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3<sup>rd</sup> November 2021

The Bombay Stock Exchange Ltd  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400 001  
Security Code:-523301

The National Stock Exchange of India Ltd  
Exchange Plaza, Plot No. C/1, G Block  
Bandra Kurla Complex,  
Bandra East, Mumbai 400 051  
Trading Symbol:- TCPLPACK

Dear Sir(s),

**Re:- Earnings Presentation**

We wish to inform you that Board of Directors of the company in their Meeting held on 3<sup>rd</sup> November 2021, inter-alia considered and approved the Unaudited Financial Results of the Company (Standalone and Consolidated) for the quarter / half year ended 30<sup>th</sup> September 2021.

Attached is Earnings Presentation for Q2 & H1 FY 22. We request you to take the above on your records in the interest of general public at large.

Thanking You

For **TCPL Packaging Limited**

Compliance Officer

Encl. As above

# Q2 & H1 FY22 Earnings Presentation



03 November 2021



## Disclaimer

*Certain statements and opinions with respect to the anticipated future performance of TCPL Packaging Limited (TCPL) in the presentation ("forward-looking statements"), which reflect various assumptions concerning the strategies, objectives and anticipated results may or may not prove to be correct. Such forward-looking statements involve several risks, uncertainties and assumptions which could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These include, among other factors, changes in economic, political, regulatory, business or other market conditions. Such forward-looking statements only speak as at the date the presentation is provided to the recipient and TCPL is not under any obligation to update or revise such forward-looking statements to reflect new events or circumstances. No representation or warranty (whether express or implied) is given in respect of any information in this presentation or that this presentation is suitable for the recipient's purposes. The delivery of this presentation does not imply that the information herein is correct as at any time after the date hereof and TCPL has no obligation whatsoever to update any of the information or the conclusions contained herein or to correct any inaccuracies which may become apparent after the date hereof.*





# Company Overview

*TCPL - One of India's leading producers of sustainable packaging solutions for customers across industries*



31  
YEARS

Of providing an array of packaging solutions



906  
(RS. CRORE)

Revenue  
(FY21)



99  
(RS. CRORE)

Cash Profit\*  
(FY21)



17.7%

15 years  
Revenue  
CAGR  
(FY07 to FY21)



7

Manufacturing  
units



~1,900

Employees  
(FY21)



# Business Overview

- One of India's largest Folding Carton manufacturers and converters of paperboard
- Innovative player in the Flexible packaging industry
- Close-to-Demand Pan-India Footprint to fast-track growth
- Caters to Consumer Goods, Food & Beverage, Tobacco, Liquor, Agro-Chemicals, Pharma, and various other industries
- Accredited with international certifications of quality and implemented Integrated Management System (IMS) for all-round quality assurance



**Folding Cartons**

**Revenue Mix  
(FY21)**

**~85%**

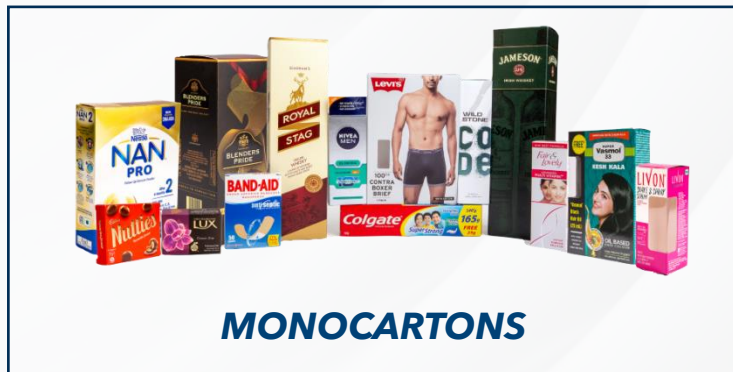


**Flexible Packaging**

**~15%**

# Folding Carton Division

- One of India's leading Carton Packaging companies since 1990s driven by adoption of industry-leading technology
- Offers wide-range of innovative, sustainable & unique packaging solutions
- Well-positioned to support diverse customer requirements with PAN India presence and network



# Flexible Packaging Division

- Innovative player providing versatile and sustainable solutions to customers across industry verticals
- Offers a variety of products including Pouches, Laminates, Shrink Sleeves, and Wrap Around Labels



**POUCHES**



**SHRINK SLEEVES**



**WRAP AROUND LABELS**



**LAMINATES**



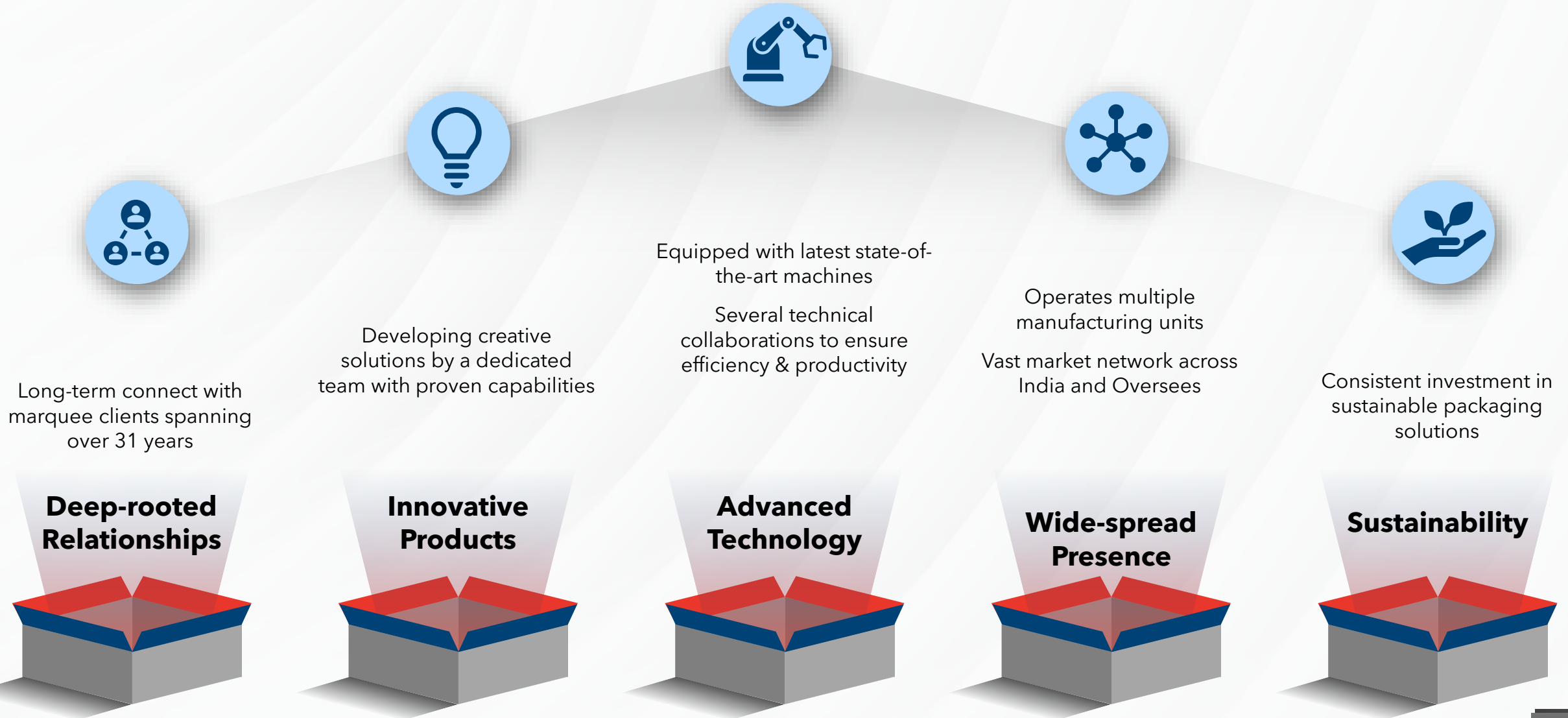
**TIPPING PAPER**



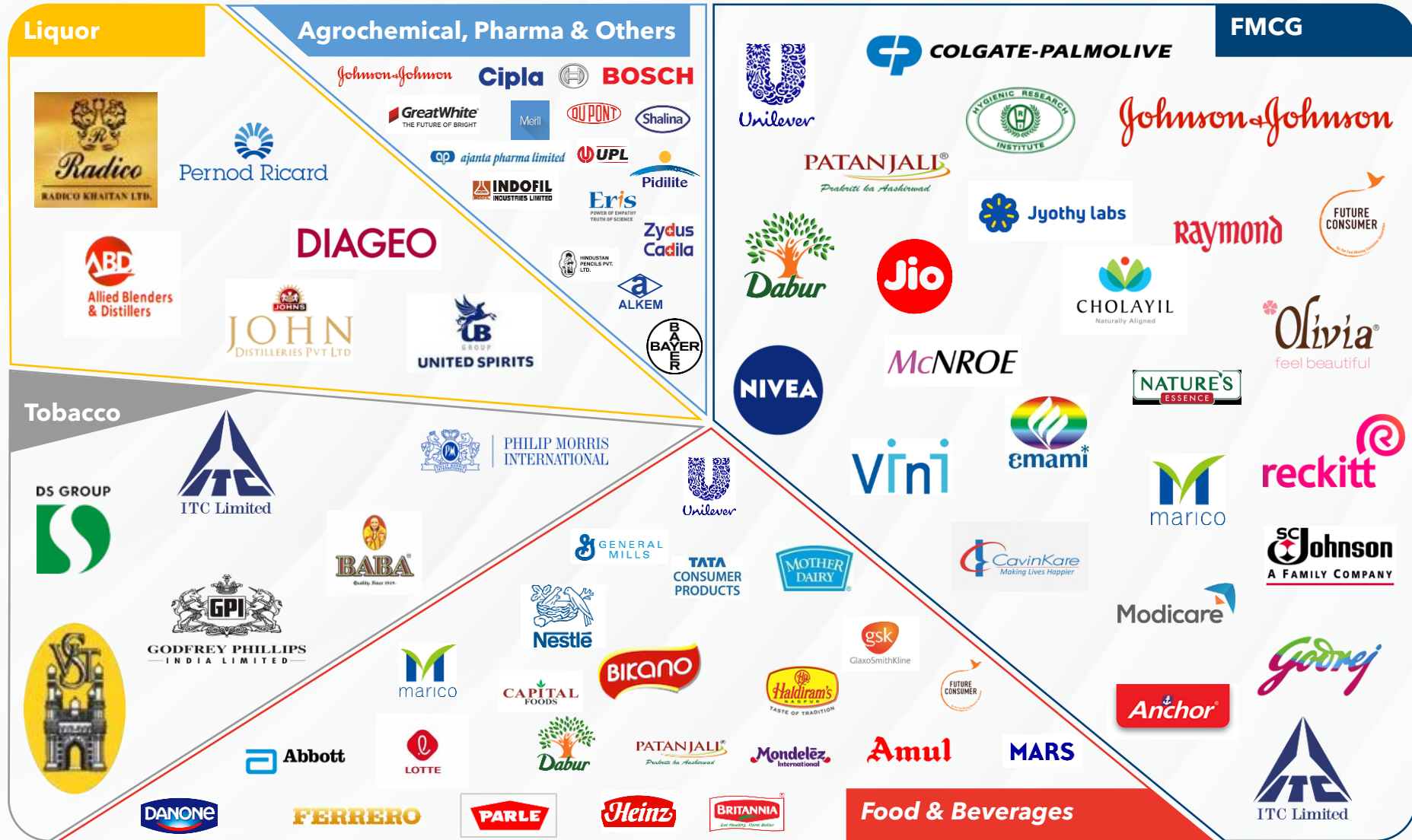
**BUNDLE PAPER, INNER  
FRAMES & SOFT PACKS**



# Pillars of Strength



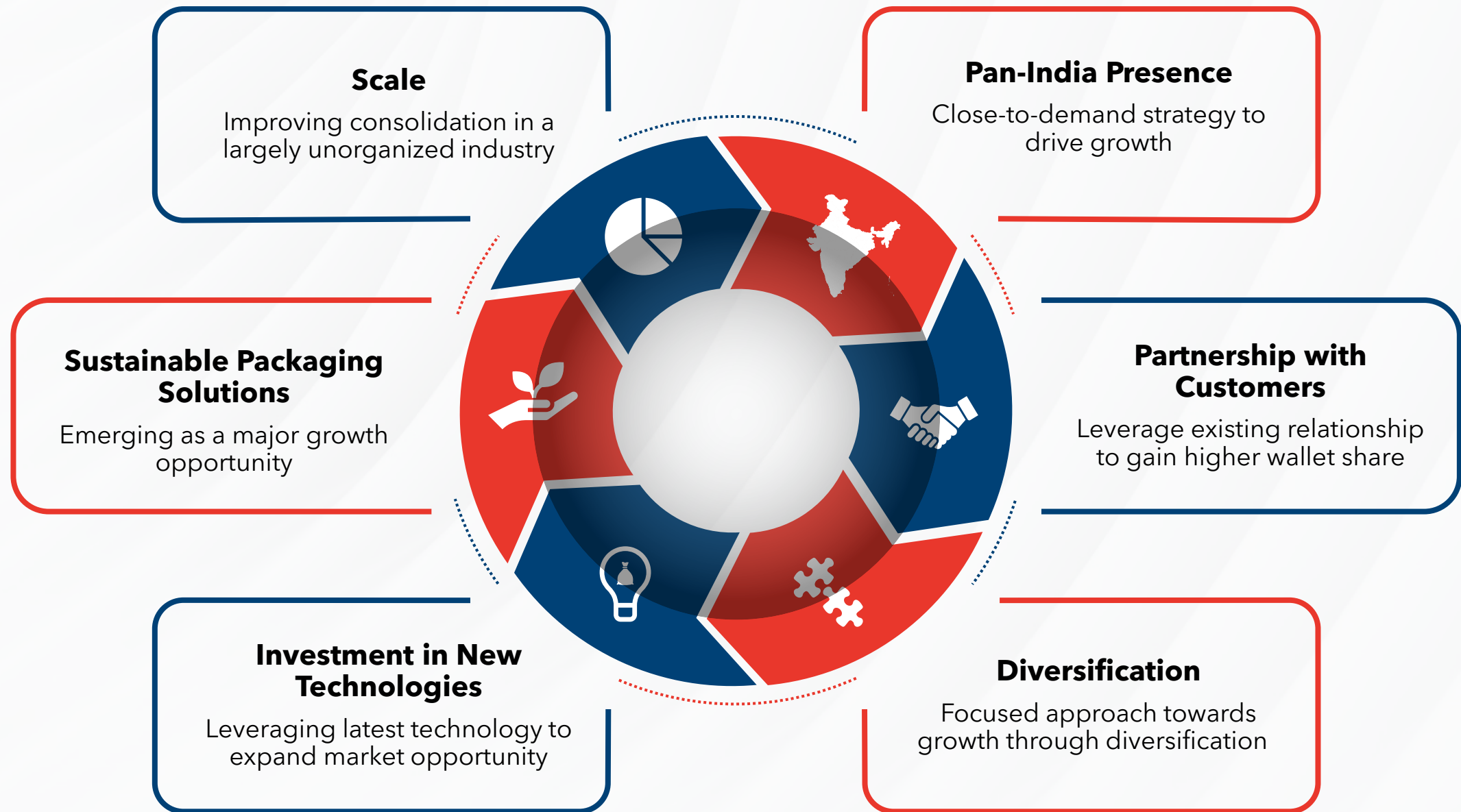
# Marquee Clients



“Enables leading companies across industries identify the right packaging solutions”



# Key Growth Levers





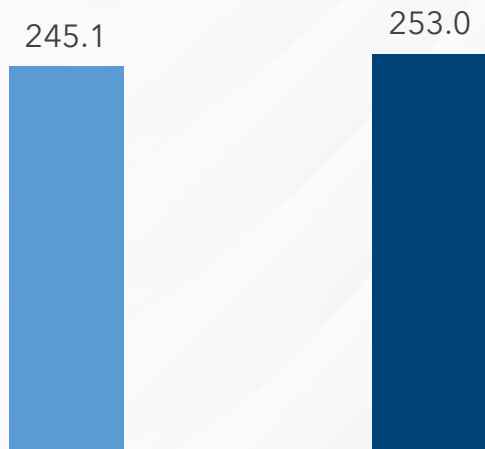
# Q2 & H1 FY22 Results Overview



# Key Financial Highlights



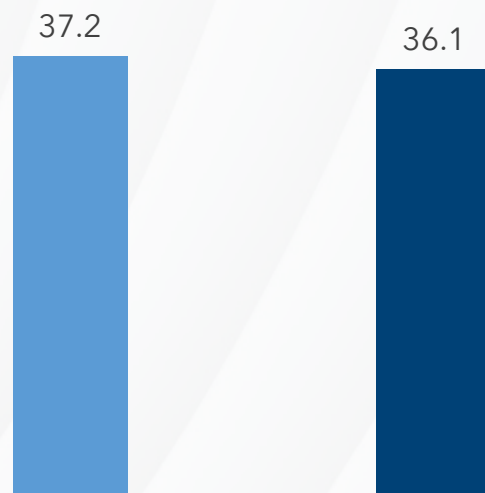
Total Revenues (Rs. Cr.)



Q2 FY21                      Q2 FY22

**Shift % (Y-o-Y)**                      3.2%

EBITDA (Rs. Cr.)



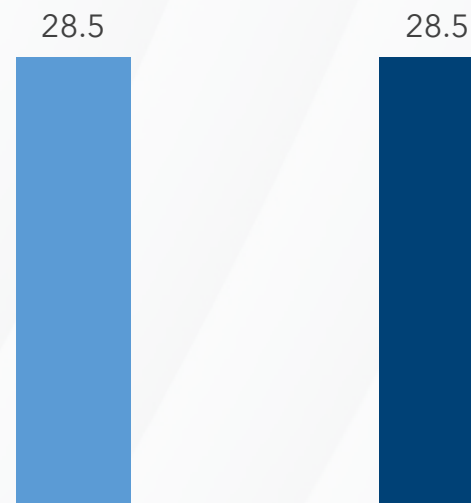
Q2 FY21                      Q2 FY22

**Shift % (Y-o-Y)**                      -2.8%

**Margins (%)**

15.5%                      14.6%

Cash Profit (Rs. Cr.)



Q2 FY21                      Q2 FY22

**Shift % (Y-o-Y)**                      0.0%

**Margins (%)**

11.6%                      11.3%

*Note: Standalone figures*

## **TCPL has entered into an agreement to acquire Creative Offset Printers Private Limited (COPPL)**

- Enters high potential rigid boxes segment - to cater one of the fastest growing smartphone markets in the world
- Diversifies product offering and strengthens the Company's position as a leading producer of sustainable packaging solutions for customers across industries
- Acquisition aligned with TCPL's strategic objective to grow by leveraging its scale and institutional capabilities in a largely unorganized industry
- The Company anticipates notable synergies including rationalization and optimization of various costs as their manufacturing facilities are in close proximity
- To acquire a majority stake and take control of the Board of Directors
- Mr. Rohit Khanna to continue in a leadership position under the guidance of the Board
- The completion of the transaction is subject to satisfactory accomplishment of certain conditions precedent



## Update on expansion

- Second manufacturing line in the Flexible Packaging segment progressing well
  - The Company expects to start operations this fiscal
  - Unit will effectively double the segment's capacity
  
- Installation of state-of-the-art innovative Polyethylene (PE) blown film line at Silvassa is also on track
  - One of the first few such facilities in the World
  - Given increasing customer preference for sustainable & recyclable solutions, end-products based on this environmentally friendly Machine-Direction Orientation (MDO) technology is anticipated to receive healthy traction

# Management Message

## **Commenting on the performance for Q2 & H1 FY22 Mr. Saket Kanoria, Managing Director, TCPL Packaging Limited said**

*“TCPL has shown strong resilience and achieved another quarter of steady performance amidst a challenging operating environment. While gross margins were impacted owing to rising raw material prices, we were able to minimize the impact on EBITDA margins by managing our operating costs. We continue to see raw material inflation in the ongoing quarter; however, we are working with our customers to undertake adequate price hikes to normalize our margins.*

*In a key development, we are excited to announce that we have entered into a definitive share purchase agreement to acquire Creative Offset Printers Private Limited (COPPL), a strategic move geared towards further diversifying the Company’s product offerings and strengthening our long-term growth prospects. With this acquisition, TCPL enters the high-potential rigid box segment and will cater to one of the world’s fastest-growing smartphone markets.*

*Our expansion plans in the flexible segment are progressing well and will be concluded by the end of this fiscal. Additional capacities and pick up in demand momentum should enable us deliver strong growth rates in the coming years. Overall, we believe TCPL is well poised to capitalize on the rising demand for sustainable packaging solutions from leading brands and would support our endeavour to create value for all stakeholders.”*





# Update on COPPL Acquisition

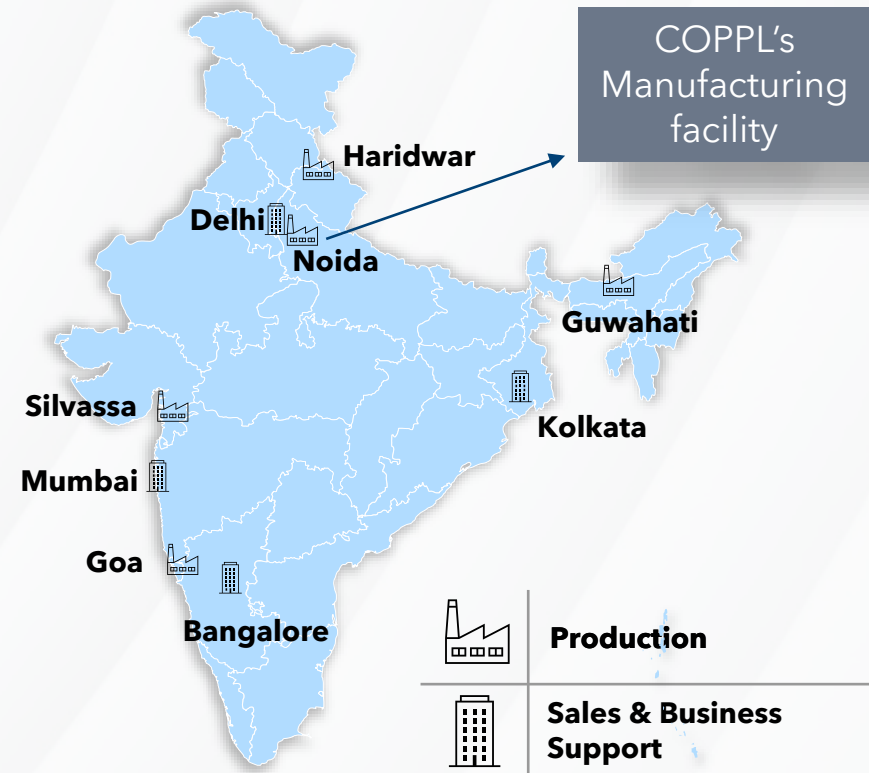
## About Creative Offset Printer Private Limited (COPPL)

- Incorporated in 2002, COPPL was started by Mr. Rohit Khanna & Ms. Gazal Dhillon
- Core business is manufacturing of rigid packaging boxes
- Strategically located at Noida, COPPL's production facility is well-equipped to target India's largest mobile manufacturing hub
- Associated with major mobile firms operating in Noida including Samsung & supplies various types of mobile boxes

## Acquisition Details

- TCPL to acquire a majority stake in COPPL
- Taps high potential rigid boxes segment focused on one of the fastest growing smartphone markets in the world
- Diversifies product offering & strengthens position as a leading producer of sustainable packaging solutions for customers across industries
- To acquire 60% equity stake

Since both companies have production facilities in close proximity, TCPL aims to capitalize from key synergies, like cost rationalization & optimization



TCPL has a PAN-India presence



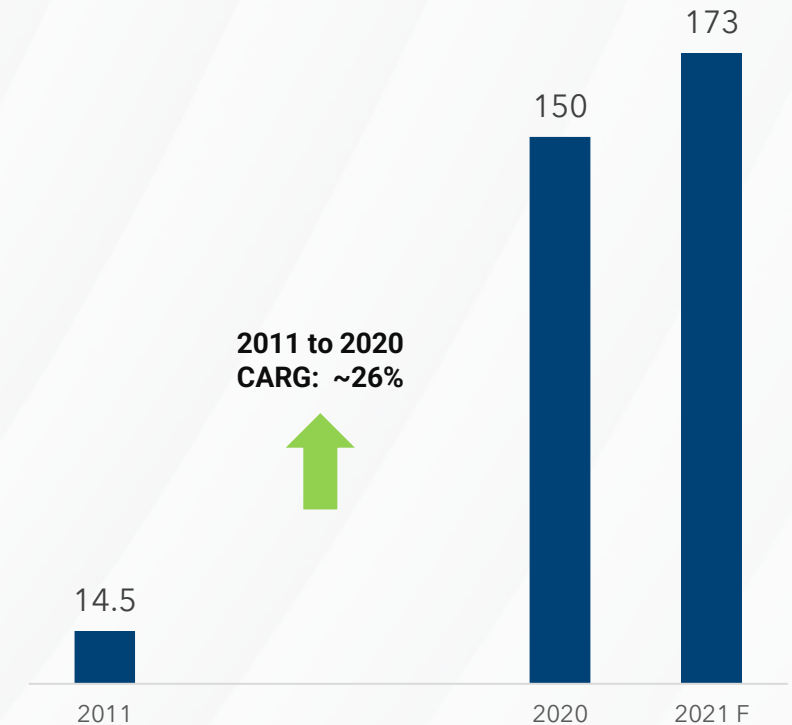
# Update on COPPL Acquisition

## Indian Smart phone market

- One of the fastest growing markets for smartphones in the World with high value add
- Over the years, Indian Smartphone shipment has grown tenfold, exceeding markets such as North America, Latin America, and Africa
- India is the world's 2nd largest mobile manufacturing country, and is vying for the top spot by attracting global giants with production-linked incentives (PLI)
  - This bodes well for the rigid box manufacturing business, which caters to the mobile industry for not only the Indian market but for exports as well



## Indian Smartphone Shipment (Million)



Source: [Statista 2021](#)

**High potential rigid packaging segment: To tap one of the fastest growing smartphone markets in the world**

# Standalone P&L Statement



Particulars (Rs. crore)	Q2 FY22	Q2 FY21	Y-o-Y Change (%)	H1 FY22	H1 FY21	Y-o-Y Change (%)
<b>Revenues from Operations</b>	247.7	239.8	<b>3.3%</b>	470.6	405.6	<b>16.0%</b>
Other Operating Income	5.3	5.3	-0.2%	8.5	9.0	-5.2%
<b>Total Revenues</b>	<b>253.0</b>	<b>245.1</b>	<b>3.2%</b>	<b>479.1</b>	<b>414.6</b>	<b>15.6%</b>
<b>Total Expenditure</b>						
• Raw Material expenses	151.4	138.9	9.0%	287.5	233.4	23.2%
• Employee benefits expense	25.1	21.6	16.5%	49.1	44.0	11.4%
• Other expenses	40.4	47.4	-14.8%	76.1	76.5	-0.5%
<b>EBITDA</b>	<b>36.1</b>	<b>37.2</b>	<b>-2.8%</b>	<b>66.5</b>	<b>60.7</b>	<b>9.6%</b>
<b>EBITDA Margin (%)</b>	<b>14.6%</b>	<b>15.5%</b>	<b>(60) bps</b>	<b>14.1%</b>	<b>15.0%</b>	<b>(90) bps</b>
Other Income	0.4	0.7	-44.4%	0.5	1.0	-45.9%
Finance Costs	8.0	9.4	-14.5%	15.7	19.3	-18.6%
Depreciation and Amortization	13.6	12.8	6.3%	26.9	25.6	5.2%
<b>PBT</b>	<b>14.9</b>	<b>15.7</b>	<b>-5.1%</b>	<b>24.4</b>	<b>16.8</b>	<b>45.4%</b>
Tax expense	4.3	5.2	-18.5%	7.7	5.6	38.4%
<b>PAT</b>	<b>10.7</b>	<b>10.5</b>	<b>1.6%</b>	<b>16.7</b>	<b>11.2</b>	<b>48.9%</b>
<b>PAT Margin (%)</b>	<b>4.3%</b>	<b>4.4%</b>	<b>230 bps</b>	<b>3.5%</b>	<b>2.8%</b>	<b>(40) bps</b>
Cash Profit	28.5	28.5	0.0%	51.3	42.4	21.1%
<b>EPS Diluted (Rs.)</b>	<b>11.73</b>	<b>11.54</b>	<b>1.6%</b>	<b>18.34</b>	<b>12.31</b>	<b>49.0%</b>



## Total Revenues

**Total Revenues stood at Rs. 253.0 crore as against Rs. 245.1 crore**

- Reported steady revenue performance during the quarter despite a challenging environment due to the ongoing pandemic
- The Company is witnessing a month-on-month improvement in revenues and anticipates the trend to continue in the upcoming quarters

## EBITDA

**EBITDA came in at Rs. 36.1 crore, with EBITDA Margins at 14.6%**

- Gross margins during the quarter were impacted owing to rising raw material prices. However, the impact on EBITDA margins was limited due to cost management
- Given the current inflationary environment, the Company is undertaking price hikes to normalize margins going forward

## Cash Profit After Tax

**Cash PAT came in stable at Rs. 28.5 crore**

- Depreciation came in at Rs. 13.6 crore and finance cost stood at Rs. 8.0 crore during the quarter

# Balance Sheet Snapshot



Rs. 310.8  
Crore

Net-worth



Rs. 694.9  
Crore

Capital Employed



Rs. 648.7  
Crore

Fixed Assets (Gross)



Rs. 16.2  
Crore

Cash & Investments



Rs. 367.8  
Crore

Net Debt



93 Days

Net Working Capital Days



Annexure



## Q2 & H1 FY2022 Earnings Conference Call

**Time**

- 2:30 p.m. IST on Monday, November 08, 2021

**Pre-registration**

To enable participants to connect to the conference call without having to wait for an operator, please register at the below mentioned link:

**Primary dial-in number**

- + 91 22 6280 1141 / 7115 8042

**International Toll-Free****Number**

- Hong Kong: 800 964 448
- Singapore: 800 101 2045
- UK: 0 808 101 1573
- USA: 1 866 746 2133

# About Us



TCPL Packaging Limited (TCPL) (BSE: 523301, NSE: TCPLPACK), is one of India's leading producers of sustainable packaging solutions for customers across industries. The Company partners with customers to provide paperboard-based packaging solutions including folding cartons, printed blanks and outers, litho-lamination, plastic cartons, blister packs, and shelf-ready packaging. TCPL has also ventured into the flexible packaging industry, with capability to produce printed cork-tipping paper, laminates, sleeves, and wrap-around labels.

Headquartered in Mumbai, India, TCPL has a PAN India presence with 7 state-of-the-art manufacturing facilities and marketing offices in key metro cities. Over the years, the Company has effectively diversified and broadened its operations to service a wide range of packaging products, while consistently adding new customers and increasing its share of business in established customers and markets.

## For further information, please contact:



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Thank You