

August 31, 2020

<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: Presentation at the 35th Annual General Meeting of Shareholders held on August 31, 2020.

We are pleased to enclose herewith our presentation on the financial performance of the company for the Financial Year 2019-2020 and Q1 2020-2021, made at the 35th Annual General Meeting of Shareholders held on August 31, 2020 through Video Conferencing (VC)/Other Audio Visual Means (OAVM) facility.

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 Id : akgurnani@polyplex.com

Polyplex Corporation Limited
(CIN: L25209UR1984PLC011596)

Polyplex Corporation Limited (PCL)

2020 Annual General Meeting of Shareholders
August 31st 2020



Polyplex: At a Glance

Q1 20-21 Highlights

1,155 Cr Sales Revenue#	-3% QoQ	+4% YoY
299 Cr Normalized EBITDA* (26% EBITDA Margin)	+21% ▲ 478bps QoQ	+23% ▲ 410bps YoY

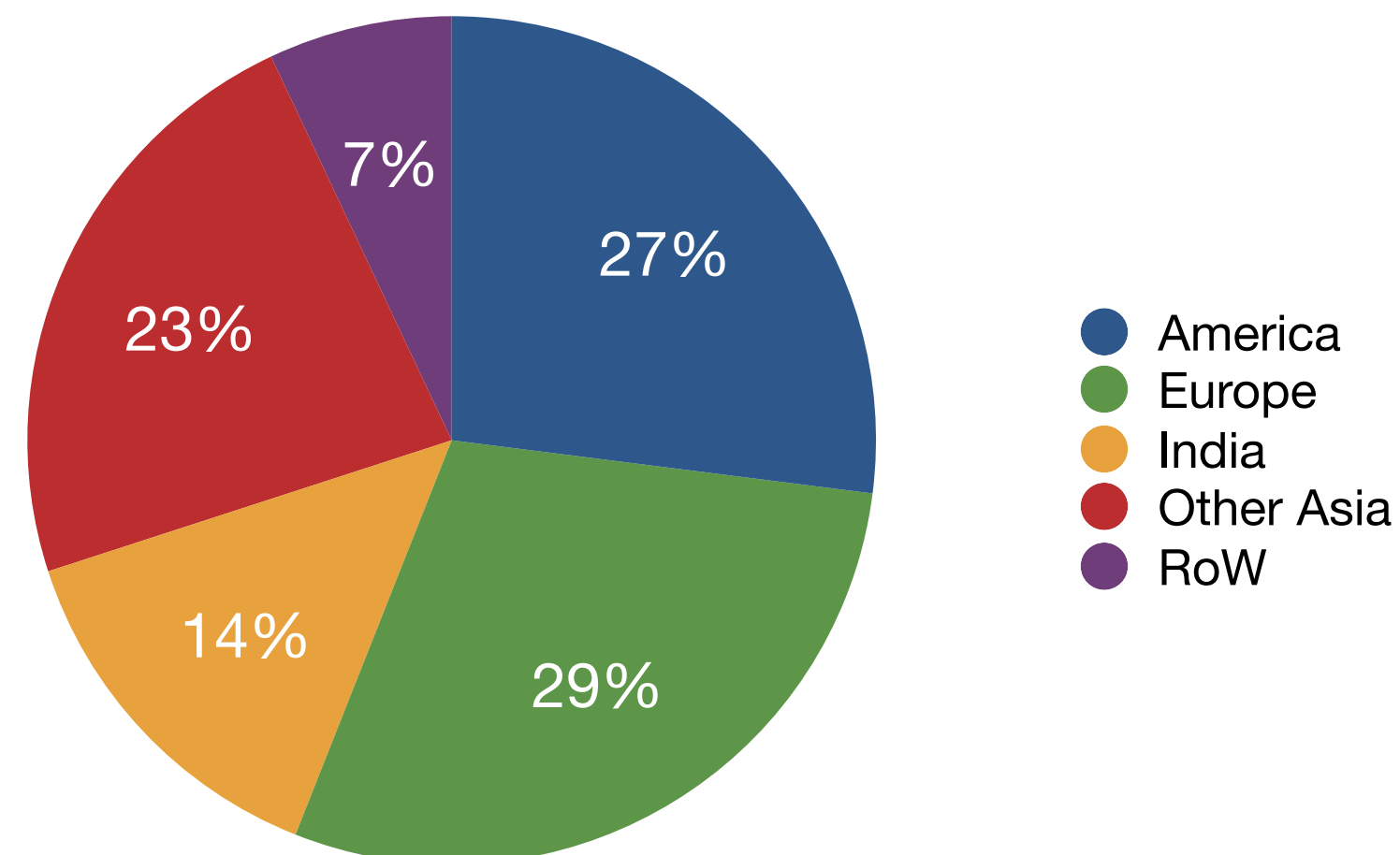
FY 19-20 Highlights

4,465 Cr Sales Revenue#	-2% YoY
944 Cr Normalized EBITDA* (21% EBITDA Margin)	+18% ▲ 352bps YoY

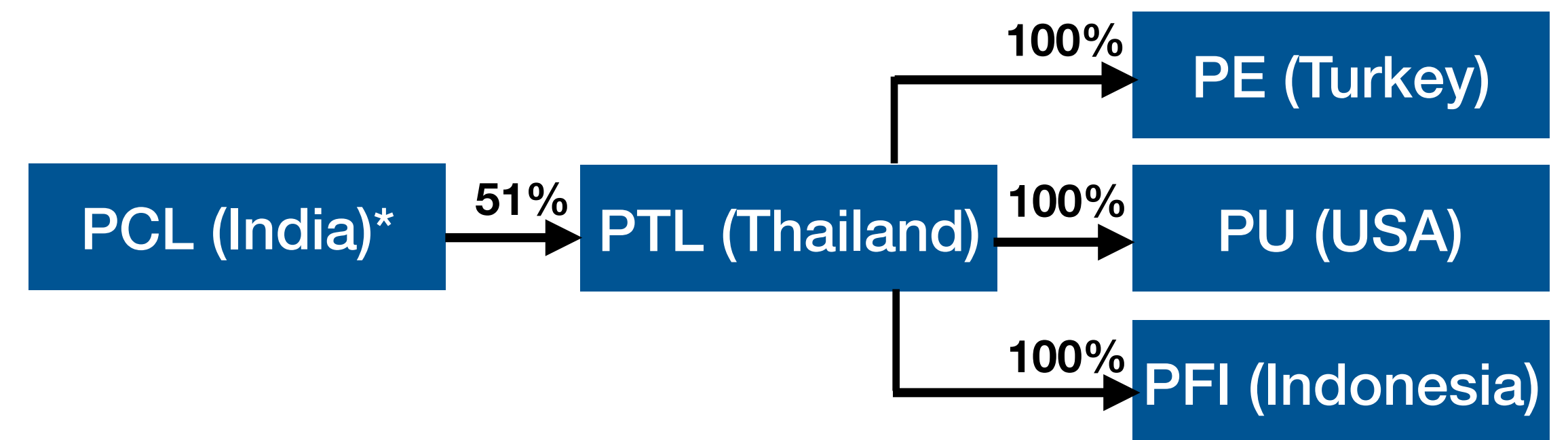
Excludes other operating revenues

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

Business Mix (Q1 FY 20-21)



Polyplex Group Structure



* Including WOS Holding
Covers only manufacturing locations

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

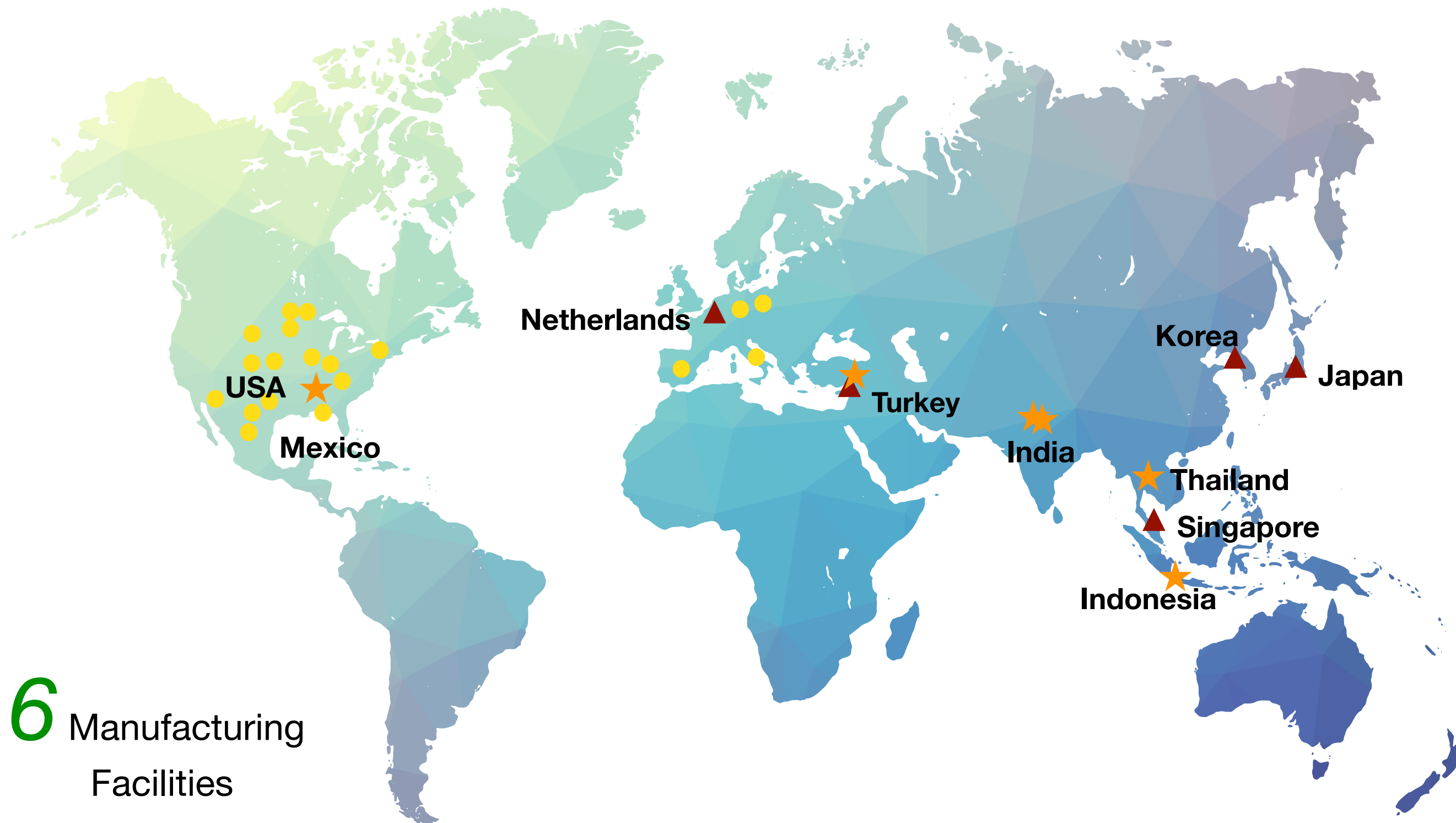


Stable & proven Management team

Global leadership position with industry leading scale & cost

Global Leadership

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



6 Manufacturing Facilities

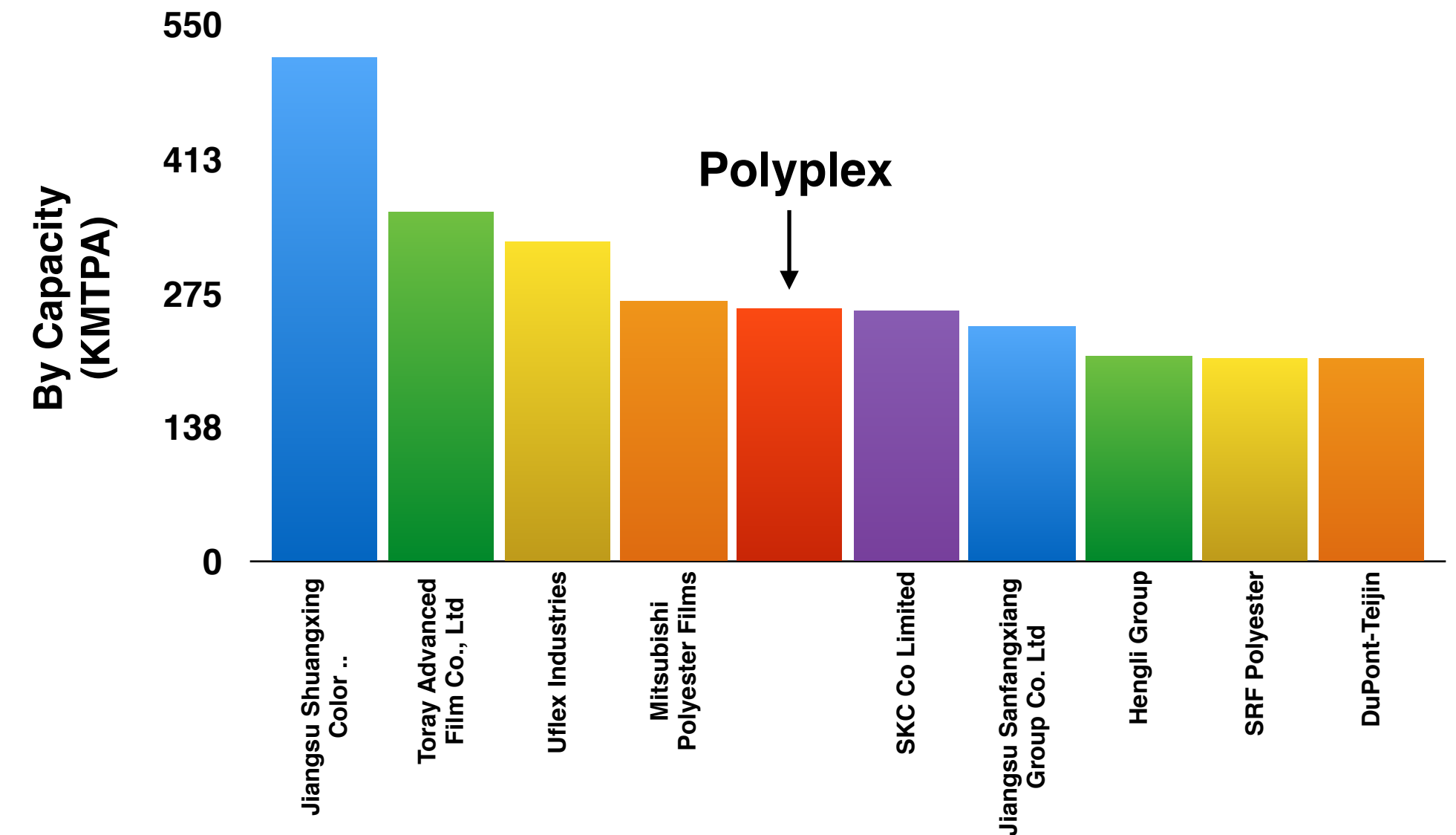
In **5** Countries

with Multiple Warehouses & Liaison Offices Worldwide

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

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

Global #5 in PET Film*

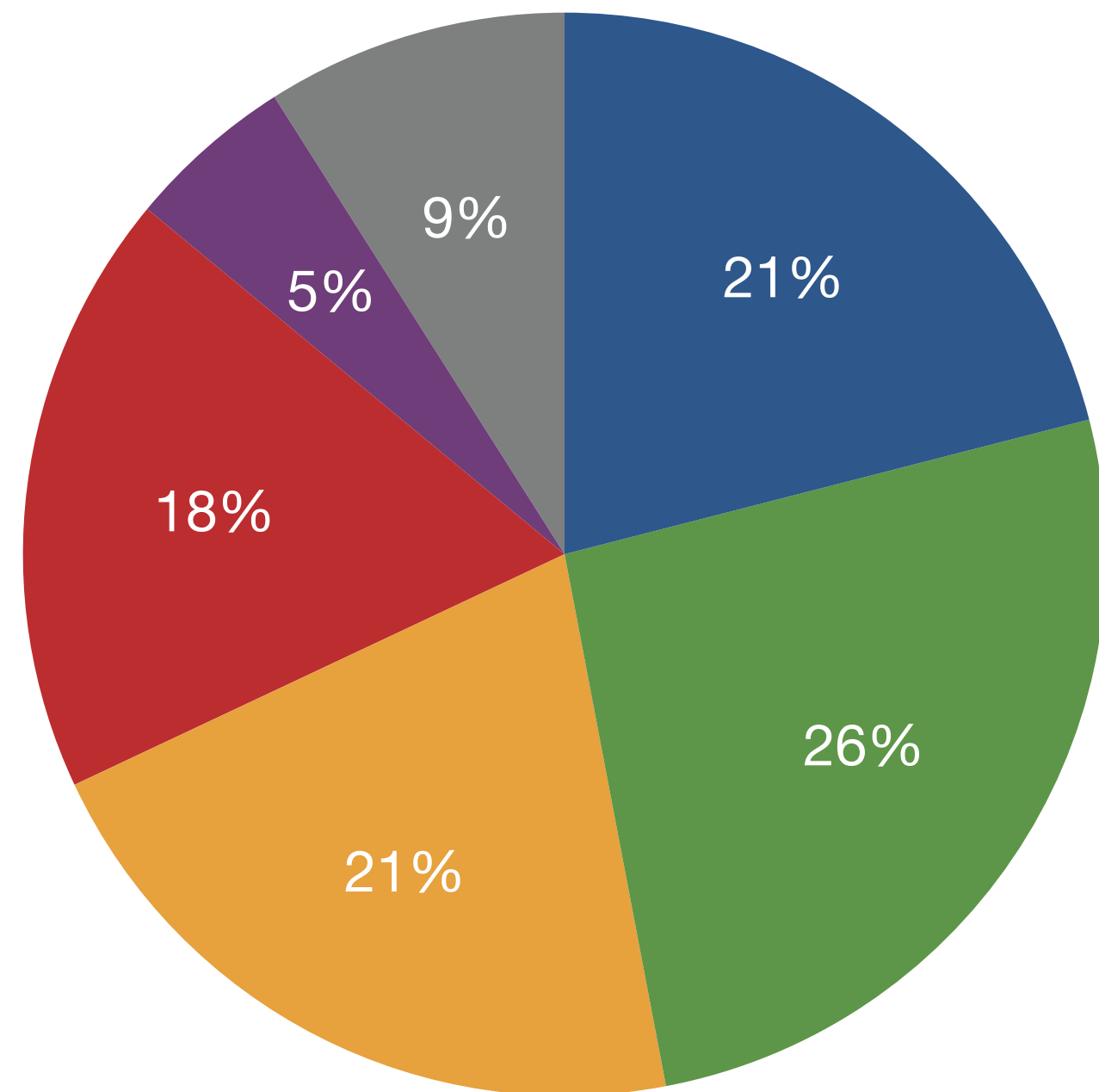


**Including all industry capacity started till now*

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

Global Presence & Portfolio

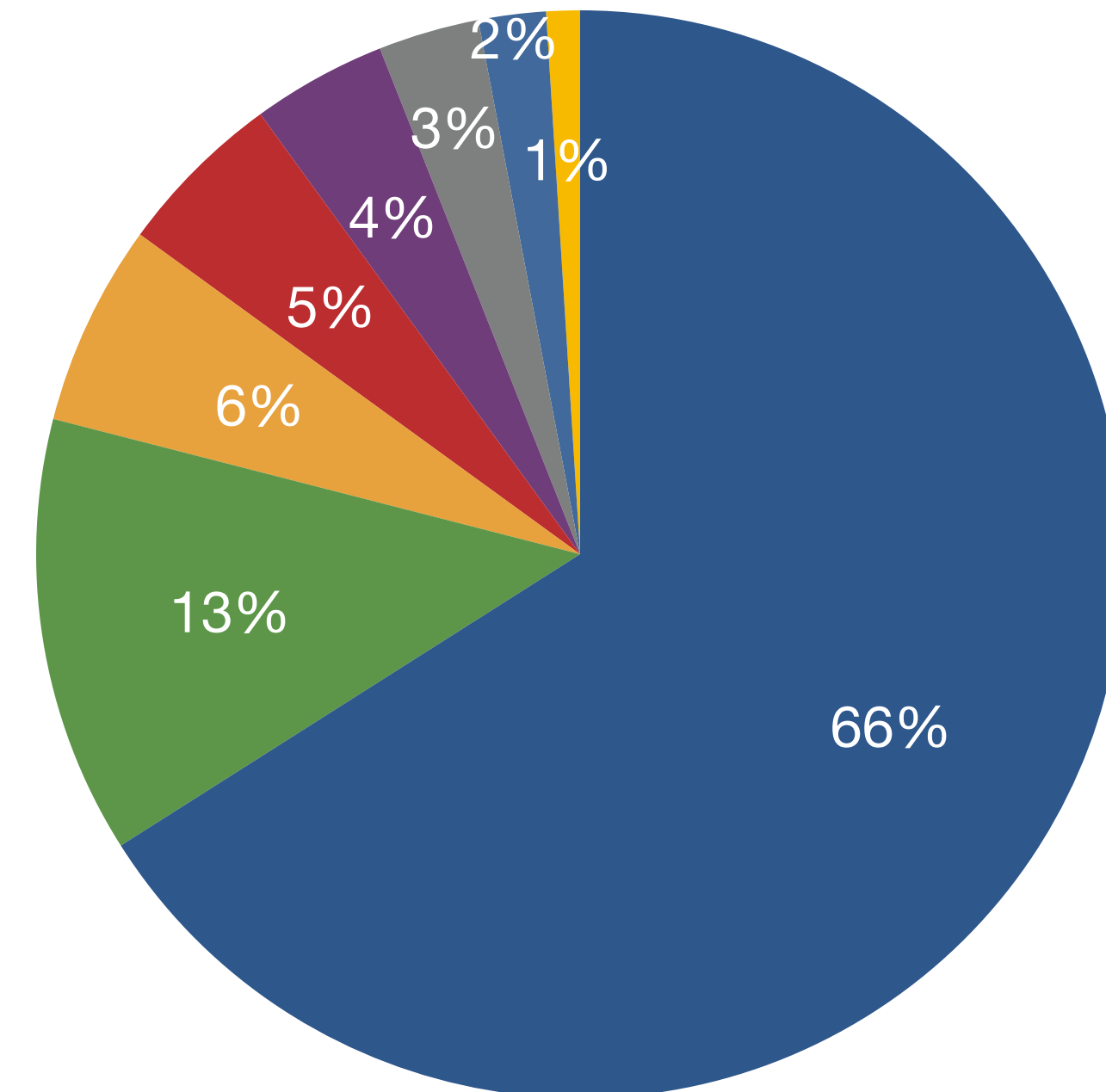
Operating company-wise breakup of sales
Q1 FY 20-21



- Polyplex India
- Polyplex Thailand
- Other operations (EB, PEBV, PAPL)






- Polyplex USA
- Polyplex Turkey
- Polyplex Indonesia

Business segment-wise breakup of sales
Q1 FY 20-21



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

Industry leading scale & vertical integration

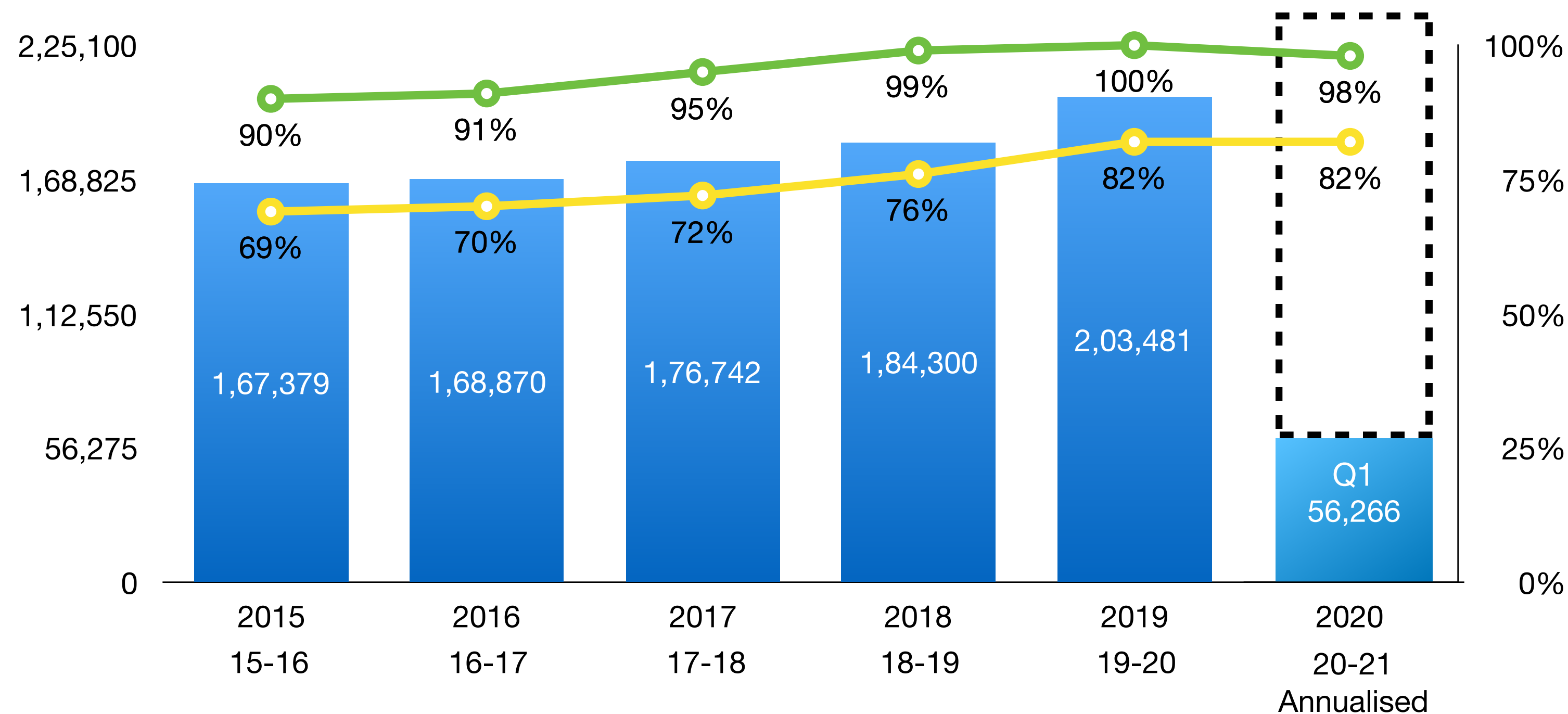
	Resin*		Base Films*				Value Added Films*				
	PET Film Resin (MT)	Recycled Resin# (MT)	PET Thin (MT)	PET Thick (MT)	BOPP (MT)	CPP (MT)	Blown PP (MT)	Metallized (MT)	Holography (MT)	Coated (Million SQM)	TMP (Million SQM)
 India	77,600		55,000		35,000			33,600	4,080	257	83
 Thailand	131,550	45,000	42,000	28,800		10,000	13,645	21,700	960	985	
 Turkey	75,850		58,000				4,392	17,700	480	320	
 USA	57,600		31,000					9,250			
 Indonesia	73,000		44,000		60,000			18,000			
Polyplex Group	415,600	45,000	230,000	28,800	95,000	10,000	18,037	100,250	5,520	1,562	83

*Including New Upcoming Capacities

EcoBlue, Thailand

Industry leading cost structure

Polyplex CUF vs Industry (Thin PET)



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

Note:

- Industry CUF as per CY, Polyplex CUF as per FY
- Industry CUF for 2020 is based on internal estimates
- Slight decline in Polyplex CUF in Q1 FY 20-21 is due to Plant closures in India (Nationwide Lockdown due to Covid 19)

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

Strong financial & operational track record

FY'19-20 Performance Snapshot

YoY Growth (FY19-20 v/s FY18-19)

Sales Volume (All Films) 2,72,662 MT	8% ↑
Sales Revenue# 4,465 INR Crores	-2% ↓
Normalized EBITDA 944 INR Crores	18% ↑
PAT (Before Minority) 494 INR Crores	-15% ↓
EPS 88.18 INR/Share	-15% ↓
ROCE: 18% ROE : 16% (Excluding Cash & Bank Balance)	

Exceptional items impacting reported PAT / EPS

- Unrealised FX loss of INR 101.75 crores on reinstatement of foreign currency long term loans
- Reversal of impairment loss on manufacturing assets of Polyplex USA (Net gain of INR 55.61 crores)
- Deferred Tax Liability creation / Deferred Tax Asset reversal amounting to INR 52.20 crores

Excludes other operating revenues

Q1'20-21 Performance Snapshot

QoQ Growth (Q1 20-21 v/s Q4 19-20)

YoY Growth (Q1 20-21 v/s Q1 19-20)

Sales Volume (All Films) 70,196 MT	-6% ↓	8% ↑
Sales Revenue# 1,155 INR Crores	-3% ↓	4% ↑
Normalized EBITDA 299 INR Crores	21% ↑	23% ↑
PAT (Before Minority) 330 INR Crores	1438% ↑	114% ↑
EPS 56.26 INR/Share	684% ↑	122% ↑

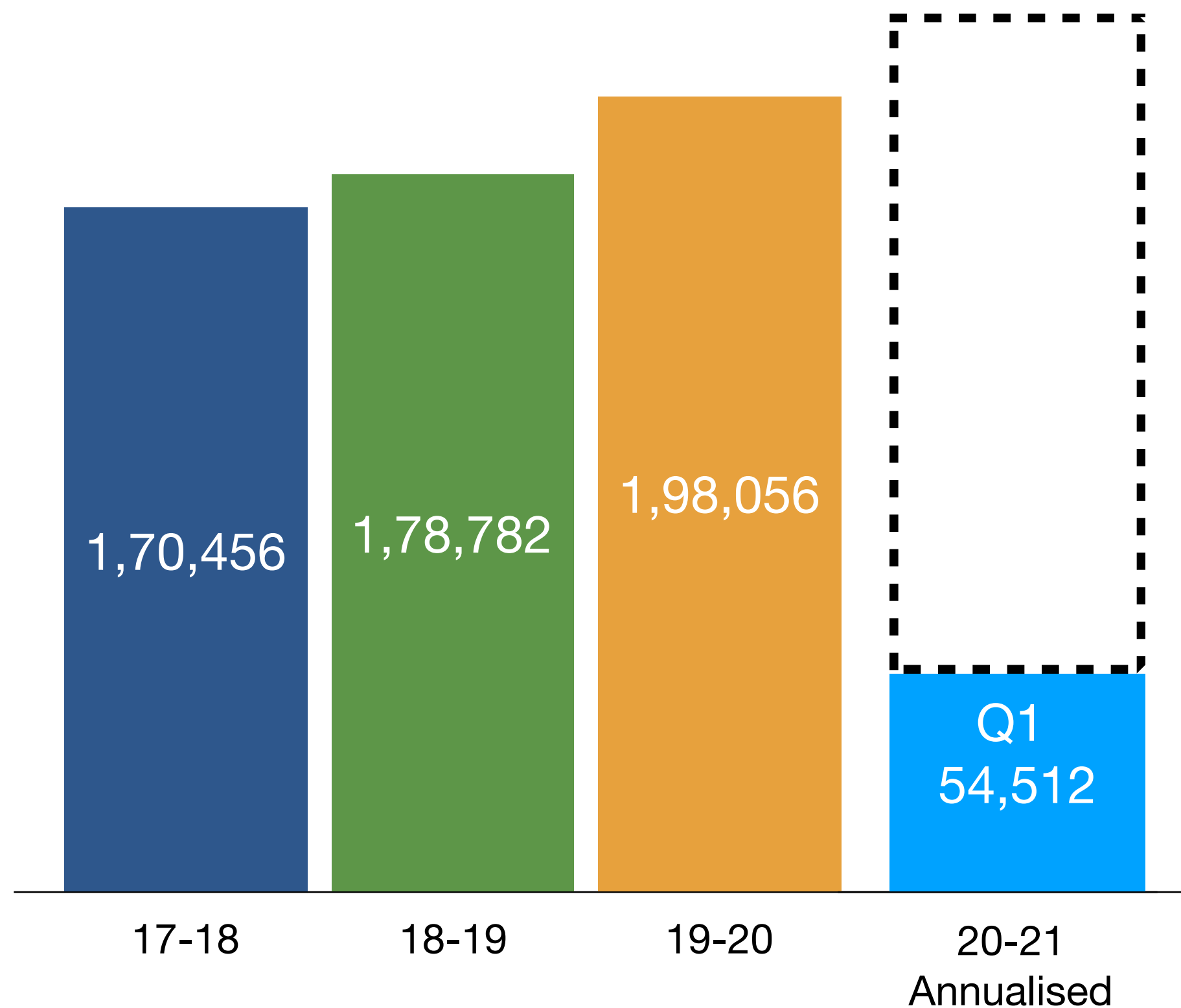
Factors impacting Q1 FY 20-21 performance v/s previous quarter (Q4 FY 19-20)

- * Lower sales volume due to few days of plant shutdown in April 2020 in India - Nationwide Lockdown
- * Lower sales realization in line with lower raw material cost
- * Exceptional items impacting PAT & EPS:
 - a. Unrealized FX gain of INR 118.56 crores in Q1 FY 20-21 as against FX loss of INR 143.29 crores in Q4 FY 19-20 on account of re-statement of foreign currency long term loans
 - b. Reversal of impairment loss on manufacturing assets of Polyplex USA in Q4 FY 19-20
 - c. Deferred tax liability creation / Deferred tax asset reversal amounting INR 52.92 crores in Q4 FY 19-20 v/s INR 3.70 crores in Q1 FY 20-21

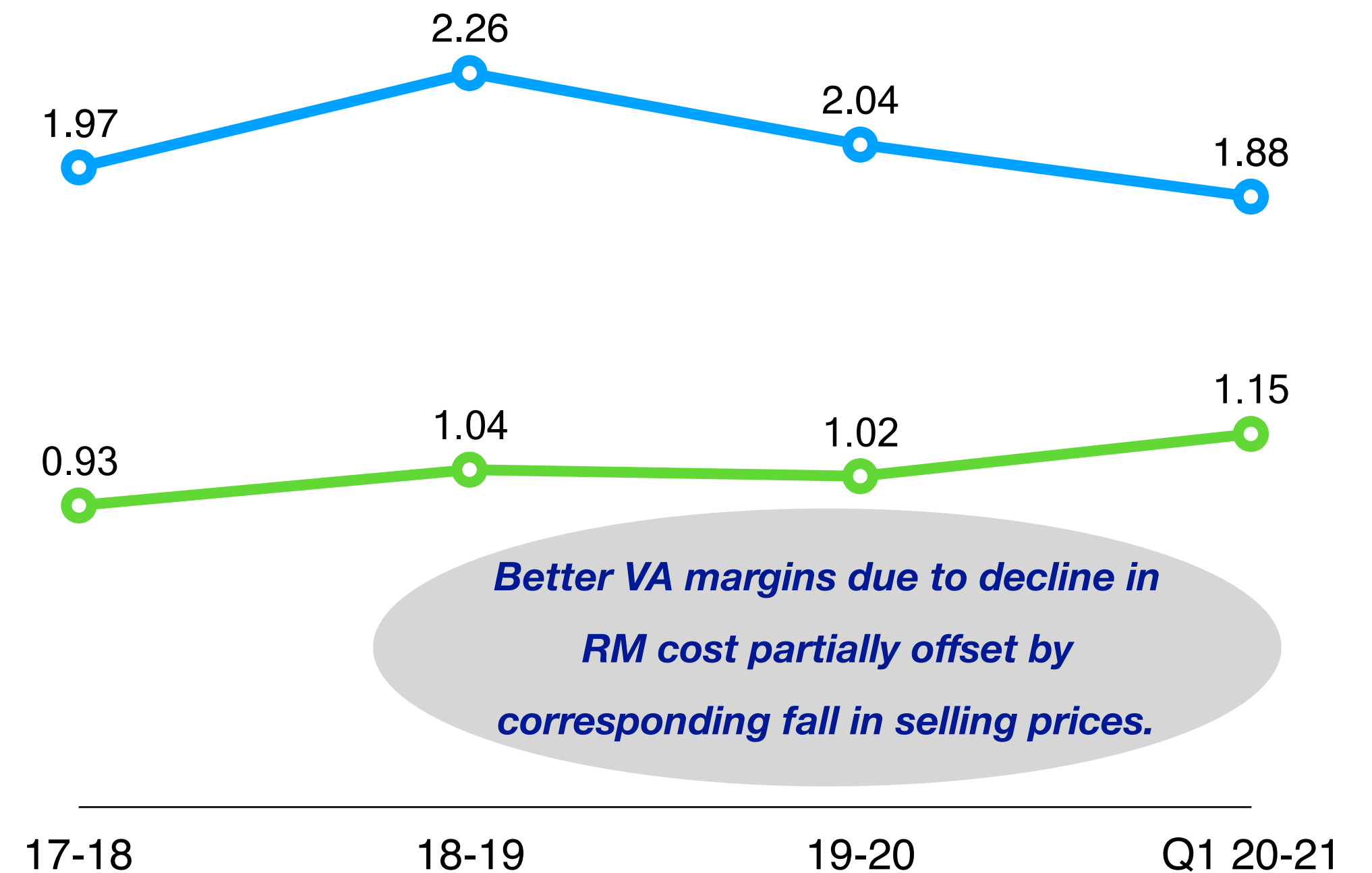
Excludes other operating revenues

Thin PET Film - Trend

Thin PET Film* Sales Volume (MT)



○ Ex-Factory Price - Thin PET Film* (USD/Kg)
○ Value Addition** - Thin PET Film* (USD/Kg)



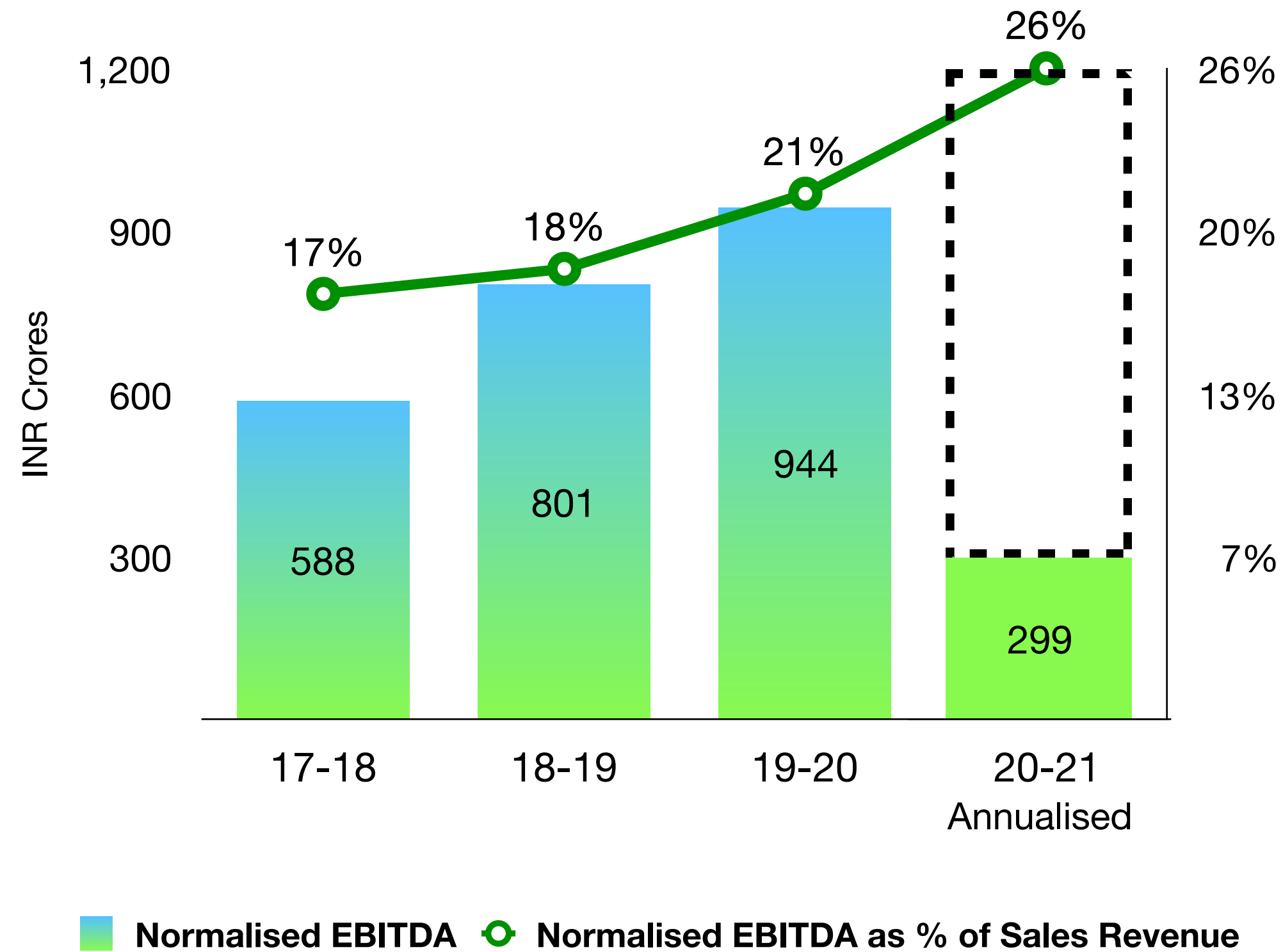
* Includes :

- film transferred to Silicon Coating & Extrusion Coating lines but excludes sales of final product from these lines
- volume of value added films - Metallized, Holography, General purpose offline coated, Transfer Metallized Paper (TMP)

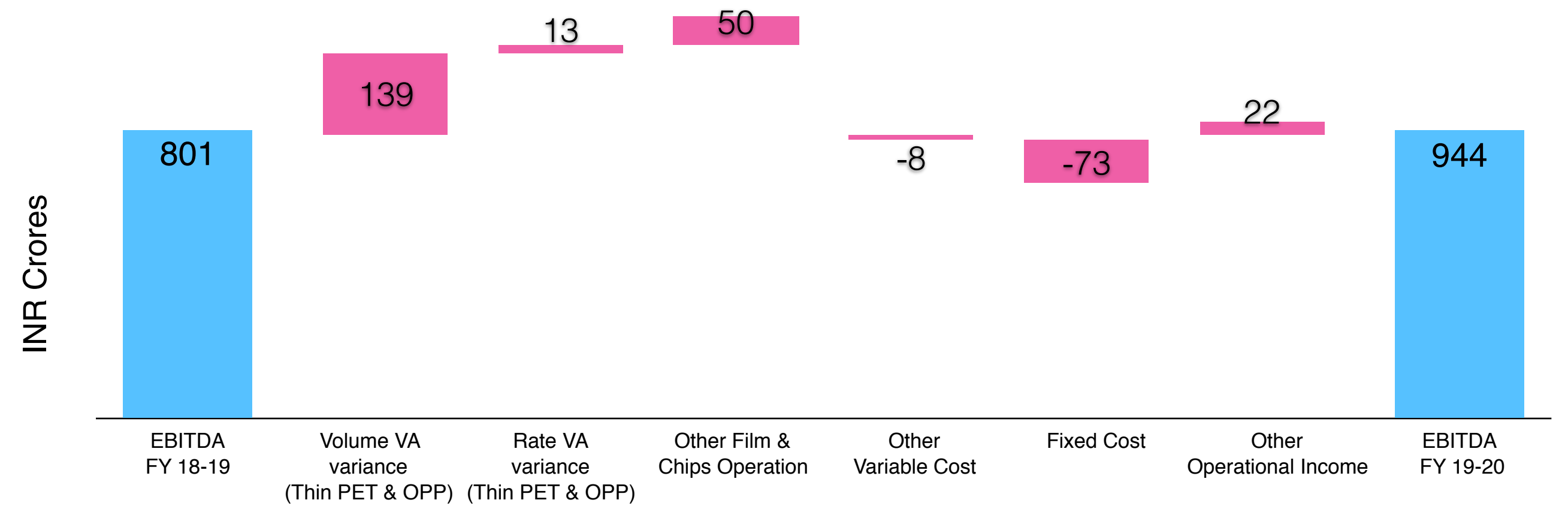
** Over Raw Material

Normalised EBITDA

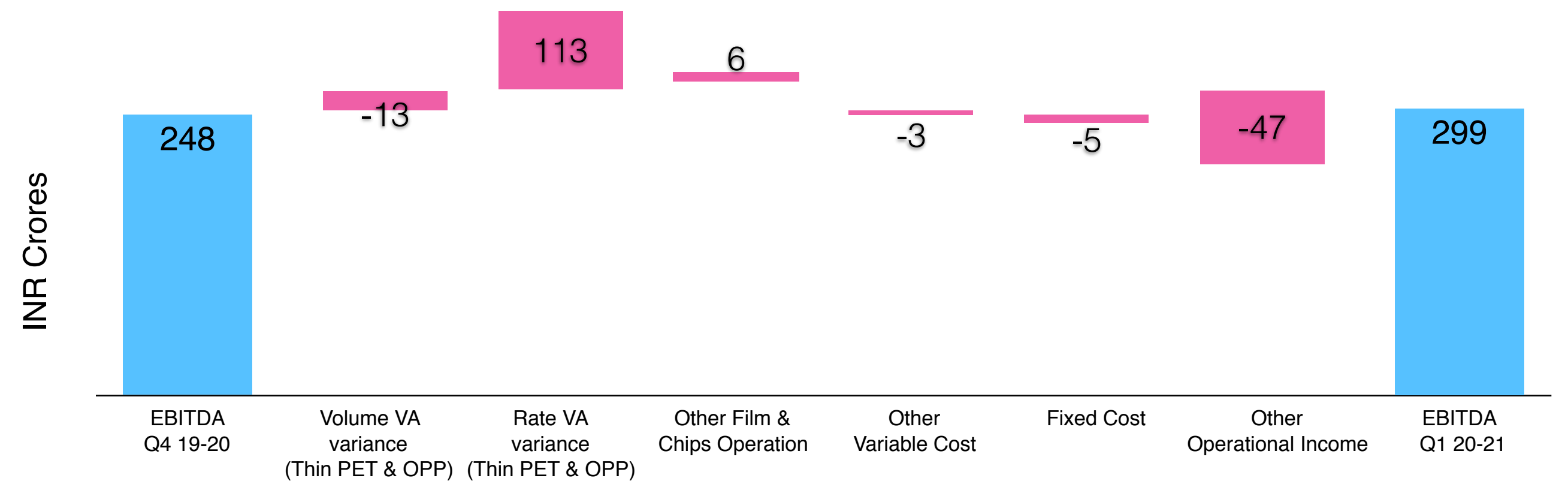
Normalised EBITDA* - Trend



Normalised EBITDA* (FY 19-20 vs FY 18-19)



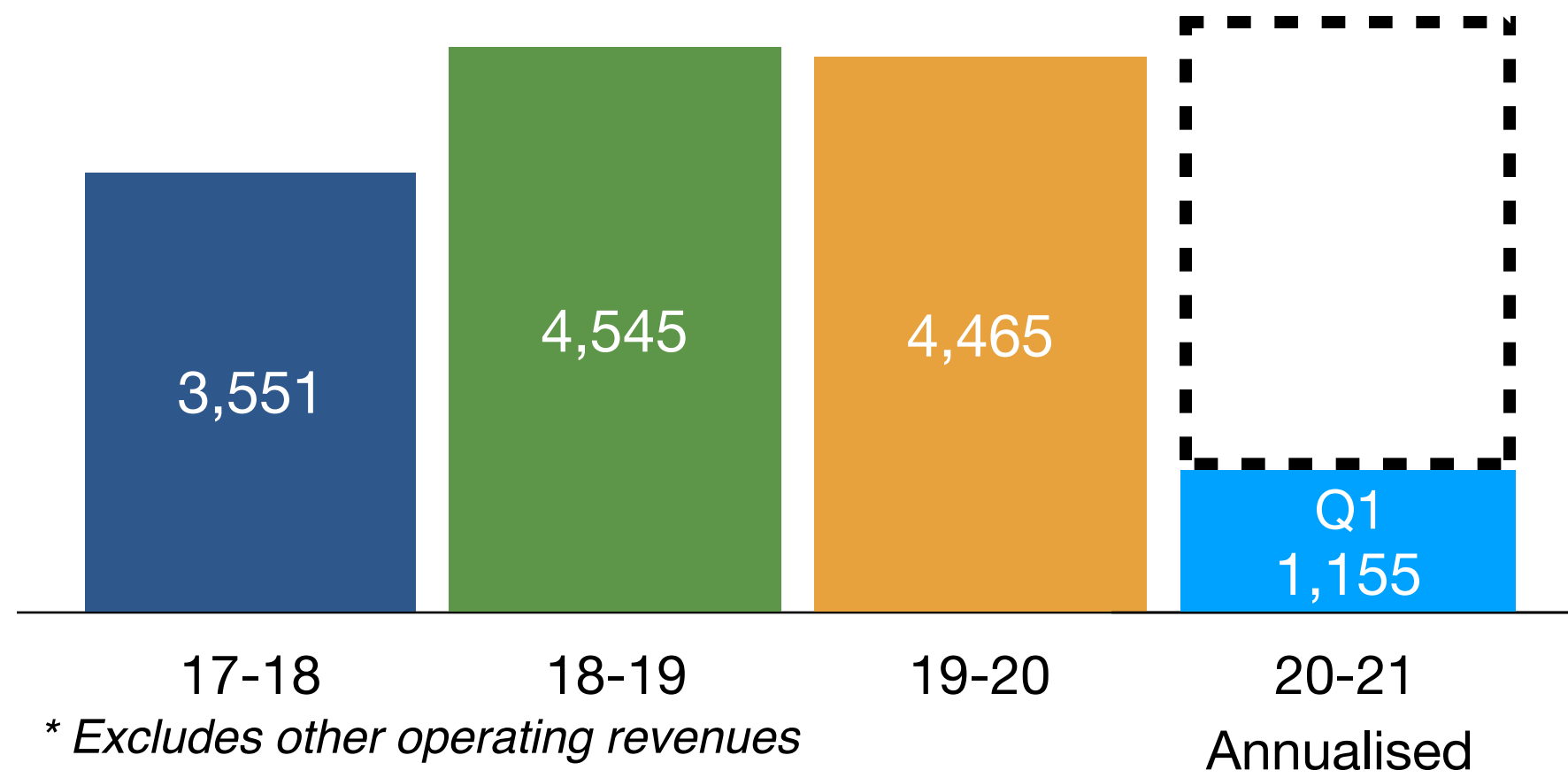
Normalised EBITDA* (Q1 20-21 vs Q4 19-20)



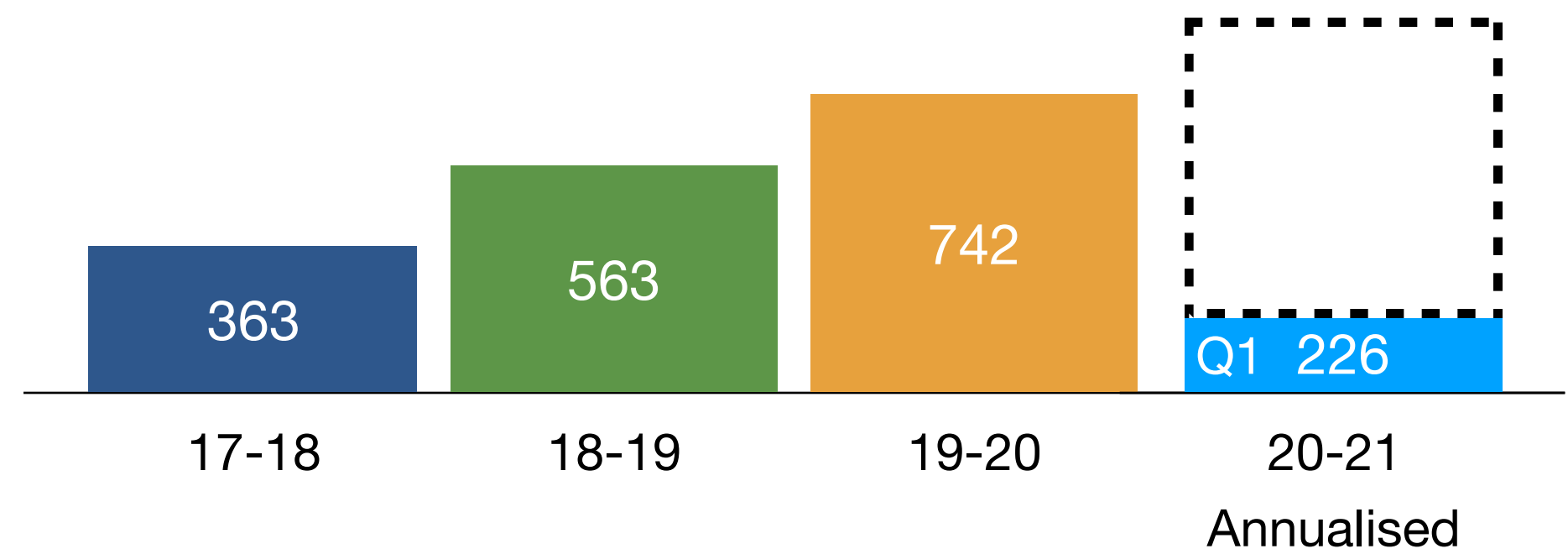
* Normalised EBITDA: EBITDA excluding impact of unrealized FX gains/ (losses) on long term loans

Strong Financial Performance

Sales Revenue* (INR Crores)

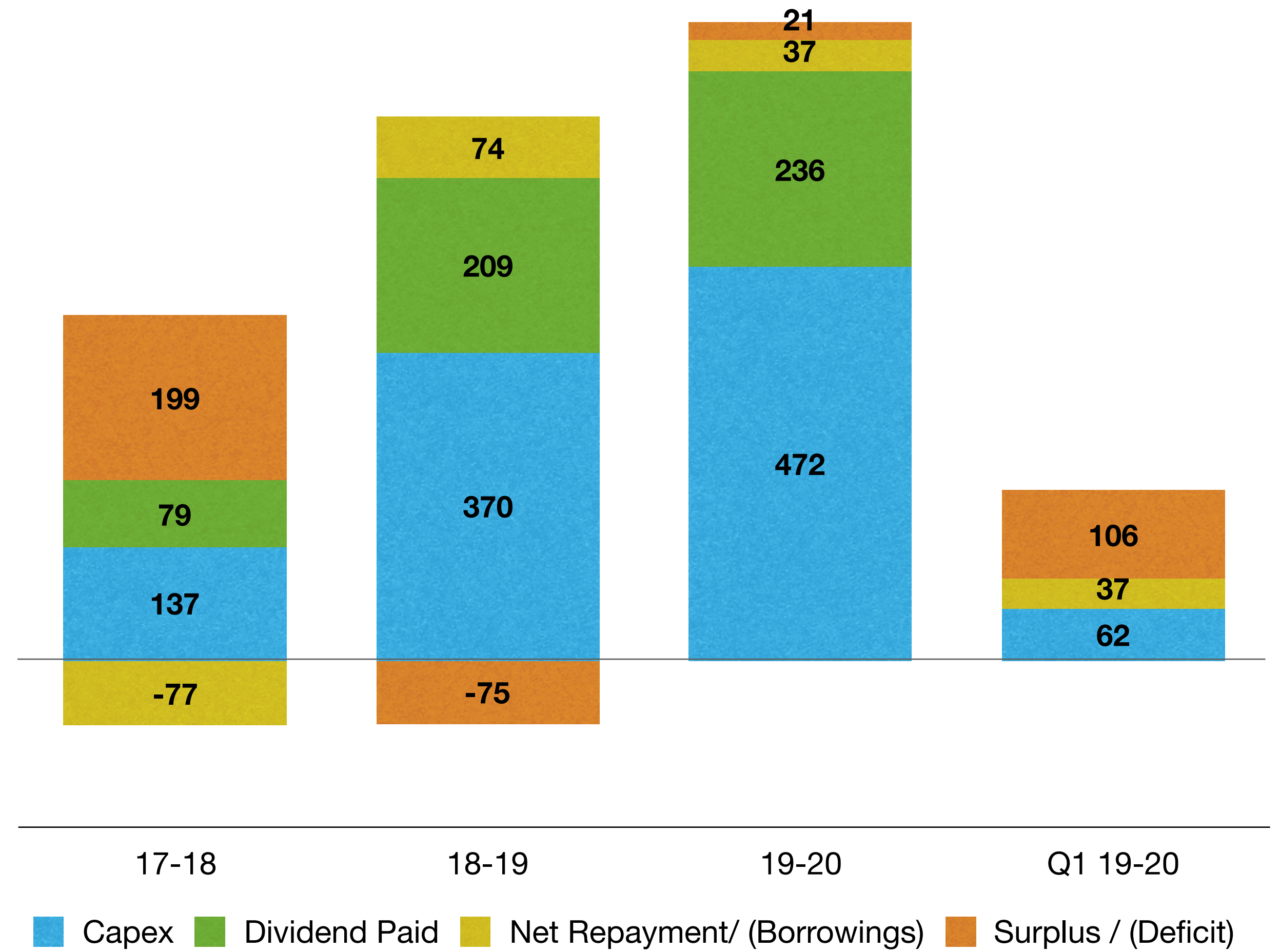


PBT Normalized# (INR Crores)

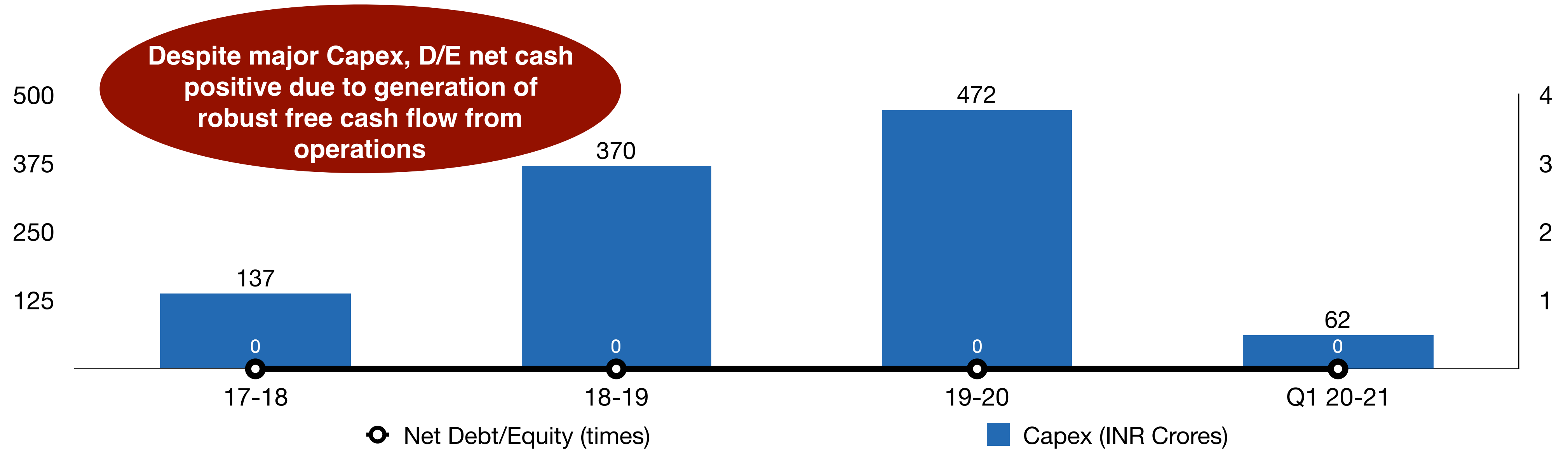


Excluding impact of unrealised FX gains / (losses) on long term loans

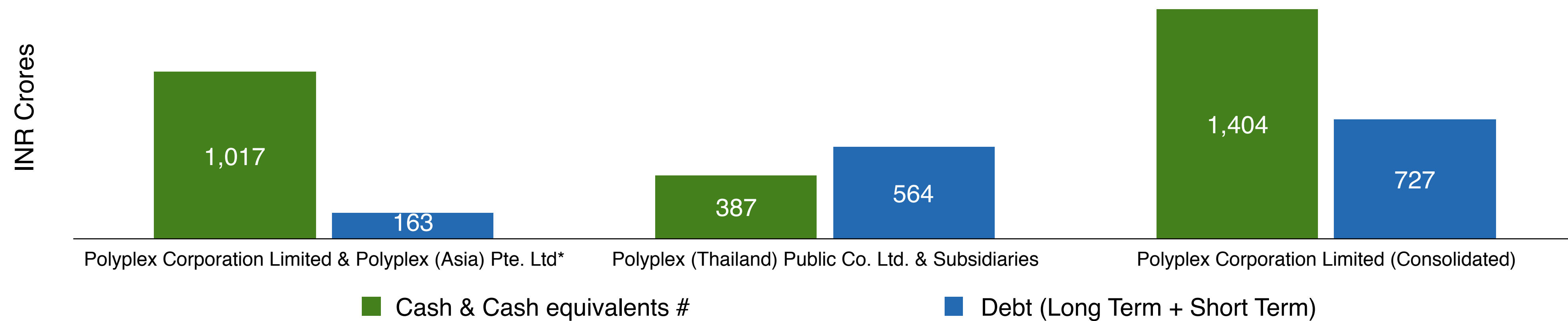
Operating Cash Flow Deployment Trend (INR Crores)



Strong Liquidity



Cash & Debt Position as on 30th June 2020

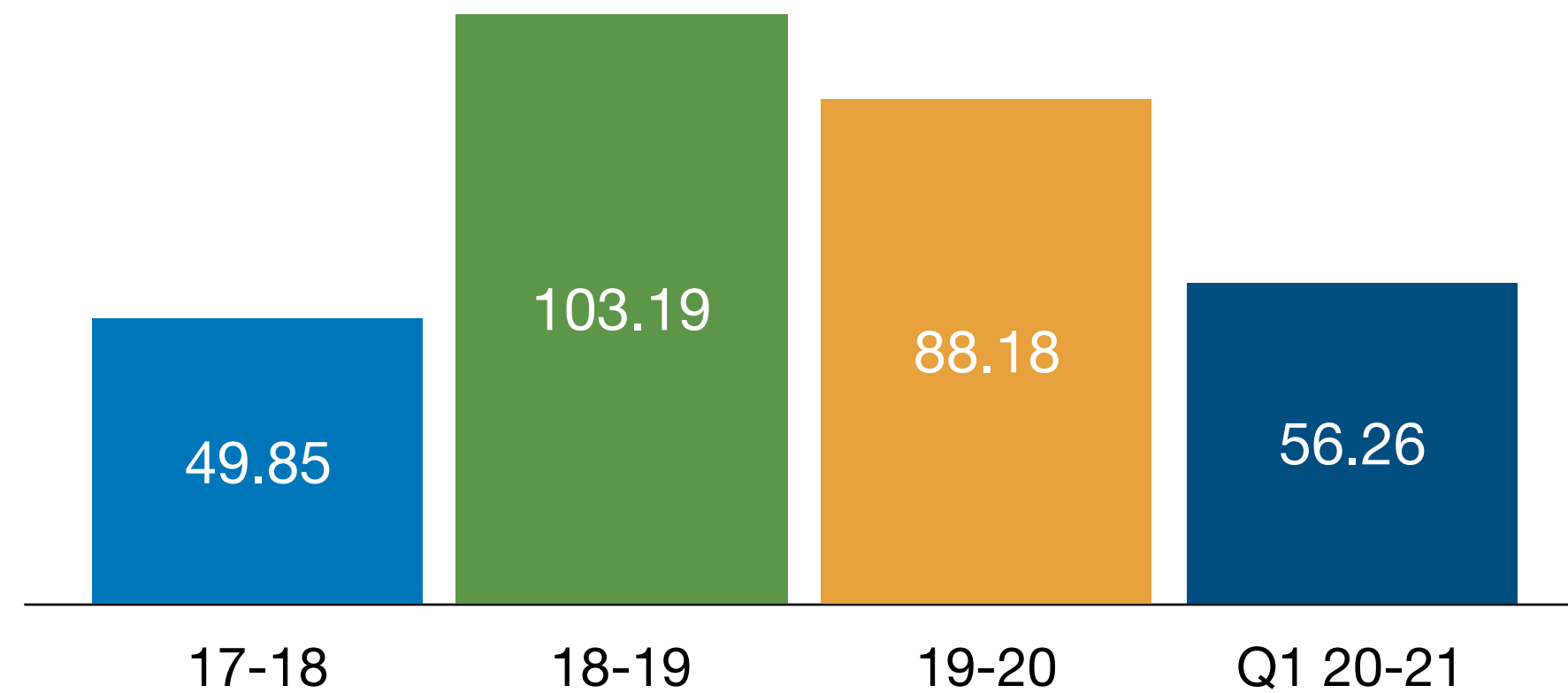


* Polyplex (Asia) Pte. Ltd. (Singapore) is 100% owned by Polyplex Corporation Limited

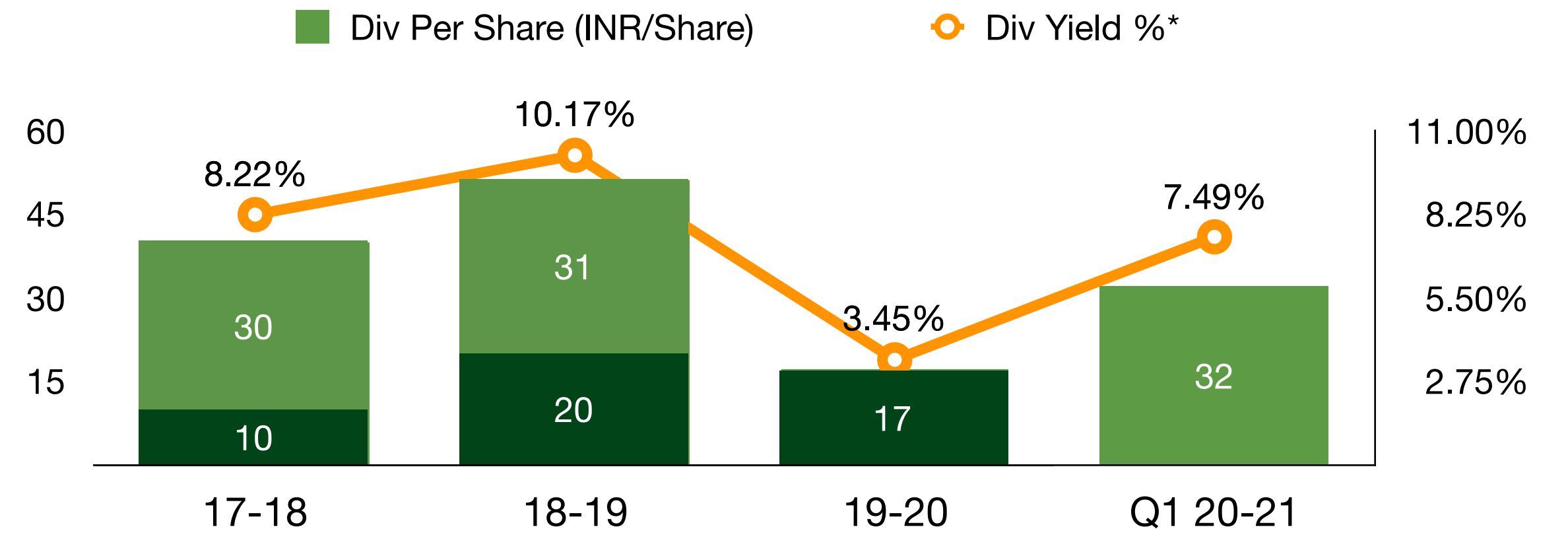
Including current & non current Investment in FD's, Bonds & Mutual funds

Strong Financial Performance

EPS (INR/Share)



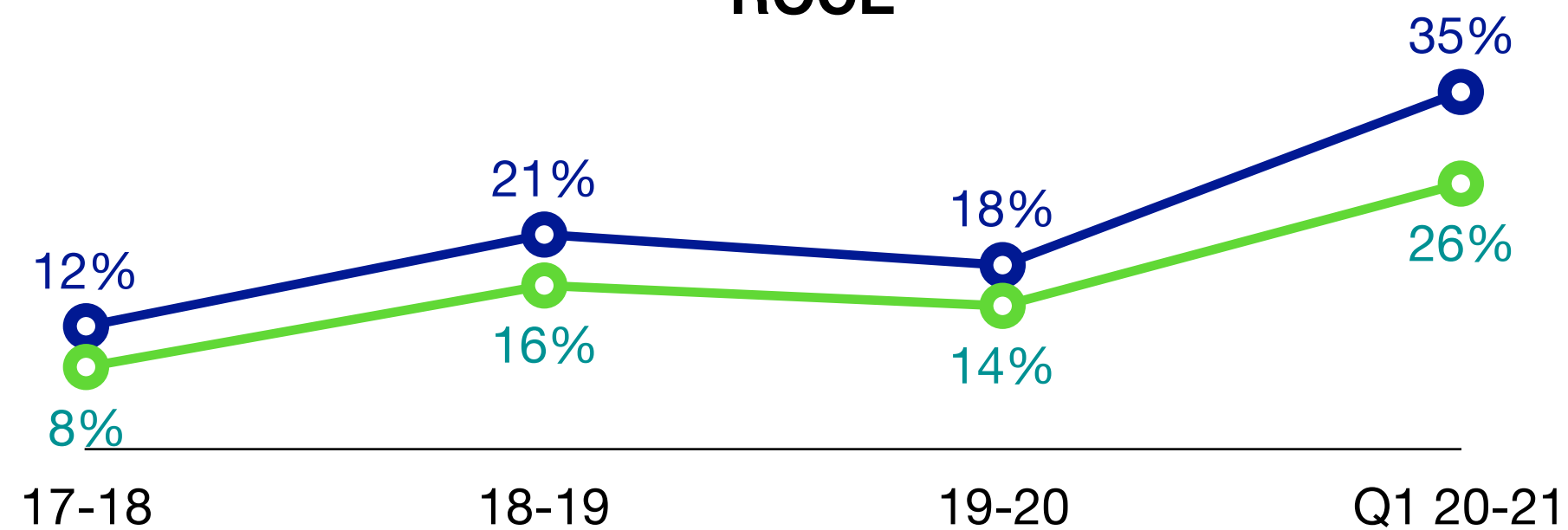
Dividend



* Average stock price for the period has been considered for calculating Div Yield

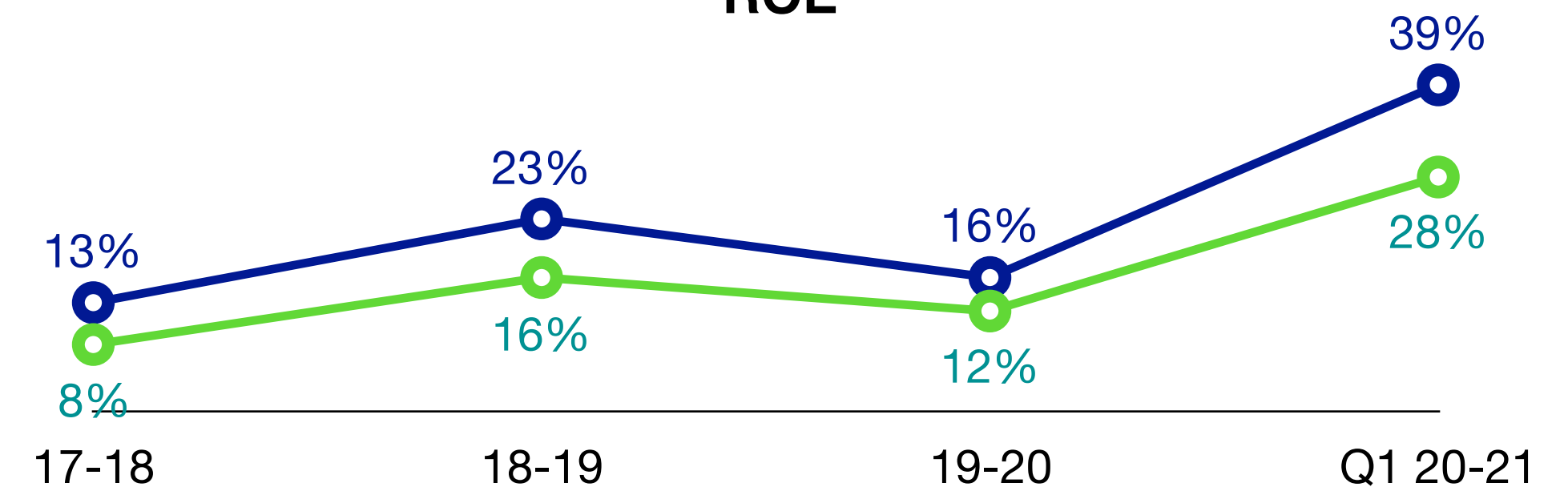
■ Normal Dividend
■ Special Dividend

ROCE



○ ROCE (With Cash & Cash Equivalents)
○ ROCE (Excluding Cash & Cash Equivalents)

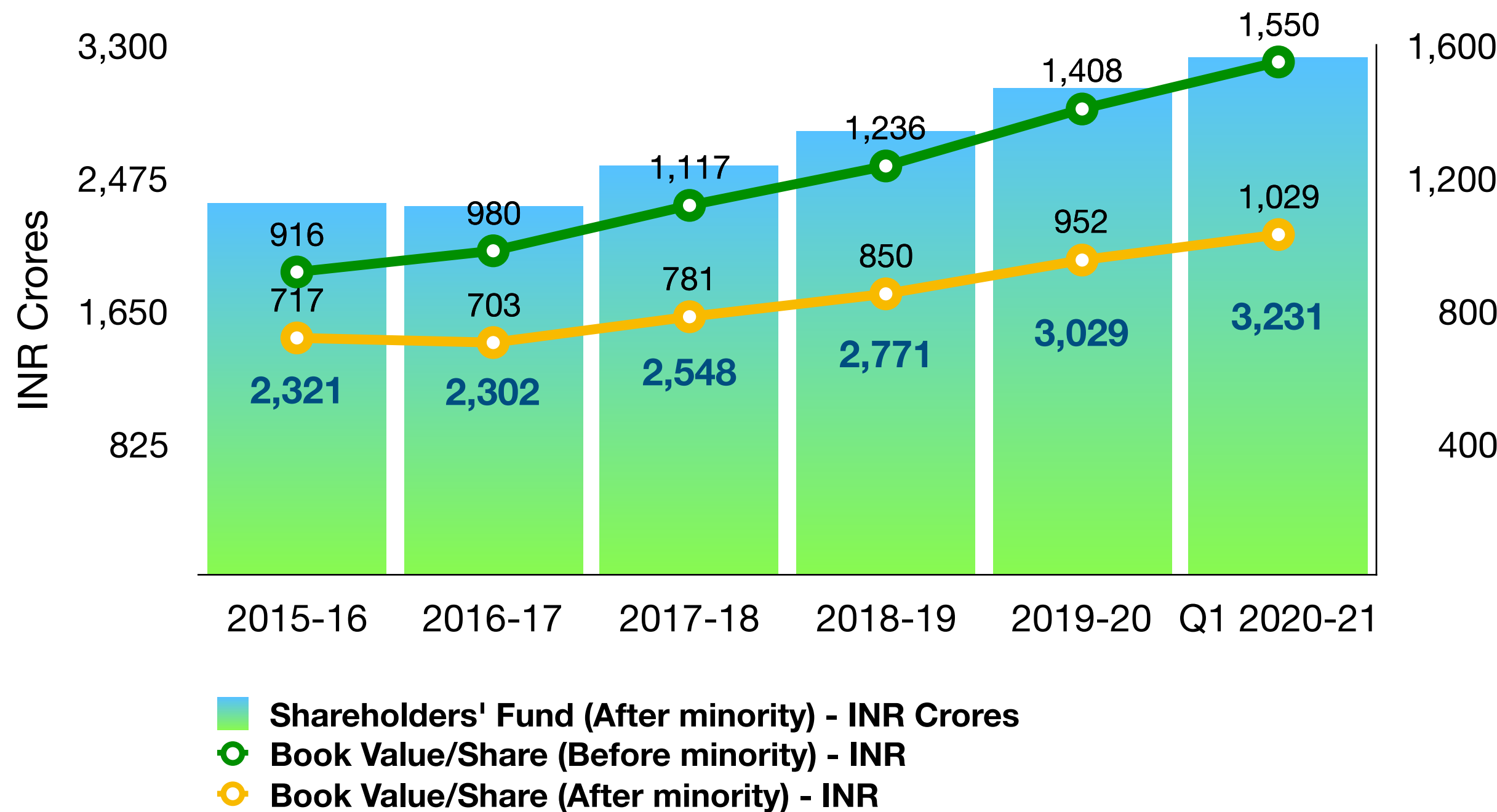
ROE



○ ROE (With Cash & Cash Equivalents)
○ ROE (Excluding Cash & Cash Equivalents)

- ROCE (%) = EBIT as a % to average capital employed
- ROE (%) = PAT as a % to average equity

Total Shareholders' Return



Note:

- No of shares - Outstanding as on 30th June 2020 adjusted for Equity shares bought back & extinguished till 30th June 2020

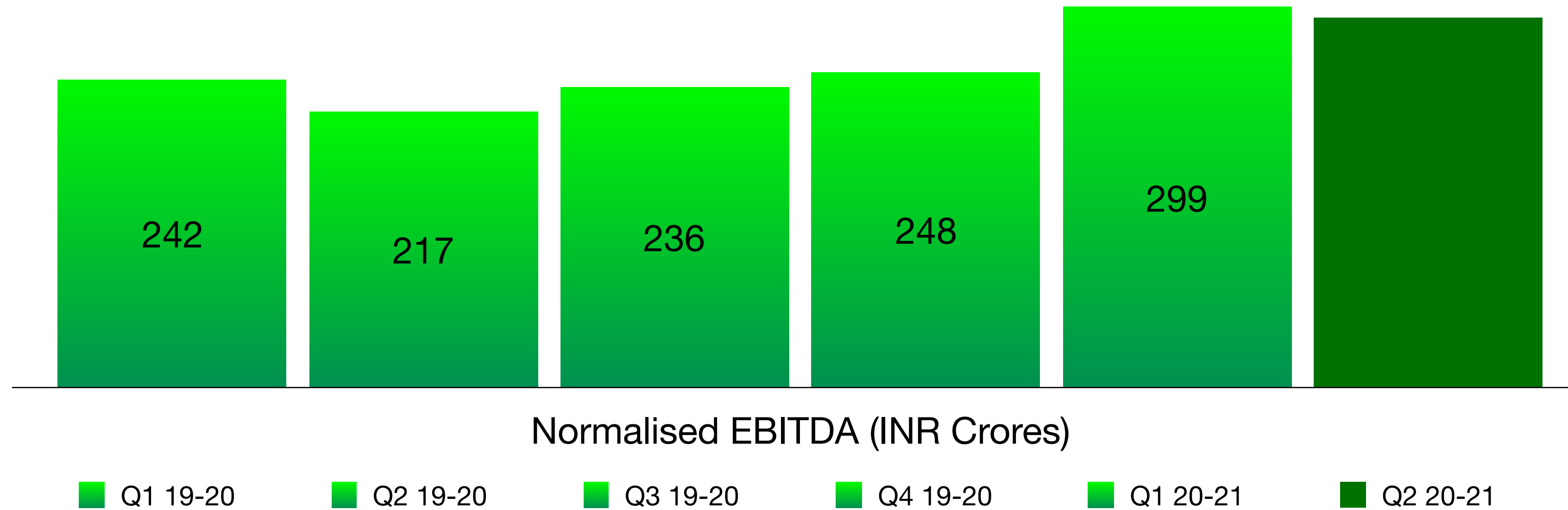
Shareholders' Return	Last 1 year	Last 3 years	Last 5 years	Since IPO (1988)
(A) Total Returns*				
- Polyplex	73%	28%	30%	23%
- Nifty 500 - TRI	4%	4%	7%	NA
- BSE Small Cap - TRI	12%	-2%	4%	NA
(B) Stock Price Movement				
- Polyplex	57%	20%	24%	14%
- Nifty 500	3%	3%	5%	NA
- BSE Small Cap	10%	-3%	3%	NA

* Dividend Reinvestment Method

Note:

- Dividend considered based on the payout dates
- The returns have been calculated based on the stock price data till 14th August 2020
- NA : Not Available

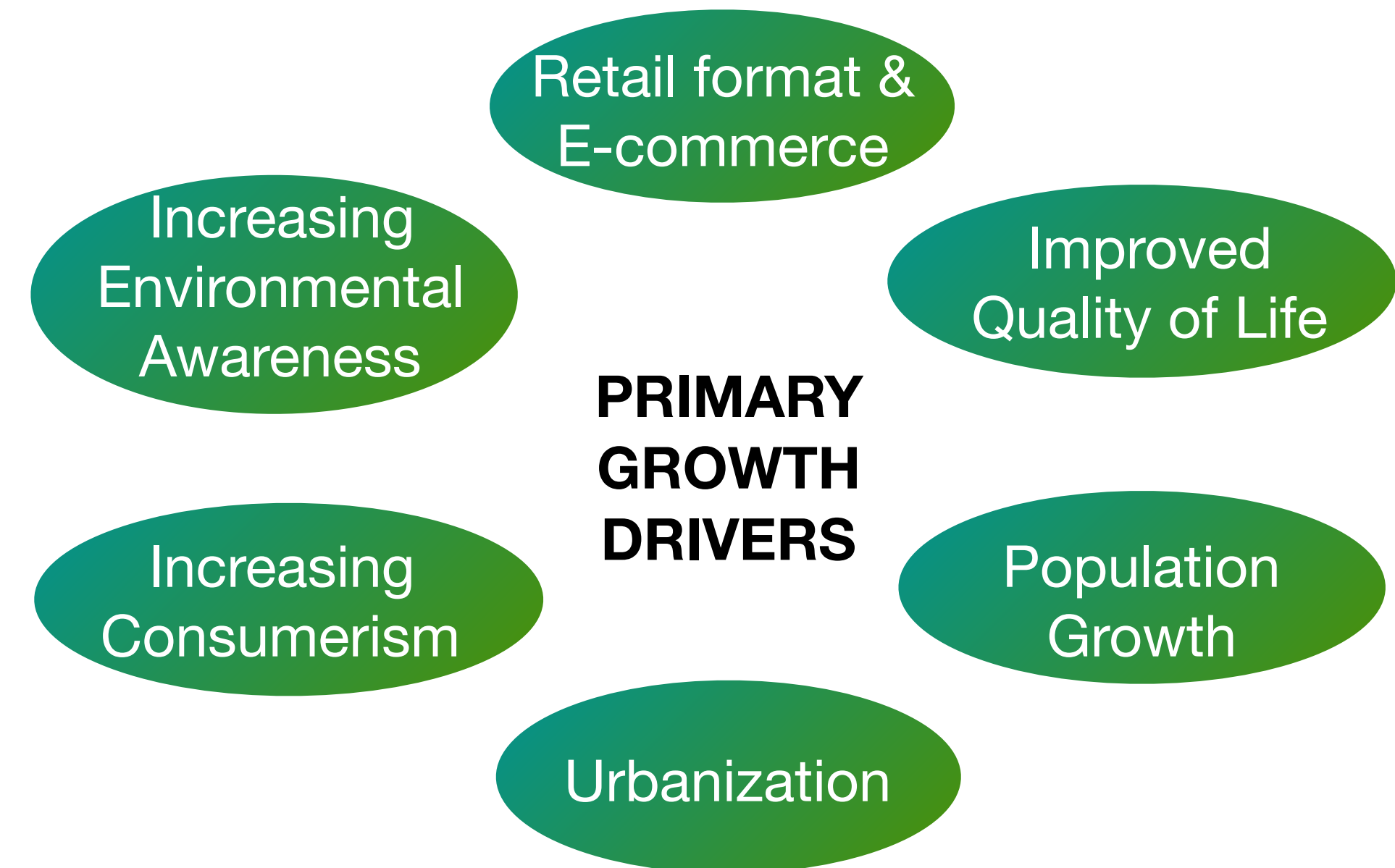
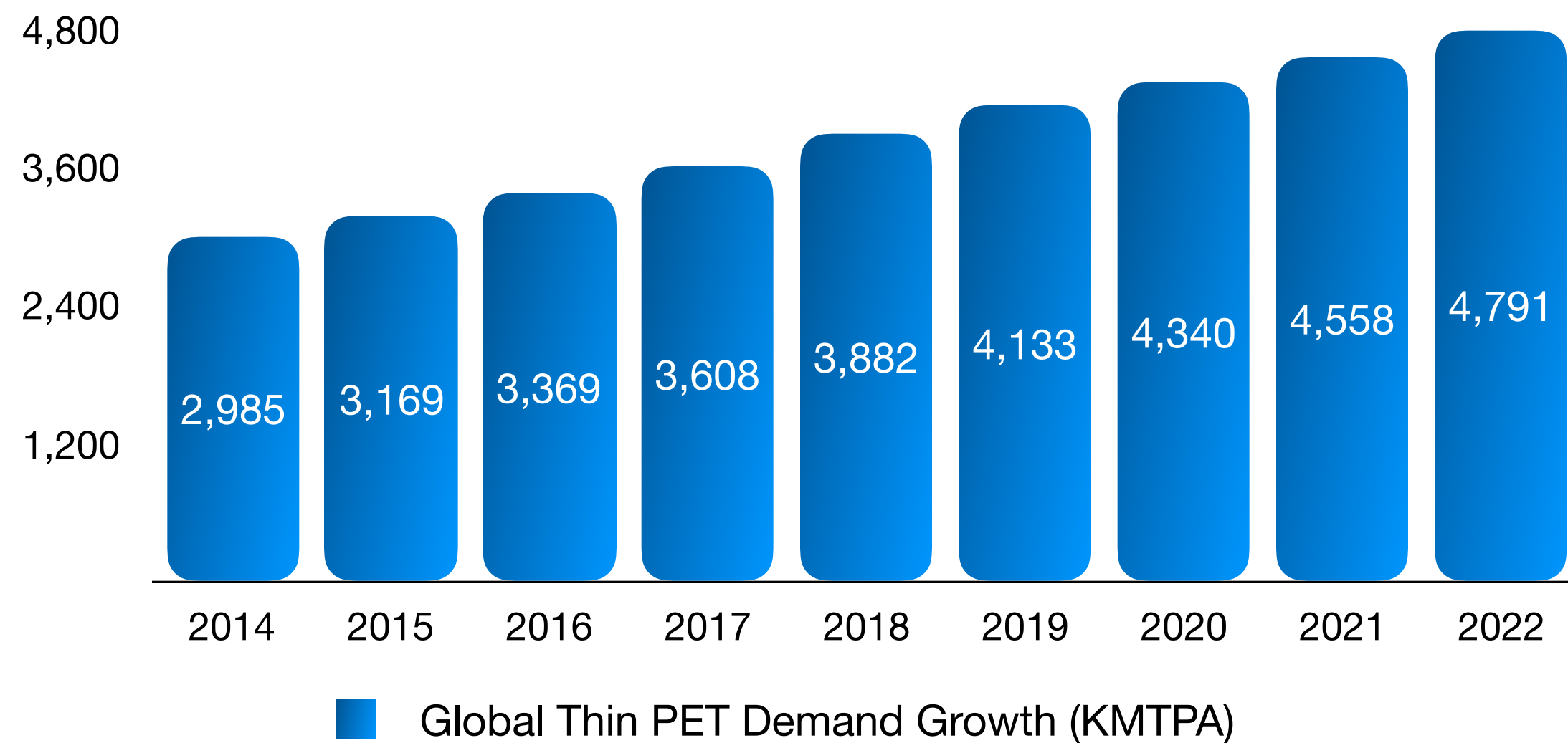
Second Quarter 20-21 Guidance



The forward-looking statements reflect Polyplex's expectations of its next quarter earnings. These are based on certain assumptions as on date and are subject to significant risks and uncertainties, as they could be substantially influenced by several factors which are beyond Company's control including, but not limited to, fluctuations in foreign exchange rates, changes in key raw material prices, changes in market dynamics, impact of consolidation of subsidiaries and any unexpected production down times due to machinery breakdown, unforeseen delays in project start up etc. The Company does not make any representation, warranty or prediction that the results anticipated by such forward-looking statements will actually be achieved.

Continuous and high growth in demand

Global Demand Growth

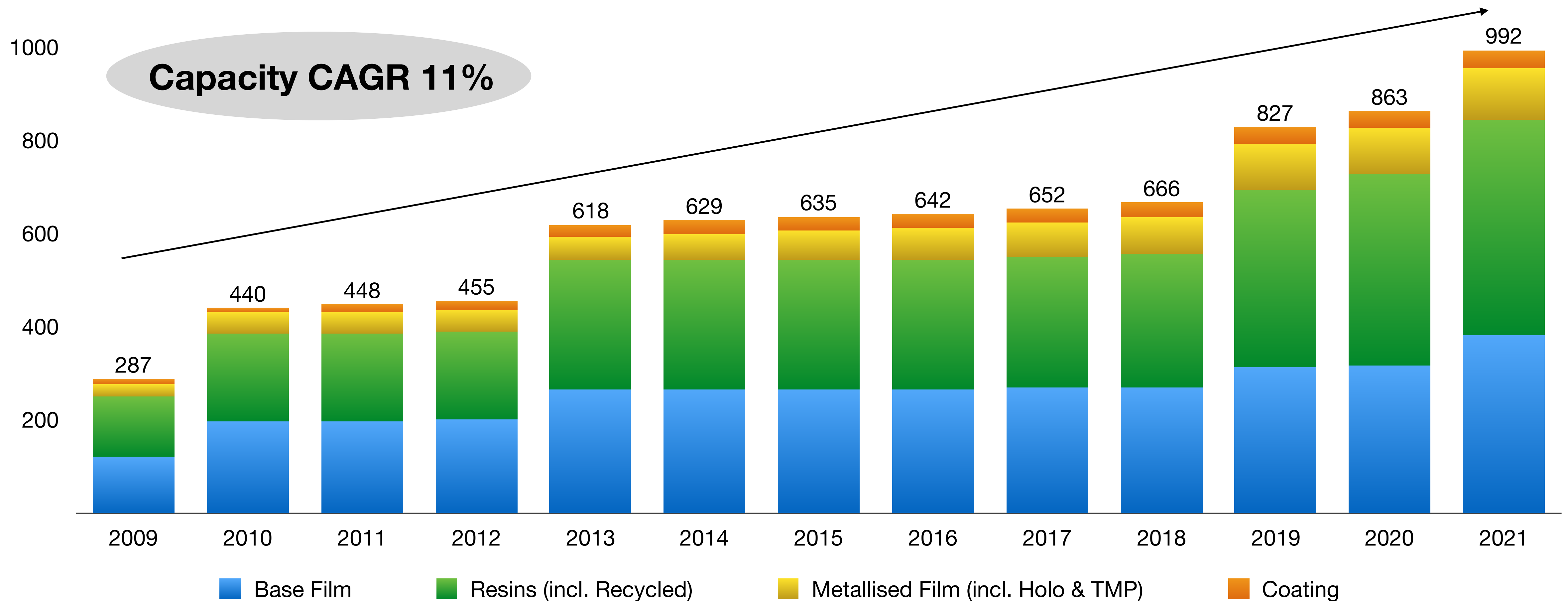


- Demand growing at 5-6% due to design versatility, cost advantage, resource economy, low carbon footprint, cost advantage and retail format/packaging innovations
- Versatility and high performance of polyester film leads itself to a wide range of 100+ applications in both industrial & consumer staples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

Continuous Growth

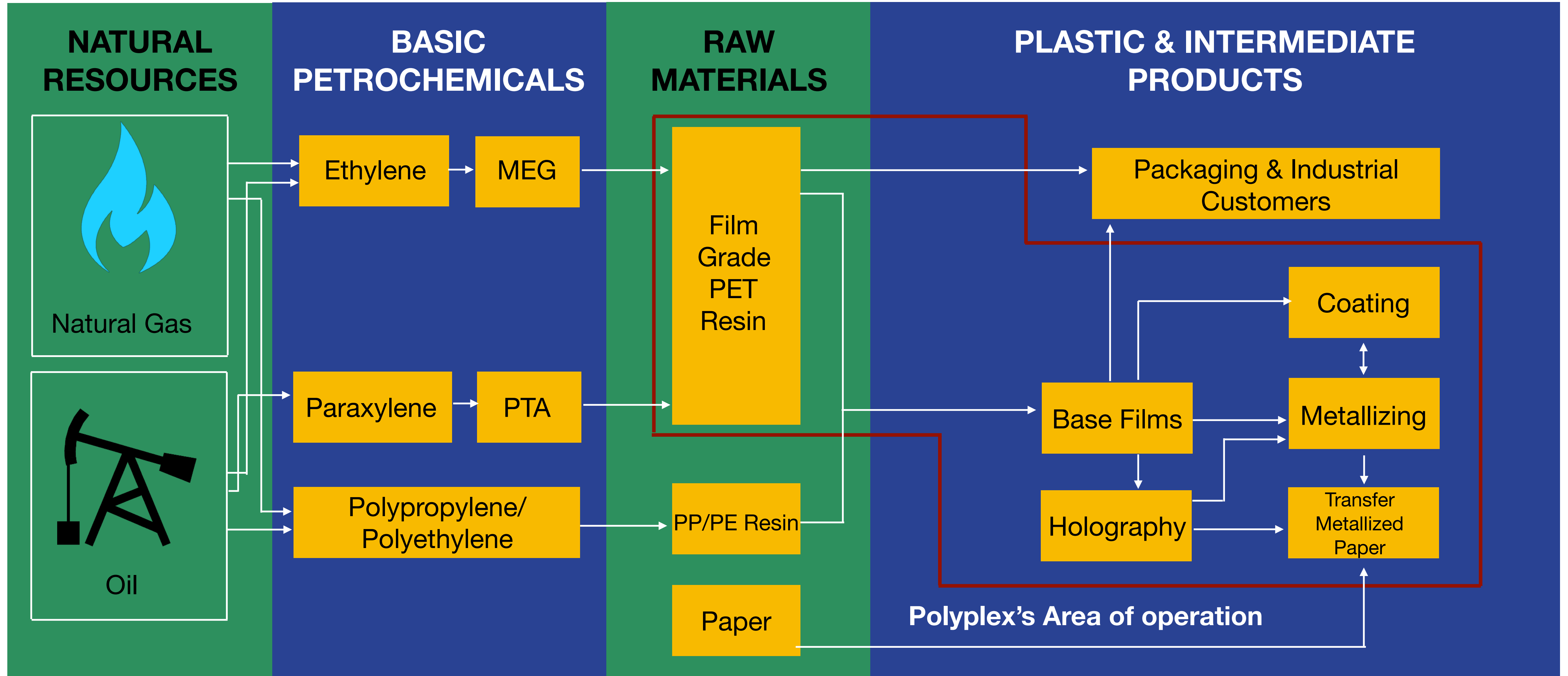
Polyplex growth more than the average market growth rate

Capacity is in '000 MT



Stable earning across business cycles

Value Chain



Product Applications & Sales Mix - Q1 FY 20-21

74%
**Packaging
Customers**

- Sachet Pack
- Susceptor Film
- Stand up Pouch
- Can Lamination
- Easy Peeling Lids
- Aroma Pack
- Sprouted Pack
- Ready 2 Eat Pack

26%
**Industrial
Customers**

- PV Backsheets
- Electrical Grade
- Electronic Grade
- Window Films
- Optical Grade
- Liner Grade
- Construction
- Graphics



Diversity of the end use applications, coupled with the steady growth over time as well as the continuously evolving applications utilizing our product portfolio contributes to risk diversification and stability on the demand side

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)



15 dedicated personnel in Corporate R&D supplemented by local technical service and R&D team having significant experience in chemicals, coatings, resin, customer process and relevant fields



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

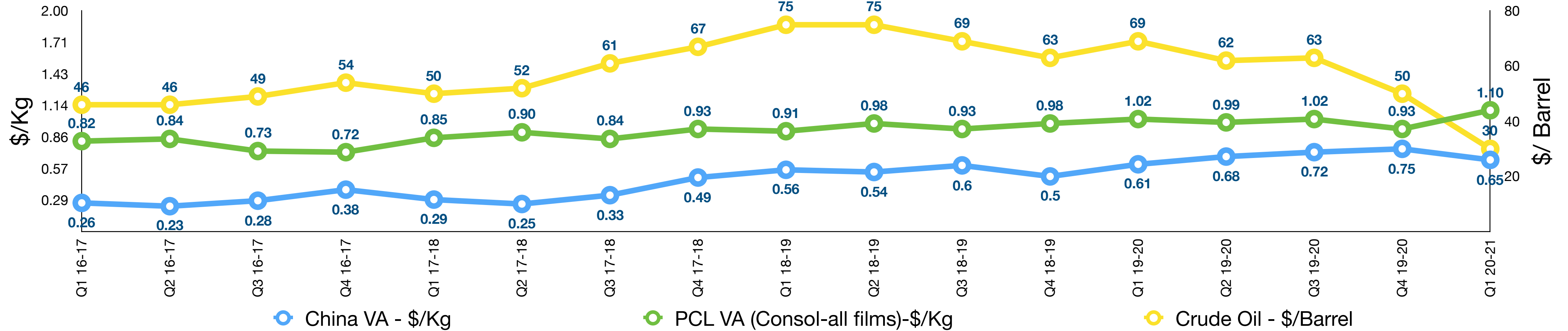
No. of Patents granted - 18 (Across products, processes & countries)

No. of Trademarks granted - 5 (Across brands and countries)

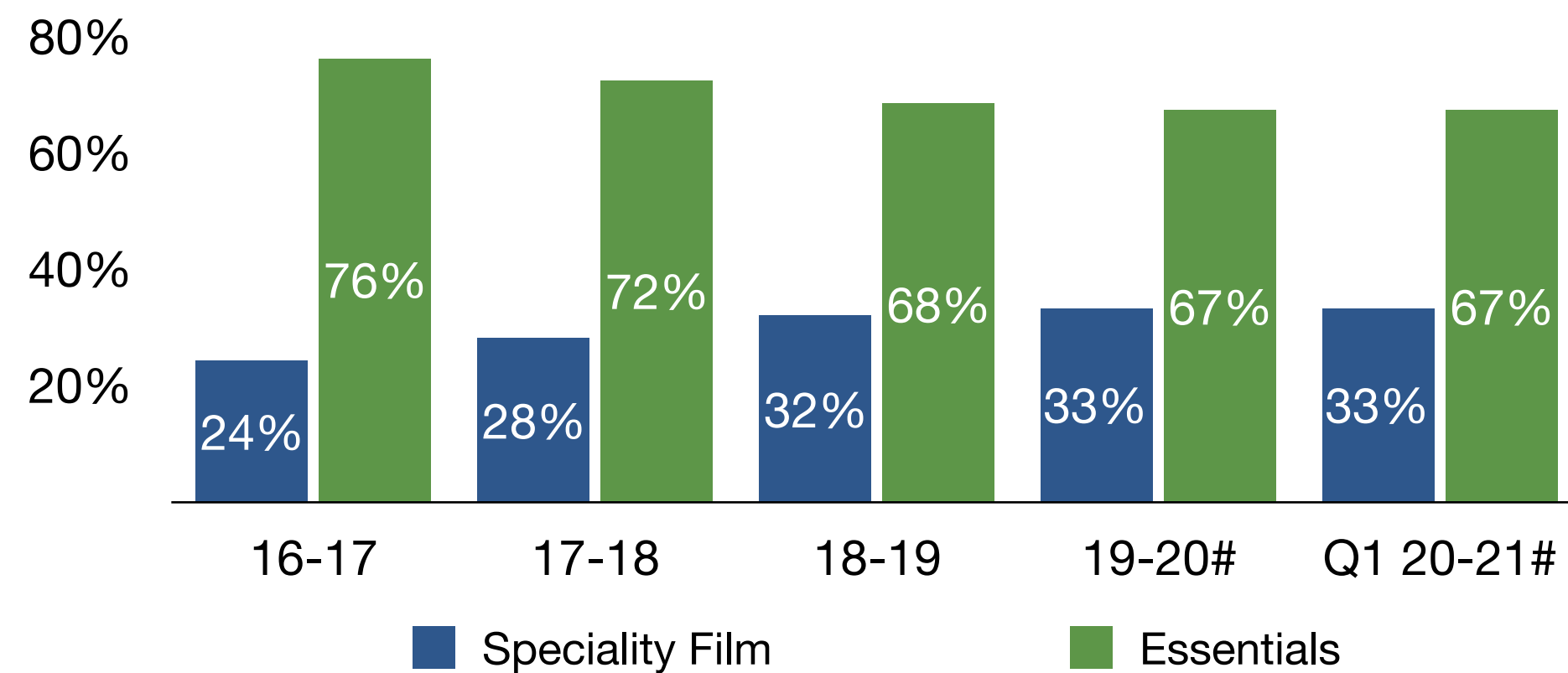
VA Stability

Stable VA despite crude price volatility

PCL VA v/s China VA v/s Crude

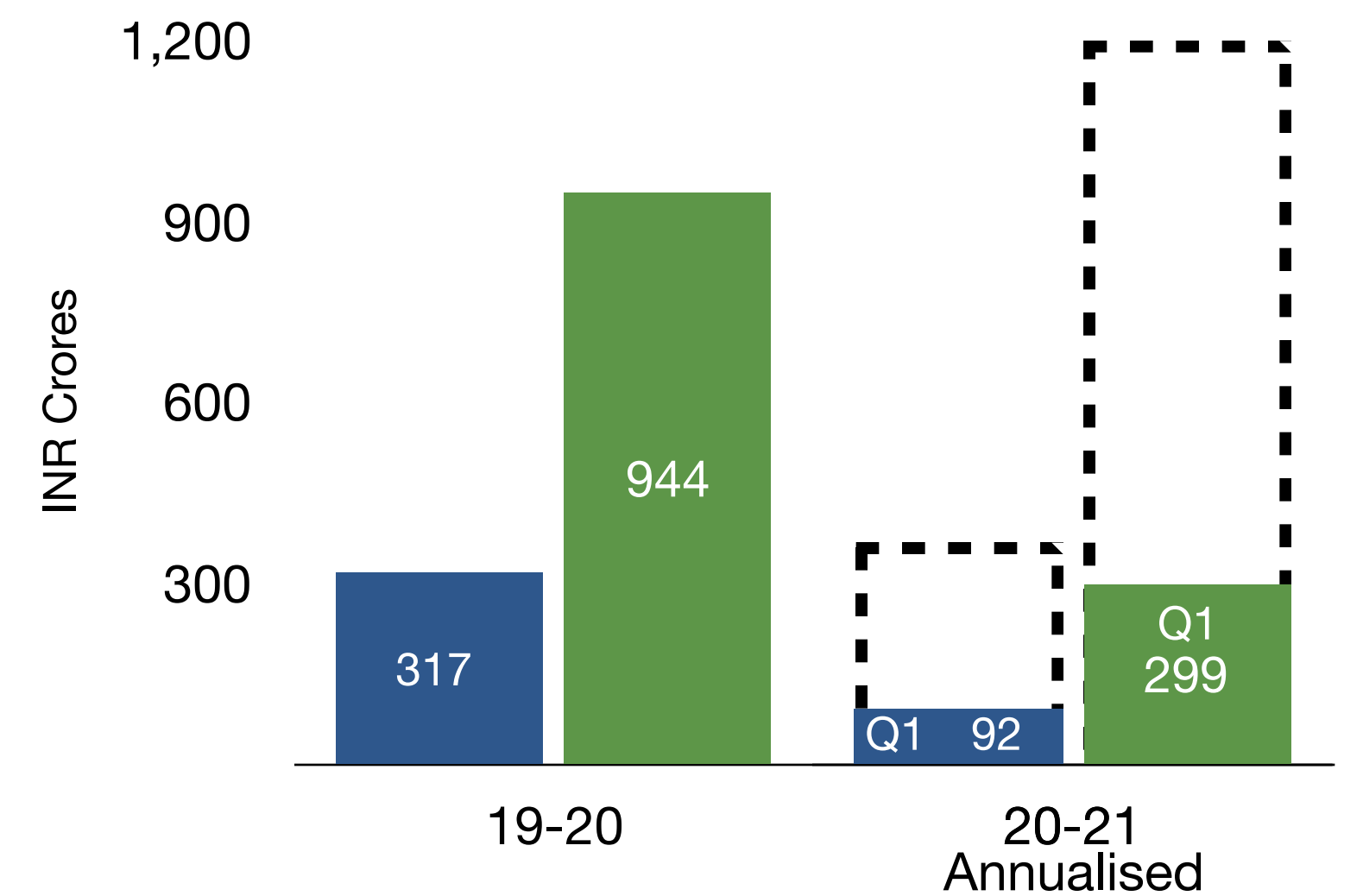


Speciality Film Share in Turnover



Increasing contribution from Speciality Films helps sustain superior margins

Though in absolute terms the volume of Speciality film has increased but % share remains the same/slightly increased due to the impact of new film line in Indonesia (almost 100% essentials)



■ Incremental EBITDA from Speciality Films
■ Total Normalised EBITDA (incl. Speciality Films)



Polyplex & Sustainability

Portfolio



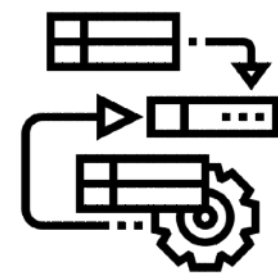
Minimize product impact through optimized product design:

- Down-gauging 8-10 μ
- RPET with up to 90% PCR content
- BioPET - Bio content 30%
- Plastic Free Carton - Use of Transfer Metallization for Paper & Board Lamination
- Biodegradable films - meeting the requirements of anaerobic biodegradation either in accelerated land fill or high solids anaerobic conditions

Target Product:

- Co-create design using principles of circular economy
- Mono material (Low SIT heat sealable PET) structures to improve recyclability - Testing & Validation Stage

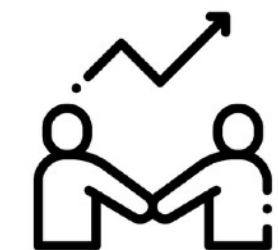
Operations



- Reduce energy and water consumption
- Effective & efficient waste water treatment & water conservation
- Increase usage of renewable energy
- Recycle Post Industrial and Post Consumer Waste

- Increase Sustainable Sourcing
- Use recycled material
- Use biomaterials

Collaborations



- Support development and modernization of plastic waste management infrastructure (Collection, segregation and recycling)
- Collaborate with recyclers in Europe to recycle Multi Layer Plastics (MLPs)

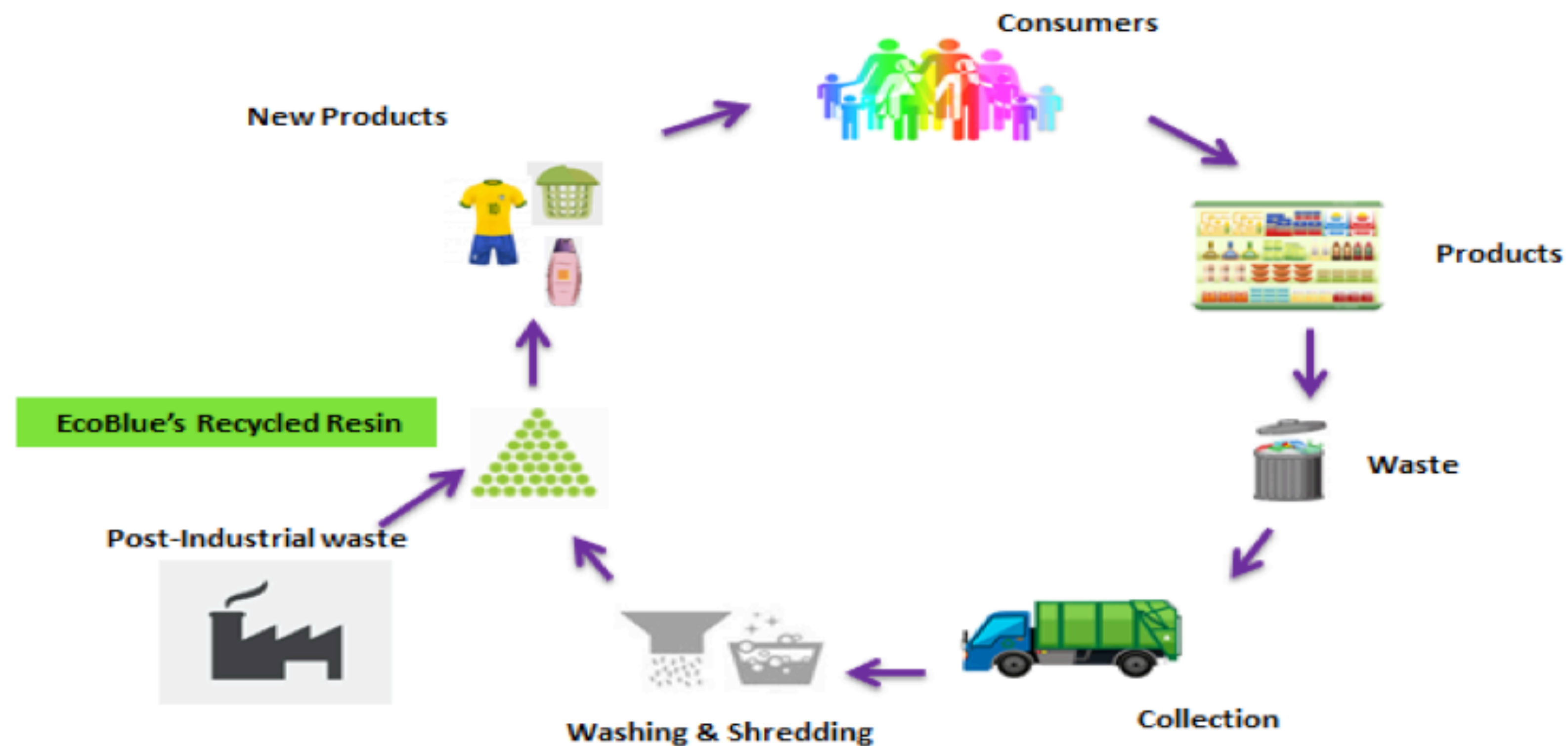
- Play catalyst and leadership role in engaging the industry in sustainability efforts - both plastic waste and climate change

Polyplex & Sustainability

EcoBlue Limited, Thailand provides sustainable solutions for film based post consumer and industrial process waste

- Recycling of difficult to recycle materials like films, coated films, laminates & fibre waste with oils
- US FDA approved 3D Pure rPET resin for bottle, film and polyester yarn applications
- Recycling of post-consumer & post-industrial PET and Polyolefin waste. New state of the art facility coming soon

Circularity Through Responsible Recycling



Industry Outlook

OUTLOOK

- Approx.0.87 Million Tons of Capacity (more than 56% in China) to be further added in Thin PET from 2020 to 2023 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 long term threat to industry players for standard films
- Some of the expected capacity additions may be deferred / delayed due to Covid 19 situation
- Favourable Raw Material price scenario:
 - a. Benign crude oil prices
 - b. Oversupply situation (both PTA & MEG)
 - c. Demand disruption in fibre/yarn markets in the short to medium term due to Covid 19
- 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.

Growth Plans

Projects	Location	Capital Cost (In USD million)	Likely Start Up
BrownField - BOPP	Indonesia	53	H1 FY 21-22
Other Projects	India	3	Upto Q3 FY 20-21
	Overseas#	48	Upto FY 21-22
Total		104	

Note:

Includes Post Consumer Bottle Recycling Project (EcoBlue, Thailand) approx. USD 12 million

In addition to the above, normal maintenance Capex in the range of USD 6-7 million

Expansion in BOPP segment will enable the Company to actively participate in new developments in sustainability.

Other benefits related to on-going 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

GreenField Thin PET Project

10.6 Meter Line - 44 KTPA Film Capacity, 73 KTPA Resin Plant & Metallizer
Capex: 80 Million USD

- * Film Plant and Metallizer successfully running since Nov'2019
- * Line fully ramped up
- * Chips Plant in operation since March'2020
- * **New Investment in additional Metallizer (12000 MT capacity)**



INDONESIA

BrownField BOPP Project

10.4 Meter Line - 60 KTPA Film Capacity, 5 layer machine with inline coating
Capex: 53 Million USD

- * Board Approved June'19
- * 25 Million USD funding confirmed
- * Estimated Date of Start Up H1 2021-22



POLYPLEX

Fallout of Covid 19 for PET Film Industry

- Flexible packaging demand (74% of our sales) for consumer staple has been at elevated level since March 2020 and is expected to remain at normal to slightly elevated level in the medium term. The demand for discretionary items may see some minor decline in the short term
- Accelerated shift from unpackaged to packaged food due to hygiene and “trust” factors in the developing countries
- Shift from consumption of food from outside (restaurants/offices) to consumption at home
- Demand for some Industrial applications is expected to fall. As our exposure is limited to 26% of sales, the impact is expected to be muted
- Increased demand from health & hygiene segments
- Low RM cost for extended period
- Delay in startup of new capacity additions



All production lines of Polyplex across the globe have been running during this pandemic except for few days of closure in Indian operations in March & April 2020. Normal operations have subsequently resumed

Polyplex Response - Covid 19

Towards Society:

1. Supporting the less privileged in participation with various NGO's
2. Contribution of necessary medical equipments and protective gear for healthcare workers, police staff etc.
3. Monetary contribution to Hospitals, Government relief funds etc.
4. Used Polyplex films to produce face shields for local hospitals at each of our offices worldwide

Towards Employees:

1. Ensuring health and safety of the employees as the top priority
2. Stringent social distancing measures have been adopted
3. Implemented daily health surveys of each employee, temperature checks at our entrance gates and mandatory face masks on site
4. Regular environmental cleaning (wipe off work surfaces, doorknobs, workstations)
5. Government guidelines at all geographical locations have been adhered to



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.

Thank You

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