

30 July 2020

| | |
|--|---|
| Corporate Service Department BSE Limited 25 th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 | The Listing Department National Stock Exchange of India Ltd Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E) Mumbai 400 051 |
| Scrip: Equity 500135. NCDs 957238 | Trading Symbol: ESSELPACK |

Ref.: Essel Propack Limited

Sub.: Investors notes/updates with respect to the Unaudited Financial Results for the quarter ended 30 June 2020

Dear Sirs,

Please find attached copy of the Investors notes/updates as mentioned in the subject line.

We request you to kindly take note of the aforesaid and acknowledge receipt.

Thanking You

Yours faithfully

For Essel Propack Limited



Suresh Savaliya
Head - Legal & Company Secretary



Filed on online

ESSEL PROPACK LIMITED

Top Floor, Times Tower, Kamala City
Senapati Bapat Marg, Lower Parel
Mumbai 400 013, India
T : +91-22-2481 9000 / 9200
F : +91-22-2496 3137 | www.esselpropack.com

Registered Office:

P. O. Vasind
Taluka Shahpur
Dist. Thane, Maharashtra 421 604, India

CIN: L74950MH1982PLC028947



Essel Propack Limited (EPL)

Q1FY21 Earnings Presentation



Safe Harbour

Certain statements in this presentation concerning our future growth prospects are forward-looking statements. The Company cautions that, by their nature, forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in packaging industry including those factors which may affect our cost advantage, wage increases, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, industry segment concentration, our ability to manage our operations, reduced demand for packaging products in our key focus areas, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which Essel Propack has made strategic investments, withdrawal of governmental fiscal incentives, political instability and regional conflicts, legal restrictions on raising capital or acquiring companies, and unauthorized use of our intellectual property and general economic conditions affecting our industry. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company.





EPL 2.0

Continued Commitment to the Mission

Recap: EPL 2.0 - Executive Summary

1 With Blackstone as the new controlling shareholder, our mission is to deliver:

“Capital Efficient, Consistent Earnings Growth”

2 Strengthened management team, Board, and advisor network

- Sudhanshu Vats (ex-Viacom18, Unilever) hired as Managing Director and CEO
- Parag Shah (ex-Unilever, Nike) hired as CFO
- New board constituted with fit-for-purpose professionals
- Deep engagement of Blackstone’s global advisor network

3 Identified levers to execute our mission:

- Accelerated growth in Personal Care
- Continued leadership in Oral Care
- Innovation and sustainability solutions
- Prudent capital allocation across regions

4 EPL demonstrates resilience in business performance despite impact of Covid-19

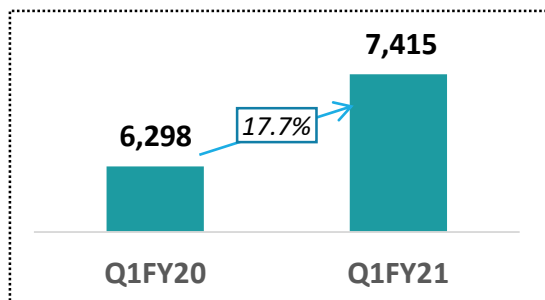
- Opportunity for strong companies to become stronger



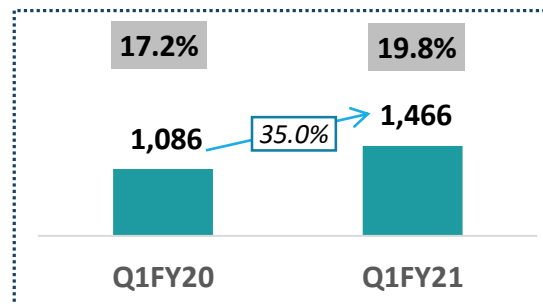
Q1FY21 Consolidated Financial Highlights: Reported Y-o-Y Revenue growth of 17.7%, EBITDA growth of 35.0% and PAT growth of 113.6%

(INR million)

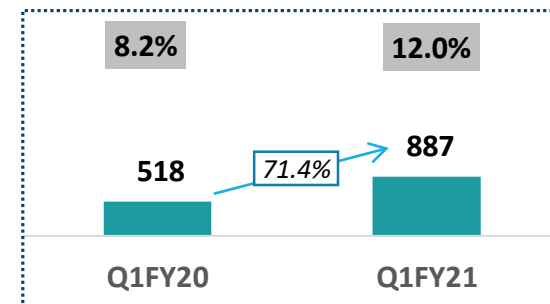
Revenue from Operations



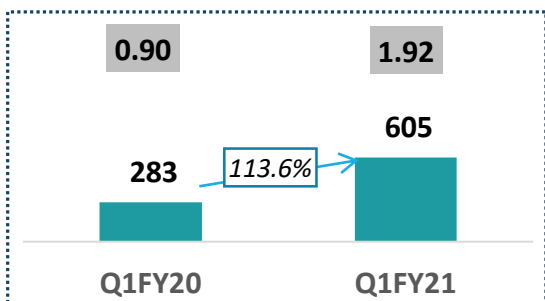
EBITDA and EBITDA Margins



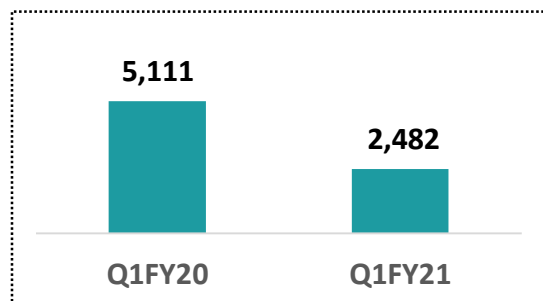
EBIT and EBIT Margins



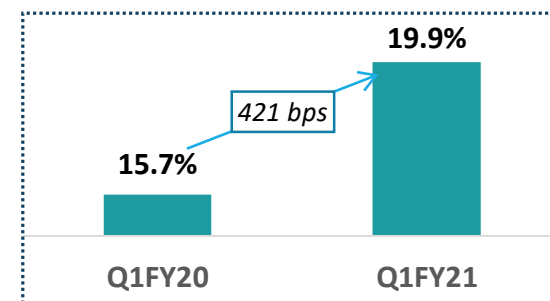
PAT¹ and EPS (INR)



Net Debt



ROCE²



- ▶ Robust revenue growth (constant currency growth @ 13.6%) despite Covid-19.
- ▶ Continued momentum in EBITDA margin led by better product mix, operating leverage including optimized operating costs.
- ▶ Focus on capital efficiency yielding results, driving increase in ROCE to 19.9% and reduction in Net Debt.

(1) Excluding exceptional items (2) Return on Capital Employed, defined as EBIT / Average Capital Employed, on a trailing twelve month basis and adjusted for INR 138 mm of Transition Services Agreement (TSA) related expense and INR 11 mm of tax amnesty expenses



EPL 2.0 Mission: Capital Efficient, Consistent Earnings Growth

(INR million)

| | Q1FY20 | Q1FY21 | Growth | | |
|---------------------|--------------------|------------------------|------------------------|---------|---|
| Growth ¹ | Revenue | 6,298 | 7,415 | 17.7% | ↑ |
| | Adjusted EBITDA | 1,086 | 1,506 | 38.7% | ↑ |
| | Adjusted EPS (INR) | 0.90 | 1.93 | 115.4% | ↑ |
| Capital Efficiency | ROCE ² | As of June'19 15.7% | As of June'20 19.9% | 421 bps | ↑ |
| | Net Debt | 5,111 | 2,482 | | ↓ |
| | Capex | FY20 1,286 | Q1FY21 122 | | ↓ |

(1) Refer page 24 for details on Adjusted EBITDA and Adjusted EPS

(2) Return on Capital Employed, defined as EBIT / Average Capital Employed, on a trailing twelve month basis and adjusted for INR 138 mm of Transition Services Agreement (TSA) related expense and INR 11 mm of tax amnesty expenses



EPL Worked Proactively with All Stakeholders to Ensure Business Continuity and Minimize Covid-19 Impact

Supply Enablement

All 20 plants operational

- ▶ Proactively worked with regulatory authorities and customers to classify EPL in the “essential services” category
- ▶ All 20 plants are currently operational

Demand Generation

New category launched: Hand Sanitizer

- ▶ Product innovation within 15 days to launch hand sanitizer tubes
- ▶ EPL has become a leading hand sanitizer tube supplier globally, with strong performance in Q1FY21
- ▶ Opportunity to increase wallet share in existing categories

Employee Wellness

Crisis Committee Constituted

- ▶ Rigorous employee safety measures adopted across all factories
- ▶ Crisis committee constituted comprising CEO, COO, CFO, and regional heads

Cost Management

Phase II of Project Phoenix ongoing

- ▶ Phase I of Project Phoenix contributed to strong margin expansion in FY20
- ▶ Phase II plan is already in place and ongoing.

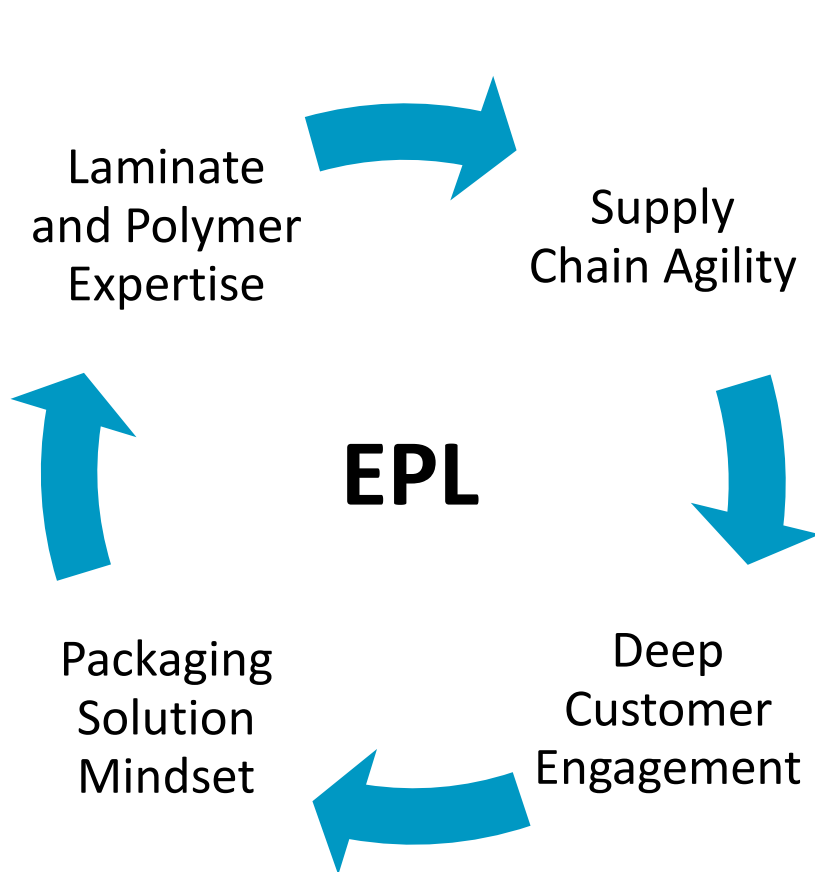
Liquidity Management

Sustained liquidity

- ▶ Gross cash position of INR 3,101 mm as of Jun’20.



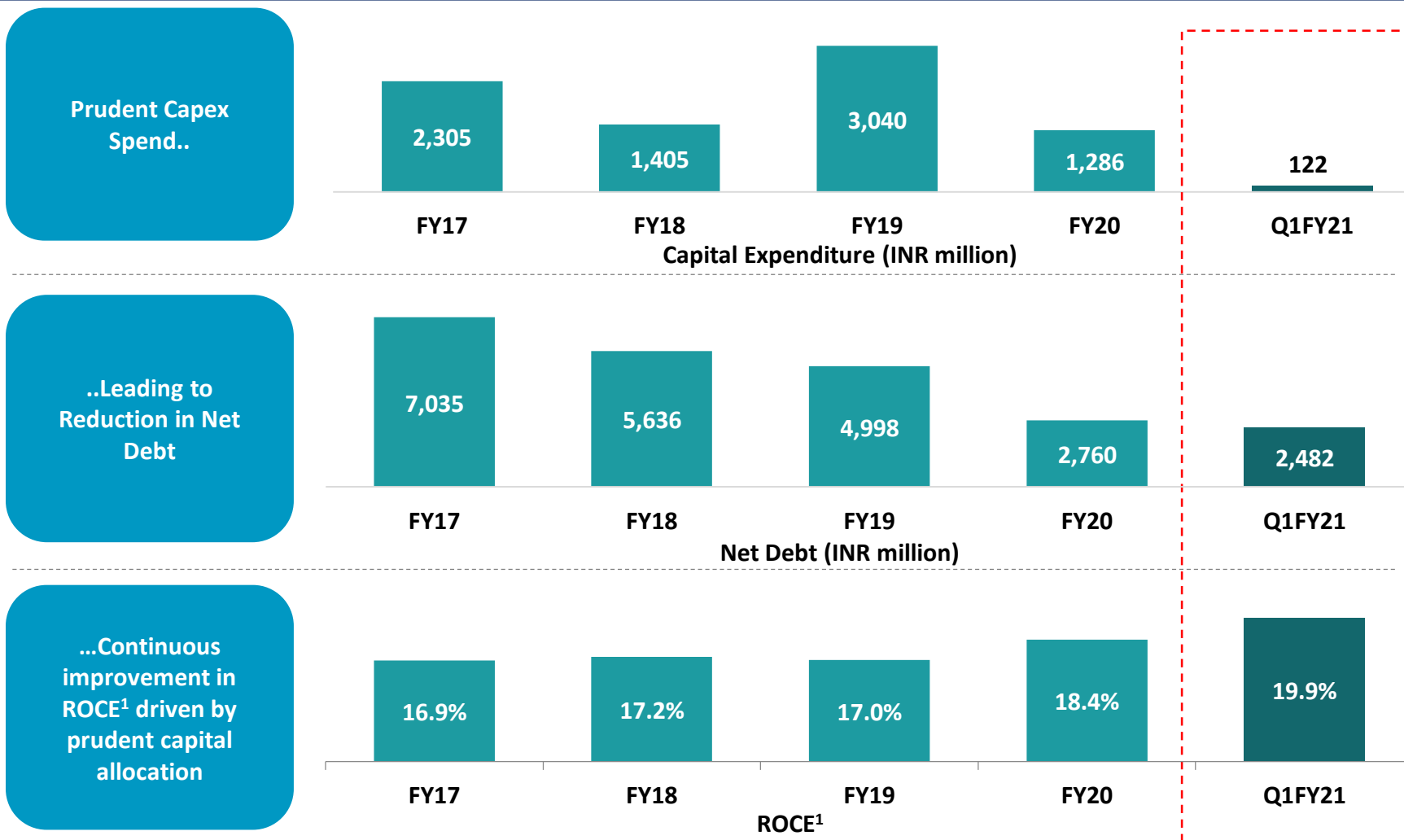
Strong Traction in Hand Sanitizer Globally: EPL has Emerged as the Leading Supplier for Key Brands



- ▶ Product innovation in 15 days
- ▶ Market-first product in India and several geographies
- ▶ Helped over **50 brands** globally go to market with hand sanitizer products
- ▶ Strong commercialization in Q1FY21; on target for 150 mm annualized pipeline



Renewed Focus on Capital Efficiency Leading to Reduction in Net Debt



(1) Return on Capital Employed, defined as EBIT / Average Capital Employed, on a trailing twelve month basis and adjusted for INR 138 mm (Q1FY21) and INR 98 mm (FY20) of Transition Services Agreement (TSA) related expense and INR 11 mm of tax amnesty for both Q1FY21 and FY20

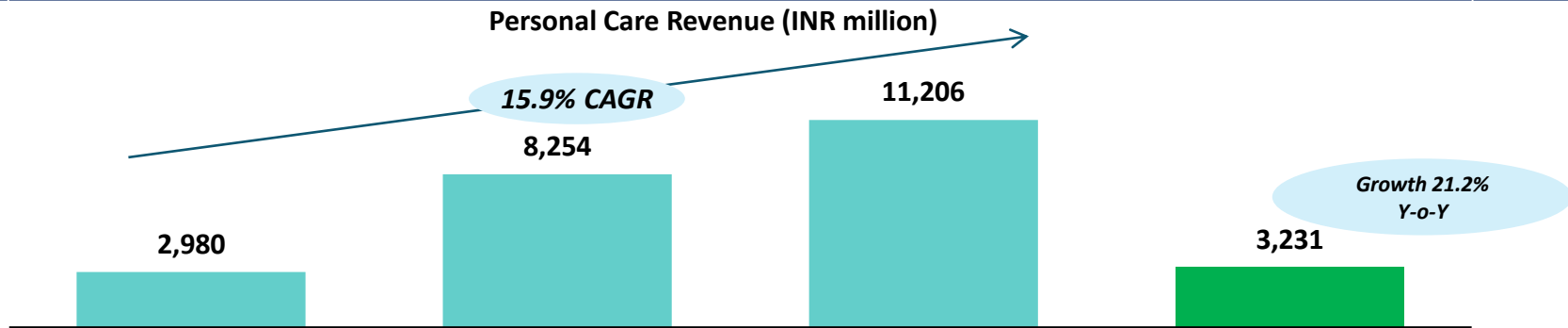


Continued Focus on Fundamental Levers – Q1FY21

- **Accelerated growth in Personal Care**
- Continued leadership in Oral Care
- Improved Performance in Europe
- Industry leadership in eco-friendly solutions



Personal Care has grown at a 16% CAGR Over the Last Nine Years and Continues to be the Major Growth Driver for EPL in Q1FY21



| Sub-categories | FY11 | FY15 | FY20 | Q1FY21 |
|-------------------------|------|------|------|--------|
| Face Care | ✓ | ✓ | ✓ | |
| Hair Care | ✗ | ✗ | ✓ | |
| OTC Medication | ✗ | ✓ | ✓ | |
| Prescription Medication | ✗ | ✗ | ✓ | |
| Food | ✗ | ✓ | ✓ | |
| Home | ✗ | ✗ | ✓ | |
| Sanitizer | ✗ | ✗ | ✓ | |
| Eye Care | ✗ | ✗ | ✓ | |
| Hand Cream | ✗ | ✗ | ✓ | |

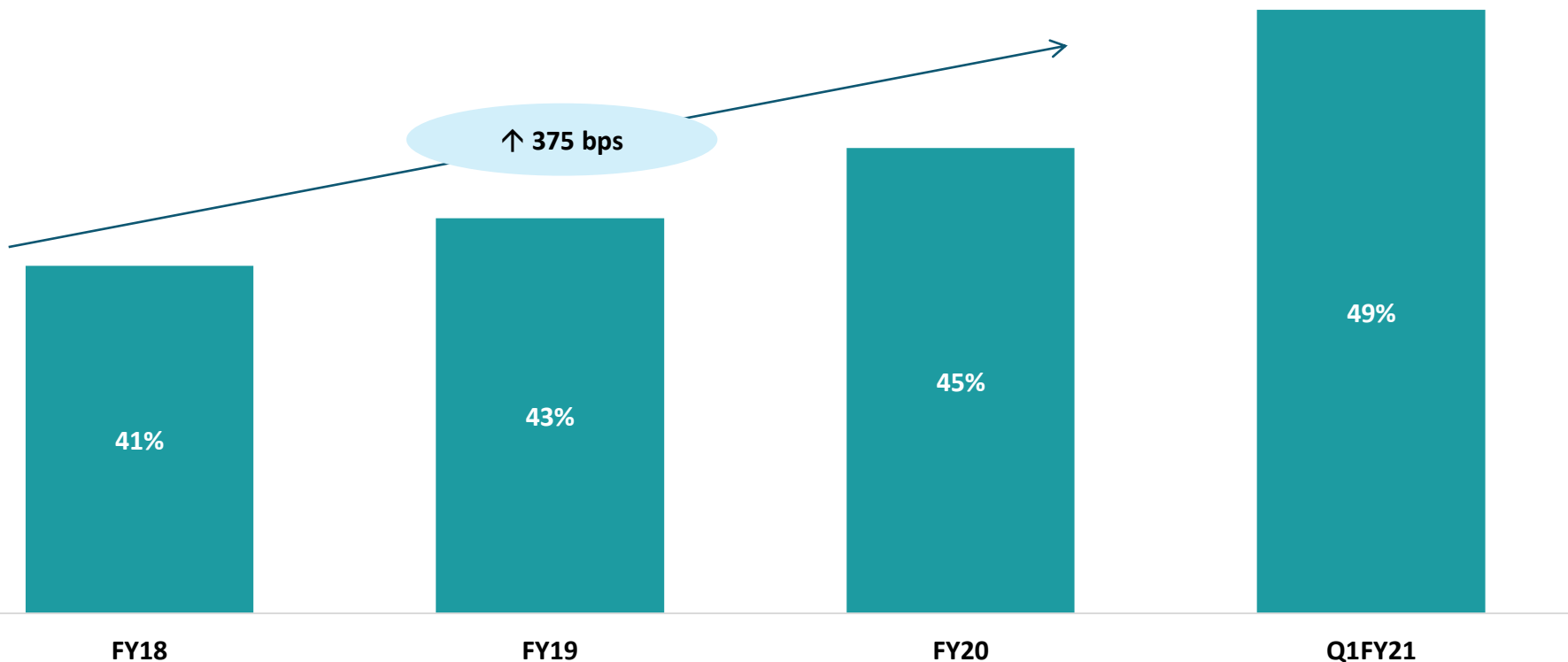
Accelerating Conversion Efforts (pointing to Sanitizer)

Actively Pursuing (pointing to Eye Care and Hand Cream)

Ongoing shift towards laminated tubes across Beauty & Cosmetics and Pharma is driving growth in Personal Care

Personal Care Contribution stood at 49% in Q1FY21

Personal Care Contribution to Tube Revenue



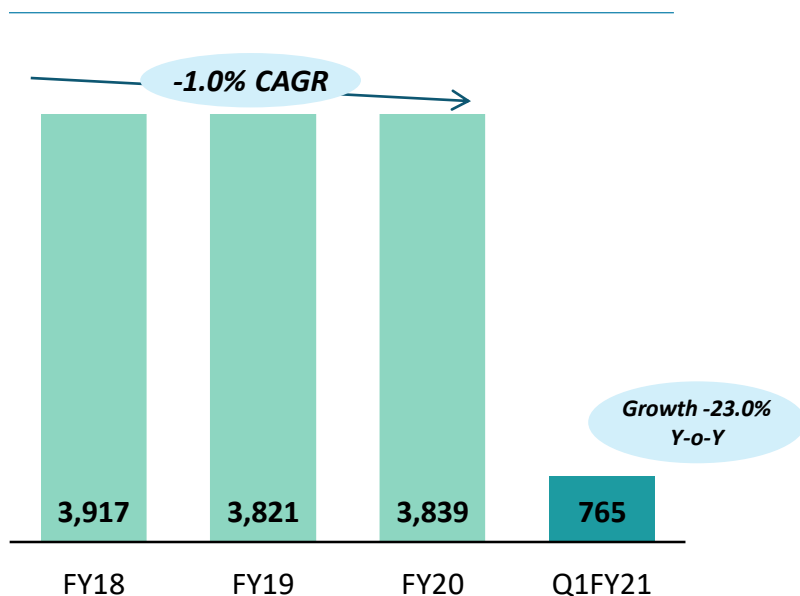
Continued focus on increase in Personal care share helped by increased demand of hand sanitisers



Continued Growth in Personal Care (1/2)

(INR million)

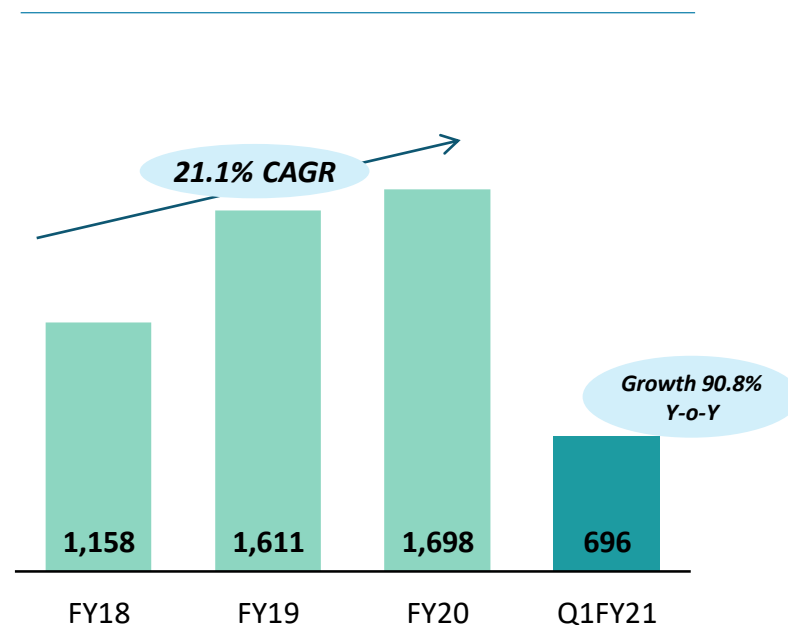
AMESA



Highlights

- ▶ Personal Care contribution declined to 46.0% in Q1FY21 (v/s 53.3% in Q1FY20), due to sluggish demand in B&C and home products category on account of ongoing Covid-19 outbreak.
- ▶ Timely innovation and launch of hand sanitisers aided in boosting the Q1FY21 performance.

EAP



Highlights

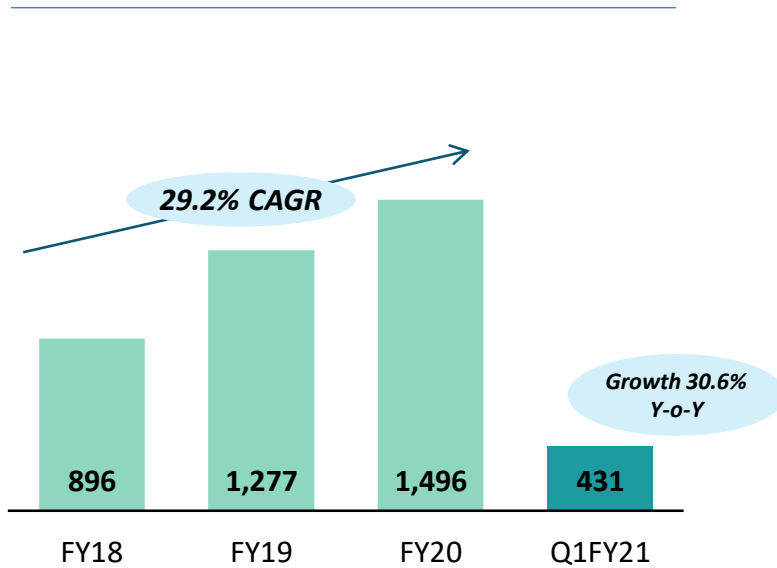
- ▶ Personal Care contribution increased to 44.5% in Q1FY21 (v/s 33.4% in Q1FY20)
- ▶ Strong business pipeline; increased focus on fast-growing regional players



Continued Growth in Personal Care (2/2)

(INR million)

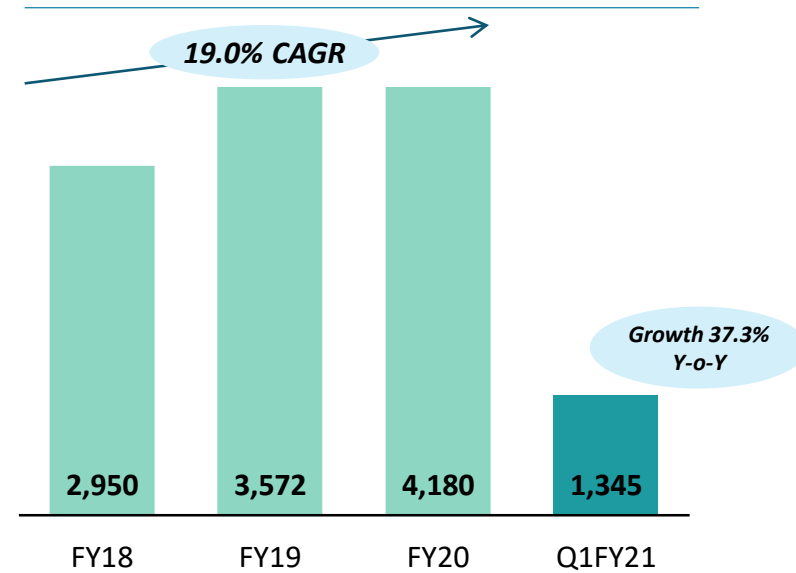
Americas



Highlights

- ▶ Personal Care contribution increased to 29.4% in Q1FY21 (v/s 25.3% in Q1FY20)
- ▶ New customer wins across categories; bottle to tube product conversions; cross-selling Personal Care products to existing Oral care customers

Europe



Highlights

- ▶ Personal Care contribution increased to 70% in Q1FY21 (v/s 66.9% in Q1FY20)
- ▶ Strong new customer wins across Personal Care categories; robust business development pipeline

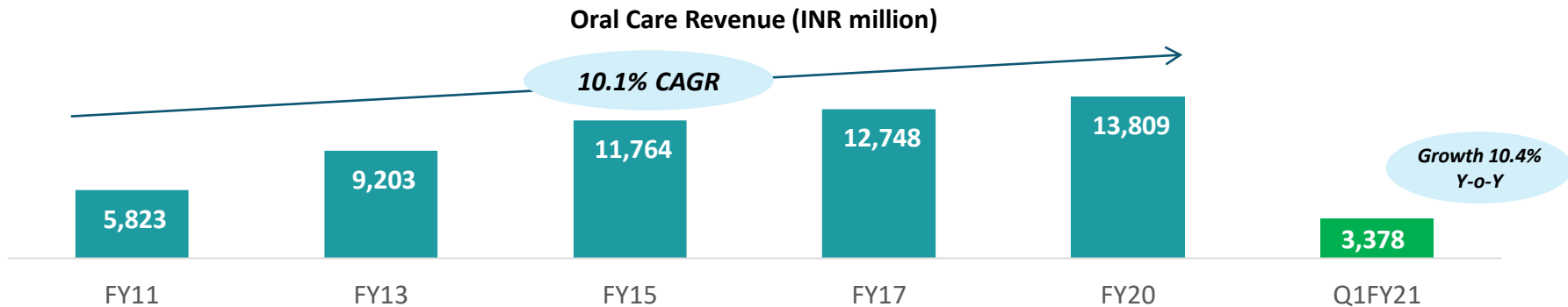


Continued Focus on Fundamental Levers – Q1FY21

- Accelerated growth in Personal Care
- **Continued leadership in Oral Care**
- Improved Performance in Europe
- Industry leadership in eco-friendly solutions



EPL has Established Global Leadership in Oral Care with the Segment Demonstrating Steady Long-Term Revenue Growth at a CAGR of 10.1%



Customers



Market Positioning

#1

1. Market leader across key markets
2. Long term relationships with customers
3. Continued leadership through product and process innovation
4. Unique, agile, and customer-specific supply chain models

Business highlights

1. Wallet share gain with marquee global consumer companies in Europe
2. Market share gain from regional players in China
3. Wallet share gain in the leading Oral brands in Americas
4. Resilience against Covid-19 impact in oral care category at AMESA.

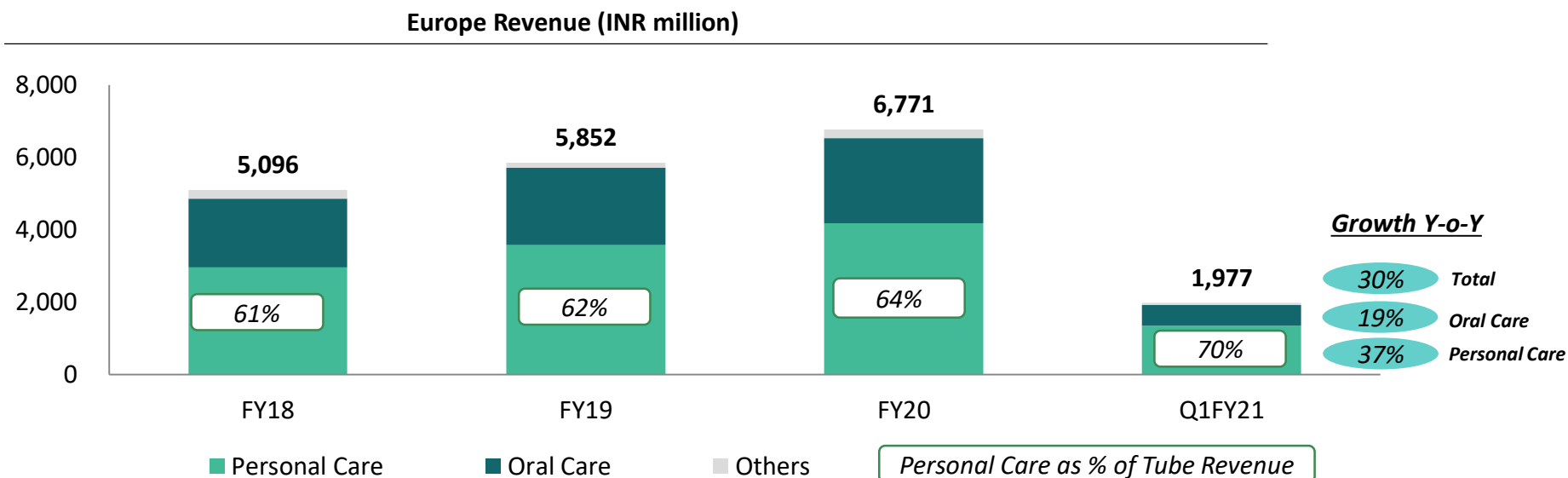


Continued Focus on Fundamental Levers – Q1FY21

- Accelerated growth in Personal Care
- Continued leadership in Oral Care
- **Improved Performance in Europe**
- Industry leadership in eco-friendly solutions



Continued Growth Momentum in Europe across Oral and Personal Care Categories



Efforts/Investments in last few quarters starting to show results

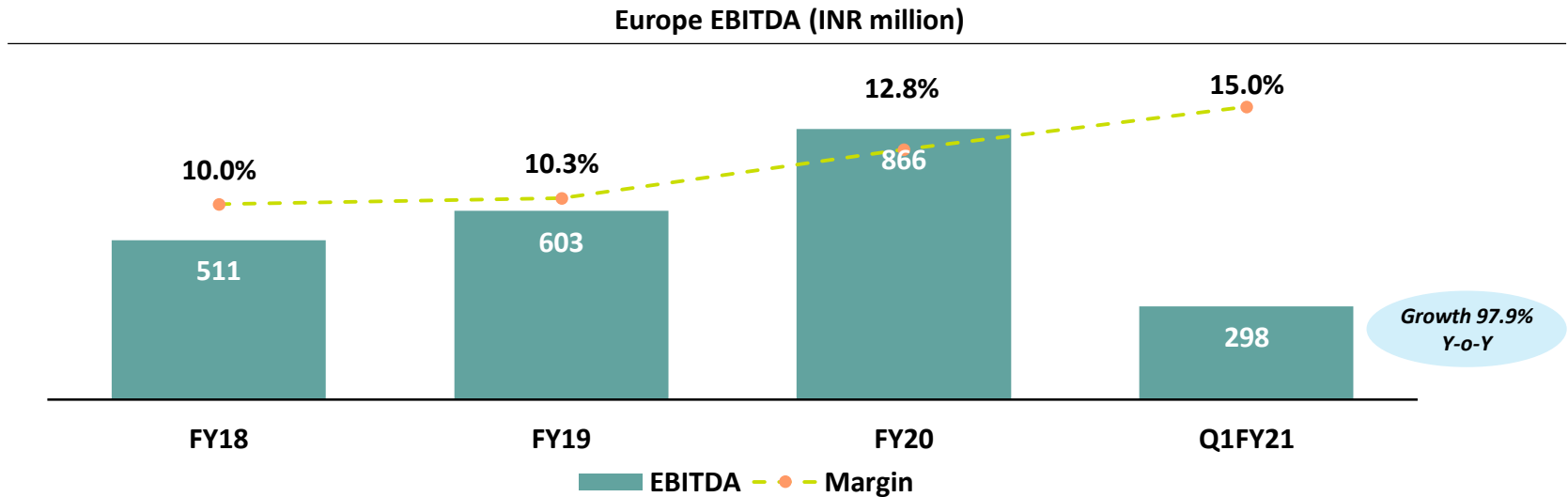
1. Strengthening of front-end organization
2. Improved pipeline development process
3. Investments in capabilities and flexibilities
4. High customer engagement driven by best-in-class offerings and service levels

Impact

1. Q1FY21 revenue growth of 30.3% (26.8% at constant currency)
2. Accelerated growth across categories
3. With the recent key customer wins in Europe, EPL now serves all major Oral Care players in the region

Softness in European market is expected, however EPL is committed to delivering robust performance despite Covid-19 impact.

Leading to Strong EBITDA Growth and Margin Improvement



Key elements to profit growth

1. Revenue growth contributing to fixed cost leverage
2. Shift towards premium products
3. Lean initiatives and productivity improvement

Impact

1. Strong Q1FY21 EBITDA growth of 97.9% y-o-y
2. Margin expansion by 514 bps y-o-y and 225 bps vs. FY20
3. Initiatives including operating leverage drives the improvement in EBITDA margins.

Sustained momentum will lead to continuous performance improvement



Continued Focus on Fundamental Levers – Q1FY21

- Accelerated growth in Personal Care
- Continued leadership in Oral Care
- Improved Performance in Europe
- **Industry leadership in eco-friendly solutions**



Sustainability: an Intrinsic Value at EPL

Committed to sustainability by offering innovative solutions across product categories. Won ETMA Award in “Sustainability Category”



| | | | | |
|---------|---|--|---|--|
| Recycle | <p>Platina</p> <p>Oral Care</p> | | <ul style="list-style-type: none"> Fully-recyclable (Code 2) laminate Suitable for oral, hair care and food products | <p><i>Successful APR¹ Recognition</i></p> |
| | <p>Green Maple Leaf</p> <p>Personal Care</p> | | <ul style="list-style-type: none"> Fully-recyclable solution that maintains product freshness Suitable for beauty & cosmetics, toiletries and food products | <p><i>Successful APR Recognition</i></p> |
| Reduce | <p>All above sustainable tube laminates are designed to reduce plastic consumption viz. plastic tubes & bottles</p> | | | |
| Reuse | <p>Etain</p> <p>PCR² Tubes</p> | | <ul style="list-style-type: none"> Recyclable tube made using a percentage of recycled plastic Suitable for beauty and skin care, hair care and oral products | |

Partnering with marquee global consumer companies on sustainability initiatives

(1) APR: Association of Plastic Recyclers (2) PCR: Post consumer recycled

Strong Traction and Acceptability of EPL's Sustainable Offerings by Leading Global Customers

Enabled leading Oral Care Player Ship World's First Recyclable Tube

- EPL designed an APR certified recyclable laminate for a key client (leading Oral Care player) – an industry-first innovation by EPL
- Worked actively with the client to test the laminate and helped commercialize the product

Colgate-Palmolive Ships World's First Tube Recognized as Recyclable and Freely Shares its Breakthrough Technology

...making use of the testing standards established by Colgate, one major tube maker, Essel Propack, earned APR recognition...

EPL's Sustainable Laminates Being Commercialized Globally

- Platina laminate launched in India by a major regional brand
- Etain tubes commercialized for a major Oral Care brand
- Green Maple Leaf laminate commercialized for a major Oral Care brand in the US



Platina Laminate is Now Ready for Cosmetics & Hair Care Segments

- EPL's APR recognition for Platina laminates has been further extended to cover the entire tube thickness range, which enables application in various cosmetics segments
- Platina laminate is now certified for mechanical recycling and energy recovery as per Bureau of Indian Standards (BIS) guidelines



The Association of Plastic Recyclers



RecyClass™





Appendix



Q1FY21: Adjusted EBITDA Grew 38.7% Y-o-Y & Adjusted PAT Grew 115.4% Y-o-Y

(INR million)

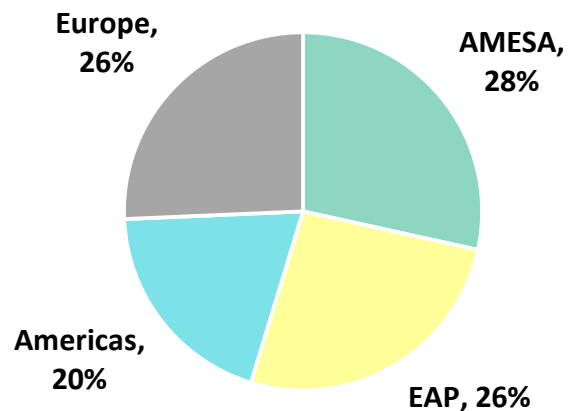
| <i>Adjustments</i> | EBITDA | PAT ¹ |
|---------------------------------------|--------------|------------------|
| Reported Q1FY21 numbers | 1,466 | 605 |
| • China Tax refund | - | -25 |
| • TSA ² related expenses | +40 | +30 |
| Adjusted Q1FY21 numbers | 1,506 | 610 |
| Reported Q1FY20 numbers | 1,086 | 283 |
| Like for Like Y-o-Y Growth (%) | 38.7% | 115.4% |

(1) PAT excluding exceptional items;
(2) Transition Services Agreement

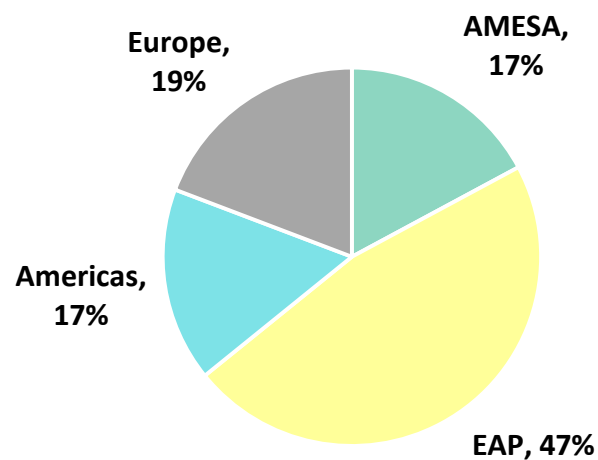


Q1FY21 Regional Performance – 1/2

Revenue Split % across Regions



EBIT Split % across Regions



- Robust growth achieved in EAP (46% Y-o-Y) and Europe (30% Y-o-Y), leading to higher contribution to total revenue for these regions.
- EAP contributed 47% to EBIT on the back of better product mix and operating leverage.
- Strong business pipeline across regions to enable continued growth momentum



Q1FY21 Regional Performance – 2/2

(INR million)

| | Revenue | YoY Growth | EBITDA ¹ | Margin |
|--------------------------|---------|------------|---------------------|--------|
| AMESA¹ | 2,190 | -2.7% | 442 | 20.2% |
| EAP | 2,021 | 45.6% | 552 | 27.3% |
| Americas | 1,510 | 10.5% | 256 | 17.0% |
| Europe | 1,977 | 30.3% | 298 | 15.0% |

(1) AMESA EBITDA is adjusted for INR 40 million of TSA related expenses



Q1FY21 Performance – AMESA and EAP

(INR million)

| AMESA ¹ | | | |
|--------------------|--------|--------|----------|
| Particulars | Q1FY21 | Q1FY20 | % change |
| Revenue | 2,190 | 2,251 | -2.7% |
| EBITDA | 442 | 459 | -3.7% |
| EBITDA % | 20.2% | 20.4% | |
| EBIT | 200 | 208 | -4.0% |
| EBIT % | 9.1% | 9.2% | |

| EAP | | | |
|-------------|--------|--------|----------|
| Particulars | Q1FY21 | Q1FY20 | % change |
| Revenue | 2,021 | 1,388 | 45.6% |
| EBITDA | 552 | 288 | 91.8% |
| EBITDA % | 27.3% | 20.7% | |
| EBIT | 438 | 179 | 144.7% |
| EBIT % | 21.7% | 12.9% | |

(1) AMESA EBITDA and EBIT is adjusted for INR 40 million of TSA related expenses



Q1FY21 Performance – Americas and Europe

(INR million)

| Americas | | | |
|-------------|--------|--------|----------|
| Particulars | Q1FY21 | Q1FY20 | % change |
| Revenue | 1,510 | 1,366 | 10.5% |
| EBITDA | 256 | 220 | 16.4% |
| EBITDA % | 17.0% | 16.1% | |
| EBIT | 155 | 131 | 17.7% |
| EBIT % | 10.2% | 9.6% | |

| Europe | | | |
|-------------|--------|--------|----------|
| Particulars | Q1FY21 | Q1FY20 | % change |
| Revenue | 1,977 | 1,517 | 30.3% |
| EBITDA | 298 | 150 | 97.9% |
| EBITDA % | 15.0% | 9.9% | |
| EBIT | 179 | 33 | 445.4% |
| EBIT % | 9.0% | 2.2% | |





About EPL



EPL: Company Overview

**Largest laminated
tubes
manufacturer**

~8 bn Tubes

**Global Leader in
Oral Care**

#1 Globally

**Growing
emergence in
Personal Care**

45% contribution

**Strong
relationships with
marquee FMCG
customers**

20+ years

**Best in class
EBITDA Margins**

20.3%

**Best in class
ROCE**

18.4%

Global Footprint

**20+ factories
10+ countries**

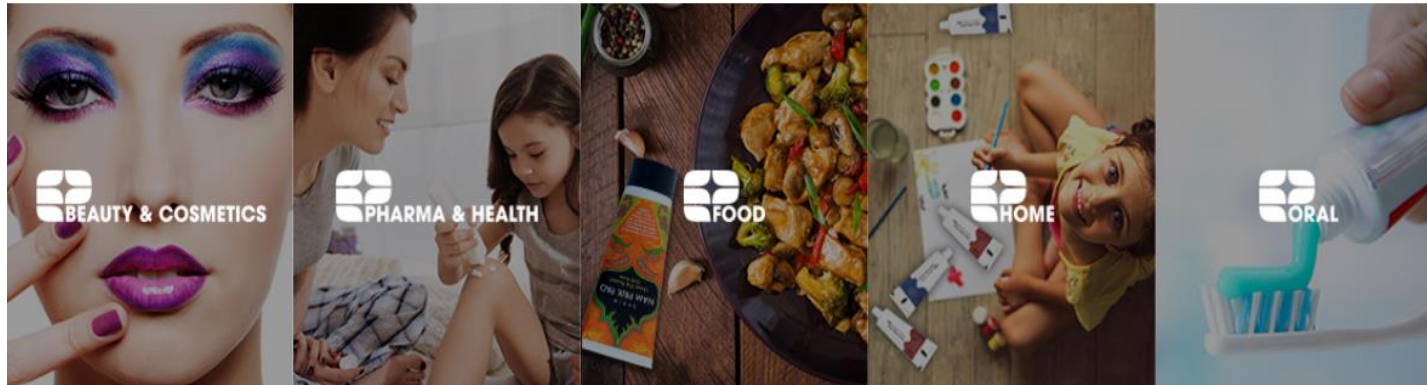
**Strong Innovation
Platform**

**150+ patents
filed**

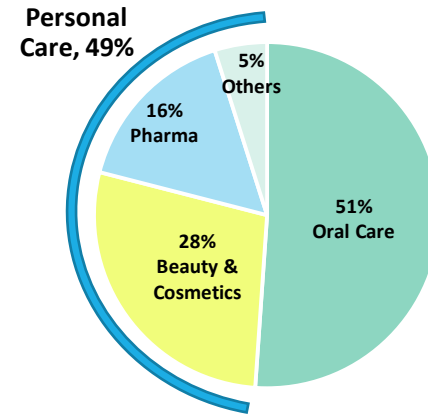
**With sustainability
focus**



EPL Caters to Marquee Customers Across Trillion Dollar Categories



Tube revenue split (Q1FY21)



About EPL

EPL is the largest global specialty packaging company, manufacturing laminated plastic tubes catering to the FMCG and Pharma space. Employing over 3,366 people representing over 25 different nationalities, EPL functions in ten countries through 20 state of the art facilities, and is continuing to grow every year.

EPL is the world's largest laminated tube manufacturer with units operating across countries such as USA, Mexico, Colombia, Poland, Germany, Egypt, Russia, China, Philippines and India. These facilities cater to diverse categories that include brands in Oral Care, Beauty & Cosmetics, Pharma & Health, Food, and Home, offering customized solutions through continuously pioneering first-in-class innovations in materials, technology and processes.

Essel Propack Limited

CIN : L74950MH1982PLC028947

For further information contact:

Amit Jain

amit.jain@epglobal.com

