

12 November 2020

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 957238	Trading Symbol: EPL

Ref.: EPL Limited

Sub.: Investors notes/updates with respect to the Unaudited Financial Results for the second quarter and half year ended 30 September 2020.

Dear Sirs,

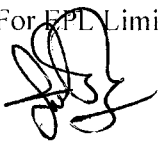
Please find attached copy of the Investors notes/updates as mentioned in the subject line.

We request you to kindly take note of the aforesaid and acknowledge receipt.

Thanking You

Yours faithfully,

For EPL Limited



Suresh Savaliya
Head Legal & Company Secretary



Encl.: As above

Filed Online



EPL LIMITED

(Formerly known as Essel Propack Limited)

Q2 FY21 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

Continued Commitment to the Mission

Recap: EPL 2.0 - Executive Summary

- 1 With Blackstone as the new controlling shareholder, our mission is to deliver:
“Capital Efficient, Consistent Earnings Growth”**
- 2 Strengthened management team, Board, and advisor network**
 - Sudhanshu Vats (ex-Viacom18, Unilever) hired as Managing Director and CEO
 - Parag Shah (ex-Unilever, Nike) hired as CFO
 - New board constituted with fit-for-purpose professionals
 - Deep engagement of Blackstone’s global advisor network
- 3 Identified levers to execute our mission:**
 - Accelerated growth in Personal Care
 - Continued leadership in Oral Care
 - Innovation and sustainability solutions
 - Prudent capital allocation across regions
- 4 EPL demonstrates resilience in business performance despite impact of Covid-19**
 - Opportunity for strong companies to become stronger

We are now EPL



A new name: EPL

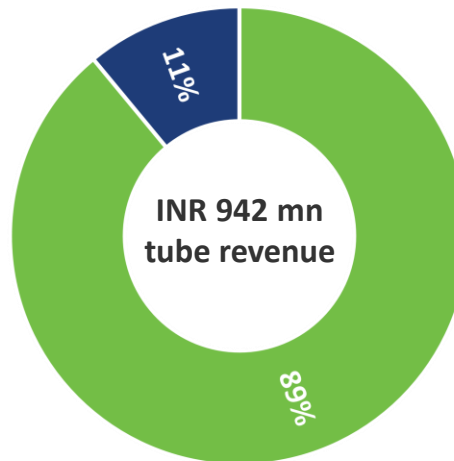
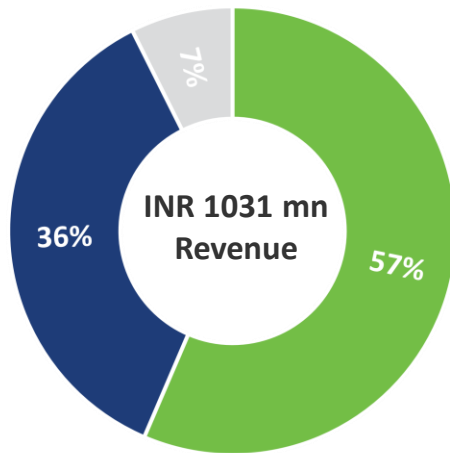
- A simple, crisp and global name that is an effortless shorthand for clients, even as it is our vehicle for a new purpose-driven journey ahead.

A new vision:

- The EPL brand vision reflects a transition from 'high to higher' and our desire to 'shift gears' to a new way of growth. One that builds on our strengths while leveraging on new opportunities.
- It is about shaping the future of packaging even as we celebrate everything that made us tick as a company.
- Our vision is summarized in an evocative and inspiring Brand idea - '**Leading the Pack**'.

Acquisition of Creative Stylo Packs (Creative) - Overview

- ▶ Founded in 2012 by two young entrepreneurs Bhavik Shah and Darshan Shah.
- ▶ FY20 Revenue of INR 1,031 mn and Adjusted EBITDA of INR 305 mn (29.6% margin).
- ▶ A manufacturing facility in Himachal Pradesh with annual production of ~200 mm tubes.



- Plastic Tubes
- Laminated Tubes
- Beauty & Cosmetic
- Pharma & Health
- Corrugated Box



Transaction - Overview

- ▶ Enterprise Value: INR 2,539 mn

- ▶ Deal structure:
 - Purchase of 72.5% stake through cash

 - Purchase of balance 27.5% stake through issuance of EPL shares to Creative founders pursuant to merger¹ of Creative into EPL

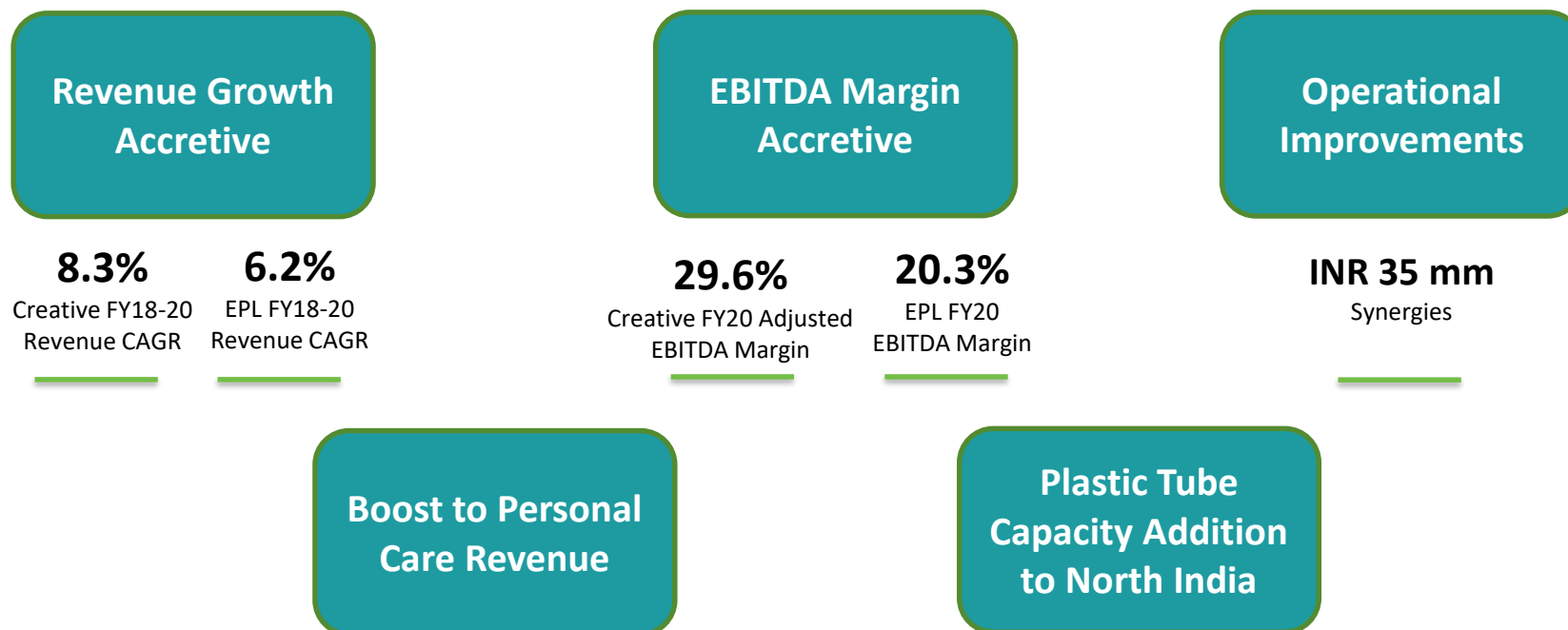
- ▶ Creative founders will become part of EPL's senior management team after the transaction and will play role in expansion of EPL's global business.

- ▶ Closing of the transaction is conditional upon the satisfaction of customary conditions. We expect the transaction to close in the last quarter of FY21

(1) Merger Scheme approved by the Board of Directors.

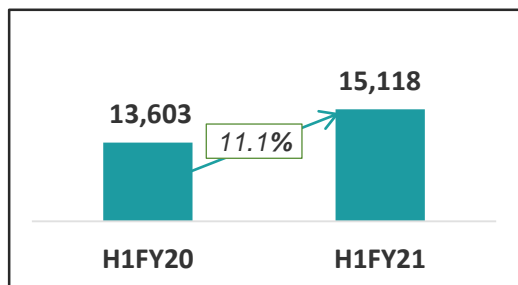
Strategic Rationale

Creative will be highly accretive acquisition for EPL across dimensions

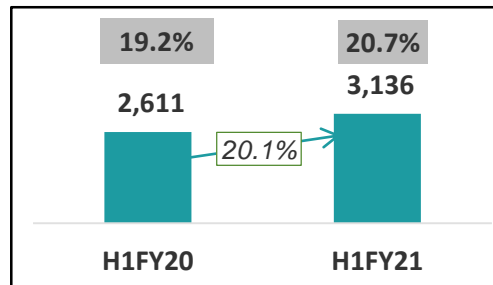


H1FY21 Consolidated Financial Highlights: Reported Y-o-Y Revenue growth of 11.1% and EBITDA growth of 20.1%. (INR million)

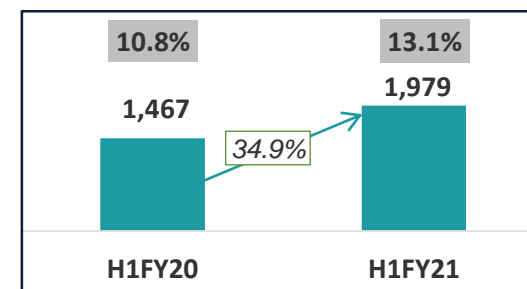
Revenue from Operations



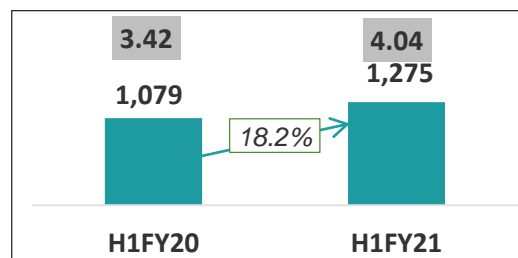
EBITDA and EBITDA Margins



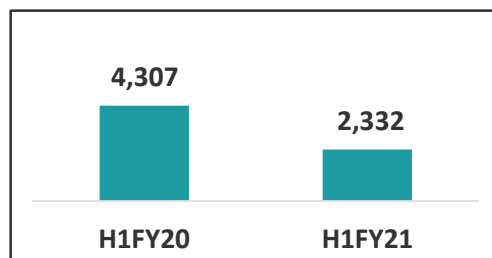
EBIT and EBIT Margins



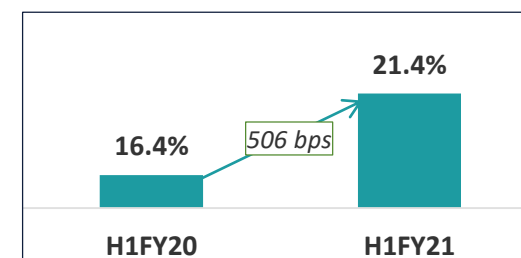
PAT¹ and EPS (INR)



Net Debt



ROCE²



- ▶ Revenue growth of 11.1% despite Covid-19.
- ▶ EBITDA margin increased by 155 bps y-o-y driven by better product mix and productivity improvement.
- ▶ Focus on capital efficiency yielding results, driving increase in ROCE to 21.4% and reduction in Net Debt.

(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 20 (INR 17 mn for Sep 19) of Transition Services Agreement (TSA) related expense and Nil in Sep 20 (INR 11 mn in Sep 19) of tax amnesty expenses

EPL 2.0 Mission: Capital Efficient, Consistent Earnings Growth

(INR million)

	H1FY20	H1FY21	Growth		
Growth¹	Revenue	13,604	15,118	11.1%	↑
	Adjusted EBITDA	2,639	3,245	23.0%	↑
	Adjusted EPS (INR)	2.98	4.24	42.2%	↑
Capital Efficiency		As of September'19	As of September'20		
	ROCE ²	16.4%	21.4%	506 bps	↑
	Net Debt	4,307	2,332		↓
		FY20	H1FY21		
	Capex	1,286	644		↓

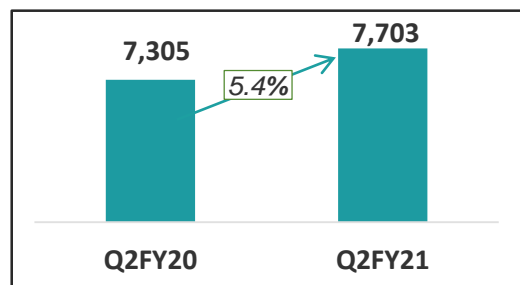
(1) Refer page 31 for details on Adjusted EBITDA and Adjusted EPS

(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 20 (INR 17 mn for Sep 19) of Transition Services Agreement (TSA) related expense and Nil in Sep 20 (INR 11 mn in Sep 19) of tax amnesty expenses

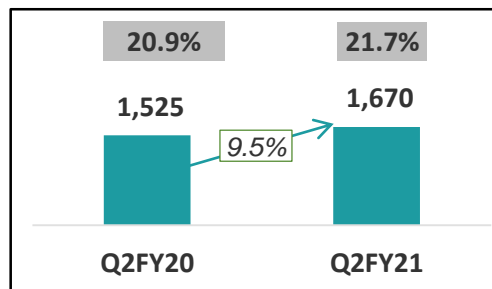
Q2FY21 Consolidated Financial Highlights: Reported Y-o-Y Revenue growth of 5.4% and EBITDA growth of 9.5%.

(INR million)

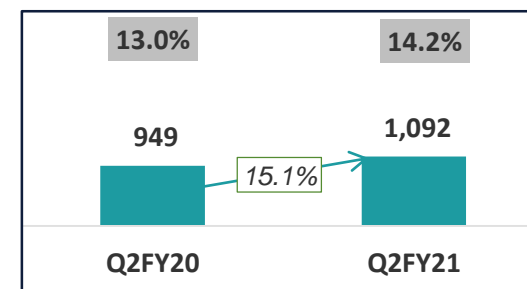
Revenue from Operations



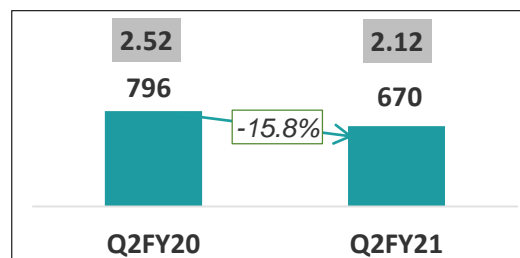
EBITDA and EBITDA Margins



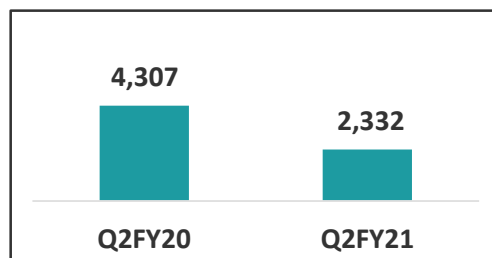
EBIT and EBIT Margins



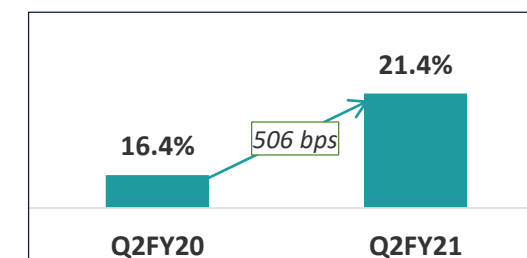
PAT¹ and EPS (INR)



Net Debt



ROCE²



- ▶ Revenue growth of 5.4% despite Covid-19.
- ▶ EBITDA margin increased by 80 bps y-o-y driven by better product mix and productivity improvement.
- ▶ Focus on capital efficiency yielding results, driving increase in ROCE to 21.4% and reduction in Net Debt.

(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 20 (INR 17 mn for Sep 19) of Transition Services Agreement (TSA) related expense and Nil in Sep 20 (INR 11 mn in Sep 19) of tax amnesty expenses

EPL 2.0 Mission: Capital Efficient, Consistent Earnings Growth

(INR million)

	Q2FY20	Q2FY21	Growth		
Growth¹	Revenue	7,305	7,703	5.4%	↑
	Adjusted EBITDA	1,553	1,739	11.9%	↑
	Adjusted EPS (INR)	2.08	2.31	11.0%	↑
Capital Efficiency		As of September'19	As of September'20		
	ROCE ²	16.4%	21.4%	506 bps	↑
	Net Debt	4,307	2,332		↓
	FY20	H1FY21			
Capex	1,286	644		↓	

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

(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 20 (INR 17 mn for Sep 19) of Transition Services Agreement (TSA) related expense and Nil in Sep 20 (INR 11 mn in Sep 19) of tax amnesty expenses

EPL Worked Proactively with All Stakeholders to Ensure Business Continuity and Minimize Covid-19 Impact

Supply Enablement

All 20 plants operational

- ▶ Proactively worked with regulatory authorities and customers to classify EPL in the “essential services” category
- ▶ All 20 plants are currently operational

Demand Generation

New category launched: Hand Sanitizer/Hand wash

- ▶ Product innovation extended to launch hand washes in tubes.
- ▶ Envisioning to become a large player in hand wash category going forward.
- ▶ Opportunity to increase wallet share in existing categories

Employee Wellness

Crisis Committee Constituted

- ▶ Rigorous employee safety measures adopted across all factories
- ▶ Crisis committee constituted comprising CEO, COO, CFO, and regional heads

Cost Management

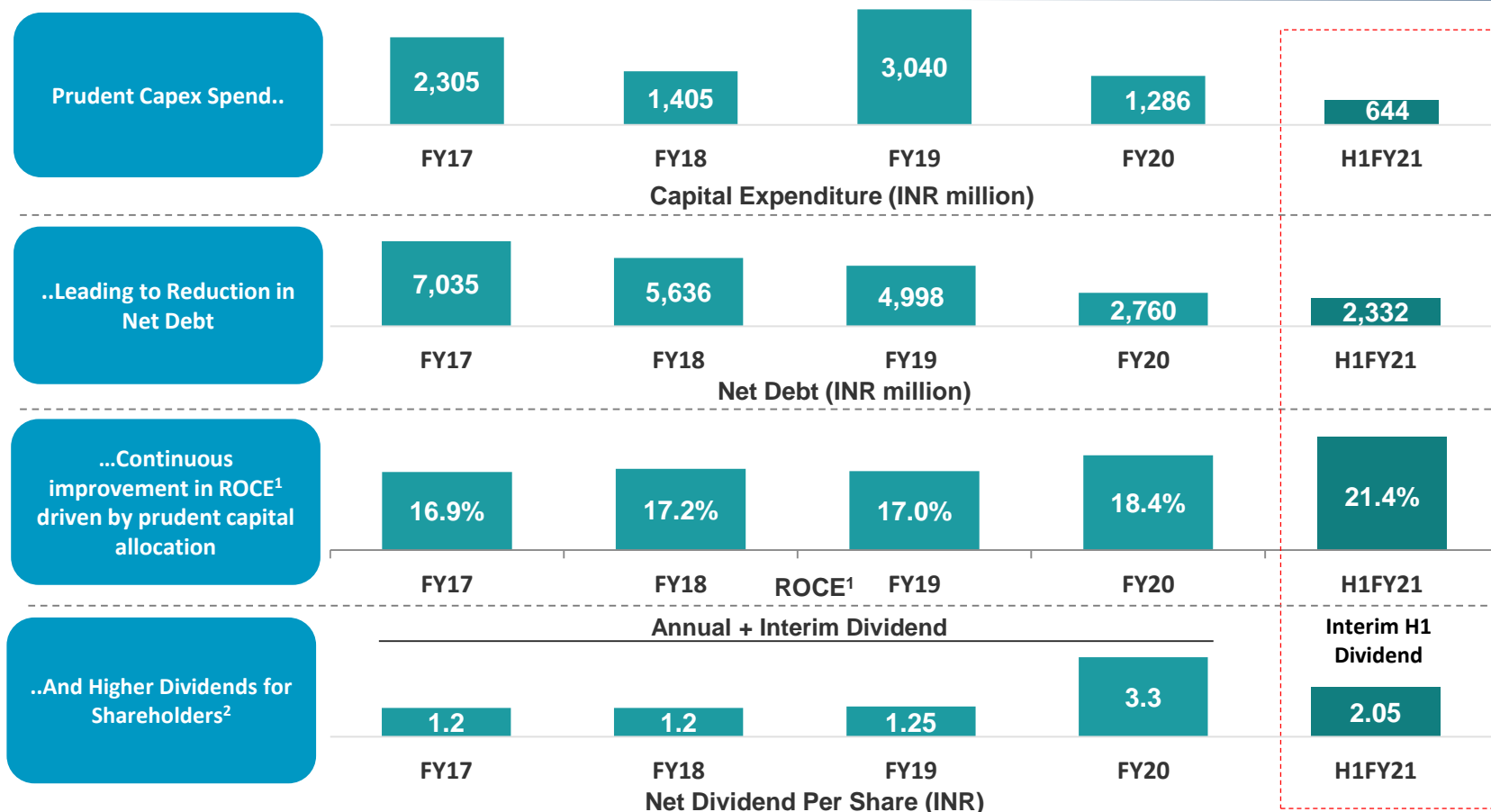
Phase II of Project Phoenix ongoing

- ▶ Phase I of Project Phoenix contributed to strong margin expansion in FY20
- ▶ Phase II is already in place and projects are under implementation.

Strong Traction in Hand Sanitizer/Hygiene Products Globally: EPL has Emerged as the Leading Supplier for Key Brands



Renewed Focus on Capital Efficiency Leading to Reduction in Net Debt

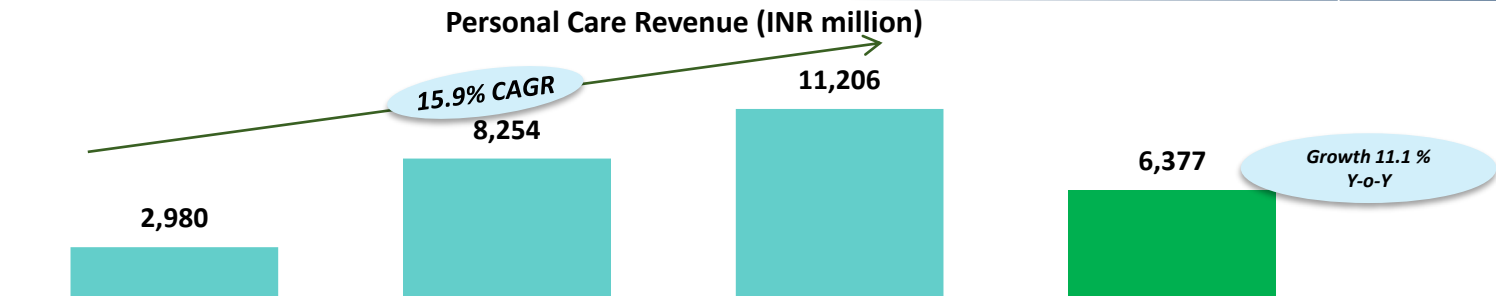


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Continued Focus on Fundamental Levers – Q2FY21

- **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 16% CAGR Over the Last Nine Years and Continues to be the Major Growth Driver for EPL in H1FY21

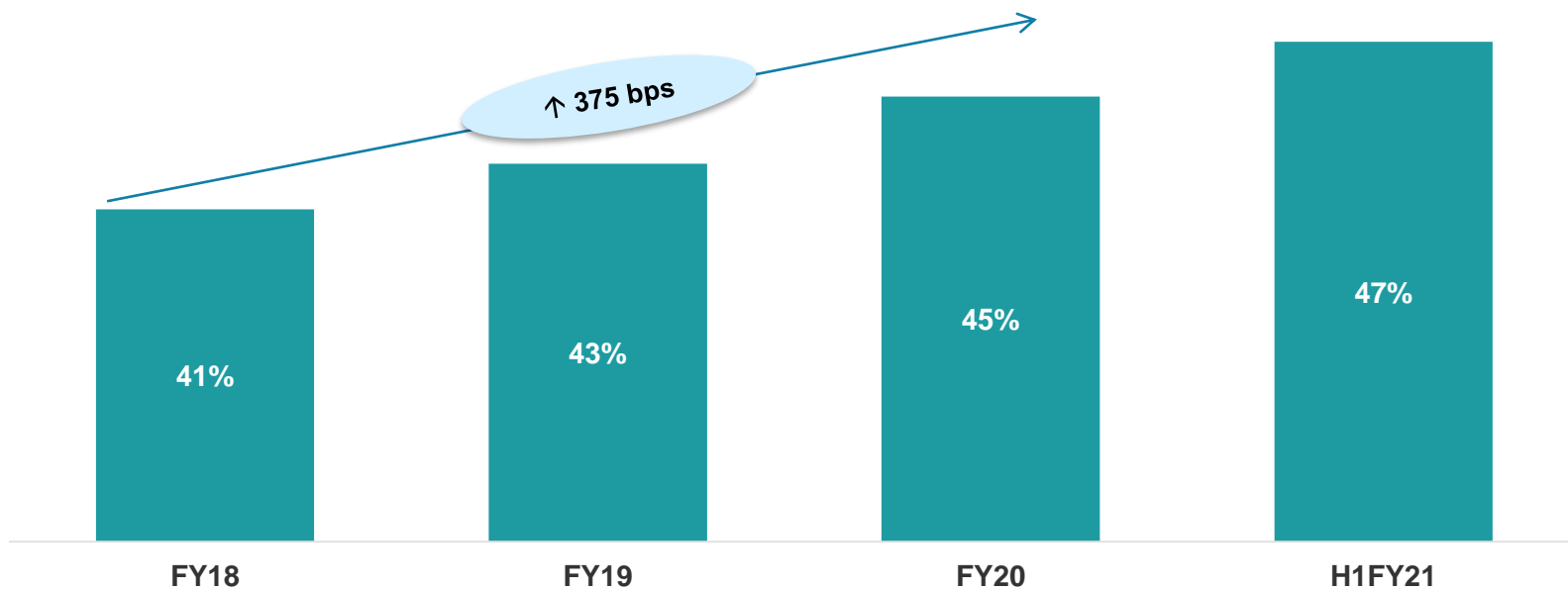


Sub-categories	FY11	FY15	FY20	H1FY21
Face Care	✓	✓	✓	
Hair Care	✗	✗	✓	
OTC Medication	✗	✓	✓	
Prescription Medication	✗	✗	✓	
Food	✗	✓	✓	
Home	✗	✗	✓	
Hygiene Products	✗	✗	✓	← Accelerating Conversion Efforts
Eye Care	✗	✗	✓	← Actively Pursuing
Hand Cream	✗	✗	✓	

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

Personal Care Contribution stood at 47% in H1FY21

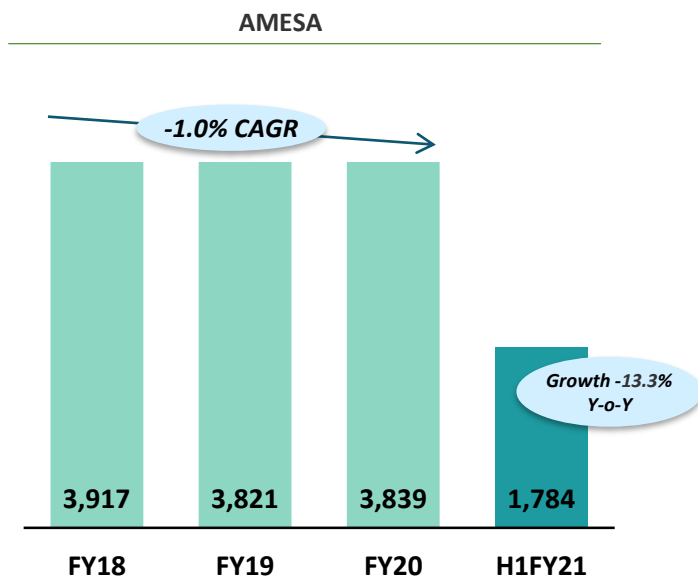
Personal Care Contribution to Tube Revenue



Continued focus on increase in Personal care share helped by increased demand of Hygiene Products.

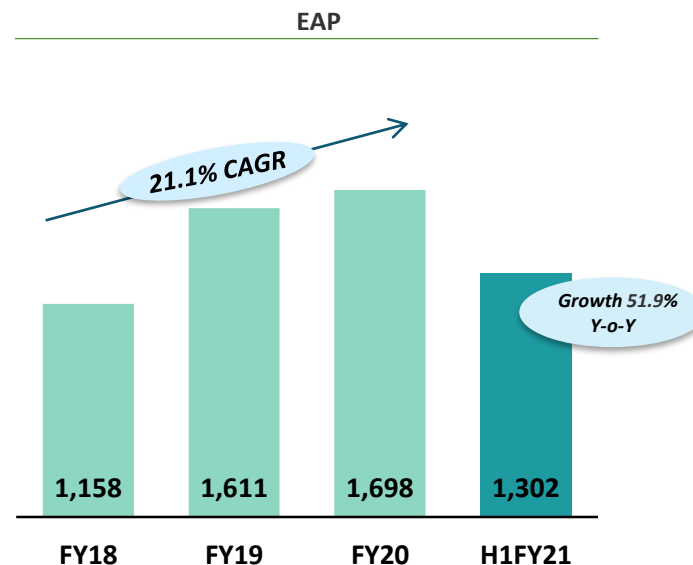
Continued Growth in Personal Care (1/2)

(INR million)



Highlights

- ▶ Personal Care contribution declined to 46.8% in H1FY21 (v/s 52.4% in H1FY20), due to sluggish demand in B&C on account of ongoing Covid-19 outbreak. However B&C is seen recovering in later part of Q2FY21.
- ▶ Timely innovation and launch of Hygiene products aided in boosting the H1FY21 performance.



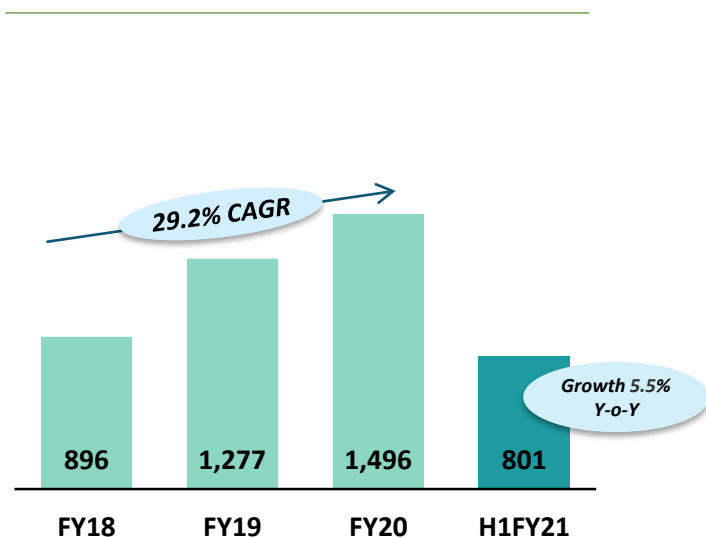
Highlights

- ▶ Personal Care contribution increased to 41.1% in H1FY21 (v/s 34.1% in H1FY20). Growth is majorly driven by B&C and Pharma segments.
- ▶ Strong business pipeline; increased focus on fast-growing regional players

Continued Growth in Personal Care (2/2)

(INR million)

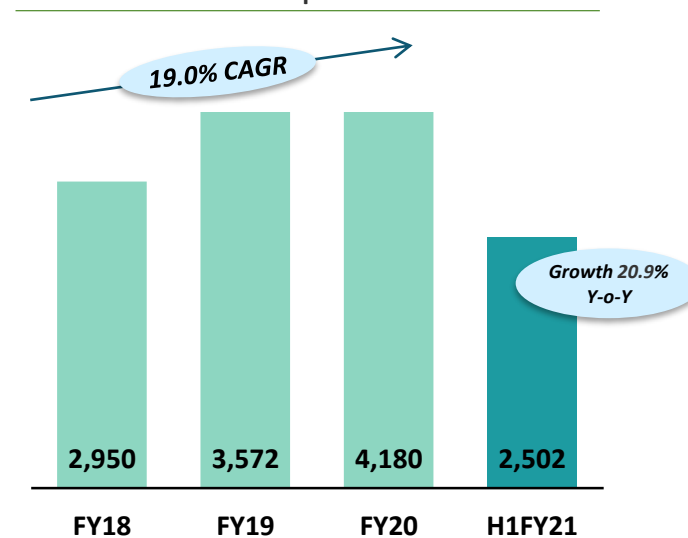
Americas



Highlights

- ▶ Personal Care contribution increased to 27% in H1FY21 (v/s 26.3% in H1FY20).
- ▶ New customer wins across categories; bottle to tube product conversions; cross-selling Personal Care products to existing Oral care customers

Europe



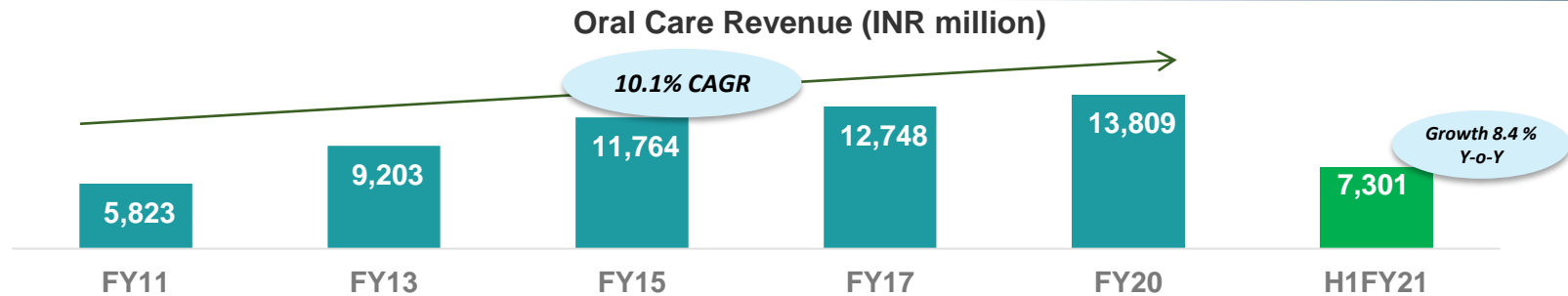
Highlights

- ▶ Personal Care contribution increased to 66.8% in H1FY21 (v/s 65.4% in H1FY20).
- ▶ Strong new customer wins across Personal Care categories; robust business development pipeline

Continued Focus on Fundamental Levers – Q2FY21

- 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 10.1%



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

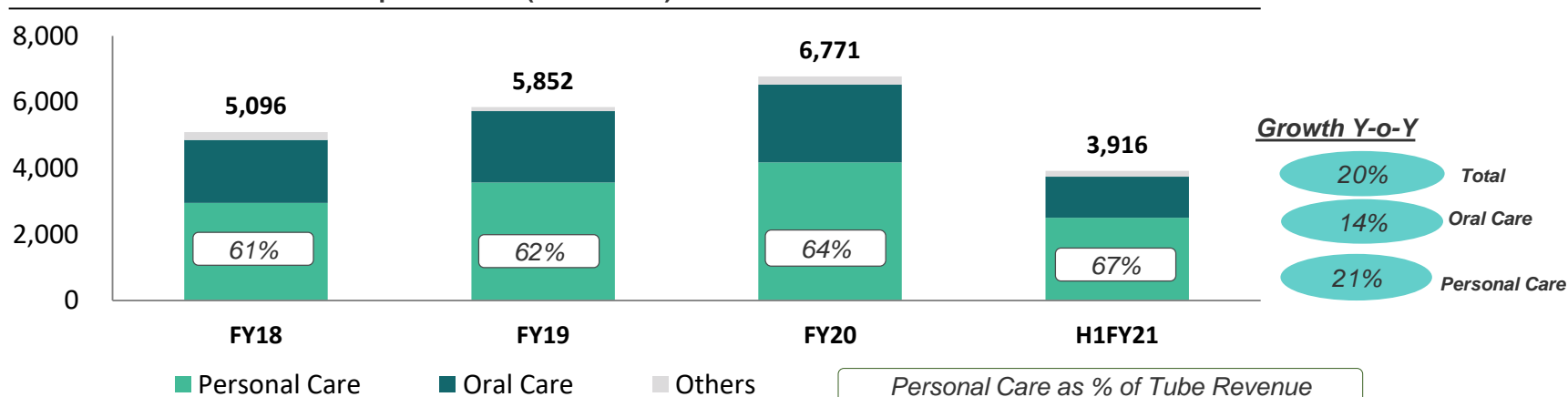
1. Wallet share gain with marquee global consumer companies in Europe
2. Market share gain from regional players in China
3. Wallet share gain in the leading Oral brands in Americas
4. Resilience against Covid-19 impact in oral care category at AMESA.

Continued Focus on Fundamental Levers – Q2FY21

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

Continued Growth Momentum in Europe across Oral and Personal Care Categories

Europe Revenue (INR million)



Efforts/Investments in last few quarters starting to show results

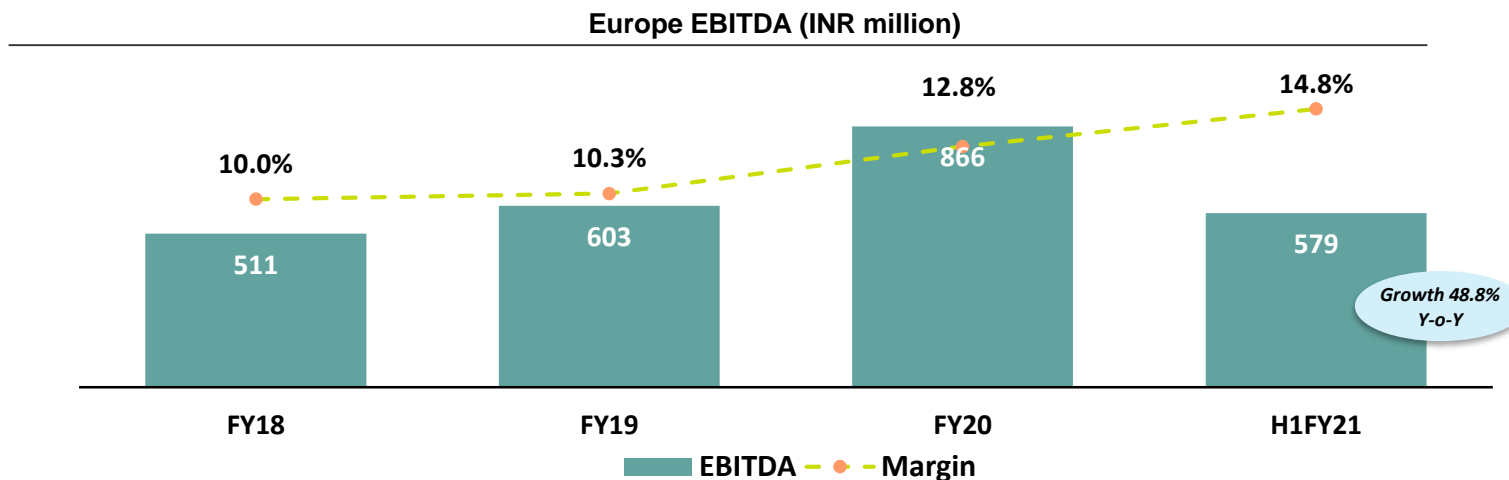
1. Strengthening of front-end organization
2. Improved pipeline development process
3. Investments in capabilities and flexibilities
4. High customer engagement driven by best-in-class offerings and service levels

Impact

1. H1FY21 revenue growth at constant currency is 13.8%.
2. Accelerated growth across categories
3. With the recent key customer wins in Europe, EPL now serves all major Oral Care players in the region

Softness in European market is expected, however EPL is committed to delivering robust performance despite Covid-19 impact.

Leading to Strong EBITDA Growth and Margin Improvement



Key elements to profit growth

1. Revenue growth contributing to fixed cost leverage
2. Shift towards premium products
3. Lean initiatives and productivity improvement

Impact

1. Strong H1FY21 EBITDA growth of 48.8% y-o-y
2. Margin expansion by 284 bps y-o-y and 200 bps vs. FY20
3. Initiatives including operating leverage drives the improvement in EBITDA margins.

Sustained momentum will lead to continuous performance improvement

Continued Focus on Fundamental Levers – Q2FY21

- 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 FAMILY

Light weight, Eco-friendly,
fully recyclable, code 2
PCR in tube can be added

PCR TUBE

PCR Laminate Tube
fully recyclable, code 7
PCR included in tube.

GREEN MAPLE LEAF™

Eco-friendly, code 2
fully recyclable.
PCR in tube can be added

ORGANIC GREEN MAPLE LEAF™

50%bio-polymers from
renewable sources,
fully recyclable, code 2
PCR in tube can be added.

PCR ETAIN

PCR Extruded Tube
fully recyclable, code 7
PCR included in tube.



Strong Traction and Acceptability of EPL's Sustainable Offerings by Leading Global Customers

Enabled leading Oral Care Player Ship World's First Recyclable Tube

- EPL designed an APR certified recyclable laminate for a key client (leading Oral Care player) – an industry-first innovation by EPL
- Worked actively with the client to test the laminate and helped commercialize the product

Colgate-Palmolive Ships World's First Tube Recognized as Recyclable and Freely Shares its Breakthrough Technology

...making use of the testing standards established by Colgate, one major tube maker, Essel Propack, earned APR recognition...

EPL's Sustainable Laminates Being Commercialized Globally

- Platina laminate launched in India by a major regional brand
- Etain tubes commercialized for a major Oral Care brand
- Green Maple Leaf laminate commercialized for a major Oral Care brand in the US



Platina Laminate is Now Ready for Cosmetics & Hair Care Segments

- EPL's APR recognition for Platina laminates has been further extended to cover the entire tube thickness range, which enables application in various cosmetics segments
- Platina laminate is now certified for mechanical recycling and energy recovery as per Bureau of Indian Standards (BIS) guidelines



Corporate Social Responsibility



Focus area:

EPL's Strategy will focus on Sustainability and Sustainable Development. It will be built around four pillars of Facilitating Collaboration, Meaningful impact in a microcosm, Forging strong Stakeholder relations and Catalyzing impact.



Partnership:



EPL has Partnered with Samhita to build a comprehensive CSR strategy.



Governance:

CSR Board Committee will review all the activities. In addition to this all the CSR activities will be governed by a 5 member CSR Governing Council consisting of the Apex members of EPL.

Our Vision: Greening Lives



Green communities:

Working on Waste management programs in communities to encourage and facilitate circular economy.

Self sustaining communities:

Conducting skill development and entrepreneurship programs in local communities and financing the same via returnable grant.

PPE Equipment for Health care workers:

Committed to donate INR 1 crore towards PPE Equipment through India Protector Alliance dedicated to the cause of protection for Health care and Sanitation workers



Appendix

H1FY21: Adjusted EBITDA grew 23.0% Y-o-Y & Adjusted PAT grew 43.0% Y-o-Y

(INR million)

<i>Adjustments</i>	EBITDA	PAT ¹
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	3245	1339
Reported H1FY20 numbers	2,611	1,079
• China Tax refund	-	-112
• Tax benefit from one-time provision ³	-	-51
• One-time tax amnesty expenses	+11	+7
• TSA ² related expenses	+17	+13
Adjusted H1FY20 numbers	2,639	936
Like for Like Y-o-Y Growth (%)	23.0%	43.0%

(1) PAT excluding exceptional items; 2) Transition Services Agreement 3) Tax impact of provision of INR 203 mm taken for outstanding inter company deposits

Q2FY21: Adjusted EBITDA grew 11.9% Y-o-Y & Adjusted PAT grew 11.6% Y-o-Y

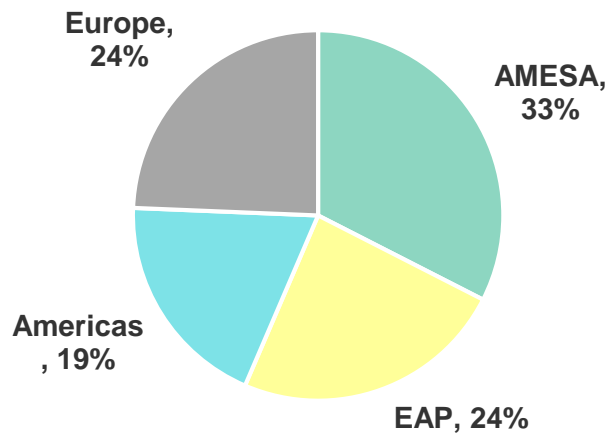
(INR million)

<i>Adjustments</i>	EBITDA	PAT ¹
Reported Q2FY21 numbers	1,670	670
• TSA ² related expenses	+40	+30
• ESOP related cost	+29	+29
Adjusted Q2FY21 numbers	1,739	729
Reported Q2FY20 numbers	1,525	796
• China Tax refund	-	-112
• Tax benefit from one-time provision ³		-51
• One-time tax amnesty expenses	+11	+7
• TSA ² related expenses	+17	+13
Adjusted Q2FY20 numbers	1,553	653
Like for Like Y-o-Y Growth (%)	11.9%	11.6%

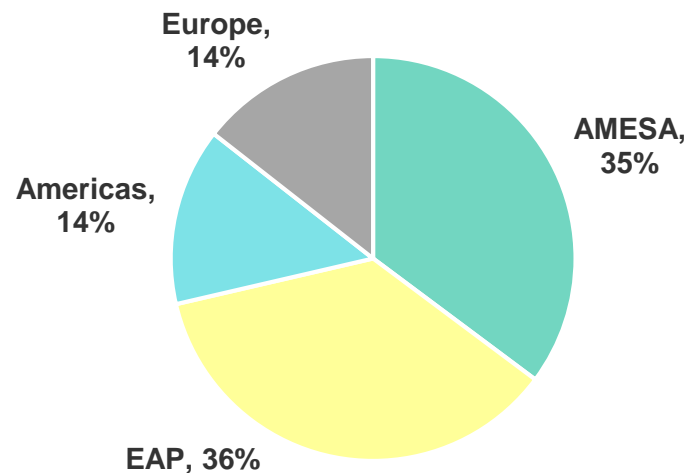
(1) PAT excluding exceptional items; 2) Transition Services Agreement 3) Tax impact of provision of INR 203 mm taken for outstanding inter company deposits

Q2FY21 Regional Performance – 1/2

Revenue Split %



EBIT Split %



- The quarterly revenue grew by 5.4% Y-o-Y and by 3.9% sequentially.
- EAP and AMESA contributed 36% and 35% respectively to EBIT on the back of better product mix and operating leverage.
- Strong business pipeline across regions to enable continued growth momentum

Q2FY21 Regional Performance – 2/2

(INR million)

	Revenue	YoY Growth	EBITDA ¹	Margin
AMESA¹	2,590	6.5%	663	25.6%
EAP	1,908	9.1%	509	26.7%
Americas	1,528	-7.3%	256	16.8%
Europe	1,939	11.4%	281	14.5%

(1) AMESA EBITDA is adjusted for INR 40 mn of TSA related expenses

Q2FY21 Performance – AMESA and EAP

(INR million)

AMESA ¹			
Particulars	Q2FY21	Q2FY20	% change
Revenue	2,590	2,433	6.5%
EBITDA	663	539	23.0%
EBITDA %	25.6%	22.2%	
EBIT	424	286	48.3%
EBIT %	16.4%	11.8%	
EAP			
Particulars	Q2FY21	Q2FY20	% change
Revenue	1,908	1,749	9.1%
EBITDA	509	451	12.9%
EBITDA %	26.7%	25.8%	
EBIT	395	343	15.2%
EBIT %	20.7%	19.6%	

(1) AMESA EBITDA and EBIT is adjusted for INR 40 mn in Q2FY21 (INR 17 mn in Q2FY20) of TSA related expenses and Nil in Q2FY21 (INR 11 mn in Q2FY20) of one-time Tax Amnesty expenses.

Q2FY21 Performance – Americas and Europe

(INR million)

Americas			
Particulars	Q2FY21	Q2FY20	% change
Revenue	1,528	1,648	-7.3%
EBITDA	256	335	-23.6%
EBITDA %	16.8%	20.3%	
EBIT	155	245	-36.7%
EBIT %	10.1%	14.9%	

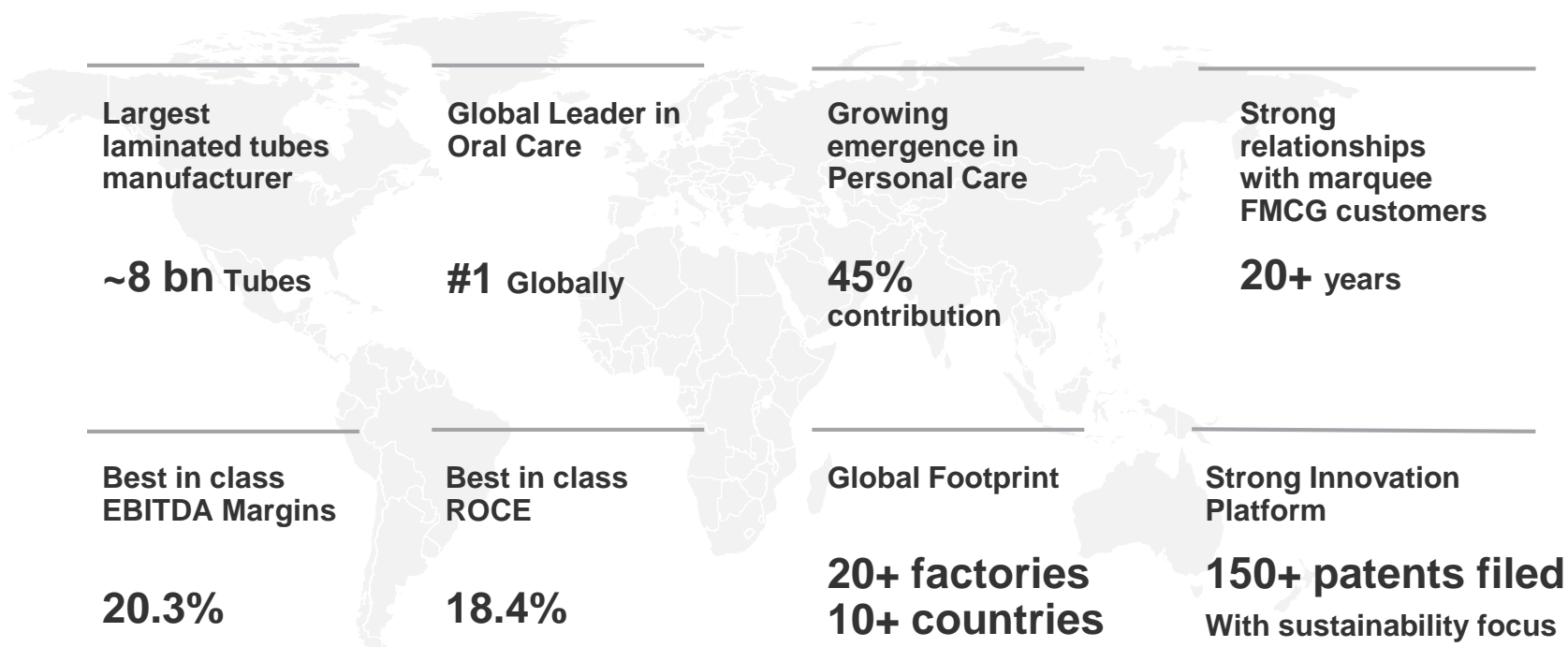
Europe			
Particulars	Q2FY21	Q2FY20	% change
Revenue	1,939	1,740	11.4%
EBITDA	281	239	17.6%
EBITDA %	14.5%	13.7%	
EBIT	158	117	35.0%
EBIT %	8.1%	6.7%	



About EPL

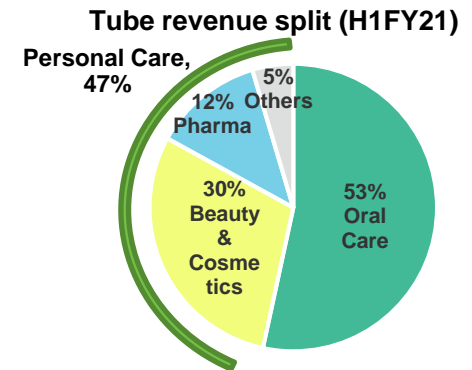
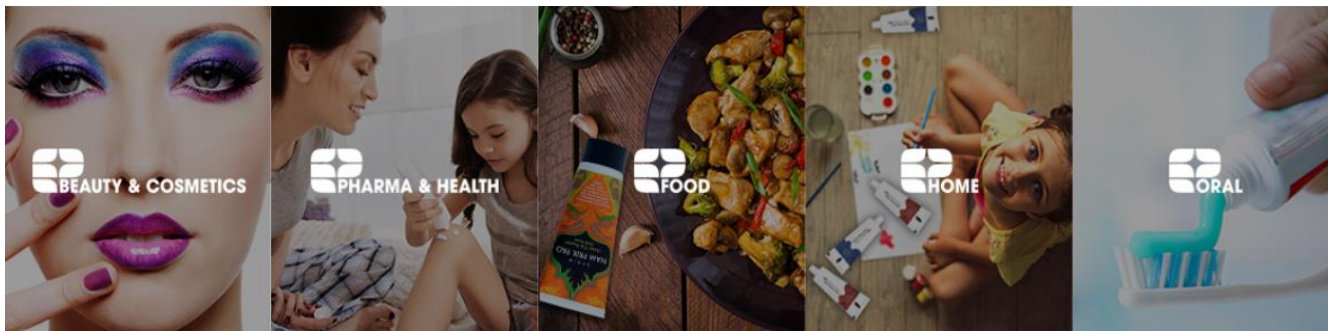
(Formerly known as Essel Propack Limited)

EPL: Company Overview



Note: Numbers on this page are as of 31 March, 2020. ROCE on trailing twelve month basis; adjusted for INR 97 mn of Transition Services Agreement (TSA) related expense and for INR 11 mn of Tax Amnesty 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 ten 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, Russia, 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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Thank you



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EPL LIMITED

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