

# Baader Helvea Swiss Equities Conference 2022

12 January 2022



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# Agenda



## 1 The CPH Group

2 Business divisions

3 Investment case

4 Q&A

# The CPH Group Key figures

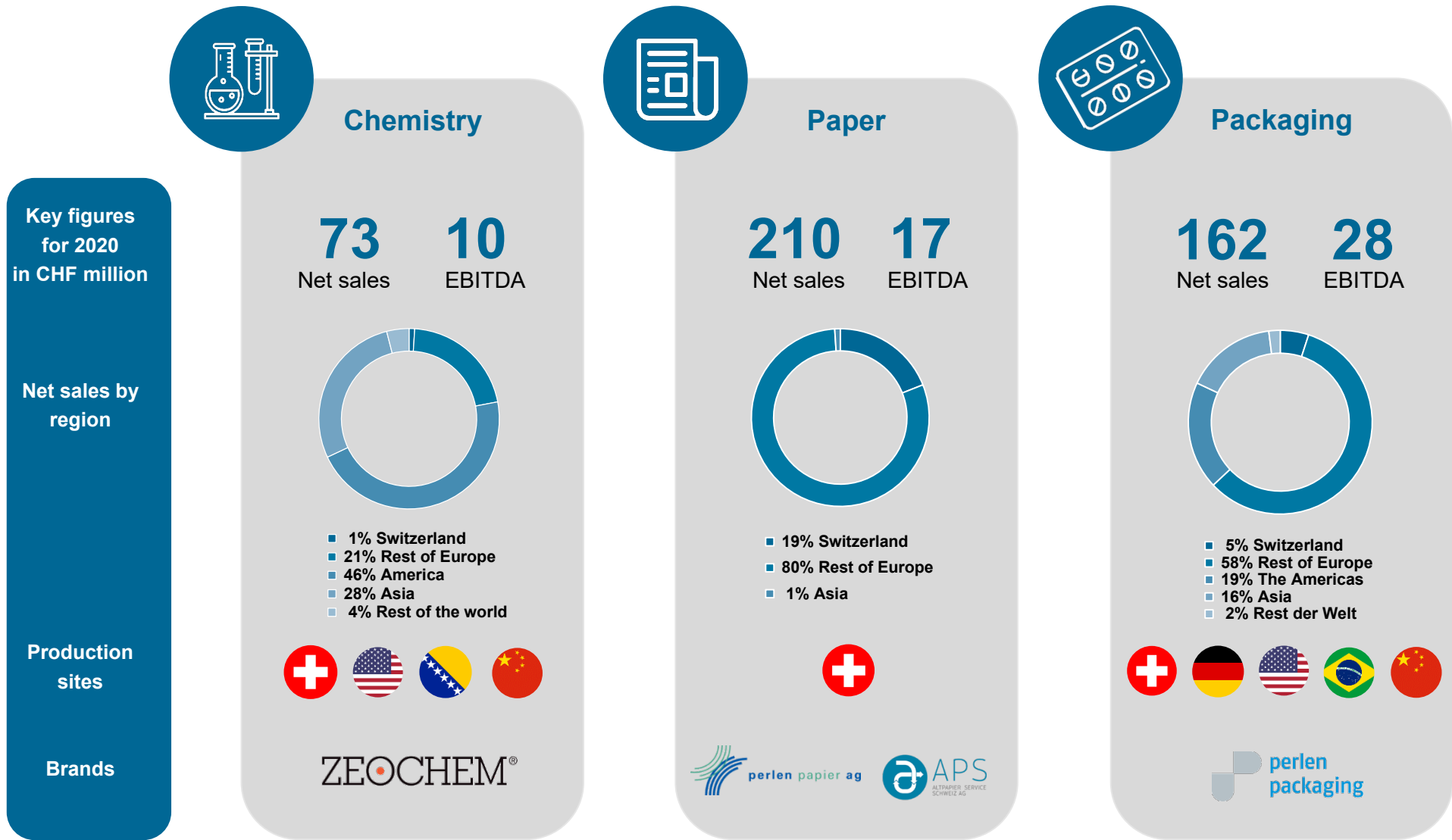
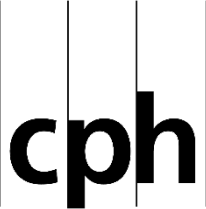


in CHF million	2019	2020	± in %	H1 2020	H1 2021	± in %
<b>Net sales</b>	<b>525</b>	<b>445</b>	-15.1	<b>232</b>	<b>244</b>	+5.1
<b>EBITDA</b> as % of net sales	<b>88</b> 16.8	<b>55</b> 12.4	-37.3	<b>34</b> 14.5	<b>20</b> 8.2	-40.4
<b>EBIT</b> as % of net sales	<b>57</b> 10.8	<b>25</b> 5.5	-56.4	<b>18</b> 7.7	<b>6</b> 2.4	-67.8
<b>Net result (including minorities)</b> as % of net sales	<b>49</b> 9.2	<b>47</b> 10.5	-3.1	<b>27</b> 11.7	<b>6</b> 2.4	-78.3
<b>Free cash flow</b>	<b>40<sup>1)</sup></b>	<b>40</b>	-0.6	<b>23</b>	<b>9</b>	-62.0
<b>Total assets</b>	<b>703</b>	<b>704</b>	+0.2	<b>691</b>	<b>722</b>	+4.5
<b>Shareholders' equity</b> in % of balance sheet total	<b>441</b> 62.8	<b>472</b> 67.0	+6.9	<b>454</b> 65.7	<b>472</b> 65.3	+3.8
<b>Personnel</b>	<b>1086</b>	<b>1098</b>	+1.1	<b>1095</b>	<b>1101</b>	+0.5

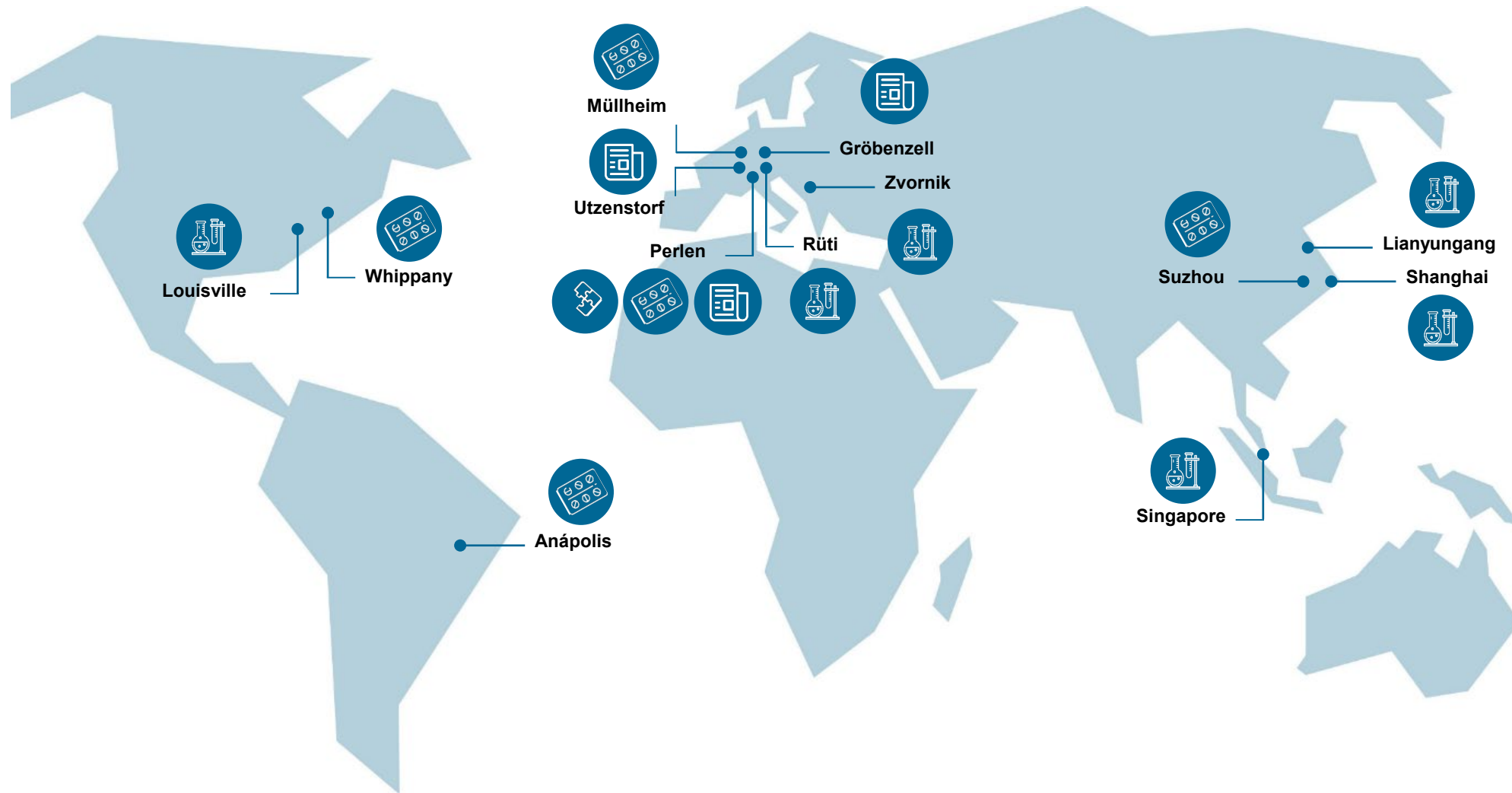
<sup>1)</sup> excluding CHF 100 million fixed-term deposit of funds generated by corporate bond issue of 12.10.2018, repaid 9.7.2019



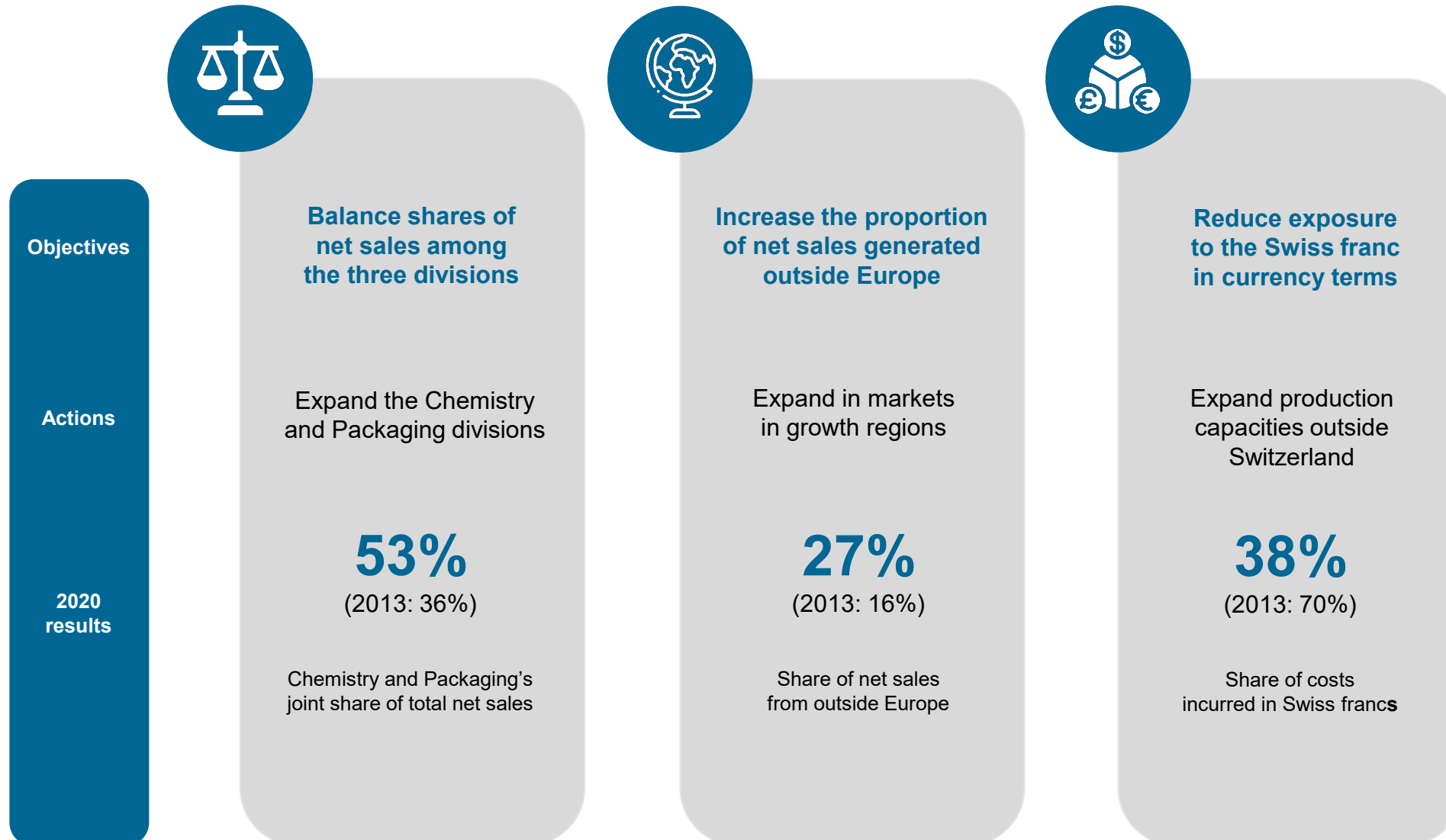
# The CPH Group Business divisions



# The CPH Group 13 locations worldwide



# The CPH Group Strategy



# Agenda



1 The CPH Group

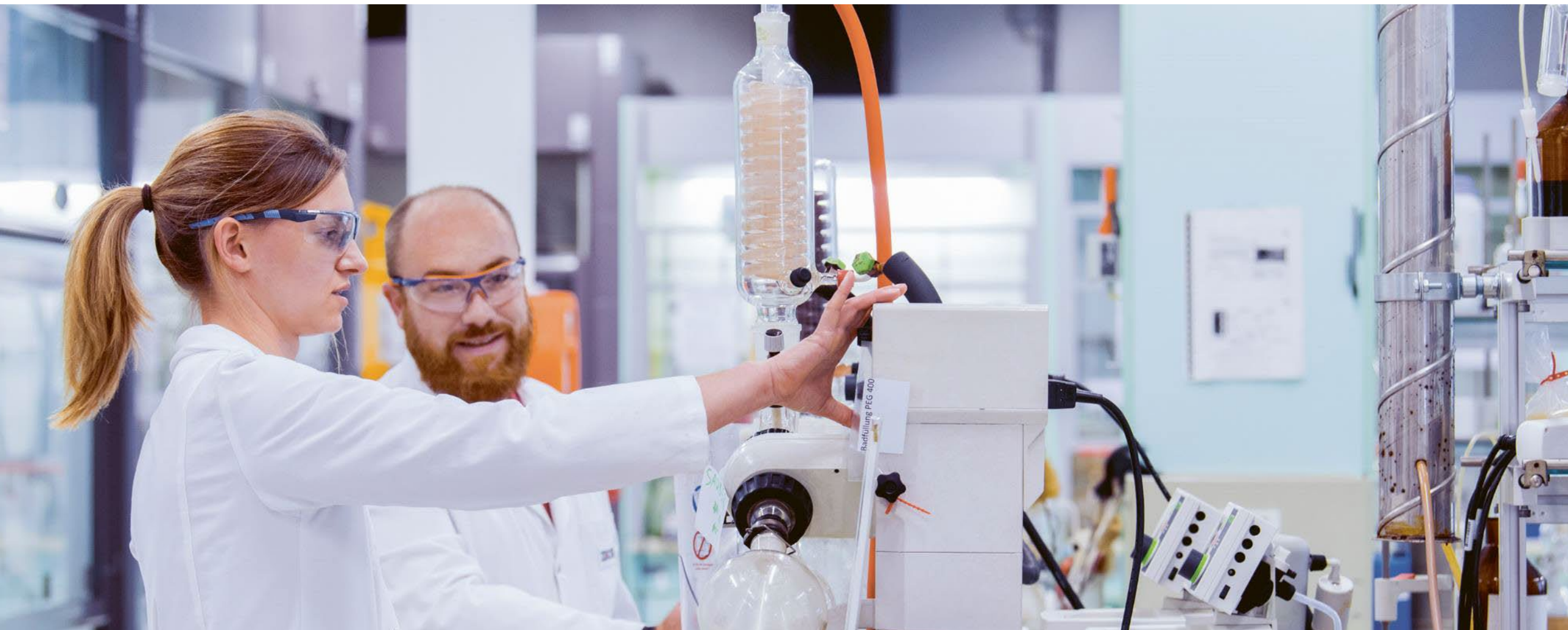
**2 Business divisions**

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4 Q&A

# The Chemistry Division

cph

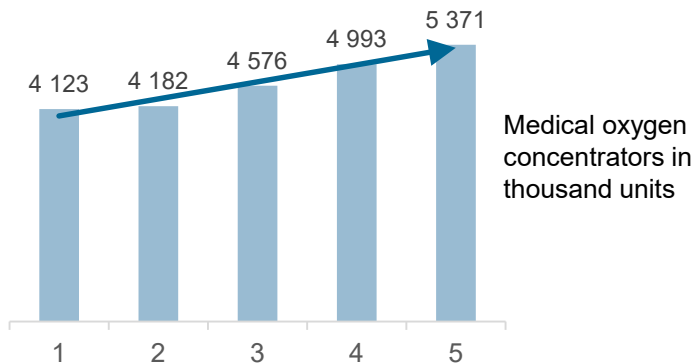


# Chemistry Expand capacities in growing medical and industrial oxygen market



## Medical oxygen

- 8-10% CAGR 2020-2024 (pre-Covid)
- Primary growth markets USA and China
- Aging population
- Respiratory diseases (COPD)



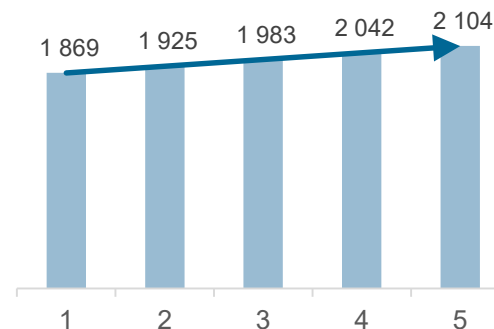
Medical oxygen concentrators in thousand units

Source: LP Information.



## Industrial gas: steel

- 3% CAGR 2020-2024
- Building industry
- Automotive industry
- Railroads



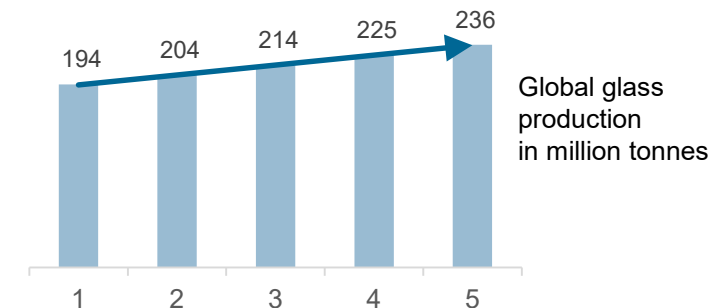
Global raw steel production in million tonnes

Source: Internal Market Research & Analysis.



## Industrial gas/drying: glass

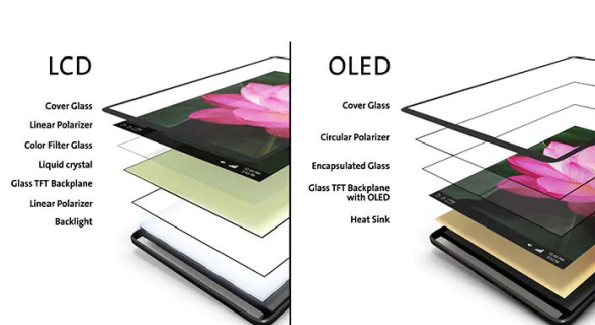
- 5% CAGR 2020-2024
- Isolation glass for green buildings
- ➔ New applications for Purmol
- Solar panels



Global glass production in million tonnes

Source: Internal Market Research & Analysis.

# Chemistry Expand capacities in booming OLED market



## Advantages of OLED vs. LCD

- No backlight necessary
- Display of true black
- Brighter colors
- Thinner panels
- Bendable and foldable displays
- Require less power
- Produce less heat



## OLED displaces LCD

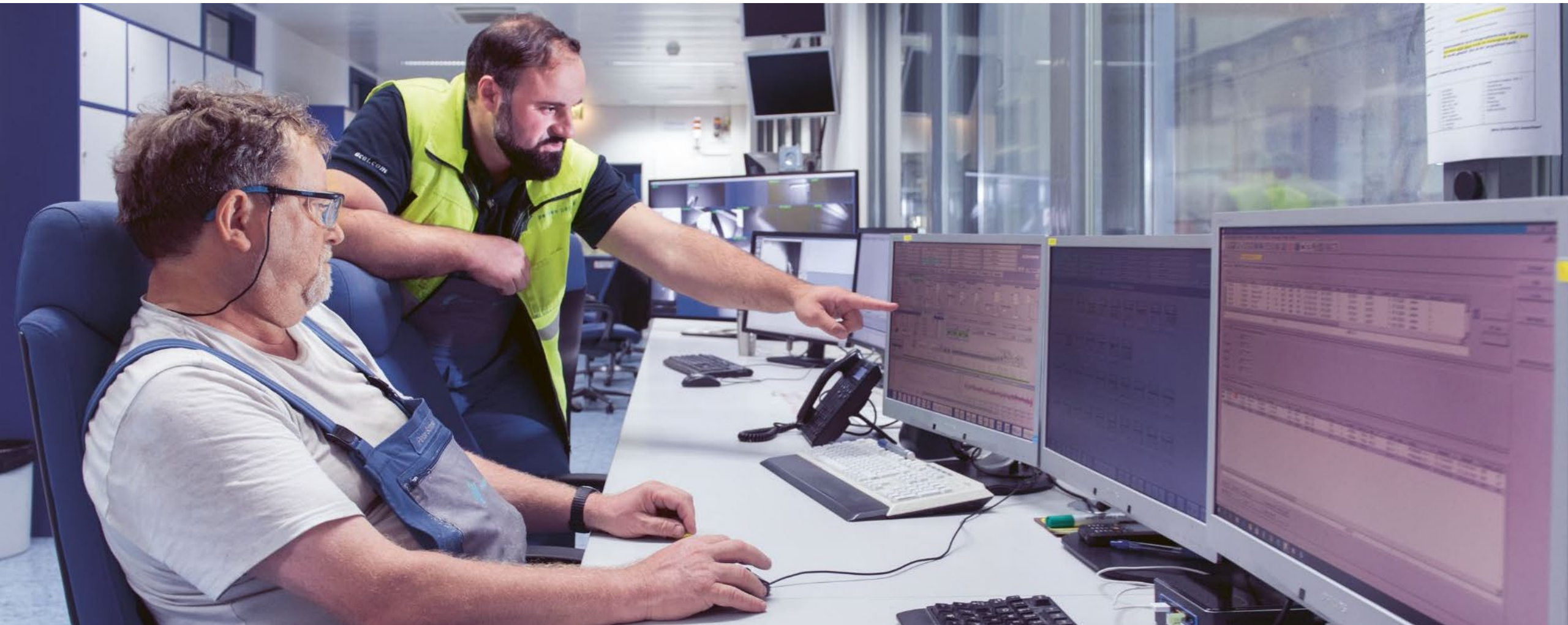
- 13% CAGR 2020-2024
- Number 1 in OLED TV panels: LG with 84% market share
- Number 1 in OLED smartphone and tablet displays: Samsung with 70% market share
- In 2021, 40% of all smartphones and TVs were already equipped with OLED
- Market leaders invest billions in capacity expansions



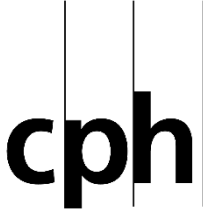
## Use of deuterated solvents

- Organic materials age and luminosity of diodes decreases
- Deuterated dimethyl sulfoxide (DMSO) extends lifetime of organic diodes
- Investment in additional DMSO distillation plant in Rüti

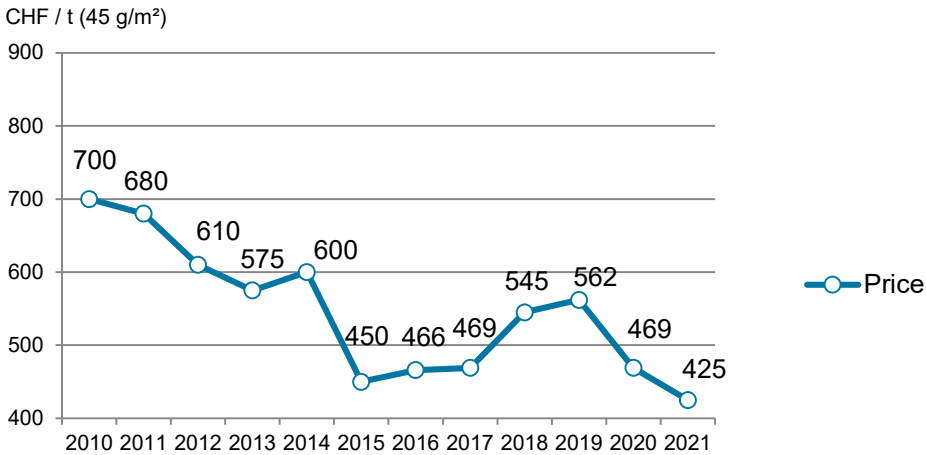
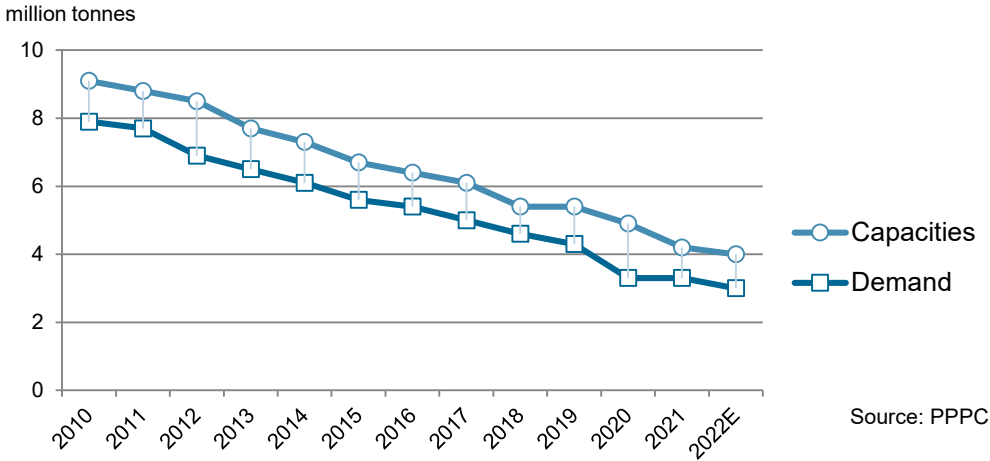
# The Paper Division



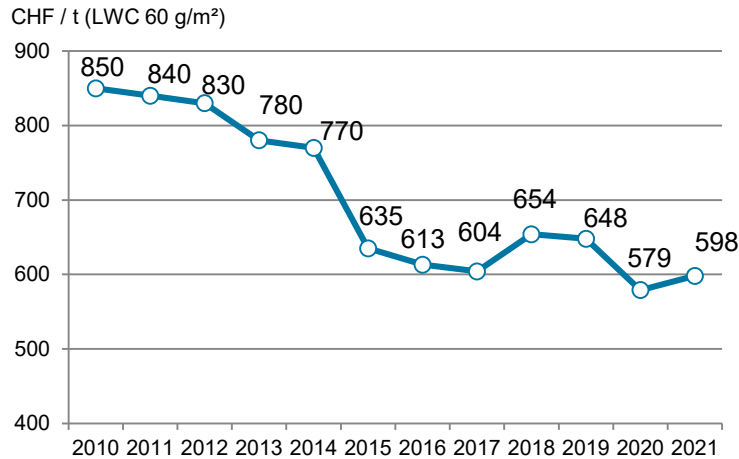
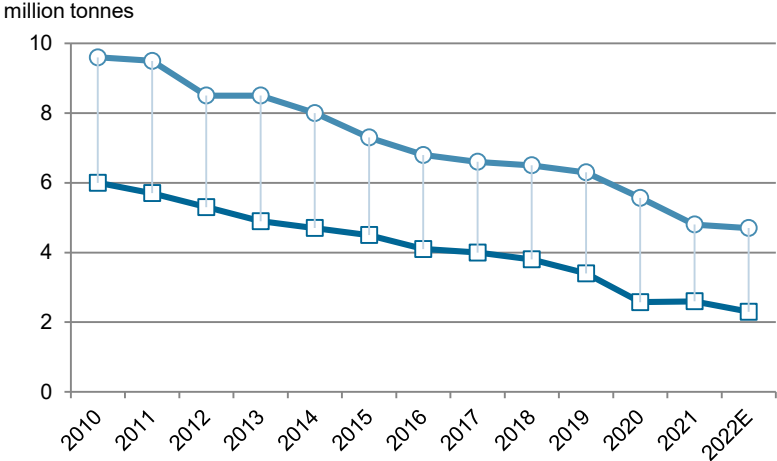
# Paper Market and pricing trends in Western Europe



## Newsprint



## Magazine paper



# Paper First climate-neutral paper

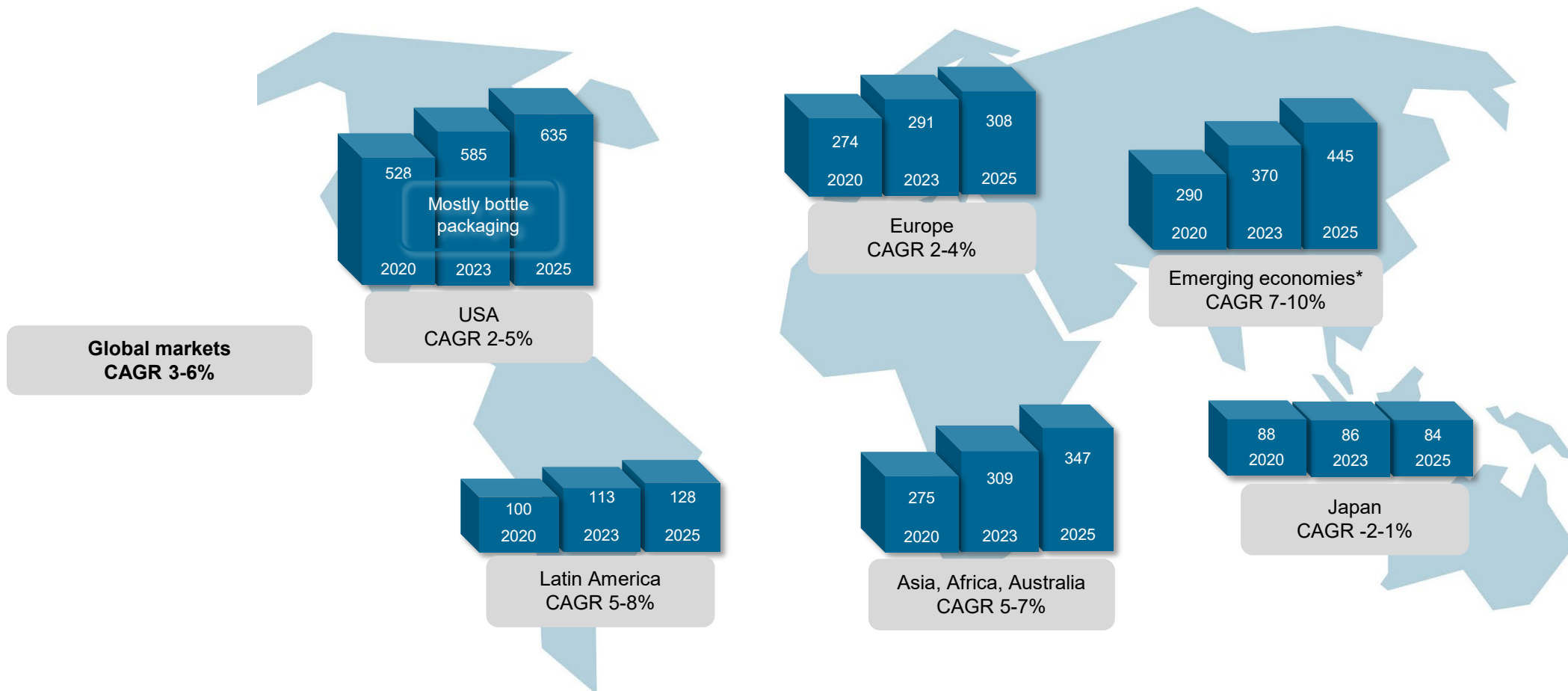


- Sole recovered paper recycler in Switzerland
- Steam supply from Renergia, from own biomass power and hydroelectric water plants
- Carbon footprint of Perlen paper is 76% lower than European average
- Since 2021, clients can compensate the remaining CO<sub>2</sub> via a certified reforestation project
- Perlen Papier is the first producer of climate-neutral paper in the world

# The Packaging Division



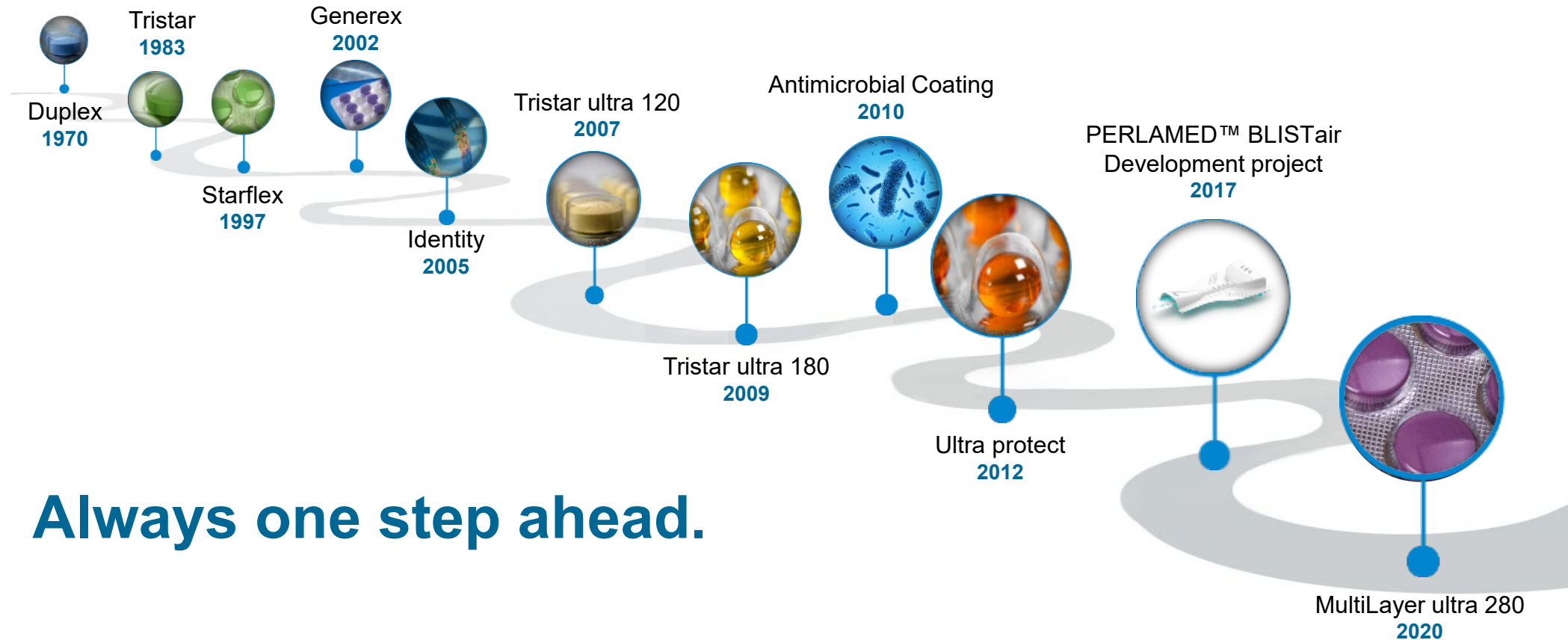
# Packaging Pharmaceutical markets 2020-2025 in billion USD



Source: IQVIA Pharma Prognosis Dec 2019

"Emerging economies" = \*(Brazil, Russia, India, China, Mexico, Turkey, South Korea)  
included in other regions

# Packaging Innovations since 1970



**Always one step ahead.**

## Packaging Third barrier centre of excellence currently under construction



### **Global competence centre in Perlen, Switzerland**

- One of the world's biggest coating plant for thermoformable blister pack materials
- R&D centre for multilayer and ultra-high-barrier structures



### **Asian competence centre in Suzhou, China**

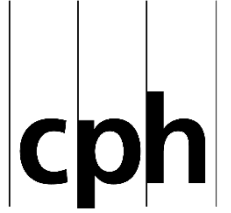
- Longest coating plant specializing in medium-barrier products
- Most advanced plant in Asia



### **South American competence centre in Anápolis, Brazil**

- South America's newest plant with the highest manufacturing standards
- Production due to begin in 2022

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## CPH Financial targets



- Organic sales growth of > 3% p.a.
- EBITDA margin of > 10%
- Equity ratio of > 50%
- Cash of CHF 30-50 million
- Operating capex of CHF 20-25 million p.a.

# CPH Information for shareholders

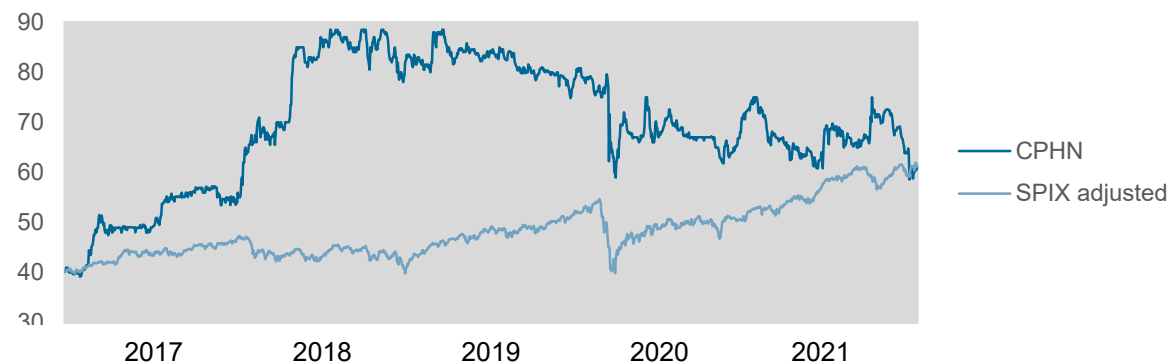


Market capitalisation in CHF million as of 31 December 2021

# 366

6,000,000 registered shares with a par value of CHF 0.20

## Share price in CHF

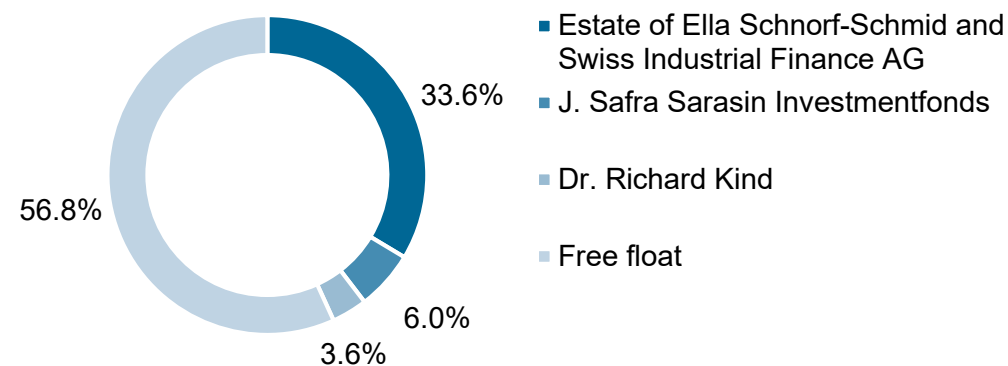


## Dividend payment and policy

	2016	2017	2018	2019	2020
Dividend per share (in CHF)	0.65	0.65	1.80	1.80	1.80
Dividend yield	1.6%	1.2%	2.2%	2.3%	2.5%

**Dividend policy:** 25% to 50% of the net result, with due regard to consistency and free cash flow

## Shareholders



## CPH share An attractive investment



- Leading competitive positions in three industrial sectors with distinct and strong brands
  - Chemistry and Packaging divisions expand in growth markets with focus on Asia and the Americas
  - Expanding of production capacities outside Switzerland, increasing natural FX hedge
  - Cost leadership in the predatory newsprint and magazine paper market and Switzerland's biggest recovered paper recycler
  - Sound equity base
  - Stable anchor shareholders with long-term commitment
- Solid dividend yield and further share price rise potential

# Financial calendar and contact



## Financial calendar

22 February 2022	Results 2021, media conference and investors' meeting in Perlen
17 March 2022	Annual General Meeting in Lucerne
21 July 2022	Half-year report as of 30 June 2022
13 September 2022	CPH investors' day in Perlen
November 2022	ZKB Swiss Equity Conference

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