

5 November 2022

Corporate Service Department BSE Limited 25 th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001	The Listing Department National Stock Exchange of India Ltd Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E) Mumbai 400051
Scrip: Equity 500135. NCDs 960310 & 960311	Trading Symbol: EPL

Ref.: EPL Limited (EPL)

Sub.: Investors notes/updates with respect to the Unaudited Financial Results for the quarter and half year ended 30 September 2022.

Dear Sirs,

Please find attached the 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)

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Leading the pack
sustainably

EPL LIMITED

(Formerly known as Essel Propack Limited)

Q2 FY23 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.

- **Q2 FY23 Highlights and Financial Performance**

[Quarterly financial performance in the following slides is based on company performance excluding Brazil operations to make it comparable. Brazil greenfield investment is for future business growth. Financial performance including Brazil is on page 25]

- Costs and Comprehensive Margin Improvement Plan
- Progress on Sustainability
- Looking Ahead
- Appendix

Q2 FY23 Highlights – Double digit revenue growth^[1] with EBITDA growing sequentially across all regions

- 1** Revenue growth of 10.6% ^[2] at constant currency broad based across all regions, despite continued impact of Covid lockdowns in EAP
- 2** Revenue growth led by '*Personal Care & beyond*'* growing at 17.7% with revenue composition at 48% of total (YoY increase of 243 bps)
- 3** EBITDA margin @ 16.3% ^[3], sequential improvement of 119 bps and sequential EBITDA growth of 22.9% on the back of strong pricing actions, despite continued raw material inflation, currency devaluation and other cost increases
- 4** Two more variants of Platina (sustainable solution) approved by Association of Plastics Recyclers (APR)
- 5** Brazil project is on track for first commercial delivery by end of FY23

[1] at constant currency

[2] reported revenue growth at actual currency rate @ 9.0%

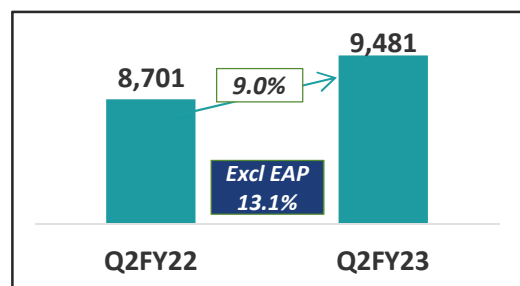
[3] EBITDA margin @ 16.1% including Brazil

* Personal Care and beyond includes Beauty & Cosmetics, Pharma etc.

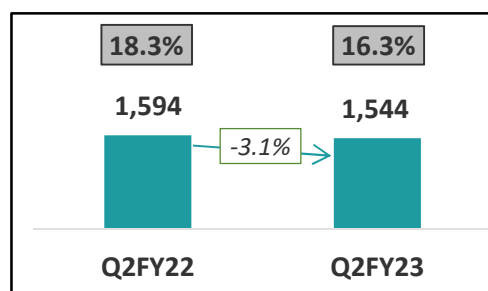
Q2 FY23 Consolidated Financial Highlights

(INR million)

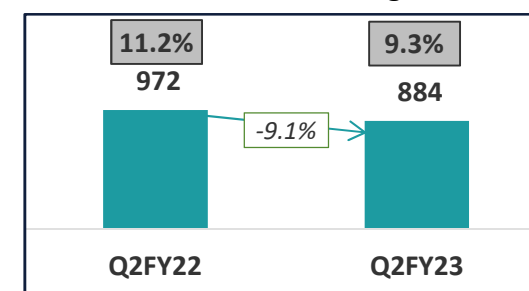
Revenue from Operations



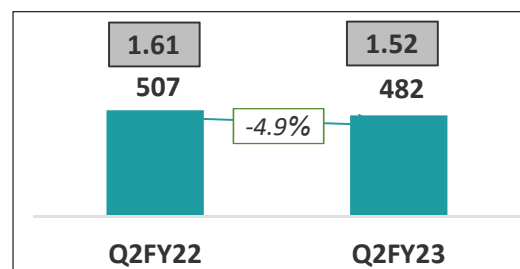
EBITDA and EBITDA Margins



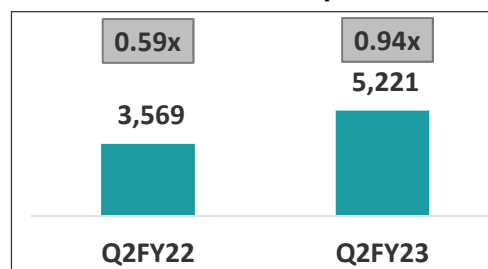
EBIT and EBIT Margins



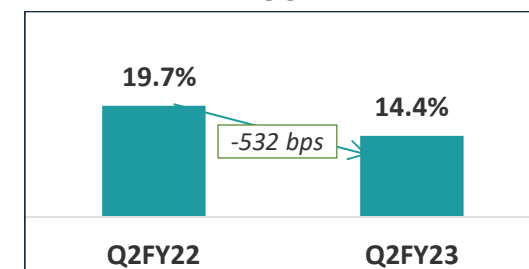
PAT¹ and EPS (INR)



Net Debt and Net Debt/ LTM EBITDA



ROCE²



- ▶ Revenue growth at constant currency at 10.6%; growth on reported basis at 9.0%
- ▶ Revenue growth across all regions - AMESA (+16.9%), Americas (+19.7%), Europe (+8.9%) and EAP (+1.5%)
- ▶ Revenue growth excluding EAP at 13.1%
- ▶ EBITDA margin impacted by continuing raw material inflation and currency devaluation, however increased from 15.1% in Q1 FY23

(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 for Sep 22 and Sep 21 of Transition Services Agreement (TSA) related expense and INR 145 mn for Sep 22 (INR 166 mn for Sep 21) of ESOP related expenses

EPL – Capital Efficient, Sustainable Revenue Growth

(INR million)

	Q2FY22	Q2FY23	Growth		
Growth¹	Revenue	8,701	9,481	9.0%	Revenue growth at constant currency at 10.6%
	Adjusted EBITDA	1677	1617	-3.6%	
	Adjusted EPS (INR)	2.02	1.72	-14.8%	
Capital Efficiency	ROCE ²	As of Sep 21 19.7%	As of Sep 22 14.4%	-532 bps	
	Net Debt	3,569	5,221		
	Capex	FY22 2,755	YTD FY23 1,542		

(1) Refer page 22 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 for Sep 22 and Sep 21 of Transition Services Agreement (TSA) related expense and INR 145 mn for Sep 22 (INR 166 mn for Sep 21) of ESOP related expenses

- Q2 FY23 Highlights and Financial Performance
- **Costs and Comprehensive Margin Improvement Plan**
- Progress on Sustainability
- Looking Ahead
- Appendix

Raw Material procurement prices declined in Q2. Impact on consumption cost in Q3 expected to be largely offset by currency devaluation against dollar

Polymer Movement



— LLDPE — HDPE Source – ICIS M LLDPE and HDPE Index

Foil Movement



— LME — SHFE Source – LME and SHFE Index

- ▶ Polymer prices saw a downward trend in Q2
- ▶ Foil prices declined and stabilized in Q2
- ▶ Ocean freight rates decreased and stabilized in Q2
- ▶ Significant currency devaluation largely offsetting impact of softening Raw Material prices

Comprehensive plan in place to control and recover costs

1 Consistent efforts on inflation-led price Increases

- ▶ Continuous price increase efforts for non contracted customers; Contractual pass-through as per 3-month lag
- ▶ Additional price increases to cover for inflationary overheads

2 Mix Improvement

- ▶ Focus on higher-profit segments and value-added offerings led to revenue growth mainly driven by *'Personal Care & beyond'**

3 Cost Productivity

- ▶ Increased in-house manufacturing of caps and closures – implemented for India; benefit accruing in the current year
- ▶ Global program to further reduce scrap and wastage on track

4 Procurement

- ▶ Dynamic sourcing strategy and manufacturing location optimization

5 Organizational Review

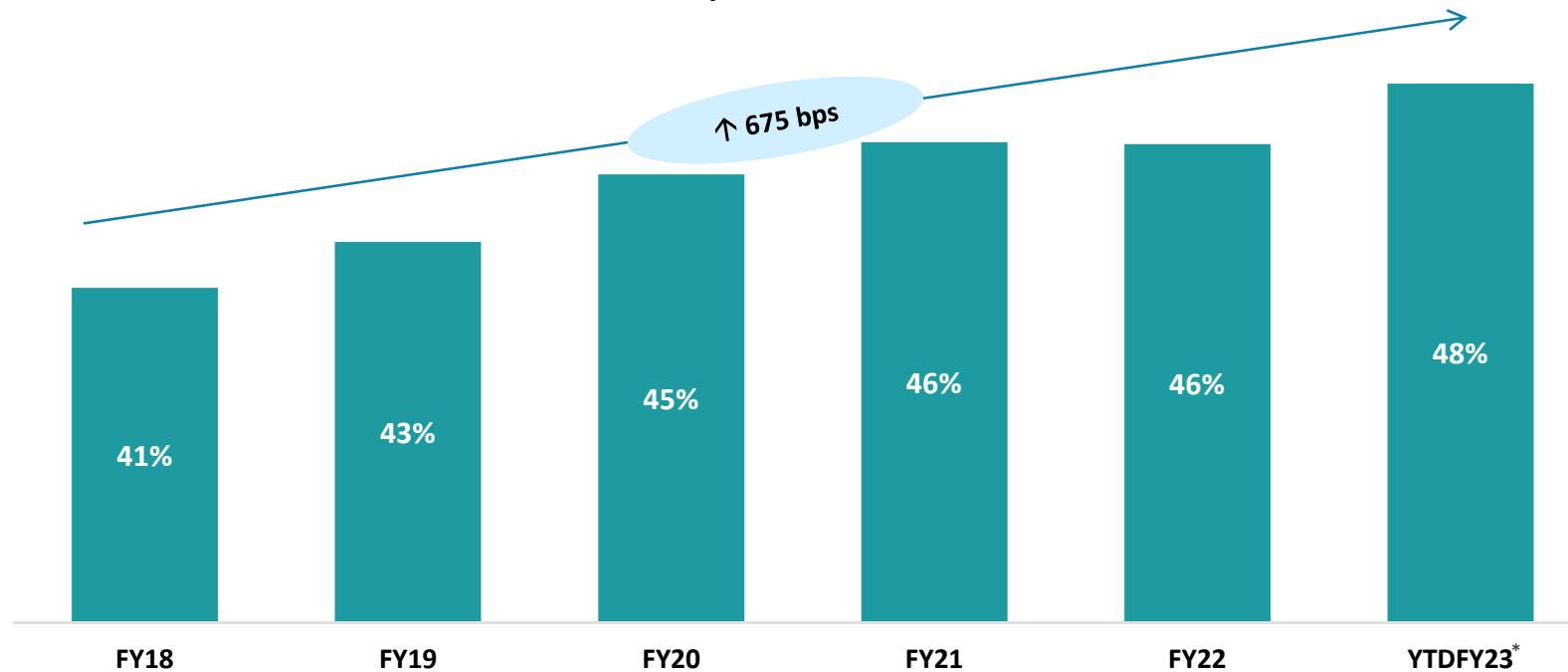
- ▶ Program to enhance organizational effectiveness and efficiency

Implementation of comprehensive plan on track

* *'Personal Care and beyond'* includes Beauty & Cosmetics, Pharma etc

'Personal Care & beyond'* category contribution stood at 48% in H1FY23

'Personal Care & beyond'* contribution to Tube Revenue



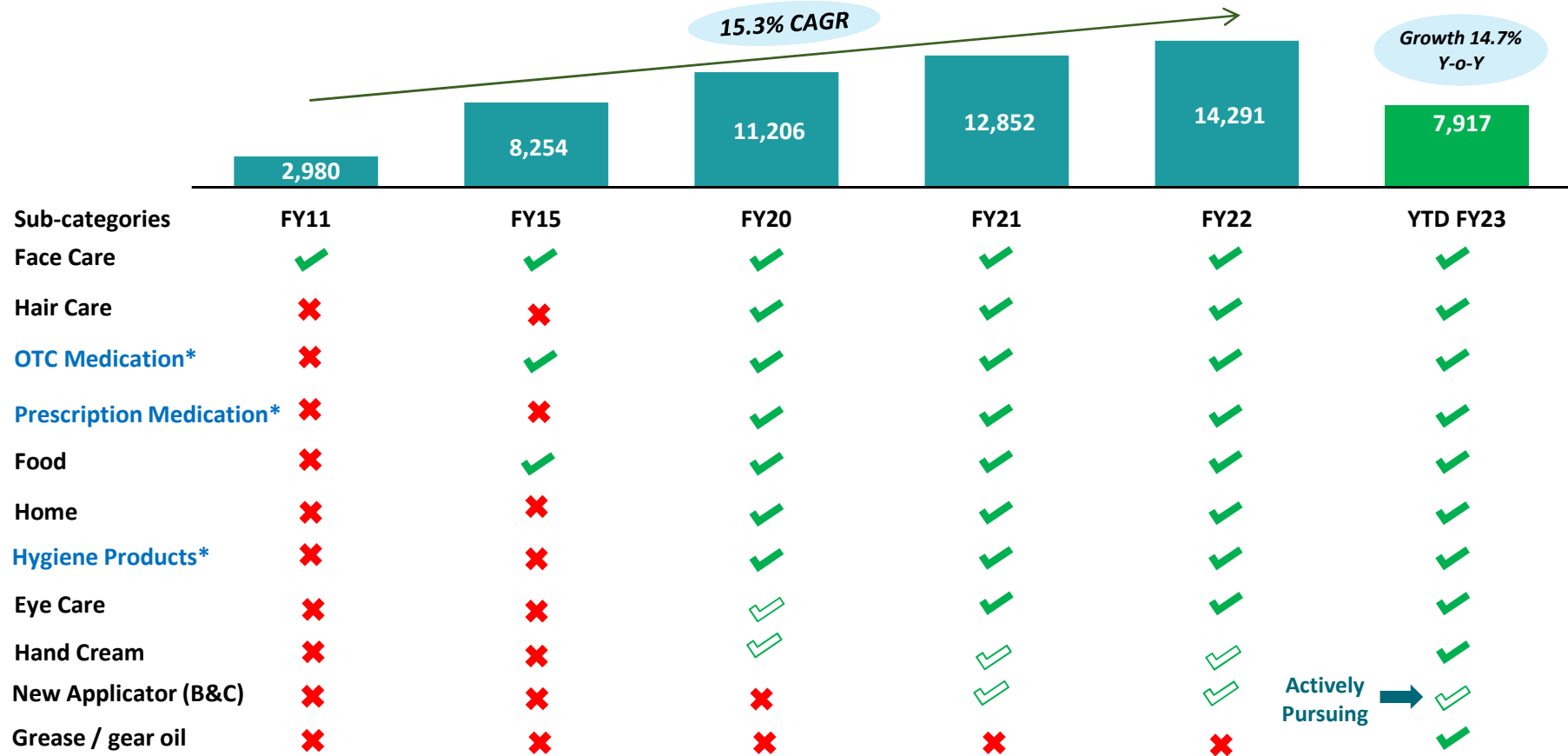
'Personal Care & beyond'* revenue growth higher than Oral Care

* 'Personal Care and beyond' includes Beauty & Cosmetics, Pharma etc

*YTFY23 % accentuated by decline in EAP business

‘Personal Care & beyond’* category has grown at a 15.3% CAGR over the last 12 years and continues to be the major growth driver for EPL in FY23

‘Personal Care & beyond’* Revenue (INR million)

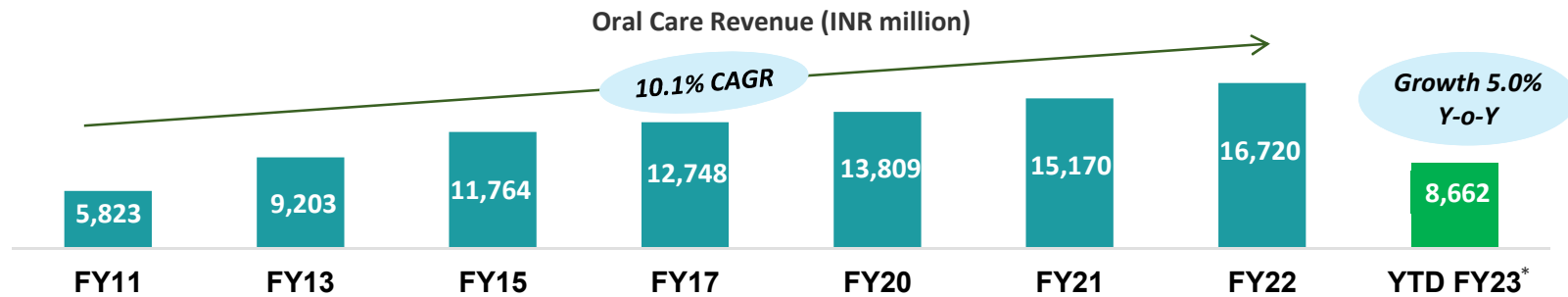


‘Personal Care & beyond’* revenue growth higher than Oral Care

* Pharma

* ‘Personal Care and beyond’ includes Beauty & Cosmetics, Pharma etc

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
2. Market share gain from regional players in China
3. Partial recovery of travel and sample tubes leading to Oral care growth in Americas
4. Commercialized five brands with sustainable Platina tubes globally

*YTD FY23 revenue impacted by decline in EAP business; excl EAP growth @ 12.8%

New business wins

Venturing into new categories



Scooter
Gear Oil



Ophthalmic
Sion
Healthcare

Rigid to Laminate Conversion



Dabur
Vatika

Strengthening Sustainability - Platina



Glenmark

Design Disruption



Neo Seam –
Minimizing Visual
Impact of Side
Seam

Awards



Awards – IFCA'22

Zydus Wellness
Skin Light Cream –
Anti -Counterfeit
Tube

HP Lubricants
Green Tube -
Platina

Brazil Update

- Brazil project on track
- Construction activity in full swing
- Recruitment in progress for factory operations
- First commercial delivery expected by end of FY23 as informed earlier
- Multiple local players evincing interest



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Sustainability : “Leading the Pack”

Product Sustainability

- ▶ In addition to 5 oral brands globally, 2 more brands in ‘Personal Care & beyond’* category embrace Platina solution
- ▶ Association of Plastics Recyclers (APR) approval received for Platina Pro ME and Platina Pro Vision
- ▶ Plan on track to double Platina volume in FY23



Process Sustainability

- ▶ Ecovadis - Company-wide program to “Go for Gold”



People Sustainability: *Corporate Social Responsibility*



Our CSR vision is in alignment with the overall EPL ambition of becoming the most sustainable packaging company in the world. All CSR works are undertaken as part of People Sustainability, and all actions are a step further towards “**Greening Lives**” by enabling its employees, customers, communities, and all other stakeholders live sustainably.

1. Green Communities Program:

EPL donated 486 benches across 8 schools in Wada & Vasind. The benches are manufactured with plastic recycled from our factory scrap

2. Skill Development Program:

EPL is running a skill development program to train apprentices with diverse skillset thereby improving their employability . Currently, training is in progress for 213 apprentices

3. Community Welfare Program:

EPL is supporting the communities near our plants by strategic investments to build infrastructure for promoting health & education. EPL has initiated 2 water projects in the villages near Vasind



Benches donated to schools

- Q2 FY23 Highlights and Financial Performance
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Looking Ahead: Committed to double digit revenue growth with margin recovery

- 1 Committed to deliver double-digit revenue growth
- 2 Continued focus on Margin Improvement Plan. Price increase actions in progress to cover inflation related cost increases, particularly in western geographies
- 3 Devaluation of currencies against dollar largely impacting benefits from softened raw material prices
- 4 High inflation and recession risk, particularly in western geographies
- 5 Continued focus on customer conversion to sustainable solutions

We remain cautiously optimistic on outlook

Our 4X4 Mantra for Growth

Purpose: To be the most sustainable packaging company in the world

Where we will win (4Cs)



Product Sustainability: Offer the most sustainable packaging solutions

How we will win (4 Enablers)



Process and People Sustainability: Be the most sustainable packaging company

Double Digit Profitable Growth

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Q2 FY23: Adjusted EBITDA

(INR million)

<i>Adjustments</i>	EBITDA	PAT¹
Reported Q2FY23 numbers	1,544	482
• TSA ² related expenses	+40	+30
• One time acquisition related costs	+0	+0
• ESOP related cost	+33	+33
Adjusted Q2FY23 numbers	1,617	545
Reported Q2FY22 numbers	1,594	507
• TSA ² related expenses	+40	+30
• One time acquisition related costs	+4	+4
• One off asset revaluation / write down by Associate company	-	+59
• ESOP related cost	+39	+39
Adjusted Q2FY22 numbers	1,677	639
Like for Like Y-o-Y Growth (%)	-3.6%	-14.7%

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

Q2 FY23 Performance – AMESA and EAP

(INR million)

AMESA			
Particulars	Q2FY23	Q2FY22	% change
Revenue	3,594	3,075	16.9%
EBITDA	659	679	-2.9%
EBITDA %	18.3%	22.1%	
EBIT	404	421	-4.0%
EBIT %	11.2%	13.7%	
EAP			
Particulars	Q2FY23	Q2FY22	% change
Revenue	2,167	2,136	1.5%
EBITDA	499	476	4.7%
EBITDA %	23.0%	22.3%	
EBIT	377	352	7.0%
EBIT %	17.4%	16.5%	

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

Q2 FY23 Performance – Americas and Europe

(INR million)

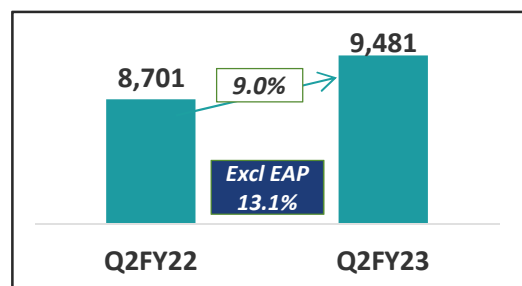
Americas			
Particulars	Q2FY23	Q2FY22	% change
Revenue	2,226	1,860	19.7%
EBITDA	267	284	-6.0%
EBITDA %	12.0%	15.3%	
EBIT	122	172	-29.1%
EBIT %	5.5%	9.2%	
Europe			
Particulars	Q2FY23	Q2FY22	% change
Revenue	2,050	1,882	8.9%
EBITDA	208	206	0.9%
EBITDA %	10.2%	10.9%	
EBIT	74	81	-8.6%
EBIT %	3.6%	4.3%	

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

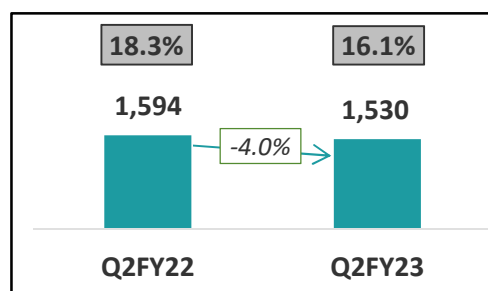
Q2 FY23 Consolidated Financial Highlights *Including Brazil*

(INR million)

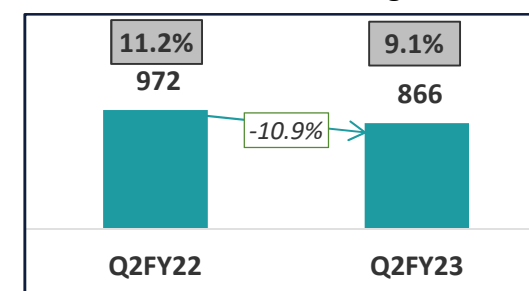
Revenue from Operations



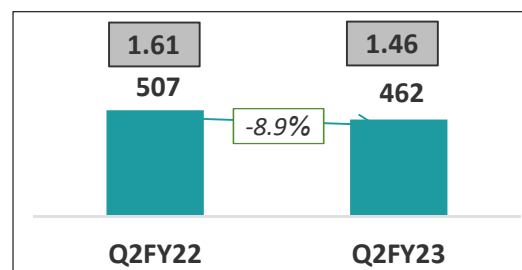
EBITDA and EBITDA Margins



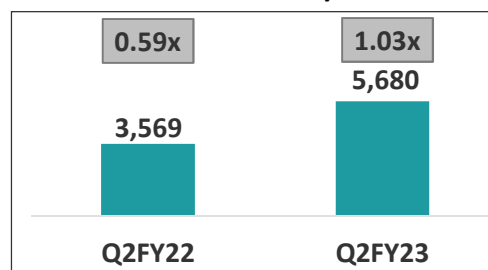
EBIT and EBIT Margins



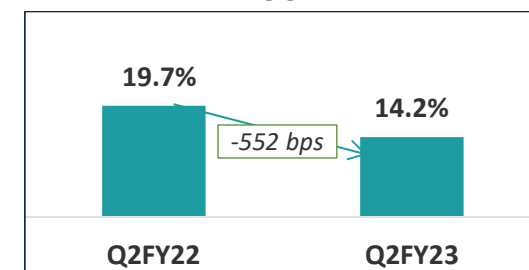
PAT¹ and EPS (INR)



Net Debt and Net Debt/ LTM EBITDA



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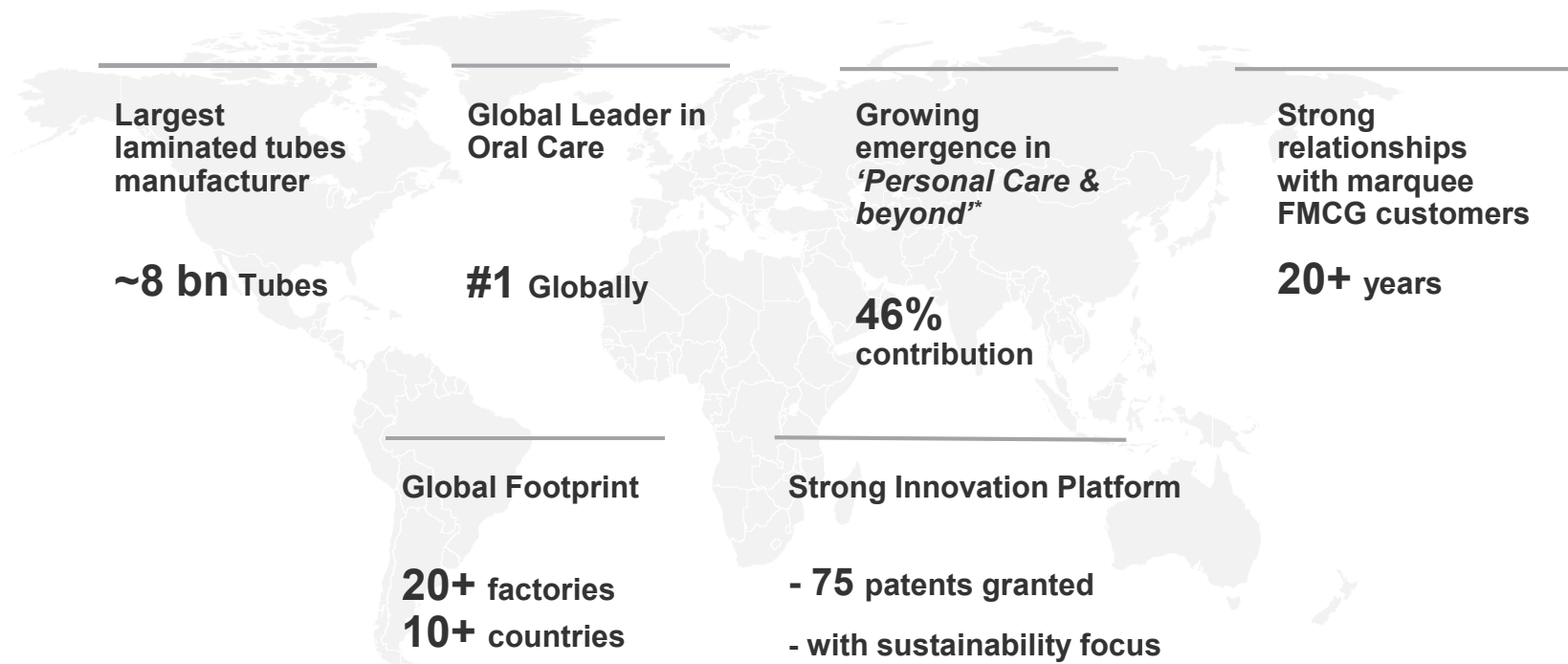
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About EPL

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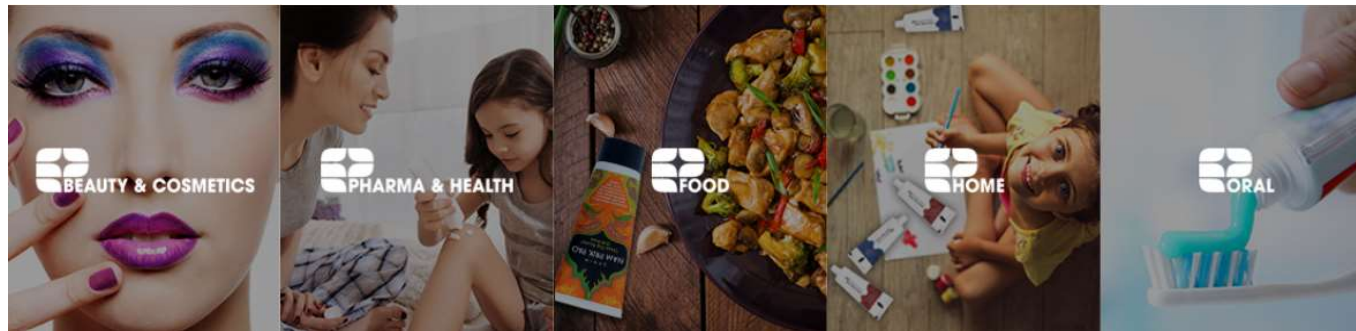
EPL: Company Overview



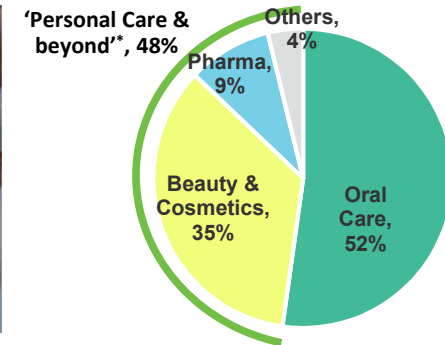
* *'Personal Care and beyond'* includes Beauty & Cosmetics, Pharma etc

Note: Numbers on this page are as of 31 March, 2022

EPL Caters to Marquee Customers Across Trillion Dollar Categories



Tube revenue split (H1 FY23)



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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LEADING THE PACK

Thank you



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