

10 November 2021

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 960308, 960310 & 960311.	Trading Symbol: EPL

Ref.: EPL Limited

Sub.: Investors notes/updates with respect to the Unaudited Financial Results for the quarter and half year ended 30 September 2021.

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 EPL Limited



Suresh Savaliya
SVP - Legal & Company Secretary



Encl.: As above

Filed Online

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EPL LIMITED

(Formerly known as Essel Propack Limited)
Corporate Office : Top Floor, Times Tower, Kamala City, Senapati Bapat Marg, Lower Parel,
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Leading the
pack

EPL LIMITED
(Formerly known as Essel Propack Limited)
Q2FY22 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 is EPL (Formerly known as Essel Propack Limited) 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

*Market Leading Revenue Growth
and
Capital Efficient, Consistent Earnings Growth*

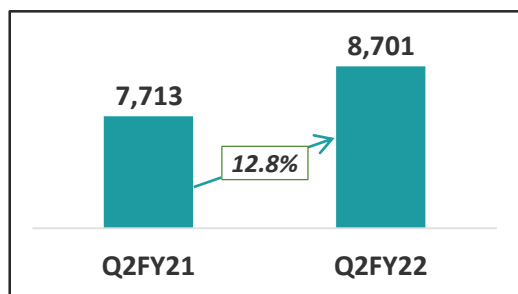
EPL - Executive summary Q2FY22

- 1 Double digit revenue growth of 12.8% y-o-y contributed by AMESA, EAP and Americas.**
- 2 Delivered sequential margin expansion by 20 bps, despite pressure on RM prices and supply chain challenges.**
- 3 Continued supply chain disruption, with raw material and freight costs hardening.**
- 4 EPL partners with Oral MNC in Asia for supply of tubes using 100% recyclable Platina laminate.**

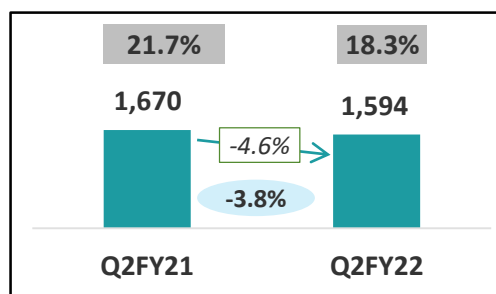
Q2FY22 Consolidated Financial Highlights

(INR million)

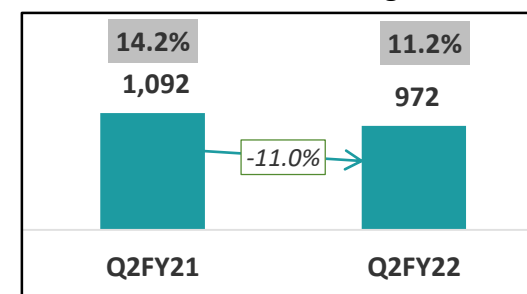
Revenue from Operations



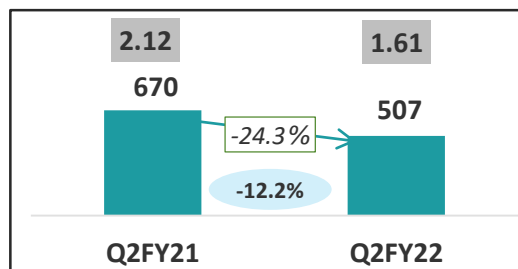
EBITDA and EBITDA Margins



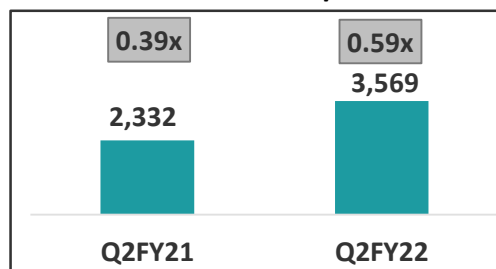
EBIT and EBIT Margins



PAT¹ and EPS (INR)

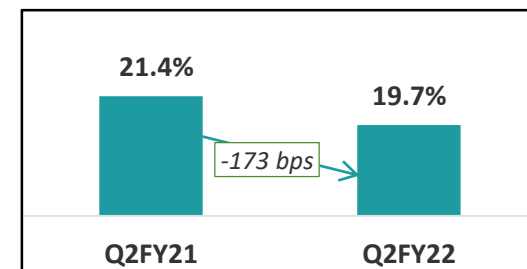


Net Debt and Net Debt/ LTM EBITDA



Includes INR 1675 mm of cash proceeds paid for Creative acquisition. Adjusted for this, net debt is INR 1894 mm

ROCE²



Adjusted growth %

- ▶ Delivered 12.8% revenue growth y-o-y. Comparable revenue growth at 10.0%
- ▶ EBITDA margin and growth lower vs PY due to steep increase in raw material prices and freight cost increase.

(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 160 mn in Sep 21 (INR 160 mn for Sep 20) of Transition Services Agreement (TSA) related expense and INR 166 mn for Sep 21 (INR 29 mn for Sep 20) of ESOP related expenses.

EPL – Capital Efficient, Sustainable Revenue Growth

(INR million)

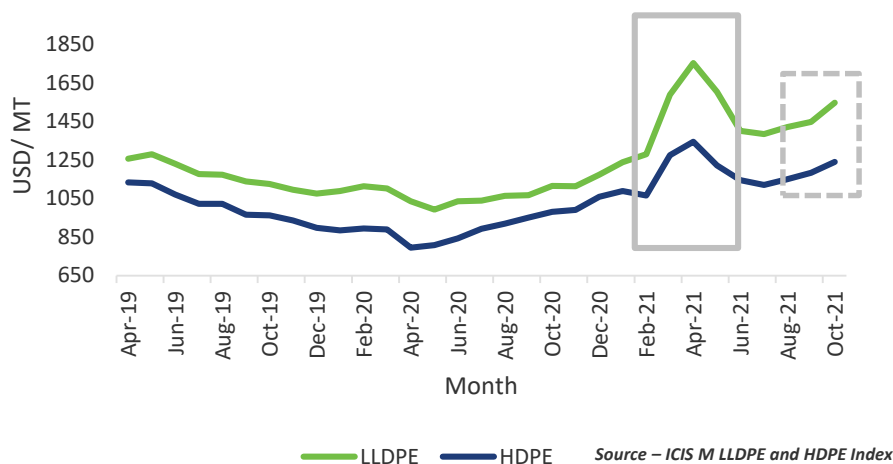
	Q2FY21	Q2FY22	Growth
Growth¹	Revenue	7,713	8,701 12.8%
	Adjusted EBITDA	1,739	1,677 -3.6%
	Adjusted EPS (INR)	2.31	2.02 -12.4%
Capital Efficiency	ROCE ²	As of Sep 20 21.4%	As of Sep 21 19.7% -173 bps
	Net Debt	2,332	3,569 Includes INR 1675 mm of cash proceeds paid for Creative acquisition. Adjusted for this net debt is INR 1894 mm
	Capex	FY21 1,760	H1 FY22 1,294

(1) Refer page 25 for details on Adjusted EBITDA and Adjusted EPS

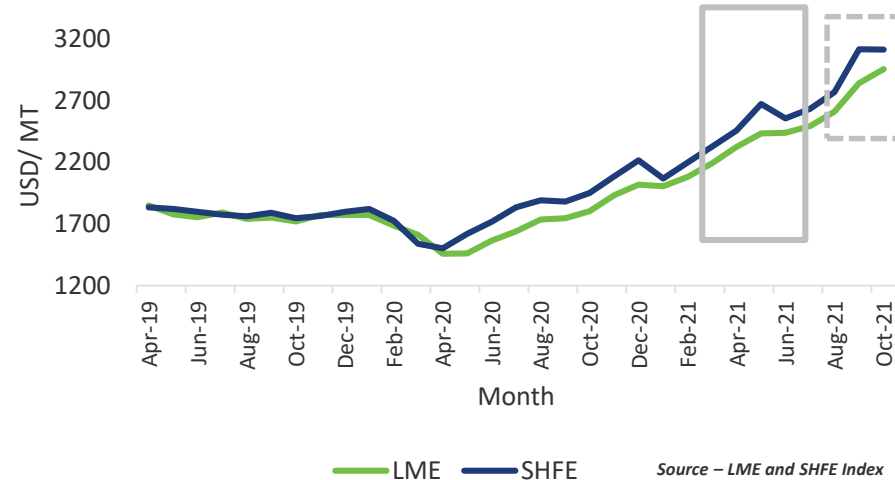
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Raw Material prices remain high and volatile

Polymer Price Movement



Foil Price Movement



Increase in RM Prices

	Q2FY22 vs Q2FY21
LLDPE	34%
HDPE	25%
LME	55%
SHFE	52%

► Overall continued increase in key RM prices:

- Price increase driven by shipping challenges
- Shipping constraints caused a few polymer plants across the globe to shut down, creating supply-demand mismatch
- India-specific issues due to regulatory changes in polymer imports resulted in further price increases

Comprehensive mitigation plan to combat input inflationary pressures

1 Judicious Price Increases

- ▶ Contractual pass-through in long term contracts has a 3-month lag
- ▶ Price corrections being negotiated across geographies to offset the raw material price increase

2 Cost Productivity Initiatives: Project Phoenix

- ▶ “Modern Times”: Improving manufacturing efficiency through automation
- ▶ Increased in-house manufacturing of caps and closures
- ▶ Scrap and wastage reduction
- ▶ Rationalization of energy consumption

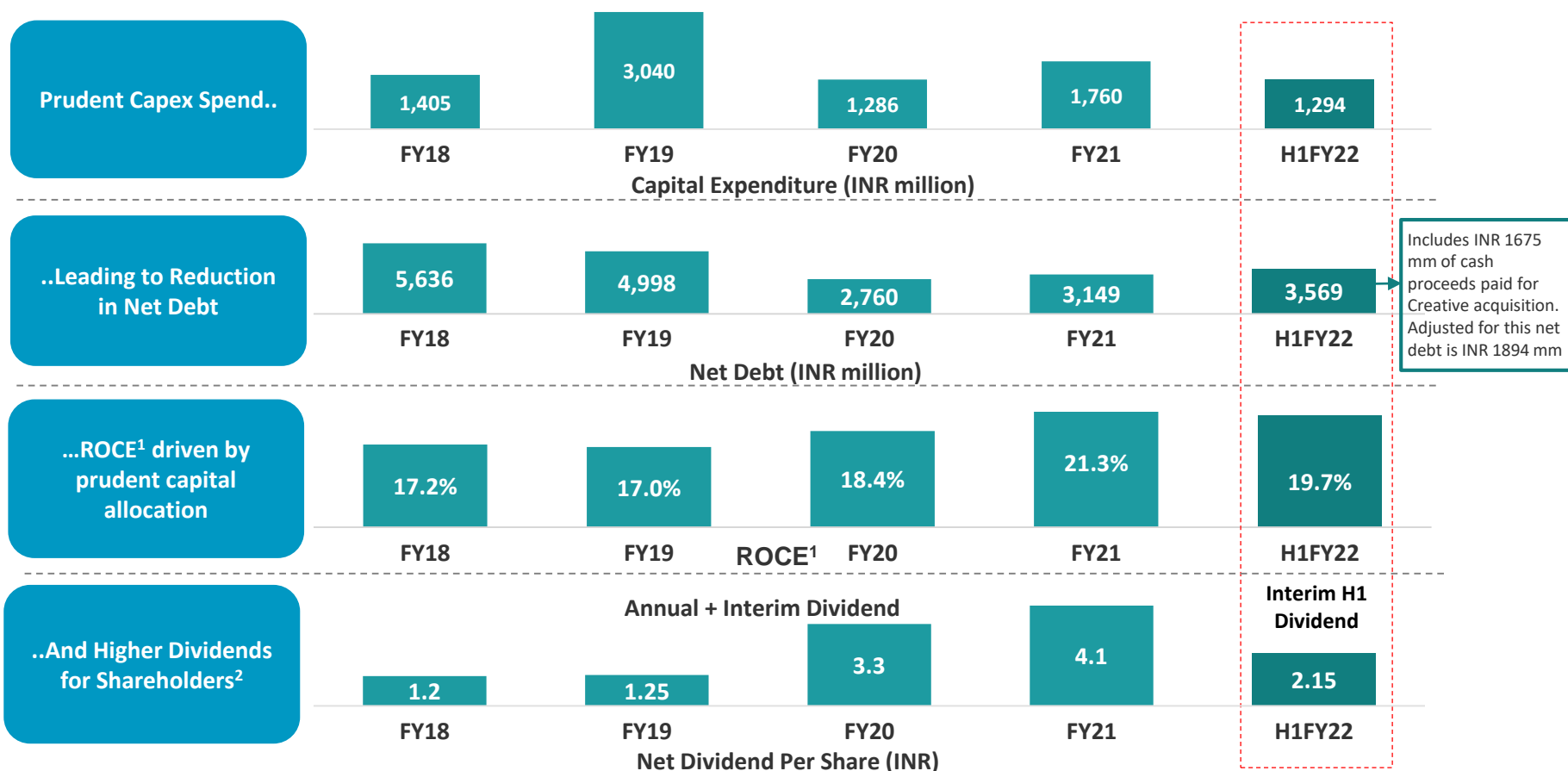
3 Mix Improvement

- ▶ Focus on higher-profit segments and value-added offerings



Delivered sequential margin expansion by 20 bps, despite RM and freight inflation

Continued Focus on Capital Efficiency



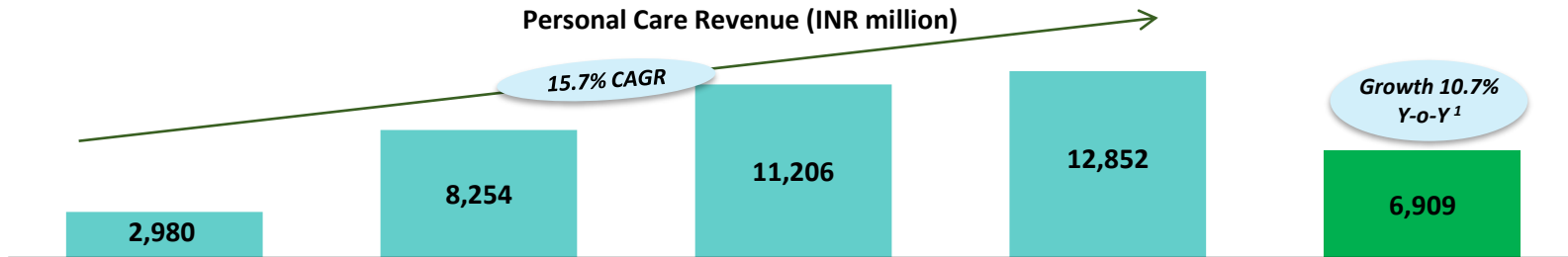
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Delivered strong progress across all our identified levers

- **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 15.7% CAGR Over the Last Ten Years and Continues to be the Growth Driver for EPL

Personal Care Revenue (INR million)



Sub-categories	FY11	FY15	FY20	FY21	H1FY22
Face Care	✓	✓	✓	✓	
Hair Care	✗	✗	✓	✓	
OTC Medication	✗	✓	✓	✓	
Prescription Medication	✗	✗	✓	✓	
Food	✗	✓	✓	✓	
Home	✗	✗	✓	✓	
Hygiene Products	✗	✗	✓	✓	
Eye Care	✗	✗	✓	✓	
Hand Cream	✗	✗	✓	✓	
New Applicator (B&C)	✗	✗	✗	✓	

Focus on sustainability efforts and strategic partnership with customers

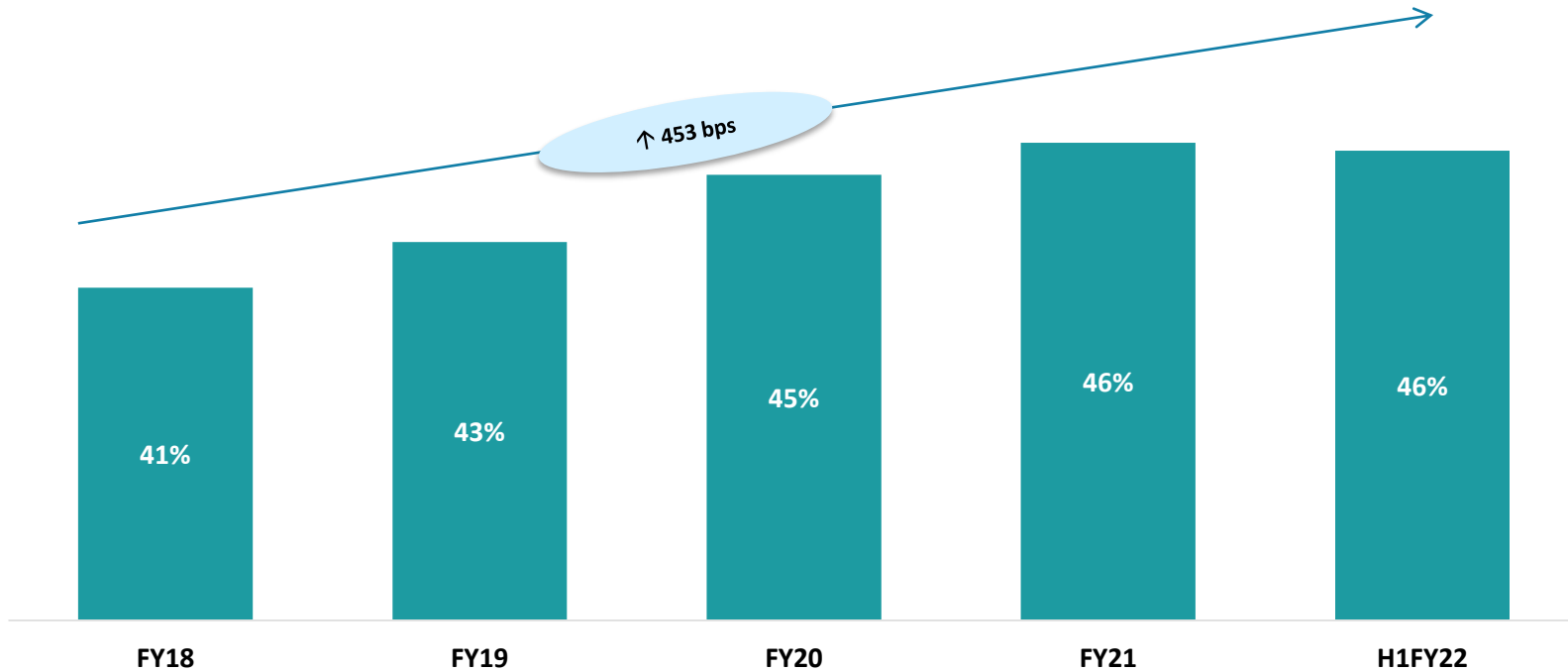
Actively Pursuing

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

(1) Growth pro-forma for shutdown of Russia manufacturing operations

Personal Care Contribution stood at 46% in H1FY22

Personal Care Contribution to Tube Revenue

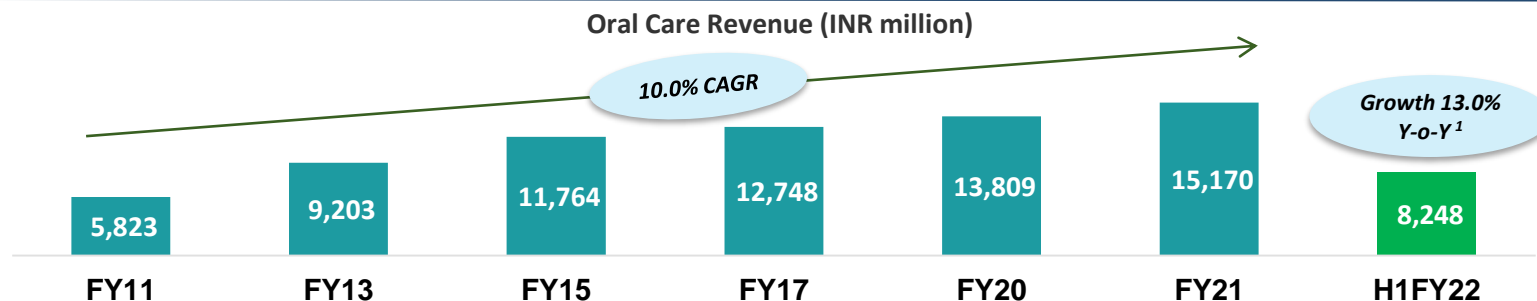


Personal care contribution held in H1FY22.

Delivered strong progress across all our identified levers

- 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 10.0%



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

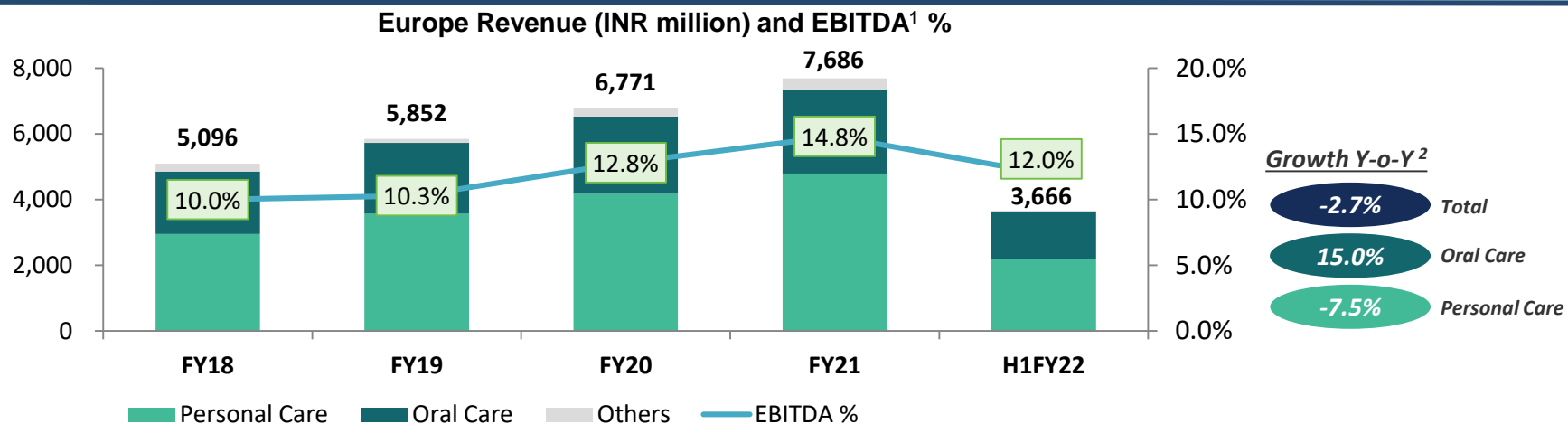
1. Wallet share gain with marquee global consumer companies. Global major added in Europe.
2. Market share gain from regional players in China.
3. Travel and sample tubes recovery leading to Oral care growth in Americas.
4. Converted and commercialized two brands with sustainable Platina Tubes for biggest partner in India.

(1) Growth pro-forma for shutdown of Russia manufacturing operations

Delivered strong progress across all our identified levers

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

Europe: strong growth in Oral Care; offset by temporary challenges in Personal Care



- ▶ Strong Oral Care growth driven by recent key customer wins in Europe. EPL now serves all major Oral Care players in the region.
- ▶ Europe Personal Care category revenue temporarily impacted by Covid; no wallet share loss.
- ▶ Sequentially revenue grew by 5.5%.
- ▶ Raw material inflation, labor absenteeism and lower revenue impacted margins.
- ▶ Business development pipeline is strong.

(1) Adjusted for ESOP Cost

(2) Growth pro-forma for shutdown of Russia manufacturing operations

Delivered strong progress across all our identified levers

- 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



Platina laminated tubes fully recyclable in HDPE bottle stream

- ▶ Recognized and certified by **APR / RecyClass / Cyclos**
- ▶ Widest thickness range of tubes offering: 220u – 350u
- ▶ Designed to incorporate > **50% Green “Sustainably Sourced PE”**
- ▶ Designed to incorporate > **30% PCR resins**



The Association of
Plastic Recyclers



RecyClass™

Sustainability : “Leading the Pack”

Platina Pro – Next-gen sustainable laminated tubes

- ▶ Fully recyclable tubes in HDPE bottle stream approved by APR and RecyClass
- ▶ Enhanced haptics
- ▶ Enhanced chemical resistance
- ▶ Enhanced flavor barrier

RecyClass™



Etain tubes with **Post Consumer Recycled (PCR)** resin content

- ▶ Eco-friendly tube from EPL with up to 30% PCR content in the tube wins the prestigious ETMA "Tube of the Year" Award 2020
- ▶ Successfully launched laminated tubes with up to 50% PCR content

etma
TUBE
OF THE YEAR
2020



Building a portfolio through industry-leading pipeline

- ▶ **Platina vision**
- ▶ **Platina me**
- ▶ **Platina shine**
- ▶ **Platina pcrmax**
- ▶ **Platina biomax**

Platina Success Story with CP



EPL Limited Partners With Colgate-Palmolive (India) Limited For Creation of First-Ever Recyclable Toothpaste Tubes

THE ECONOMIC TIMES

Colgate to place recyclable toothpaste tubes in your cabinets now

mint

Colgate-Palmolive launches recyclable toothpaste tubes



EPL Partners With Colgate-Palmolive

Ahmedabad, EPL Limited (formerly Known as Essel Propack Limited), the world's largest specialty packaging company, today announced that they have partnered with Colgate-Palmolive India, one of the largest oral care brands to produce Recyclable Platina Toothpaste Tubes in India. This first set of recyclable tubes is the starting point for converting to 100% recyclable tubes for Colgate-Palmolive.

EPL, market leader in the tube packaging sector, is committed to bringing world-class tube packaging innovation to address growing requirements of customers on sustainability. EPL has innovated the first-of-its-kind Recyclable Platina Tubes for Colgate-Palmolive, keeping in mind superior functionality and no-compromise on key product attributes and efficacies. EPL is grateful to partner with Colgate-Palmolive which is the first oral care brand in India to launch

such an initiative nationally. This innovation was enabled via EPL's Association of Plastic Recyclers, USA (APR)



approved 100% recyclable and fully recyclable Platina Tubes to pack Colgate Active Salt and Colgate Vedshakti, with other brands in the portfolio to follow. Speaking on this occasion, Deepak Ganjoo, President AMESA, EPL Limited, said, "We are proud partners to Colgate-Palmolive India for many decades and the relationship has enabled us to create path-breaking firsts which are visible via

such first-ever conversions to recyclable tubes. (19-8)

Platina Success Story with CP

Key Customer Challenges

Committed Partner of Colgate Palmolive to drive their sustainability agenda

- ▶ To meet CP's sustainability commitment of driving 100% conversion to recyclable packaging format
- ▶ Requirement of meeting the functional properties using thinner webs

EPL Offered A Better Product

- ✓ EPL's Platina solution allows CP to pack its wide flavoured products in an optimal and safe packaging
- ✓ Ensuring necessary barrier properties are maintained throughout the entire life cycle of the product

Impact

Improved confidence and higher conversions to recyclable formats by other brands



Colgate Active Salt

“EPL, market leader in the tube packaging sector, is committed to bringing world-class tube packaging innovation to address growing requirements of customers on sustainability. EPL has innovated the first-of-its-kind Recyclable Platina Tubes for Colgate-Palmolive, keeping in mind superior functionality and no-compromise on key product attributes and efficacies.”

EPL partners with Colgate-Palmolive to create first-ever recyclable toothpaste tubes

ANI | Updated: Sep 01, 2021 13:58 IST

Corporate Social Responsibility

Our Vision: Greening Lives



Focus area:

EPL's CSR Strategy is focused on Sustainability and Sustainable Development with core values of Prosperity, Balance & Harmony, Vitality, Regeneration & Renewal, and Invigoration



Governance:

CSR Board Committee reviews all the activities.
In addition to this all the CSR activities are governed by a 5 member CSR Governing Council comprising senior leaders of EPL

1. Green communities:

EPL has initiated waste management program to encourage and facilitate cleaner and greener environment. Pilot project initiated in Vasind

2. Skill Development Program:

EPL has initiated a skill development program to train apprentice with diverse skillset thereby improving their employability

Looking Ahead

- 1** Committed to deliver double-digit revenue growth for second consecutive year.
- 2** Input inflation - notably, key raw materials and freight costs - continue to harden and remain a concern. Prioritizing services to customers over cost.
- 3** A comprehensive mitigation plan underway including further price increases, product mix improvement and cost optimization initiatives.
- 4** Sustainability is core and central to our strategy. It is the biggest source of competitive advantage.
- 5** We are committed to delivering market-leading revenue growth and capital-efficient, consistent earnings growth.



Appendix

Q2FY22: Adjusted EBITDA declined 3.6% & Adjusted PAT declined 12.3% Y-o-Y

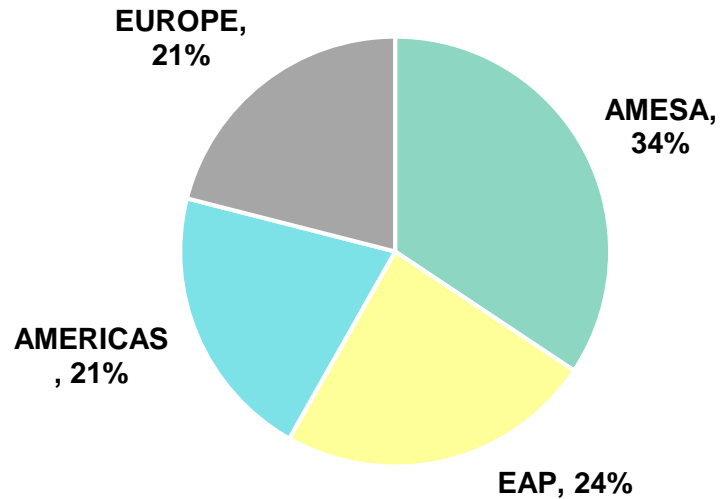
(INR million)

<i>Adjustments</i>	EBITDA	PAT ¹
Reported Q2FY22 numbers	1,594	507
• TSA ² related expenses	+40	+30
• ESOP related cost	+39	+39
• One off asset revaluation / write down by Associate company	-	+59
• One time acquisition/ merger related costs	+4	+4
Adjusted Q2FY22 numbers	1,677	639
Reported Q2FY21 numbers	1,670	670
• TSA ² related expenses	+40	+30
• ESOP related cost	+29	+29
Adjusted Q2FY21 numbers	1,739	729
Like for Like Y-o-Y Growth (%)	-3.6%	-12.3%

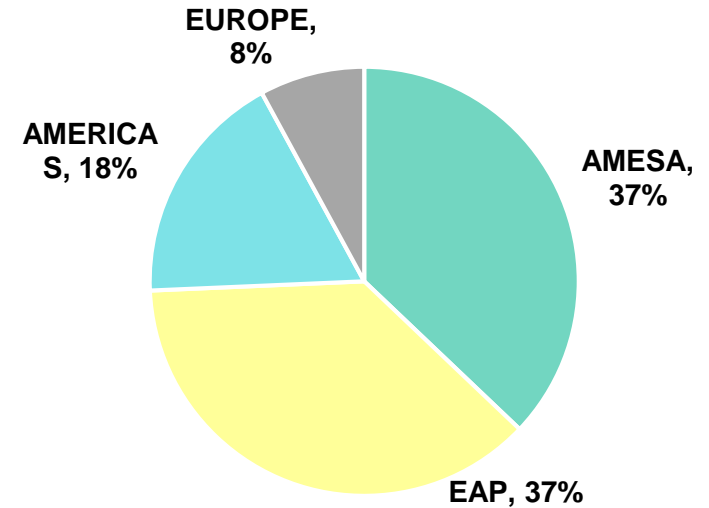
(1) PAT excluding exceptional items; 2) Transition Services Agreement

Q2FY22 Regional Performance – 1/2

Revenue Split %



EBIT Split %



- Revenue grew by 12.8% Y-o-Y, majorly driven by AMESA, EAP and AMERICAS.
- Strong business pipeline across regions to enable continued growth momentum
- Operating margin impacted due to steep increase in raw material prices and freight cost increase

Q2FY22 Regional Performance – 2/2

(INR million)

	<u>Revenue</u>	<u>YoY Growth</u>	<u>EBITDA¹</u>	<u>Margin</u>
AMESA	3,075	18.3%	679	22.1%
EAP	2,136	11.9%	476	22.3%
Americas	1,860	21.6%	284	15.3%
Europe	1,882	-2.9%	206	10.9%

(1) EBITDA is adjusted for ESOP cost for all the regions and also TSA related cost for AMESA

Q2FY22 Performance – AMESA and EAP

(INR million)

AMESA			
Particulars	Q2FY22	Q2FY21	% change
Revenue	3,075	2,599	18.3%
EBITDA	679	686	-1.0%
EBITDA %	22.1%	26.4%	
EBIT	421	447	-5.8%
EBIT %	13.7%	17.2%	
EAP			
Particulars	Q2FY22	Q2FY21	% change
Revenue	2,136	1,908	11.9%
EBITDA	476	509	-6.5%
EBITDA %	22.3%	26.7%	
EBIT	352	395	-10.9%
EBIT %	16.5%	20.7%	

EBITDA and EBIT is adjusted for ESOP cost for all the regions and also TSA related cost for AMESA

Q2FY22 Performance – Americas and Europe

(INR million)

Americas			
Particulars	Q2FY22	Q2FY21	% change
Revenue	1,860	1,529	21.6%
EBITDA	284	258	9.9%
EBITDA %	15.3%	16.9%	
EBIT	172	157	9.2%
EBIT %	9.2%	10.3%	

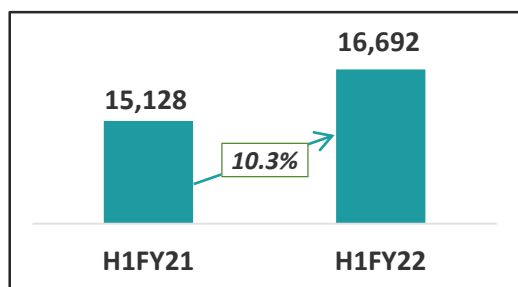
Europe			
Particulars	Q2FY22	Q2FY21	% change
Revenue	1,882	1,939	-2.9%
EBITDA	206	285	-27.7%
EBITDA %	10.9%	14.7%	
EBIT	81	162	-50.0%
EBIT %	4.3%	8.3%	

EBITDA and EBIT is adjusted for ESOP cost for all the regions.

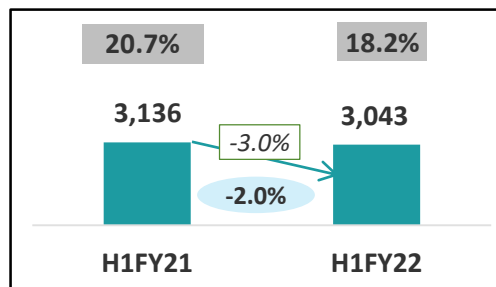
H1FY22 Consolidated Financial Highlights

(INR million)

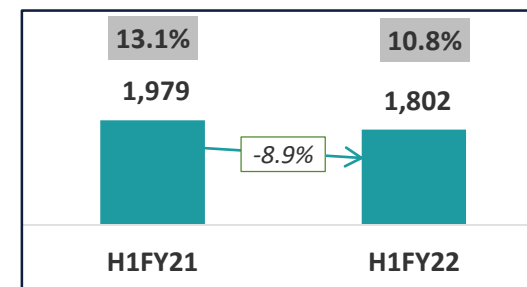
Revenue from Operations



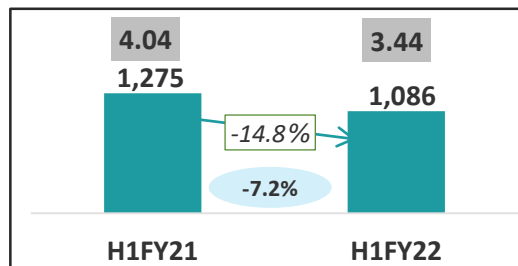
EBITDA and EBITDA Margins



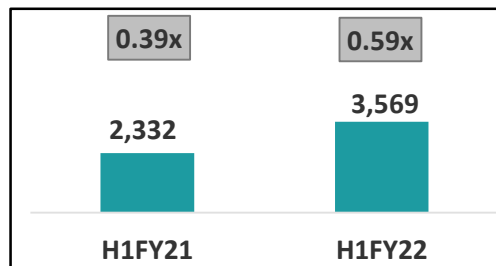
EBIT and EBIT Margins



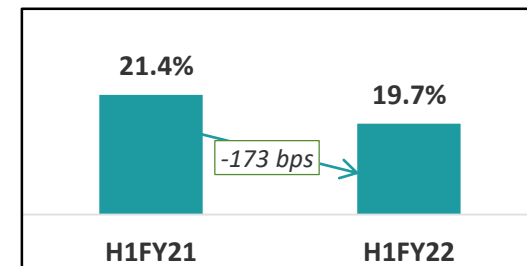
PAT¹ and EPS (INR)



Net Debt and Net Debt/ LTM EBITDA



ROCE²



Adjusted growth %

Includes INR 1675 mm of cash proceeds paid for Creative acquisition. Adjusted for this, net debt is INR 1894 mm

- ▶ Delivered 10.3% revenue growth y-o-y with demand outlook looks good post pandemic. Comparable revenue growth at 8.4%
- ▶ EBITDA margin and growth lower vs PY due to steep increase in raw material prices and freight cost increase.

(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 160 mn in Sep 21 (INR 160 mn for Sep 20) of Transition Services Agreement (TSA) related expense and INR 166 mn for Sep 21 (INR 29 mn for Sep 20) of ESOP related expenses.

EPL – Capital Efficient, Sustainable Revenue Growth

(INR million)

	H1FY21	H1FY22	Growth	
Growth¹	Revenue	15,128	16,692	10.3%
	Adjusted EBITDA	3,245	3,180	-2.0%
	Adjusted EPS (INR)	4.24	3.94	-7.3%
Capital Efficiency	ROCE ²	As of Sep 20 21.4%	As of Sep 21 19.7%	-173 bps
	Net Debt	2,332	3,569	Includes INR 1675 mm of cash proceeds paid for Creative acquisition. Adjusted for this net debt is INR 1894 mm
	Capex	FY21 1,760	H1 FY22 1,294	

(1) Refer page 32 for details on Adjusted EBITDA and Adjusted EPS

(2) Excluding exceptional items (2) Return on Capital Employed, defined as EBIT / Average Capital Employed, on a trailing twelve month basis and adjusted for INR 160 mn in Sep 21 (INR 160 mn for Sep 20) of Transition Services Agreement (TSA) related expense and INR 166 mn for Sep 21 (INR 29 mn for Sep 20) of ESOP related expenses.

H1FY22: Adjusted EBITDA declined 2.0% & Adjusted PAT declined 7.2% Y-o-Y

(INR million)

<i>Adjustments</i>	EBITDA	PAT ¹
Reported H1FY22 numbers	3,043	1,086
• China Tax refund	-	-20
• TSA ² related expenses	+80	+60
• ESOP related cost	+50	+50
• One off asset revaluation / write down by Associate company	-	+59
• One time acquisition/ merger related costs	+7	+7
Adjusted H1FY22 numbers	3,180	1,242
Reported H1FY21 numbers	3,136	1,275
• China Tax refund	-	-25
• TSA ² related expenses	+80	+60
• ESOP related cost	+29	+29
Adjusted H1FY21 numbers	3,245	1,339
Like for Like Y-o-Y Growth (%)	-2.0%	-7.2%

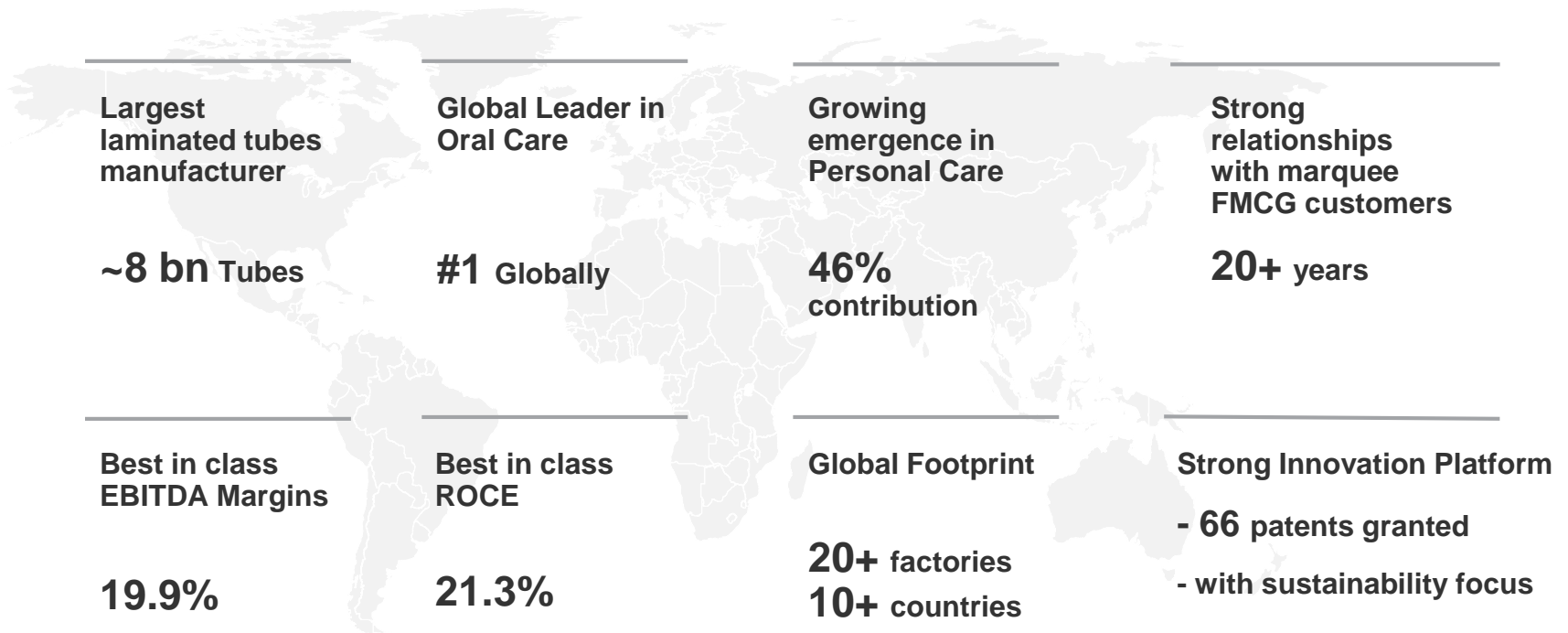
(1) PAT excluding exceptional items; 2) Transition Services Agreement



About EPL

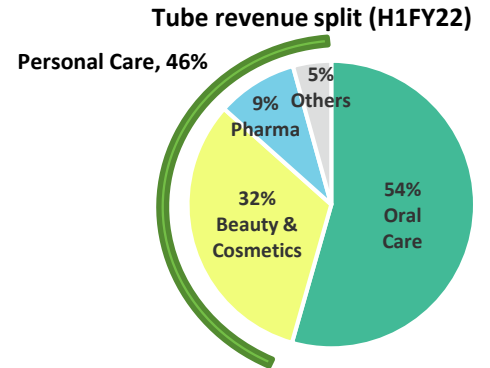
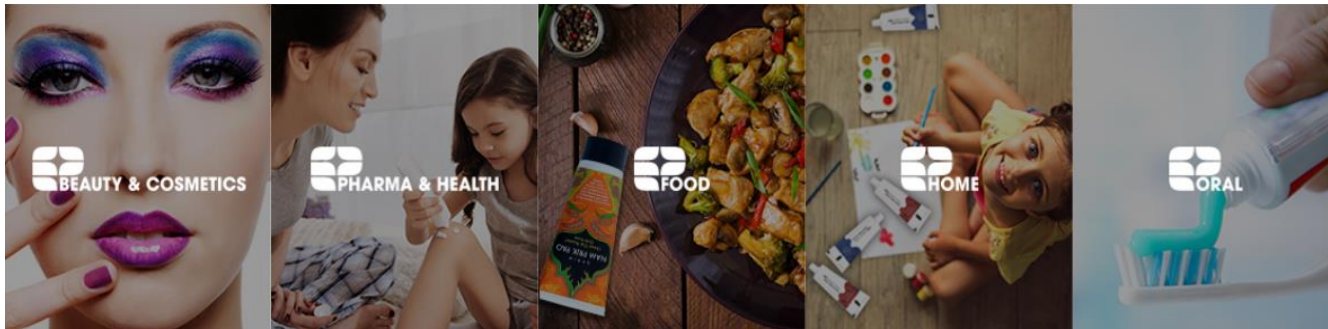
(Formerly known as Essel Propack Limited)

EPL: Company Overview



Note: Numbers on this page are as of 31 March, 2021. ROCE on trailing twelve month basis; adjusted for INR 160 mn of Transition Services Agreement (TSA) related expense and INR 144 mn of ESOP related expenses.

EPL Caters to Marquee Customers Across Trillion Dollar Categories



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 nine 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, 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.

**EPL (Formerly known as Essel Propack Limited)
CIN : L74950MH1982PLC028947**

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