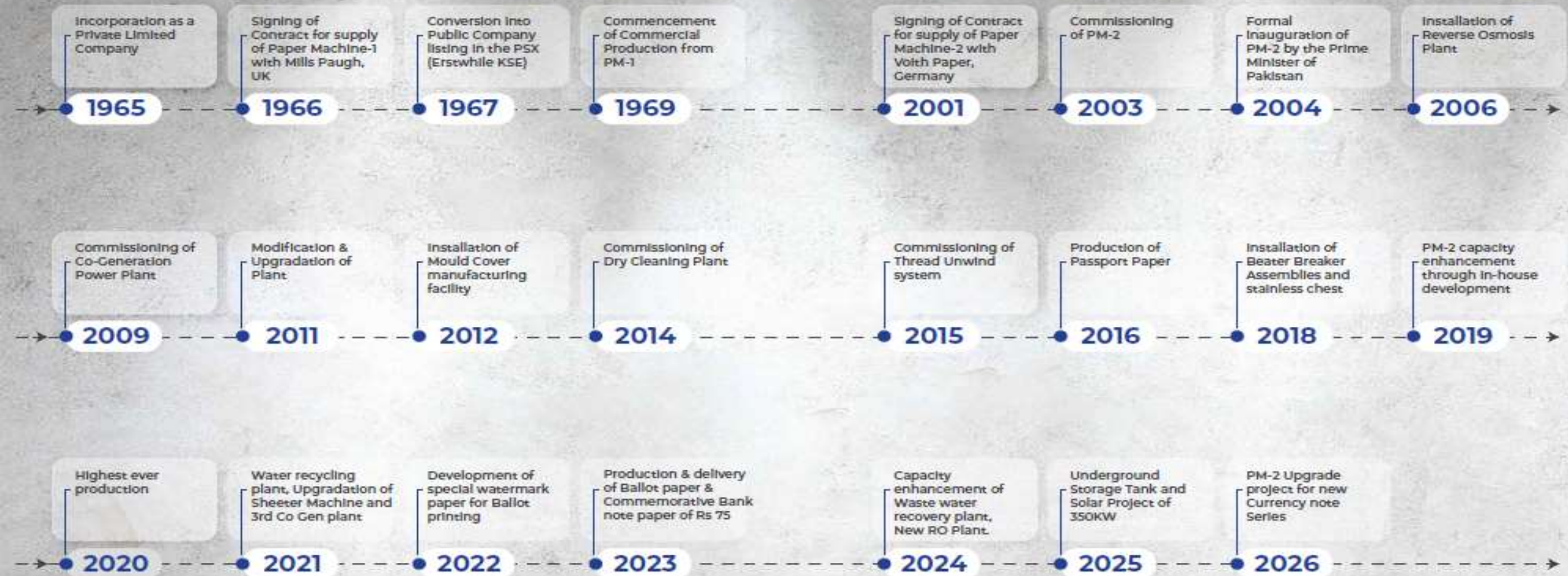


Prohibition on Insider Trading

- All personnel must strictly observe company insider trading regulations and safeguard confidential corporate information.

History of Major Events

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Significant Events During the Year

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Holding of 1st Corporate Briefing Session (CBS) of FY 2025-26 was held in October 6, 2025.

PM-2 Upgrade Project for New Currency Note Series

Holding of 2nd Corporate Briefing Session (CBS) of FY 2025-26 was held on 12 June 2026

353rd Board Meeting held on June 17 2026 for approving Annual Budget for the FY 2026-27

354th Board Meeting held on July 30 2026, for approving the Annual Audited Financial Statements for the FY ended June 30 2026

Product Portfolio



Banknote
Papers



Passport
Papers



ECP Ballot
Papers



Certificates for
Educational Board



Prize Bond
Papers



Non-Judicial
Stamp Papers



Parchment
Papers



Cheque Book
Papers



Degree Papers
for Universities



Defense Savings
Certificates

Major Customer

**Pakistan Security Printing Corporation
(Pvt) Limited**

Election Commission of Pakistan

**Universities & Education Boards – All
over**

Corporate Awards History

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Top Companies Award

Security Papers Limited (SPL) was conferred the "Top 25 Companies Award of Pakistan Stock Exchange" for the year 2023. It secured the 24th position on the basis of the highest score achieved. The Company has the distinction of receiving this prestigious award for the years 2000 to 2007 and 2009 to 2016 and 2018 to 20.

Best Corporate Report Award

Security Papers Limited (SPL) secured 4th position in the Best Corporate Report Award for the year 2024 by country's two leading professional accounting organizations the Institute of Cost and Management Accountants of Pakistan (ICMAP) and the Institute of Chartered Accountants Pakistan (ICAP). The Company's Annual Report of 2003, 2006 to 2012, 2022 and 2023 also won the Best Corporate Report Award. The comprehensive selection criteria required inclusion of detailed information in the Annual Report on the subject of Corporate Objectives, Directors' Report Disclosure, Shareholder Information, Report Presentation and Corporate Governance.

Best Sustainability Report Award

Security Papers Limited (SPL) has secured certificate of Merit in the Best Sustainability Report Award 2024 that was conferred by the joint Committee of the Institute of Chartered Accountants of Pakistan (ICAP) and Cost and Management Accountants of Pakistan (ICMAP). The Company has also received this prestigious award for the years 2021, 2022 and 2023.

Corporate Excellence Award – MAP

Security Papers Limited (SPL) received the 40th Corporate Excellence Award of the Management Association of Pakistan (MAP). The Company holds 24th to 29th Awards (six times in a row), as well as 31st to 39th (ninth times in a row). The Award recognizes the best managed companies in Pakistan that follow guidelines and principles of the latest management techniques.

Environment Excellence Award

The National Forum for Environment & Health – NFEH conferred the 22nd Annual Environmental Excellence Award 2025 to Security Papers Limited. The award was given in recognition of the Company's vision and its effective implementation of Environment Management System and policies and after thorough assessment of its submitted documents and testimonials by the distinguished NFEH Panel of Jury; a unanimous decision of the distinguished Panel of Jury.

The Company has also received the 11th, 15th to 18th and 20th to 21st Annual Environment Excellence Awards in 2013 and 2017 to 2020 and 2022 to 2024.

Fire and Safety Award

The National Forum for Environment & Health – NFEH conferred the 15th Fire and Safety Award in 2025. The Company has also received this award in 2011, 2012, 2013 and 2024 for three consecutive years. The Award was jointly organized by the Fire Protection Association of Pakistan (FPAP) and the National Forum for Environment & Health (NFEH).

Corporate Social Responsibility Award

The National Forum for Environment & Health – NFEH conferred the 18th Corporate Social Responsibility Award in 2025 to Security Papers Limited. The Company has also received the 17th Corporate Social Responsibility Award in 2024.

Commitment to Environmental Reporting Award

The Company has achieved another milestone by winning ACCA-WWF Environmental Reporting Award 2013. This demonstrates our commitment to environmental preservation and its effective management.

The Company has also received commendation for Commitment to Environmental Reporting in 2010 from ACCA-WWF* Pakistan.

* Association of Chartered Certified Accountants - World Wildlife Fund.

Climate Change Adaptation Award

The Future Forum Private Limited – FFPL conferred the 7th Climate Change Adaptation Award in 2024 to Security Papers Limited. The Company has also won the 6th Climate Change Adaptation Award in 2023.

Health and Safety Award

The Employers' Federation of Pakistan – EFP conferred the 18th Health and Safety Award in 2023 to Security Papers Limited. The Company has also received the 17th Climate Change Adaptation Award in 2022.

Women Empowerment and Gender Equality Recognition Award

The Employers' Federation of Pakistan – EFP conferred the 1st Women Empowerment and Gender Equality Recognition Award in 2025, in the prestigious "Gold Category", to Security Papers Limited.

Employers of the year Award

The Employers' Federation of Pakistan – EFP conferred the 11th Employers of the year Award 2025 to Security Papers Limited.

International Environment, Health and Safety Award

Security Papers Limited (SPL) has received the 11th International Environment, Health and Safety Award 2025 from The Professional Network.

Corporate Governance Rating

JCR-VIS Credit Rating Company Limited reaffirmed the Corporate Governance Rating of the Company at CGR-9, denoting 'high level of corporate governance' for the year 2013-14. The rating was measured on a scale ranging from CGR-1 (lowest) to CGR-10 (highest). Corporate Governance ratings are based on evaluation of key governance areas of the rated organization, which include Regulatory Compliance, Board Oversight, Management Profile, Self-regulation, Financial Transparency and Relationship with Stakeholders.

ISO Certifications

CERTIFICATION OF INTEGRATED MANAGEMENT SYSTEM (IMS):

Quality Management System:

- ISO 9001:2015 (03 April 2024 until 03 April 2027)
Environmental Management System:
- ISO14001:2015 (26 April 2024 until 26 April 2027)
Occupational Health and Safety Management System:
- ISO 45001:2018 (19 March 2026 until 15 February 2029)
Occupational Health and Safety Management System:
- ISO/IEC 27001:2022 (19 December 2025 until 18 December 2028)
* Certification given by SGS United Kingdom Limited

Governance

Board of Directors

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NON-EXECUTIVE DIRECTORS

CHAIRMAN

Mr. Mohammad Aftab Manzoor

DIRECTORS

Mr. Jamal Nasim

Mr. Hamid Bazargan

Mrs. Pernur Alaybeyoğlu

Hafiz Mohammad Yousaf

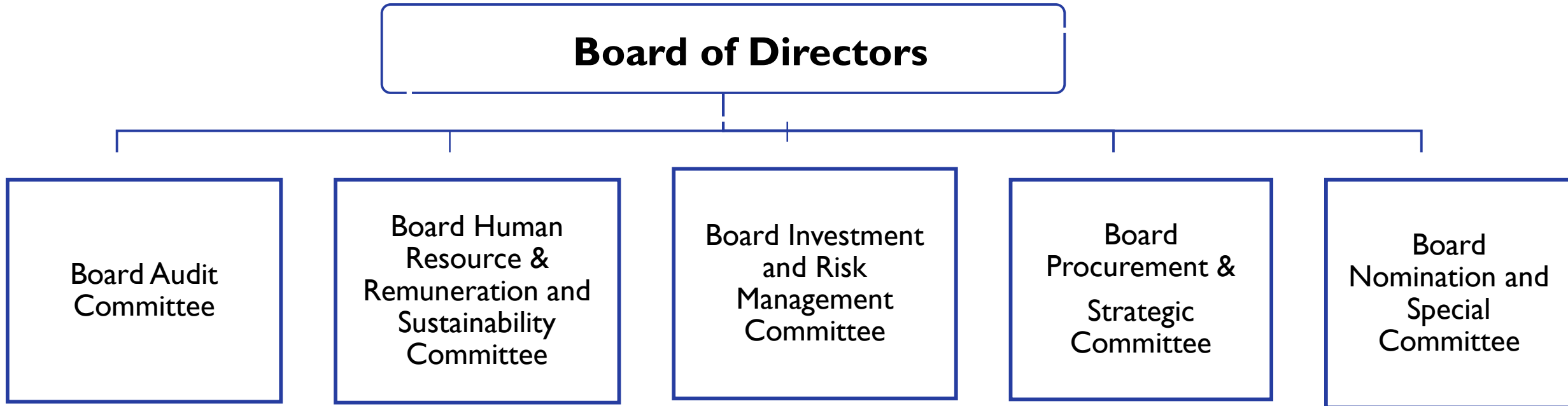
Mr. Shafqaat Ahmed

Mr. Arshad Mehmood Bhatti

Mr. Munir Ahmed

EXECUTIVE DIRECTOR - CHIEF EXECUTIVE OFFICER

Mr. Imran Qureshi



Board's Approved Policies

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Corporate
Social
Responsibility
Policy

Anti Harassment
Policy

Investment
Policy Guidelines

Risk
Management
Policy

Insider Trading
Policy

Directors'
Remuneration
Policy

Whistle Blowing
Policy

Related Party
Transactions
Policy

Communication &
Disclosure Policy

Environmental
Policy

Occupational
Health & Safety
Policy

Quality Policy

IT Governance
Policy

Policy for Record and
Archive Management

Diversity, Equity, and
Inclusion Policy

Succession Planning
Policy

Welfare
Fund
(Employee
WF) Policy

Performance
Management Policy

Strategic & Operational Development



Strategic Planning Process

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Supply Chain KPIs

- Inventory turnover rate
- Raw Materials (RM) forecast accuracy
- RM Stockout frequency
- Supplier on-time in-full deliveries
- Cost savings
- Supplier Contract compliance rate
- Warehousing space utilization
- Warehousing - FIFO compliance
- Inventory record Accuracy

Operational KPIs

- Prompt completion of the customer's order
- Continuous Reduction of production losses
- Maximum waste recycling
- Control of production costs
- Predictive Maintenance regime
- Improve production efficiency of plants

Financial KPIs

- Timely financial reporting
- Efficient receivables management
- Operational cash flow management
- Higher ROI of Company's surplus funds
- Corporate tax management

Sales KPIs

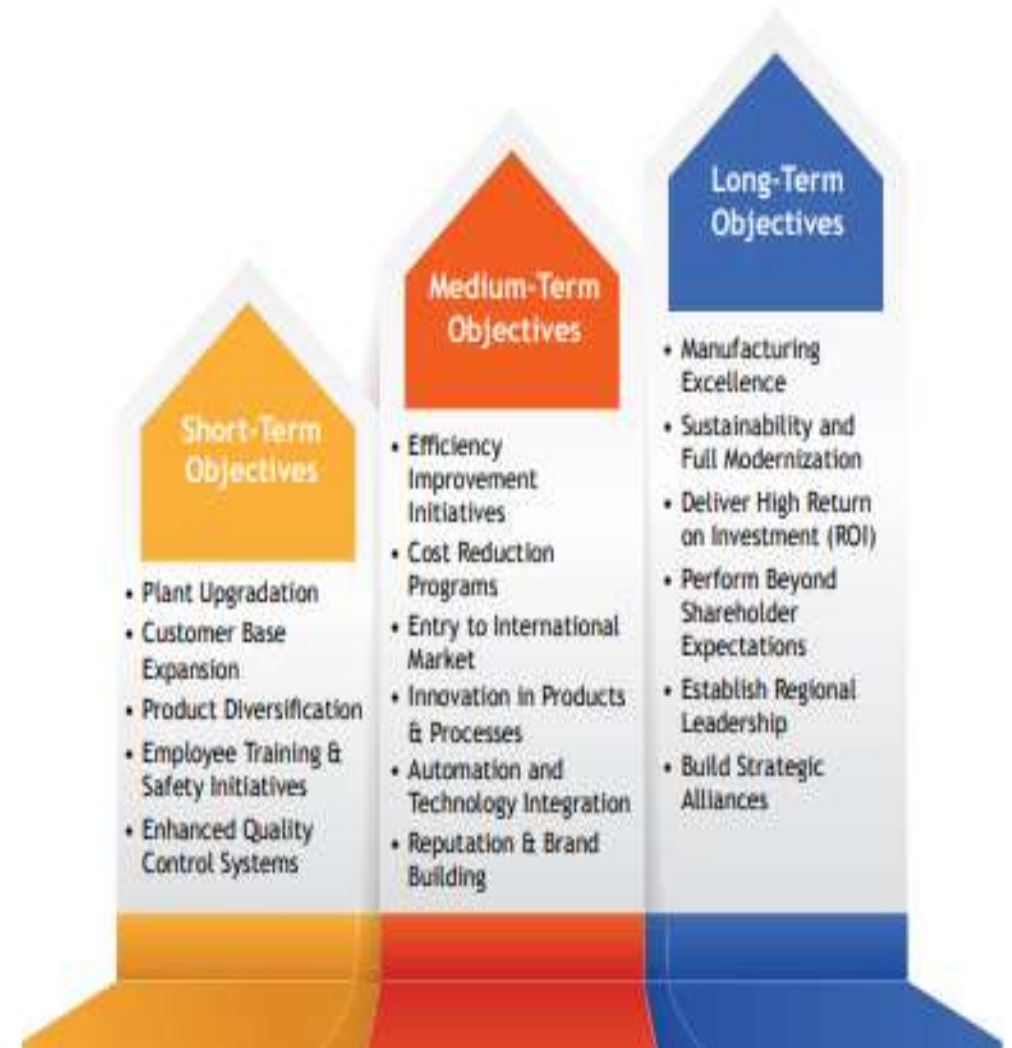
- Customer satisfaction
- Delivery of high-quality paper
- Increase in net sales value
- Increase in sales volume

HR & Administration KPIs

- Employee engagement
- Diversity, equity and inclusion
- Employee development & capacity building
- Talent management & succession Planning
- Clean environment and safety for smooth operations

Health, Safety & Environment KPIs

- Reduce injuries and monitor injury trends
- Safety training compliance
- Permit to work compliance
- Safety observations and closure
- Safety inspections and audits
- Risk Assessments and JSA



Goals & Strategy in Place

Key Indicators

Customer Satisfaction:

We are committed to delivering unmatched customer satisfaction through exceptional quality products and service excellence.

Quality Assurance & Audits – Continuous improvements to maintain world-class standards
International Certifications – Aligning with global benchmarks for quality
Timely Delivery – Meeting desired supply schedule
Customer Feedback – Listening, improving, and exceeding expectations

Employees:

Enhance Employee Engagement and Performance to drive business outcomes.

Attracting and retaining top talent
Developing High Performance Workforce
Fostering a positive and inclusive environment

Risk Management:

Enterprise Risk Management
Business Continuity Planning

Identification of high risks areas
Residual rating of risks
Identification of maximum probable loss of risks

Continuous Improvement:

KAIZEN
5S Methodology
Preventive and predictive maintenance

Cost reduction
Increase in profit
Time saving
Safety

Operational Efficiency:

Reduce usage of raw material, energy consumption and costs by optimally utilizing available resources for lower cost and increased efficiency

Order fulfilment time
Reduction of production losses
Waste recycling
Control of cost of production / cost per unit of production
Profit margins

Shareholders

Safeguard shareholders' interests by maintaining a healthy and viable business

Earnings per share
Dividend per share

Corporate Social Responsibility

Promote the social development of the communities we serve by providing financial and non-financial support for welfare, education, health, and overall development across the Country.

Board-approved CSR Policy
Number of participants in community outreach initiatives, health, education, and welfare etc.
Initiatives that foster diversity and inclusion
Company-wide cash and in-kind contributions
Encourage employee engagement and volunteerism

Security Papers Limited is well-positioned to navigate the period ahead from a foundation of financial strength and operational stability. The ongoing plant upgradation project remains on track, and upon completion, will enable the Company to manufacture banknote papers with advanced security features in alignment with the new currency note series announced by the State Bank of Pakistan (SBP), reinforcing SPL's strategic relevance to its principal customer.

The Company remains mindful of geopolitical risks arising from the US-Iran conflict, which continue to pose challenges to global energy prices and international supply chains. Management is actively coordinating with key suppliers to ensure uninterrupted availability of critical raw materials and timely project execution.

Overall, the Company remains cautiously optimistic, supported by a disciplined approach to risk management and a clear strategic direction toward sustainable, long-term value creation.

RISK MANAGEMENT METHODOLOGY & PROCESS

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Integration with strategy setting and performance management, risk isn't a standalone exercise but embedded into how the organization sets and achieves objectives and the methodology with which it achieves.

The Company follows industry best practices along with applicable frameworks as a method to identify, evaluate and report significant business risks.



KEY BUSINESS RISKS & OPPORTUNITIES



Integration with strategy setting and performance management, risk isn't a standalone exercise but embedded into how the organization sets and achieves objectives and the methodology with which it achieves.

The Company follows industry best practices along with applicable frameworks as a method to identify, evaluate and report significant business risks. Below is the listing of key business risks, for detailed mitigations strategies and opportunities, please refer disclosure in the Annual Report 2026.

Source & Risk Type	Risk Title	Source & Risk Type	Risk Title
EXTERNAL Financial / Operational	<u>Risks due to Geopolitical Uncertainty</u> • Inflationary Impact • Energy Management • War Risk Premium Insurance and Freight Cost	INTERNAL Operational	Extended Plant Shut Down / Risk of Water Shortage
EXTERNAL Governance / Regulatory	Compliance risk with respect to the provisions of the Companies Act 2017, Code of Corporate Governance Regulations, 2019 (COCG) and other applicable laws and Regulations	INTERNAL Strategic	Dependence on Single Customer
INTERNAL Health & Safety	HSE Management Elevated Fire Risk	INTERNAL / EXTERNAL Reputational / Regulatory	Pilferage & Security Risk
Environmental EXTERNAL	Heatwave (Extreme Heat)	INTERNAL Technological Risk	Disruption of IT Services due to Disaster

ESG & Sustainability 2025-26



Sustainability Highlights

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	People	Total Employees	277
	Diversity	Female Employees	24
	People	Employee Training	1,280 Man-Hrs.
	Energy	K-Electricity Consumption	7,746,492 kWh
	Energy	Natural Gas Consumption	5,901,943 SM³
	Water	Water Consumption	230,401,131 IG
	Water Security	Water Storage Capacity Enhanced	Up to 500,000 IG
	Environment	Recycled Water Used	71,773,900 IG
	Climate & Energy	Renewable Energy Generated / Consumed	187,758 kWh
	Climate & Energy	Renewable Energy Capacity Project in Progress	350 kW
	Biodiversity	Trees Planted	250
	Safety	LTI-Free Days	414
	Community	CSR Investment	PKR 8.696 million
	Management Systems	ISO Certifications Maintained	ISO 9001, ISO 14001, ISO 45001 & ISO/IEC 27001

SPL's Contribution to SDGs

SDG	SPL Contribution
SDG 1 – No Poverty	Employee welfare, medical support financial assistance and CSR initiatives.
SDG 2 – Zero Hunger	Community welfare initiatives
SDG 3 – Good Health & Well-being	Occupational health & safety, medical facilities, employee wellness programmes
SDG 4 – Quality Education	Employee training, technical development and competency enhancement
SDG 5 – Gender Equality	Equal employment opportunity and non-discrimination
SDG 6 – Clean Water & Sanitation	Water conservation, wastewater treatment and monitoring
SDG 7 – Affordable & Clean Energy	Energy efficiency, cogeneration, optimization of electricity and natural gas consumption, and evaluation of cleaner energy technologies.
SDG 8 – Decent Work & Economic Growth	Employment generation, safe workplace and skills development
SDG 9 – Industry, Innovation & Infrastructure	Modern manufacturing technology and process improvement
SDG 10 – Reduced Inequalities	Fair employment practices and equal opportunities
SDG 11 – Sustainable Cities & Communities	Community support and environmental responsibility
SDG 12 – Responsible Consumption & Production	Resource efficiency, waste reduction and recycling
SDG 13 – Climate Action	Energy management, emissions monitoring and resource efficiency
SDG 14 – Life Below Water	Compliance with wastewater discharge requirements to protect receiving water bodies
SDG 15 – Life on Land	Environmental compliance and tree plantation initiatives
SDG 16 – Peace, Justice & Strong Institutions	Corporate governance, ethics and compliance
SDG 17 – Partnerships for the Goals	Collaboration with suppliers, regulators and other bodies providing services

AWARDS & RECOGNITION

**22nd Environment
Excellence Award**

**11th International
Environment,
Health and Safety
Award**

**Best Sustainability
Report -
Certificate**

**11th Employers of
the year Award
2025**

**40th Corporate
Excellence Award
of MAP**

**Women Empowerment
and Gender Equality
Recognition Award
(Gold Category)**

**15th Fire and Safety
Award**

**18th Corporate Social
Responsibility (CSR)
Award**

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Financial Information



Financial Highlights For the Year Ended 2025-26

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Rs in Mn

Particulars	FY 2025-26	FY 2024-25
Sales	7,306	7,871
Gross Profit	1,585	2,204
Other Income	688	916
Profit After Taxation	907	1,524
Earning Per Share (Rs.)	15.31	25.72

Profit or Loss For the Year Ended 2025-26

Rs in Mn

Particulars	FY 2025-26	FY 2024-25	Variance
Sales – Tons	3,597	3,814	(218)
Sales	7,306	7,871	(564)
Cost of Sales	(5,721)	(5,667)	(54)
Gross Profit	1,585	2,204	(619)
Admin Expenses	(522)	(497)	(25)
Other Income	688	916	(228)
Other Expenses and Finance Charges	(153)	(208)	56
Profit Before Taxation	1,598	2,414	(816)
Taxation	(691)	(889)	199
Profit After Taxation	907	1,524	(617)
Earning Per Share - Rs	15.3	25.7	(10.4)

Statement of Financial Position As at June 30, 2026

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Rs in Mn

Particulars	June 30, 2026	June 30, 2025	Variance
Fixed Assets including CWIP	4,467	1,999	2,468
Intangible Assets	12	14	(1)
Long Term Investments	2,480	3,808	(1,327)
Staff Retirement Benefits	3	-	3
Stores and Spares	365	392	(26)
Stock in Trade	719	861	(142)
Trade Debts	542	1,300	(758)
Other Current Assets	545	52	493
Short Term Investments	2,803	2,722	81
Cash and Bank	170	203	(34)
Total Assets	12,107	11,350	757

Statement of Financial Position As at June 30, 2026

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Rs in Mn

Particulars	June 30, 2026	June 30, 2025	Variance
Shareholders' Equity	9,378	9,001	377
Deferred Taxation - Net	278	315	(37)
Staff Retirement Benefits	-	8	(8)
Trade and Other Payables	1,689	1,233	456
Unpaid Dividend	711	616	95
Unclaimed Dividend	4	4	0
Taxation - Net	47	174	(127)
Total Equity & Liabilities	12,107	11,350	757
Breakup Value - Rs/Share	158.26	151.90	6.36

Year on Year Comparison of Key Financial Metrics for the Last 4 Years

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Category	Ratio	Jun-26	Jun-25	Jun-24	Jun-23
Profitability Ratios	Gross profit to sales %	22%	28%	28%	26%
	Profit after tax to sales - %	12%	19%	20%	17%
	Return on equity - after tax - %	10%	17%	18%	13%
Liquidity Ratios	Current ratio - in times	2.10	2.73	2.60	2.41
	Quick ratio - in times	1.65	2.11	2.01	1.94
Market Ratios	Earning per share - after tax (Rs.)	15.31	25.72	25.12	16.33
	Break-up value per share (Rs)	158.28	151.90	138.73	126.43
	Share Price (Period End)	149.41	160.08	134.50	93.00

Key Revenue Drivers

Majority sales of the Company are made to a single customer, i.e., Pakistan Security Printing Corporation Private Limited. Sales are made based on the indent received from the customer according to the requirement.

IFRS 8 (Operating Segment)

SPL's financial statements are prepared on the basis of a single reportable segment. All sales of the Company are made to customers located in Pakistan, and all non-current assets of the Company as at June 30, 2026 are located in Pakistan. Revenue from banknote paper represents 92% (June 2025: 93%) of the total revenue of the Company, which is earned from a sole customer, i.e., Pakistan Security Printing Corporation Private Limited.

Q & A

Thank You