

September 29, 2021

<p>The Manager - Listing Department, National Stock Exchange of India Limited, Exchange Plaza, NSE Building, Bandra Kurla Complex, Bandra East, Mumbai- 400 051</p> <p>SYMBOL : POLYPLEX</p>	<p>The General Manager - Listing Department, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001</p> <p>BSE Scrip Code : 524051</p>
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Dear Sir(s),

Sub: Regulation 30 of SEBI (LODR) Regulations, 2015

Ref: AGM Presentation

We are pleased to enclose herewith our presentation made at the 36th AGM held on September 29, 2021.

A Copy of this presentation is also being posted on Company's Website i.e: www.polyplex.com.

Thanking you,

Yours faithfully,
For Polyplex Corporation Limited



Ashok Kumar Gurnani
Company Secretary

Email : akgurnani@polyplex.com

Polyplex Corporation Limited

(CIN: L25209UR1984PLC011596)

Polyplex Corporation Limited

2021 Annual General Meeting of Shareholders
September 29, 2021



Polyplex At a Glance

33 Years
Of Experience
in Plastic Films

High level of expertise, especially in PET Film production, with in-house R&D continuously seeking to provide innovative solution to customers

#1 In BOPET Film
Production in SEA

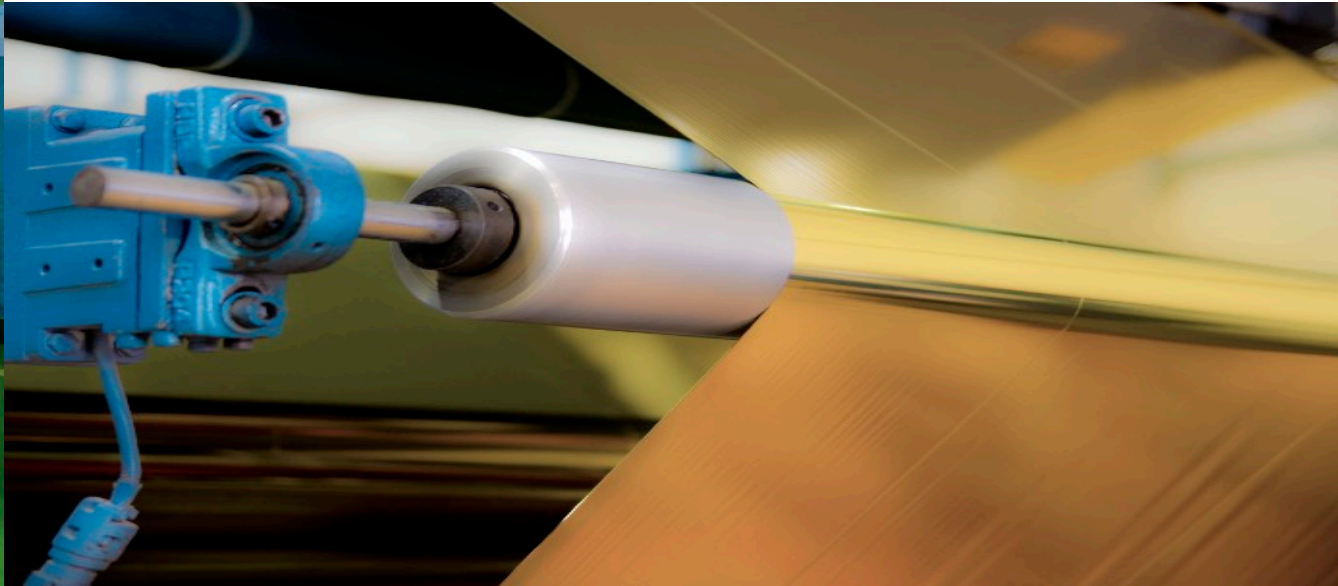
The preferred provider across regions

#7 Global
BOPET Thin Film provider

Large capacity with consistently higher than industry's capacity utilization

75 Countries
Reached with ~ 1,950
Customers

Wide global reach with strong Network of customers



Polyplex: At a Glance

India Rating & Research
IND AA- (Stable Outlook)

Q1 21-22 Highlights

FY 20-21 Highlights

1,436 Cr
Sales Revenue#

+11% **+24%**
QoQ YoY

4,903 Cr
Sales Revenue#

+10%
YoY

328 Cr
Normalized EBITDA*
(**23% EBITDA Margin**)

+13% **+10%**
▲ ▼
35bps **-308bps**
QoQ YoY

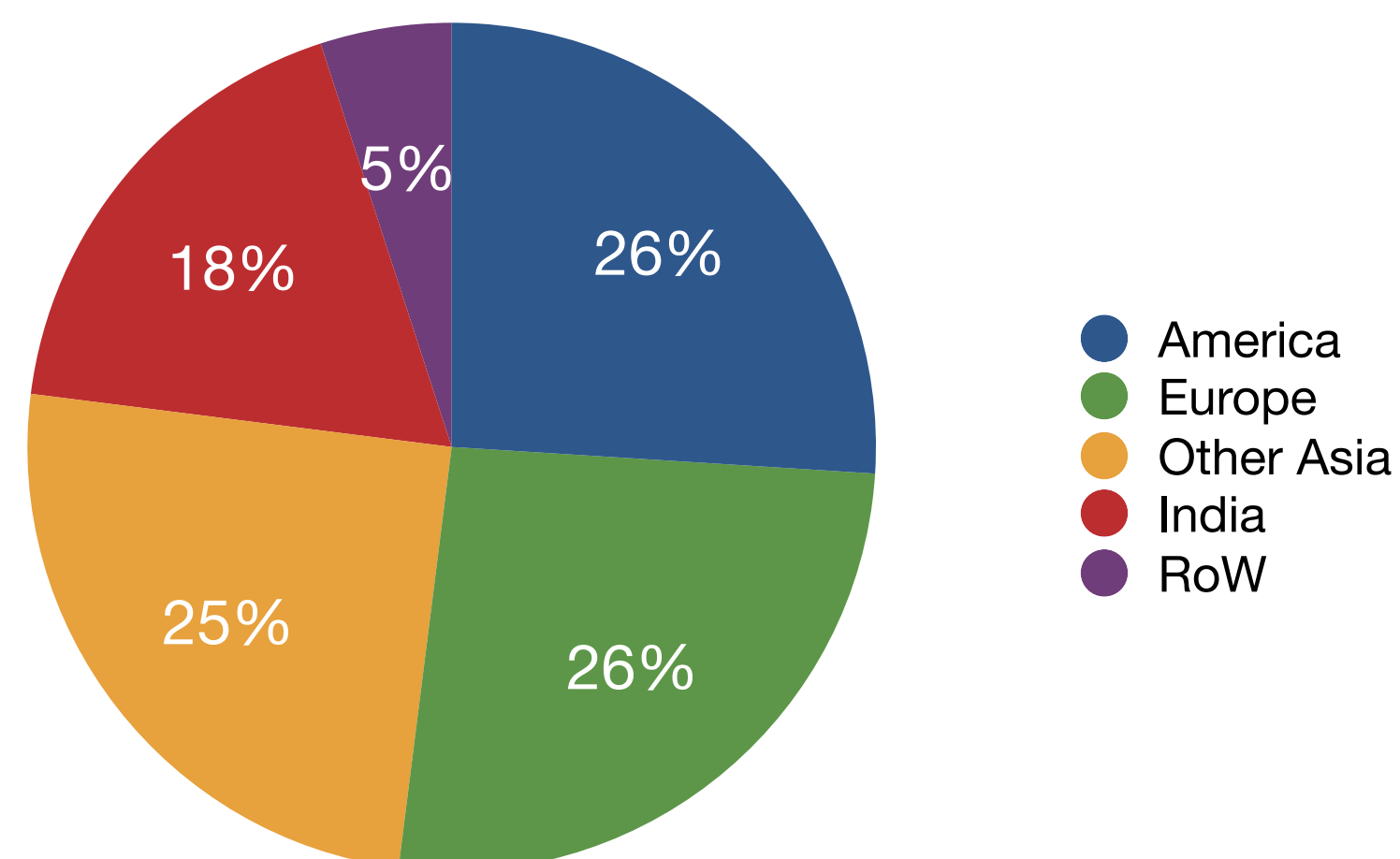
1,270 Cr
Normalized EBITDA*
(**26% EBITDA Margin**)

+35%
▲
476bps
YoY

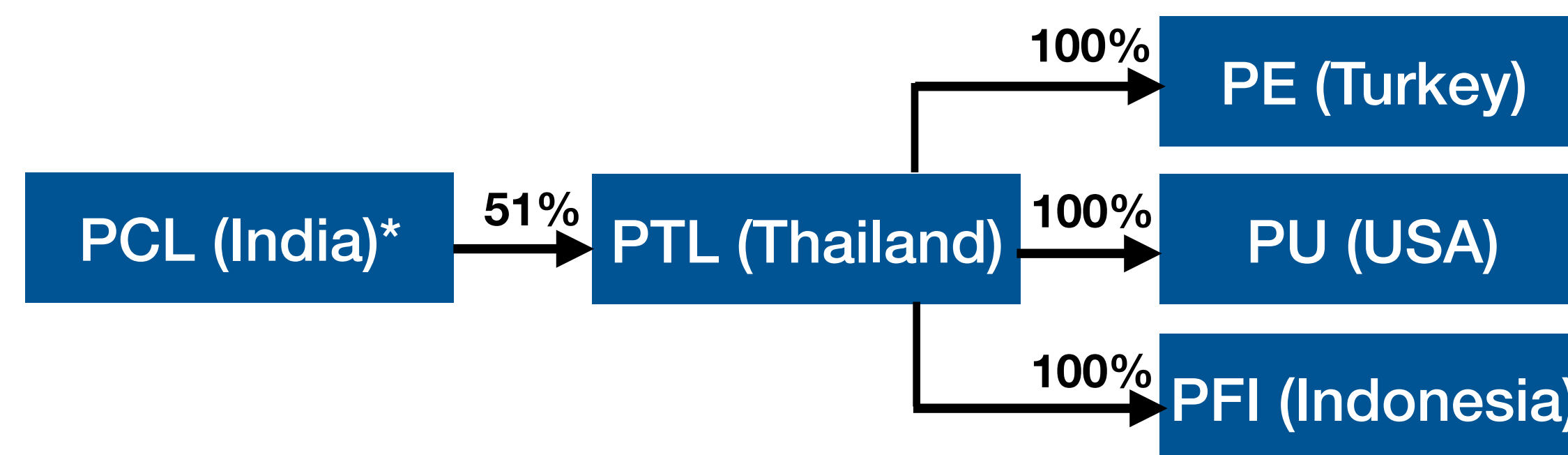
Excludes other operating revenues

* Normalised EBITDA: EBITDA excluding impact of unrealised FX gains / (losses) on long term loans

Business Mix (Q1 21-22)



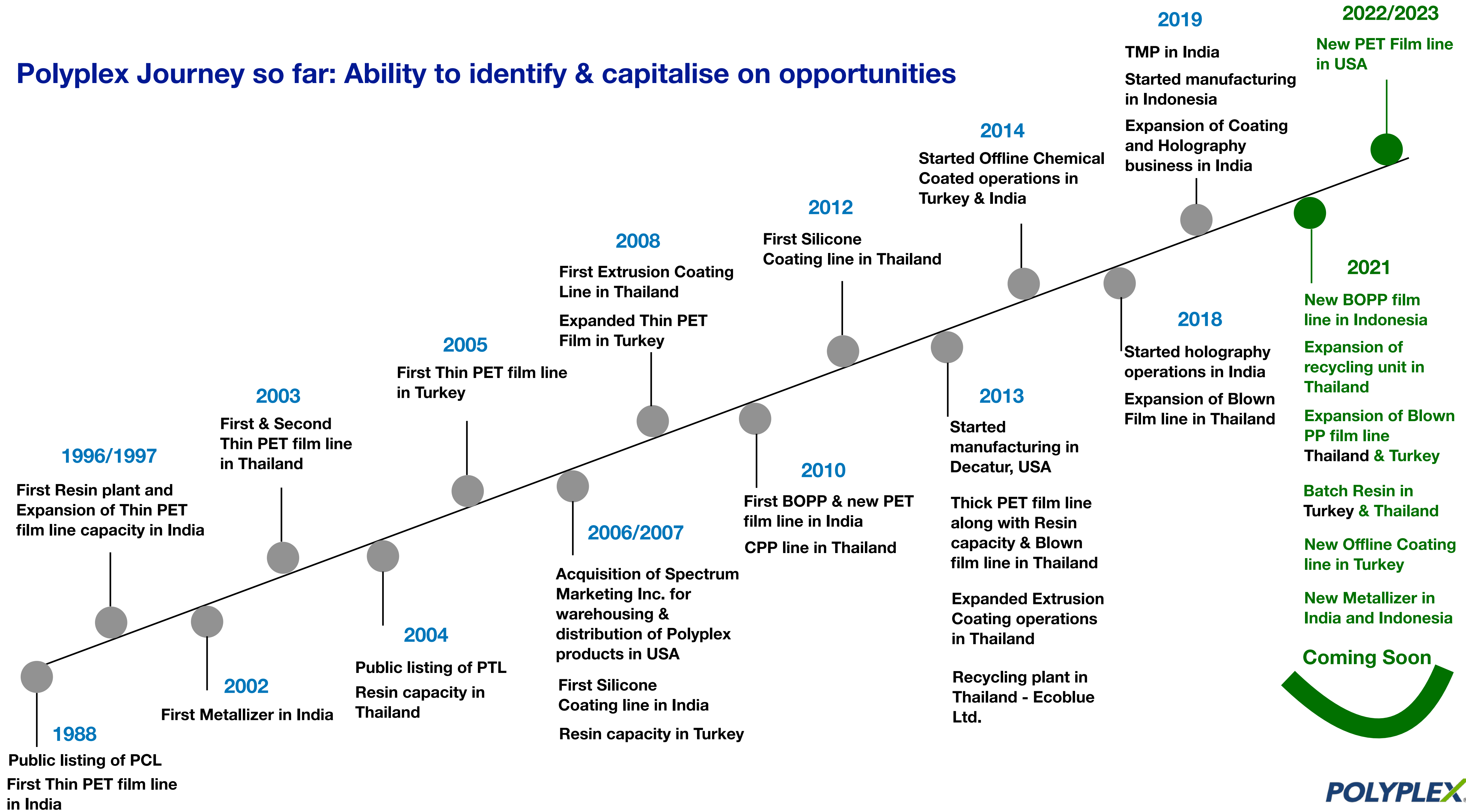
Polyplex Group Structure[^]



* Including Holding of Singapore WOS

[^] Covers only major manufacturing entities

Polyplex Journey so far: Ability to identify & capitalise on opportunities



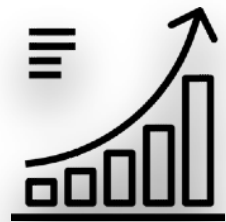
Success Enablers



Global leadership position with industry leading scale & cost



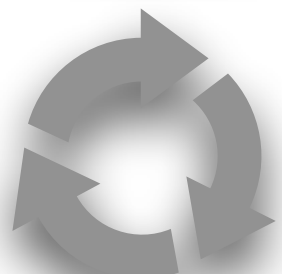
Strong financial & operational track record



Continuous and high growth in demand



Stable earning across business cycles



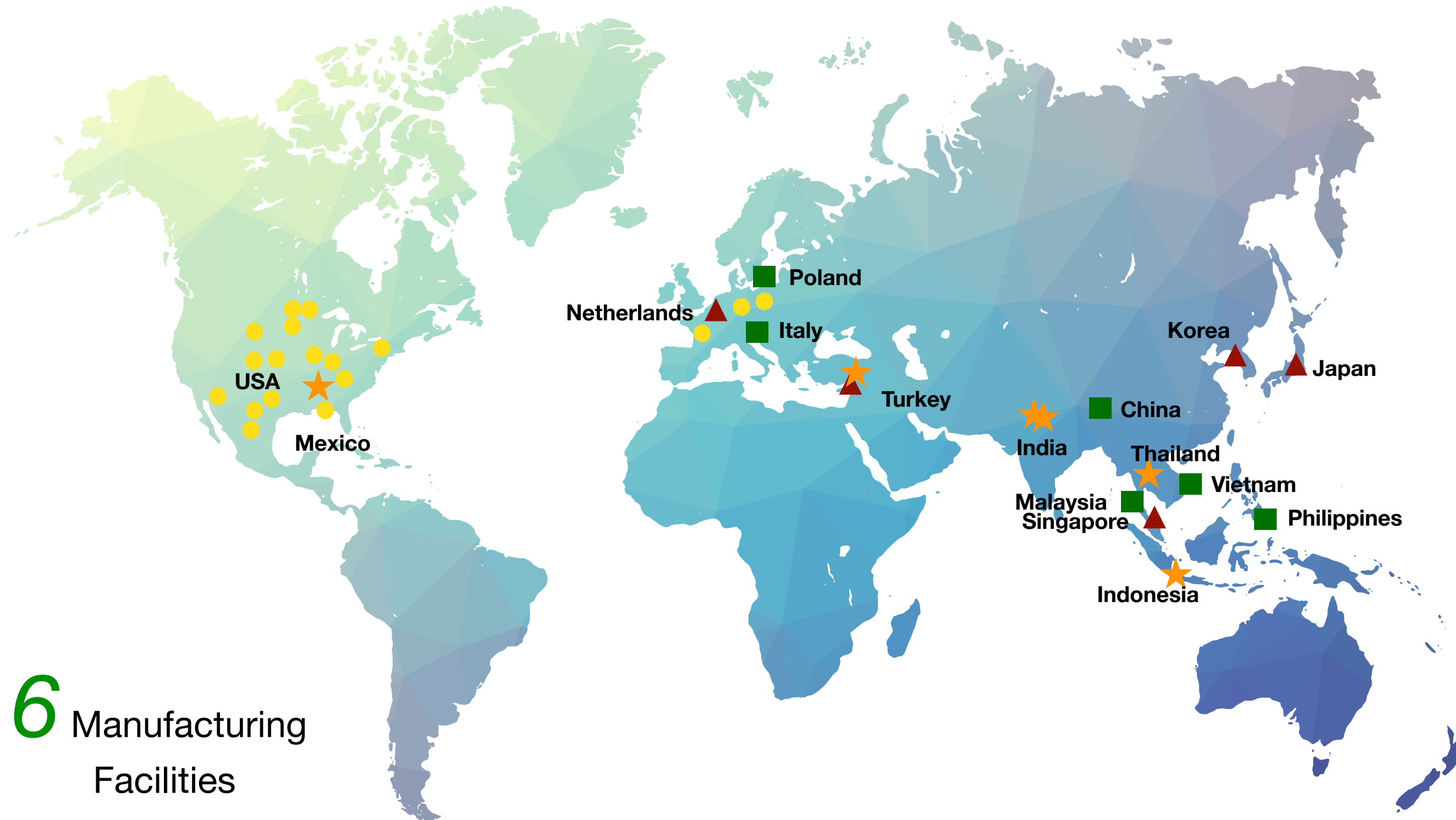
Business Outlook and Sustainability



Stable & proven Management team

Global Leadership

Unique model of on-shore, off-shore and near-shore manufacturing



6 Manufacturing Facilities

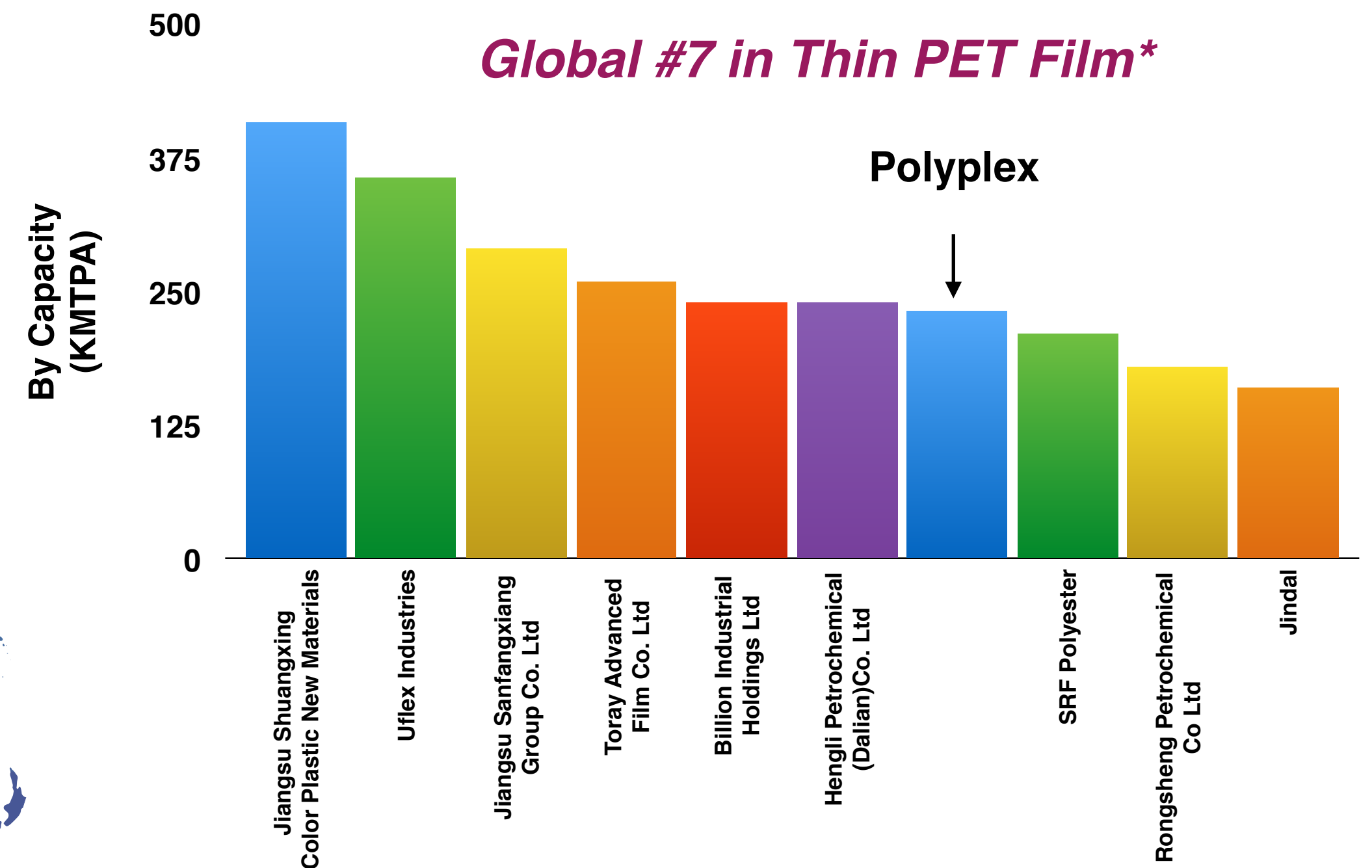
In **5** Countries

with Multiple Warehouses & Liaison Offices Worldwide

- ★ Group Manufacturing Locations
- Warehouses
- ▲ Trading Company/Representative Office
- Sales Representative

Preferred strategic partner in flexible packaging - the largest and fastest growing segment in PET film

*Global #7 in Thin PET Film**



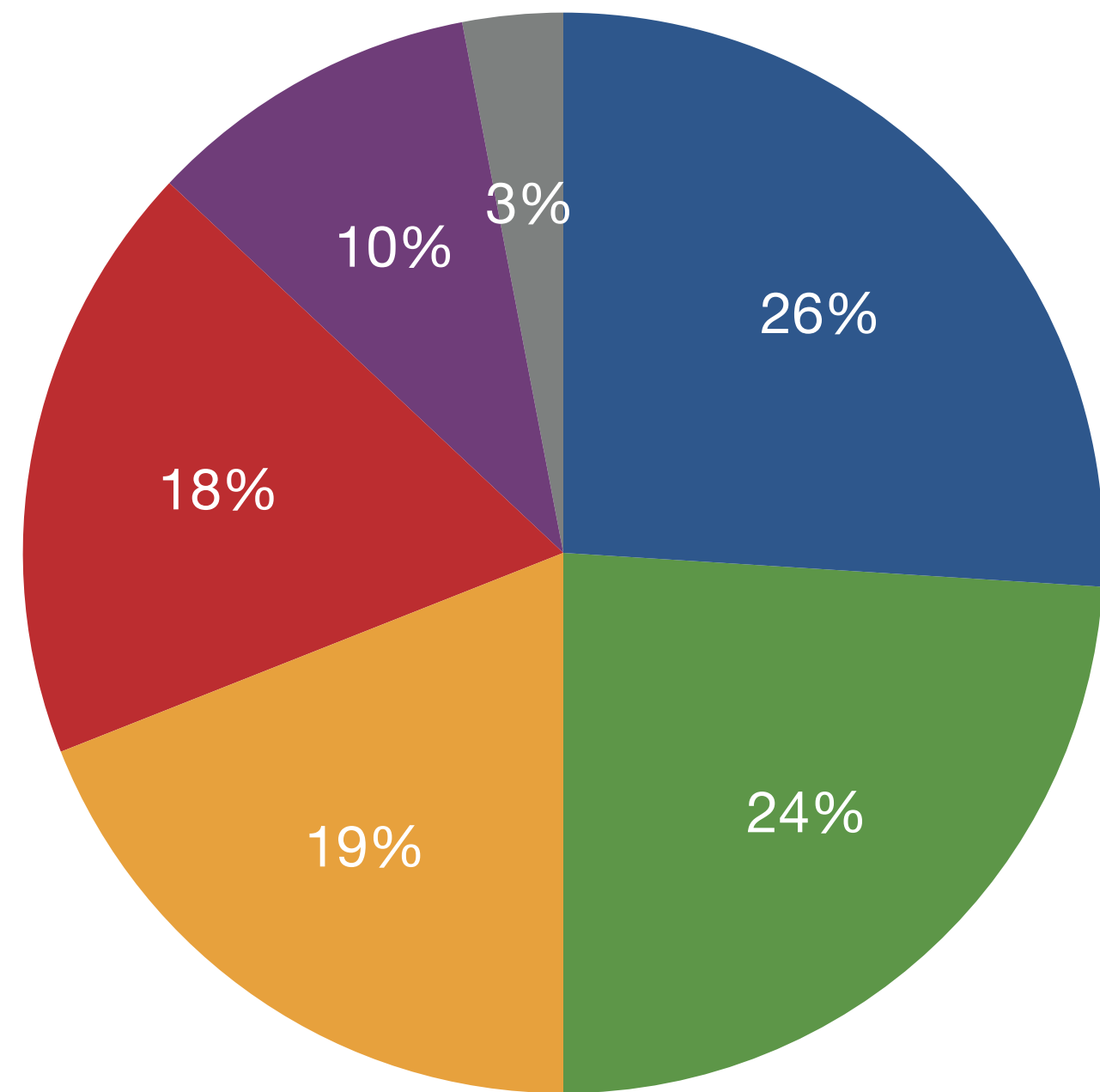
**Including all capacity started till now*

Global footprint providing customers a low-risk, reliable and cost effective supply chain



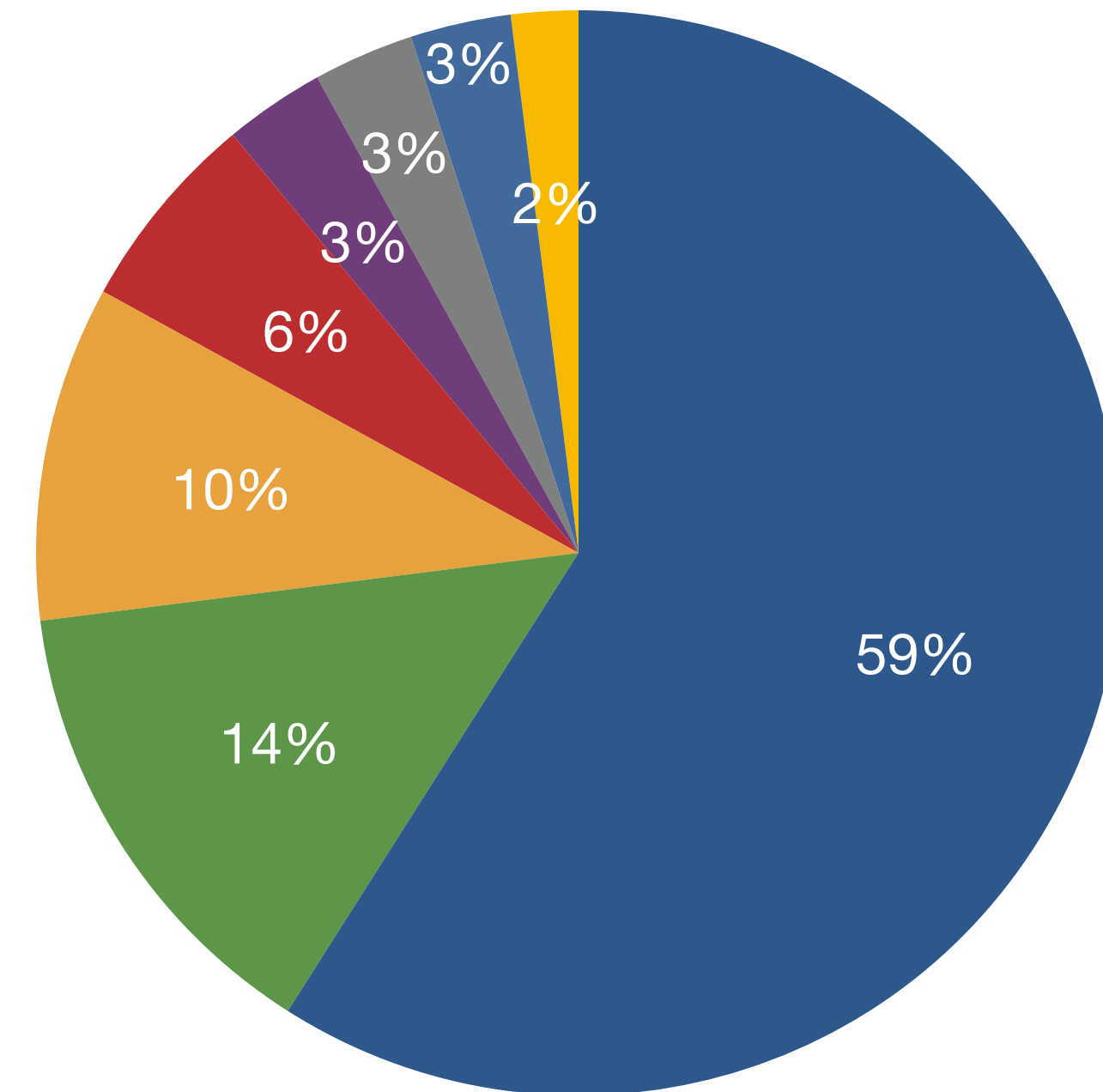
Global Presence & Portfolio

Operating company-wise breakup of sales
Q1 FY 21-22



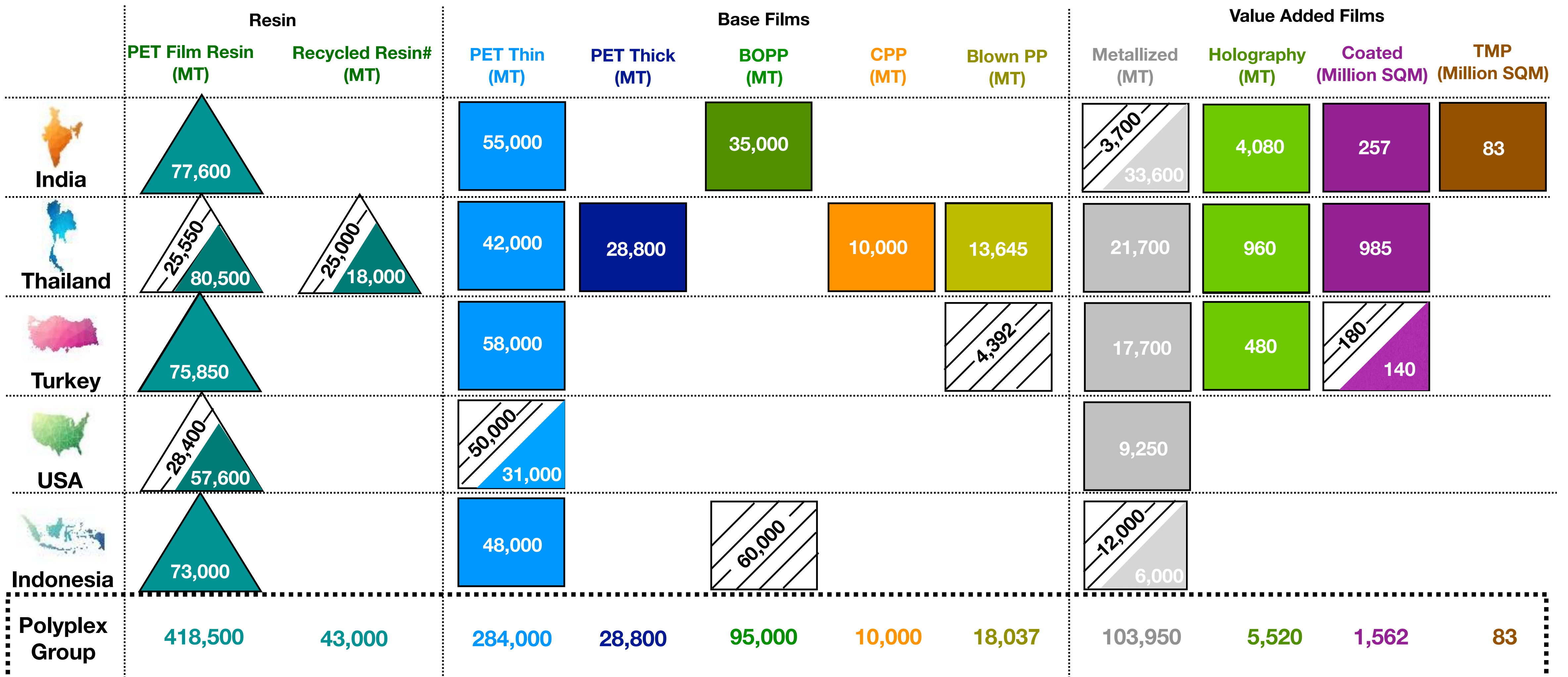
- Polyplex USA
- Polyplex Thailand
- Polyplex India
- Polyplex Turkey (PE+PP)
- Polyplex Indonesia
- Other operations (EB, PEBV, PAPL)

Business segment-wise breakup of sales
Q1 FY 21-22



- Thin PET Film
- OPP
- Coated Film
- Thick PET Film
- CPP/Blown PP
- Chips
- Other sales
- Other Speciality (TMP, Holo, Saraprint)

Industry leading scale & vertical integration



Note: PET Film Capacity for Indonesia revised upwards based on consistently higher speed achieved

Total Resin Capacity (incl. upcoming capacities) = 461,500 (in MT per annum)

Total Base Films Capacity (incl. upcoming capacities) = 435,837 (in MT per annum)

▨ Upcoming Capacities
In Ecoblue, Thailand



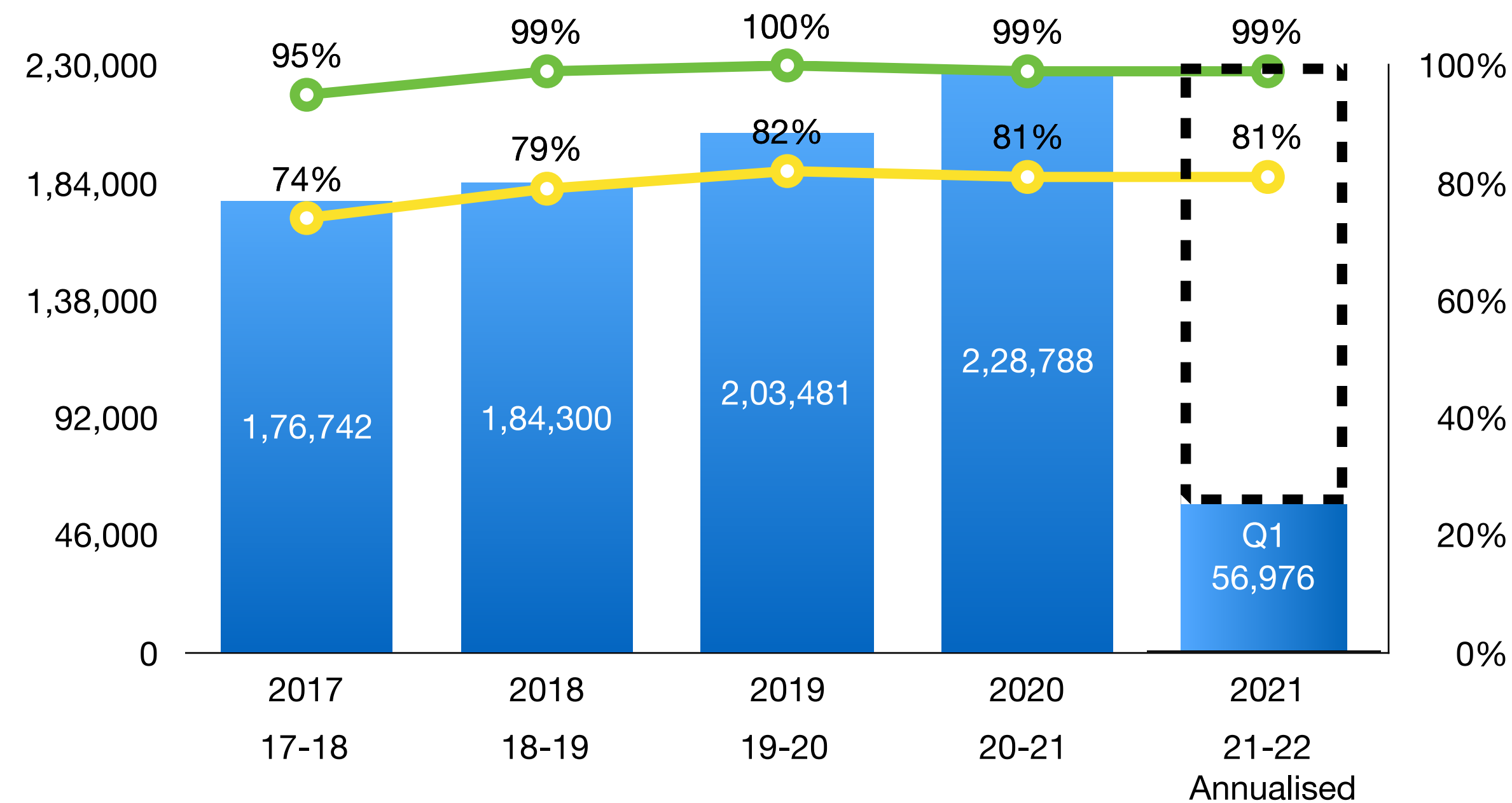
Industry leading cost structure



Enhancing Operational Excellence

- Implementing Kaizens to improve productivity and business processes
- Debottlenecking of existing assets to expand capacity
- Reducing wastage and conserve energy
- Investing in new high productivity lines
- Cross-learning and sharing best practices/benchmarking across units & business line
- Investing in Human Resources

Polyplex CUF vs Industry (Thin PET Film)



■ Polyplex Production (MT) ● Polyplex Capacity Utilization (%) ● Industry Capacity Utilization (%)

Note:

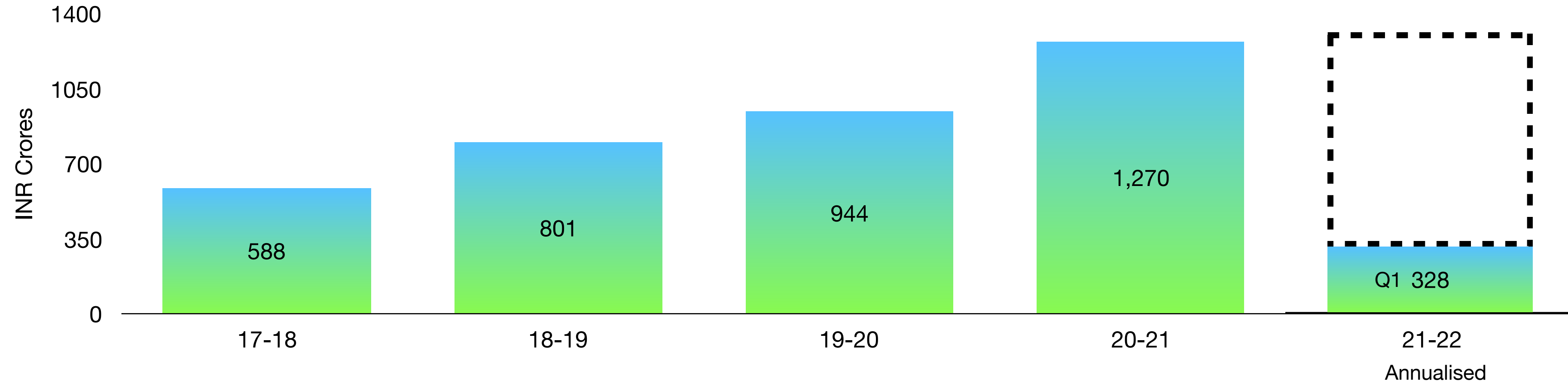
- Industry CUF as per CY, Polyplex CUF as per FY (Q1 for FY'2021-22)
- Industry CUF is based on internal estimates. For 2021, the numbers are considered upto H1 2021

Industry leader with near 100% Capacity Utilization through business cycles

- Globally one of the lowest cost manufacturers, driven by scale economies, operational excellence, vertical integration and strategic manufacturing locations.
- Favorable tax regime
- Low cost of delivery due to distributed manufacturing location of plants

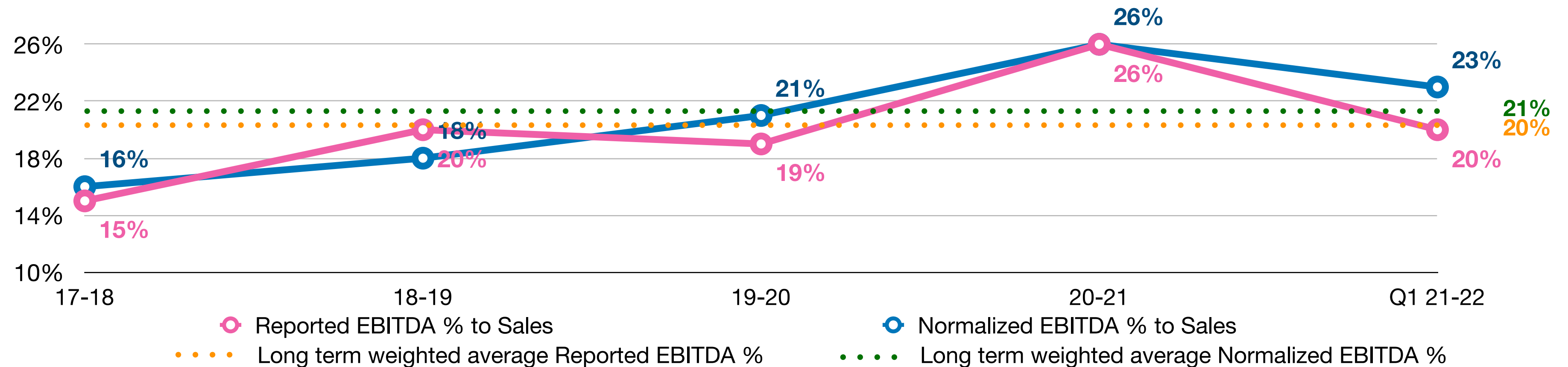
EBITDA

Normalised EBITDA* - Trend

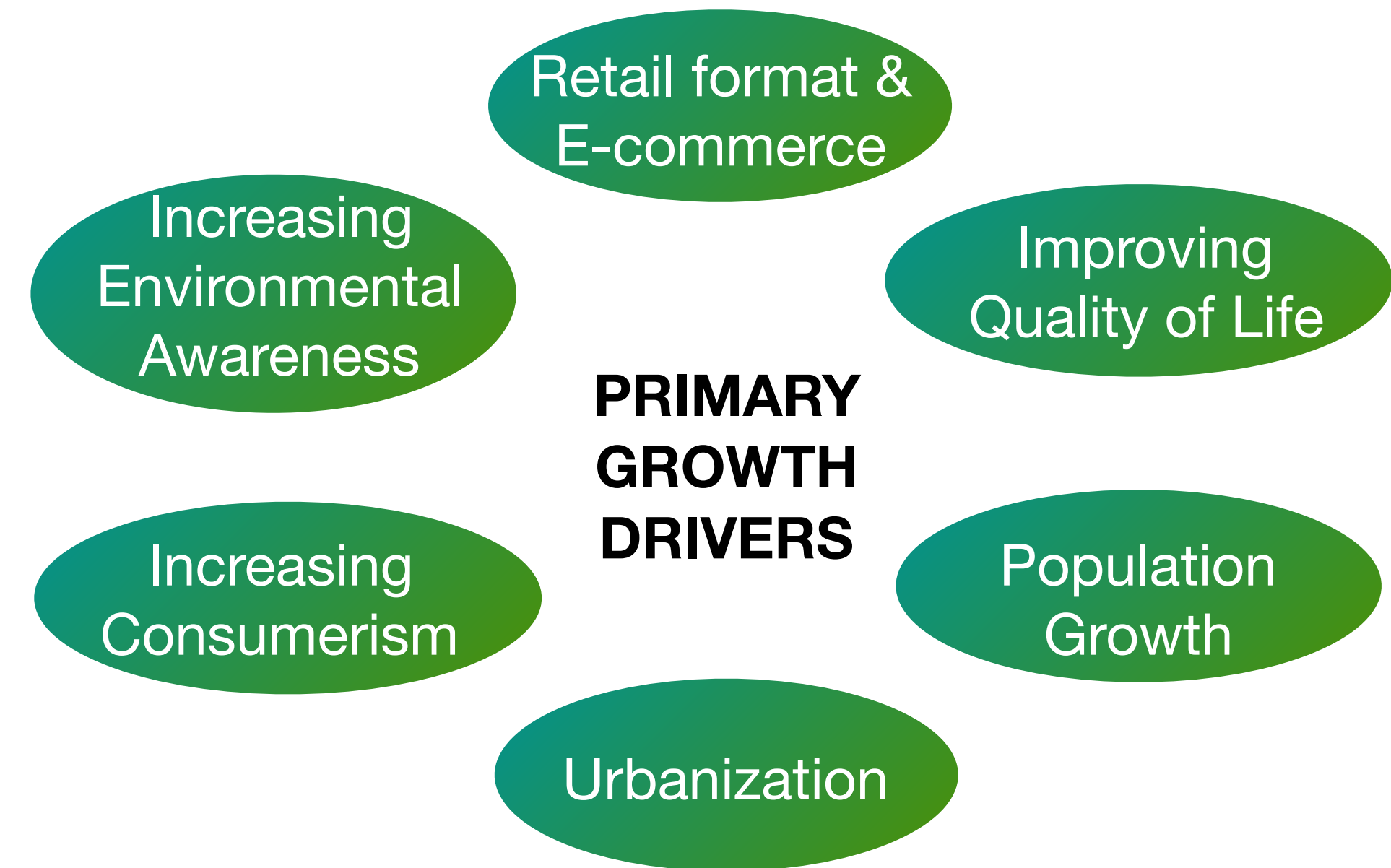
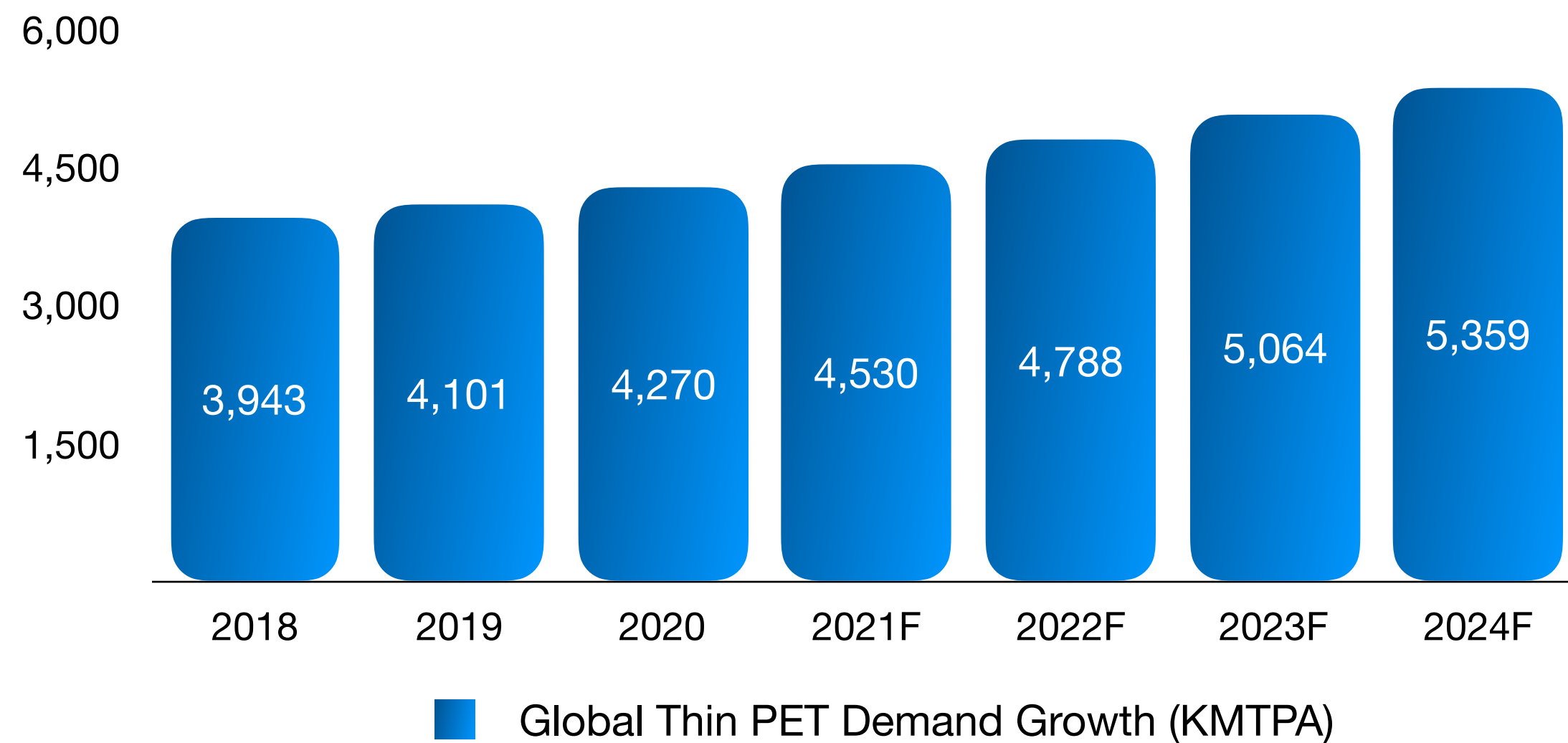


* Normalised EBITDA: EBITDA excluding impact of unrealised FX gains/(losses) on long term loans

Reported EBITDA % v/s Normalised EBITDA % - Trend

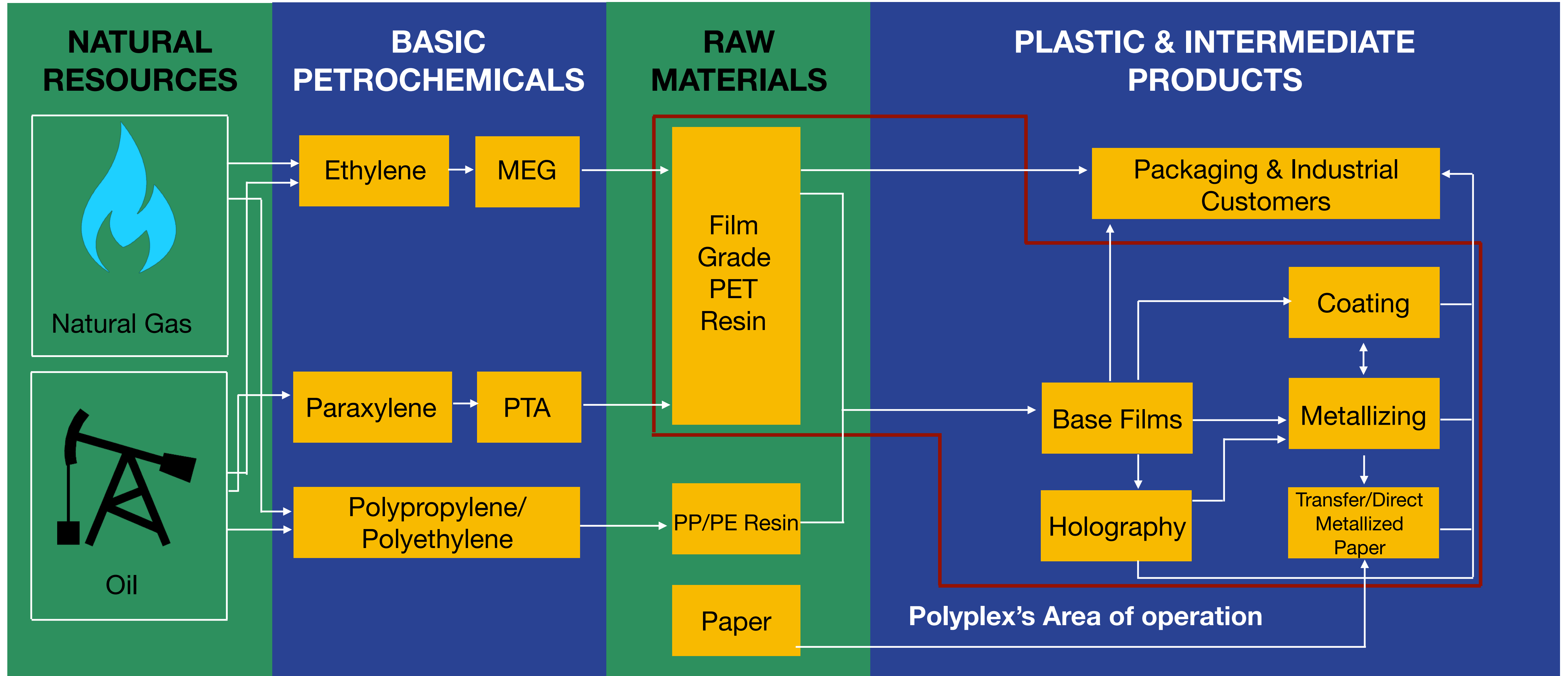


Global Demand Growth



- Demand growing at 5-6% due to design versatility, resource economy, low carbon footprint, cost advantage and retail format/ packaging innovations
- Versatility and high performance of polyester film leads itself to a wide range of 100+ applications in both industrial & consumer staples and consumer discretionary sector
- Newer applications in healthcare & electric vehicle (EV) battery could result in new stream of sustainable demand growth
















Value Chain



Product Applications

71% Packaging

Food

		
Retort Pouch	Susceptor Film	Easy Peeling Lids
		
Wafer Bag	Rice Bags	Coffee Pouch
		
Soup Powder	Meat Wrap	Candy Wrap
		
Frozen Food	Baby Food Powder	Ice Cream Cone
		
Sauce Sachet	Chips Packet	Pet Food

Personal Care - Health & Hygiene

	
Healthcare Products	Liquid Packaging
	
Air Freshener	Carton Packaging
	
Mosquito Mat	Wet Wipes



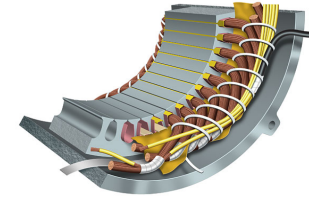

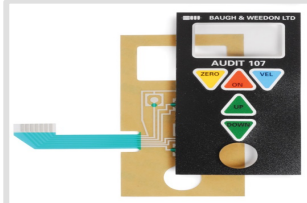

Label

	
Product Labels	Glass Bottles



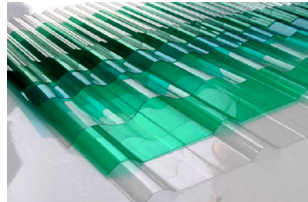


Product Applications

29% Industrial

Electrical & Electronic

		
Solar Panel Back sheets	Wire and Cable Overwrap	Motor Insulation
		
Flexible Circuits	MTS Keypads	ESD Bags



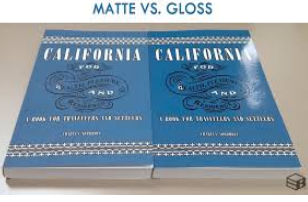

Building & Construction

		
PP Liner	Shingle Liner	FRP
		
Flexible Ducts	Window Film	





Countless Others

	
Protection Film	Floor Heating Film
	
Face Shield	Glitter
	
Hot Stamping Foil	Textile Yarn
	
Adhesive Tapes	Barcode Labels
	
Mulch Film-Agriculture	Safety Airbags

Thermal Lamination

	
Shopping Bags	Cards Lamination
	
Book Lamination	Lamination Pouch

Digital Printing

	
Medical X ray	Signage
	
Outdoor Sign Boards	Tags

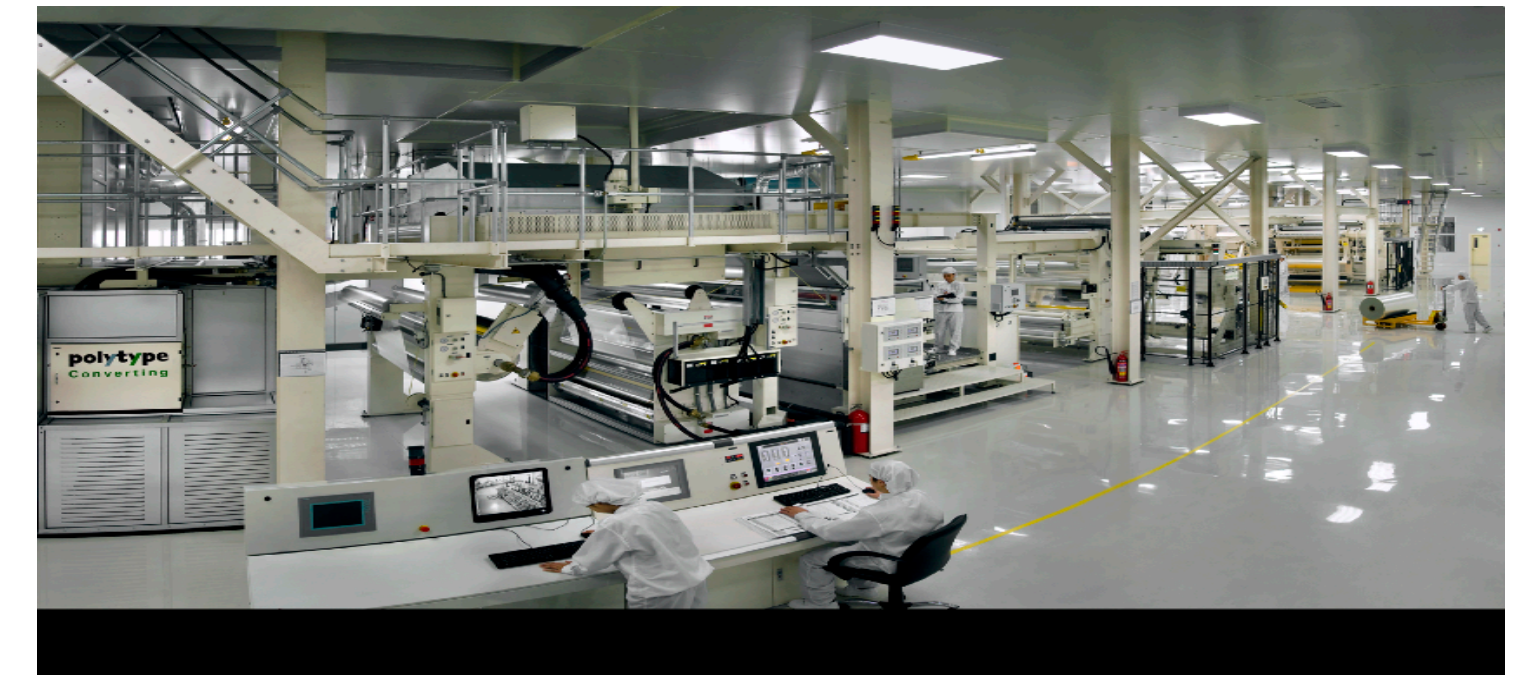
Strong R&D Capability



A separate R&D department registered with the Department of Scientific and Industrial Research (DSIR), Ministry of Science and Technology (India)



13 dedicated personnel in Corporate R&D supplemented by local technical service and R&D team having significant experience in films, resin, chemicals and coatings



Focus on providing innovative solutions to customers. Collaborative Research with Govt. labs and educational institutes

No. of Patents granted - 27

No. of Patents under filing - 9

(Across products, processes & countries)

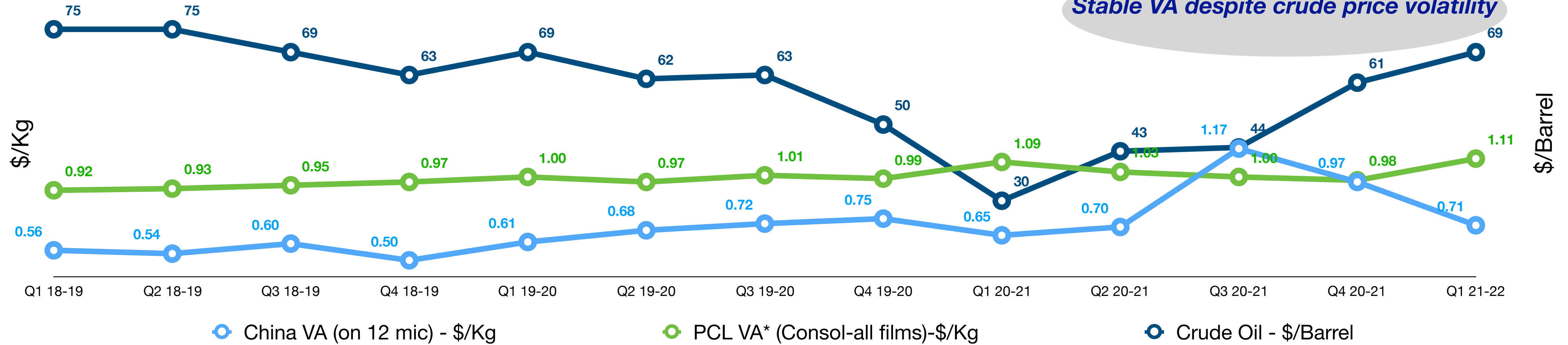
No. of Trademarks granted - 6

No. of Trademarks under filing - 6

(Across brands and countries)

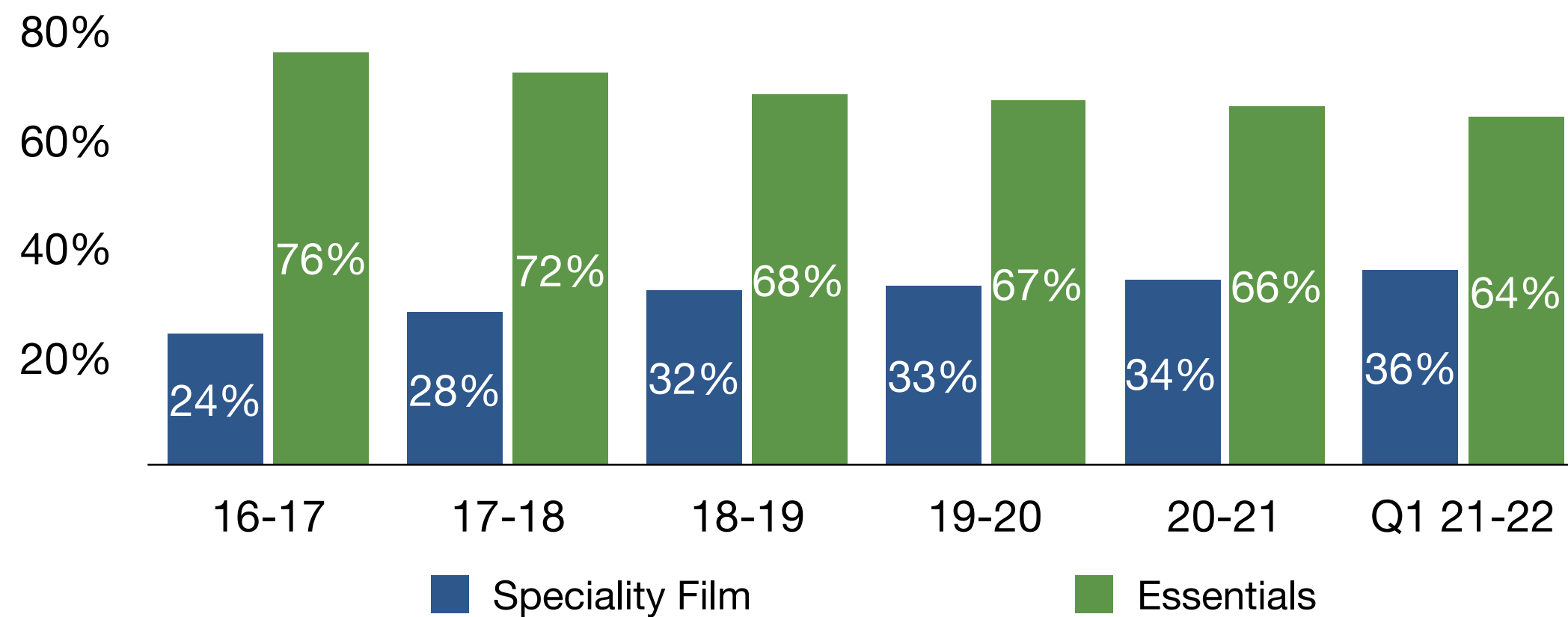
VA Stability

PCL VA v/s China VA v/s Crude

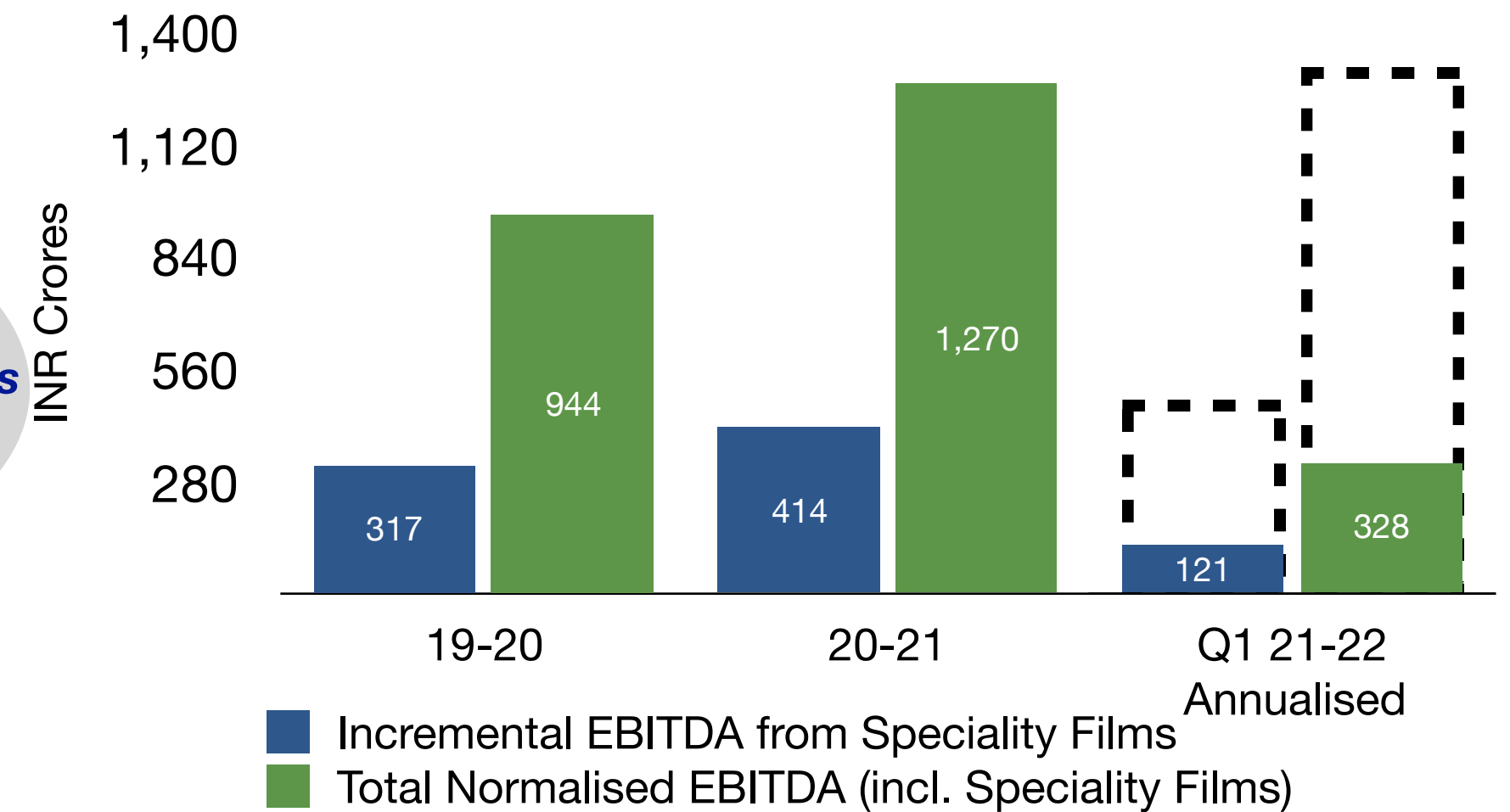


* PCL VA is after adjusting for consolidation impact of FX on change in stock

Speciality Film Share in Turnover



Increasing contribution from Speciality Films helps sustain superior margins



Industry Outlook

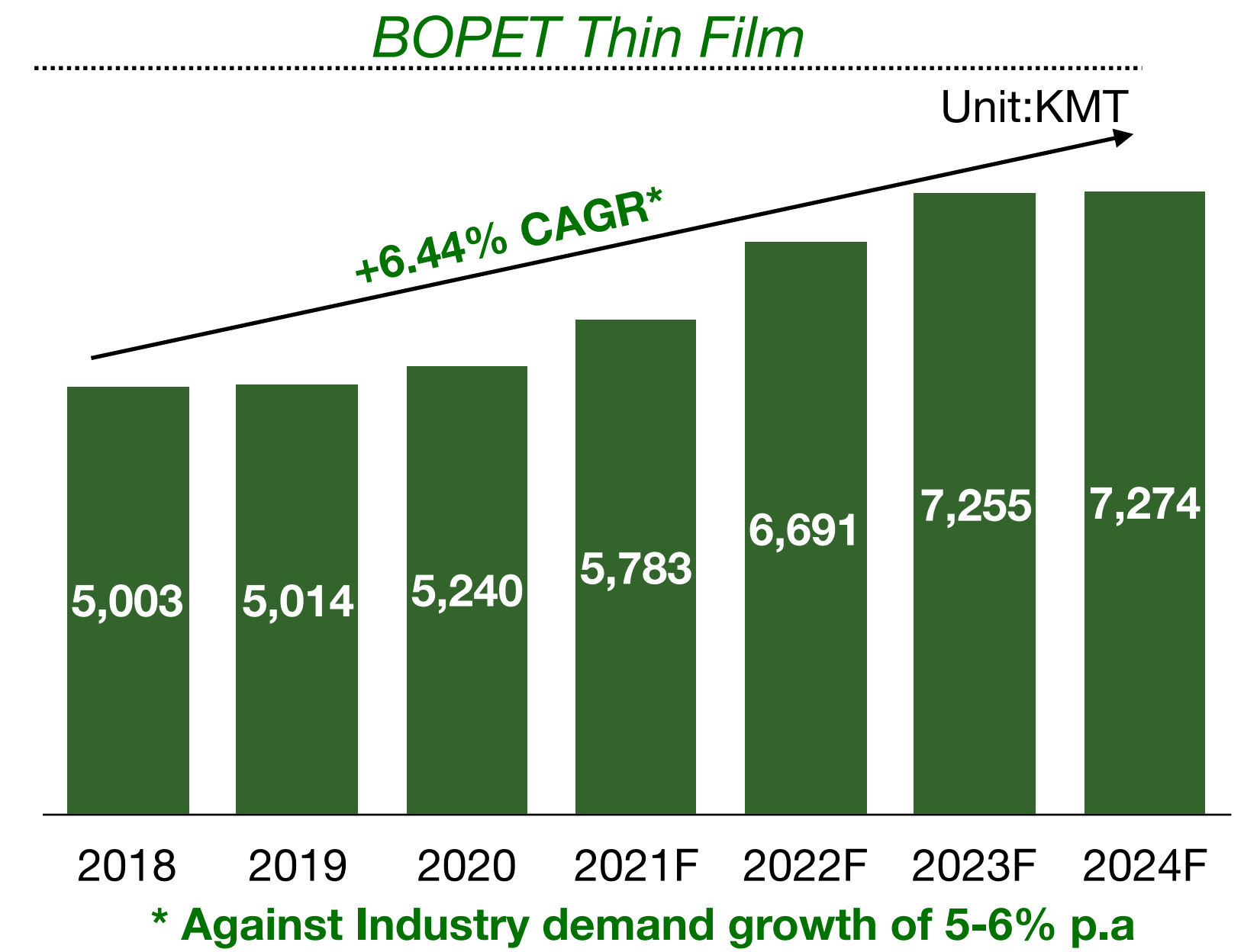
OUTLOOK

- Approx. 1.79 Million Tons of Capacity (more than 61% in China) to be further added in Thin PET by 2024 globally
- Changing cost dynamics may result in closure/underutilization of older lines
- Constant up-gradation in technology (10.6 mtr wide line) to remain a challenge for industry players stuck with mostly legacy assets for standard films
- Raw Material Price Outlook: Crude Oil prices have recovered from post Covid lows - expected to remain range bound due to supply restrictions and continued impact of Covid lockdowns
- Sharp spike in export freight rates since Oct'20 expected to continue into most of 2021 before normalising gradually
- Trend towards De Globalisation, Protectionism and preference for local & regional Suppliers
- Concerns around Sustainability - usefulness of plastics (incl. SUPs) in focus during on-going Covid crisis

POLYPLEX- STRENGTHS

- Leverage our local presence in various geographies-Quick turnaround, urgent delivery, onshore and near-shore services, customer relationship and intimacy
- Focus on speciality and high value added products thus making earnings more predictable
- Likely impact on margins to be made up by contribution from new capacities and improvement in product portfolio
- Competitive cost structure (on DDP basis) helps sustain competitive advantage
- Pricing is a function of demand/supply-effect of crude is limited as RM Prices are passed through to customers with a varying lag
- Tax Efficient Structure
- Ongoing Capex on various line upgrades to enable optimal utilisation of assets.

Expected Total Capacity in the Industry



Growth Plans

Projects	Location	Capital Cost (In USD million)	Likely Start Up
Brownfield - BOPP	Indonesia	52	Expected Soon
Brownfield - BOPET	USA	83	H2 2022-23
Other Projects	India	3	Q3 FY 2021-22
Other Projects	Overseas	43	Upto Q4 FY 2021-22
Total		181	

Note:

Includes Post Consumer Bottle Recycling Project (Ecoblue, Thailand)

Brownfield BOPP Project (Indonesia)

10.4 Meter Line - 60 KTPA Film Capacity, 5 layer machine with inline coating
Capex: 52 Million USD

*Board Approved June'19 *20 Million USD funding

*Start up - Expected Soon



Brownfield BOPP Project:

- Expansion in BOPP segment will enable the Company broaden its product offering in the regional markets and also help mitigate certain risks on the sustainability front

Benefits related to on-going Other Projects:

1. Expansion of product portfolio
2. De-bottlenecking of existing film lines
3. Increasing the share of speciality films
4. Recycling Project - additional step towards sustainability

Brownfield BOPET Project (US)

10.6 Meter Line - 50 KTPA Film Capacity, 650 mpm design speed
Resin plant de-bottlenecking - increase in capacity from 58 KTPA to 86 KTPA
Capex: 83 Million USD

*Board Approved Sep'20 *25 Million USD funding

*Estimated Date of Start Up H2 2022-23










Brownfield BOPET Project:

- This expansion would help tap into the growing shift towards local supply in regional markets and to pull market share away from imports
- Move towards market leadership position in the USA with reduction in overall unit cost significantly

Grow Sustainable Business Line

Introduce Sustainable Products and Adopt Sustainable Process

In response to global concern over plastic use and develop sustainable business, Polyplex aims to continue introducing sustainable plastic products and transform the business process to be more environmentally friendly.

Sustainable Products & Solutions	Sustainable Process	
<p> Introduce Mono-material, Mono-layer Structure and Higher Recyclable Content Products</p> <p>Example of products:</p> <ul style="list-style-type: none"> • RPET - with up to 90% PCR content • BioPET - Bio content 30% <hr/> <p>Plastic Free Carton - Use of Transfer/Direct Metallisation for Paper & Board Lamination</p> <hr/> <p>Biodegradable films - meeting the requirements of anaerobic Biodegradation either in accelerated land fill or high solids Anaerobic conditions</p> <hr/> <p>Down-guaging 8-10 micron</p>	<p>Adopt Sustainable Processes to enforce circular economy</p> <ul style="list-style-type: none">  • Reduce water and energy consumption  • Effective & Efficient waste management  • Increase usage of renewal energy  • Increase sustainable sourcing i.e. <ul style="list-style-type: none"> • Use recycled material • Use biomaterials (MEG) 	<div data-bbox="2765 403 2915 544" data-label="Image"> </div> <ul style="list-style-type: none"> • Collaboration projects with converters and recyclers for circular solutions • Support development and modernization of plastic waste management infrastructure (Collection, Segregation and Recycling) • Play a leadership role in engaging the industry in sustainability efforts • Engagement of external consultant to develop long term sustainability goals, strategy & road map and to conduct LCA studies • Sustainability reporting as per the Global Reporting Initiative (GRI) standards
<p> Introduce Post-Consumer/Industrial Plastic Recycling Business Line</p> <p> ECOBLUE's New upcoming state-of-art recycling line dedicated for hard to recycle materials</p>		

Benefits


Increase Product Variety


Enhance Business Sustainability and Support Circular Economy


Reduce Industrial Process Waste


Minimize Usage of Fossil Fuels Consumption in Production

Healthy Work Environment



- **Professional, highly qualified and experienced leadership team**
- **Stable management team with almost zero attrition over the last several years**
- **Strong Value system - SCORE**
Seamlessness, Care, Ownership & Responsibility and Excellence
- **Focus on Empowerment & Inclusiveness**
- **Holistic development with opportunities for cross-learning & growth across businesses as well as various country locations**
- **Strong and institutionalised employee engagement schemes/programs**

Disclaimer

- This presentation may contain forward-looking statements which are based on the Company's current expectations and estimates about the industry, management's beliefs and various other assumptions. These forward-looking statements are subject to various risks, uncertainties and other factors, some of which maybe beyond our control. No assurance is given with regard to future events or the actual results, which may differ materially from those projected herein.
- This presentation does not constitute an offer to sell or a solicitation of an offer to buy or sell PCL stock and in no event shall the Company be held responsible or liable for any damages or lost opportunities resulting from use of this material.
- Numbers for previous periods may have been regrouped/rearranged/reworked for comparison purpose and for better analysis.
- Growth rates have been calculated based on reported INR financial information.

Thank You

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NSE (symbol) : POLYPLEX
ISIN : INE633B01018



Polyplex India



The Stock Exchange of Thailand

Symbol : PTL

Included in SET 100



Polyplex Thailand