

ESTER**INDUSTRIES LTD.**

CIN : L24111UR1985PLC015063

Date: 2nd May 2024

BSE Limited (BSE) Department of Corporate services Phirojee Jeejeebhoy Towers Dalal Street, Mumbai – 400023	National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051
Scrip Code: 500136	Symbol: ESTER

Subject: Press Release titled “Ester Industries Ltd. and Loop Industries Inc. announce Joint Venture Agreement to build an Infinite Loop™ Manufacturing Facility in India to produce RDMT, RMEG and Speciality Polymers from Waste Polyesters with a significantly Lower Carbon Footprint” dated 2nd May 2024

Dear Sir/Madam

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of the press release being issued by the Company as “Ester Industries Ltd. and Loop Industries Inc. announce Joint Venture Agreement to build an Infinite Loop™ Manufacturing Facility in India to produce RDMT, RMEG and Speciality Polymers from Waste Polyesters with a significantly Lower Carbon Footprint” which is self-explanatory.

You are requested to take the above on records.

Thanking You

Yours faithfully

For **Ester Industries Limited**

Poornima Gupta
Company Secretary & Compliance Officer

Encl: As above

Ester Industries Limited

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ESTER INDUSTRIES LTD. AND LOOP INDUSTRIES INC. ANNOUNCE JOINT VENTURE AGREEMENT TO BUILD AN INFINITE LOOP™ MANUFACTURING FACILITY IN INDIA TO PRODUCE RDMT, RMEG AND SPECIALITY POLYMERS FROM WASTE POLYESTERS WITH A SIGNIFICANTLY LOWER CARBON FOOTPRINT



MAY 2, 2024 — Ester Industries Ltd (Ester) yesterday concluded an agreement with Loop Industries, Inc. (Nasdaq: LOOP) (the "Loop"), a clean technology company whose mission is to accelerate a circular plastics/fiber economy by manufacturing 100% recycled polyethylene terephthalate ("PET") plastic and polyester fiber, to form a 50/50 India joint venture ("India JV").



The purpose of the India JV is to build and operate an Infinite Loop™ India manufacturing facility which will produce a unique product offering of lower carbon footprint recycled dimethyl terephthalate (“rDMT”), recycled mono-ethylene glycol (“rMEG”) and specialty polymers in India, using the Infinite Loop™ technology which offers significant advantages over traditional mechanical PET recycling.

Ester and Loop have a well-established working relationship, with Ester producing Loop™ PET for Loop's global brand customers over the last four years. The India JV leverages the complementary skill set of each partner by combining Loop's innovative technology and well-established global customer base with Ester's nearly 40 years of specialized polymer production, operational proficiency, and local expertise, including sourcing of PET plastic and Polyester fiber waste feedstocks.

The DMT and MEG specialty chemicals global market size is estimated at US\$28 billion and forecasted to grow at a 3.7% CAGR through 2033. The market is experiencing a global shortage of DMT due to recent plant closures in Europe, and low-carbon DMT and MEG are in high demand, but market options are limited and costly. The Infinite Loop™ India facility is expected to produce 70,000 tonnes of rDMT and 23,000 tonnes of rMEG annually and Ester will toll convert the rDMT and rMEG into various grades of specialty polymers. The planned facility in India can lower carbon emissions by up to 70% compared to virgin DMT and MEG manufactured from fossil fuels¹, offering chemical companies a simple drop-in supplement and circular alternative that helps them achieve their sustainability goals.

The rDMT and rMEG product offerings manufactured at the Infinite Loop™ India facility represent a strategic product expansion in a low-cost manufacturing environment which complements Loop's existing PET plastic and polyester fiber manufacturing business and will fuel growth by addressing the large and growing demand in the market. This expansion enables the Infinite Loop™ technology to reach new markets and cater to a broader range of customers across multiple industries including the electronics, automotive, textile, cosmetics and packaging industries.

The India facility will leverage the Infinite Loop™ technology and existing engineering package which accelerates the lead-time towards groundbreaking, slated to occur by end of this year. Feedstock sourcing for the facility, in which there is abundant supply from textile waste in India, is well advanced and the partners have engaged an external firm to source and secure the land for the facility. Construction is expected to be completed by the end of 2026, with commercial operations commencing in early 2027.

The India JV offers attractive economic returns without the need for substantial sustainability-linked premium pricing. Total capital investment is estimated approximately at US\$165 million.

Arvind Singhania, Chairman and CEO of Ester Industries Ltd. commented “Ester and Loop have a long-standing working relationship with a deep alignment of values and shared commitment to circularity and driving sustainable change. This partnership reinforces our dedication to advancing



sustainable solutions in the polymer industry and by leveraging Loop's technology alongside our decades of polymer production experience, we will contribute to reducing the carbon footprint of our products, meeting the evolving needs of our customers."

Loop's Founder and CEO Daniel Solomita commented "Our partnership with Ester reflects a strategic alignment built on our shared values of sustainability and innovation and combines both companies' areas of expertise. The specialty chemicals market offers a unique opportunity to expand the reach of our Infinite Loop technology beyond PET and Polyester fiber and provides our customers with a sustainability linked advantage in the specialty chemicals market. Customer demand for rDMT, rMEG and specialty polymers produced using our technology is robust due to very limited viable options available in the marketplace today.

The Infinite Loop India facility represents a great opportunity for Loop to be a part of the fastest growing economy in the world and capitalizing on operating in a low-cost manufacturing environment. We see India and this partnership with Ester as a tremendous growth opportunity for future expansion.

This approach allows us to optimize returns, expand our presence in key markets, and drive sustainable growth while maximizing shareholder value."

¹ This data is for the India LCA excluding the avoided waste disposal.

About Ester

Ester Industries Limited is a public limited company incorporated in 1985 promoted by the Singhanian family. The company is one of India's leading manufacturers of Polyester Films and Specialty Polymers having a track record of nearly four decades of continually developing new and innovative products for customers across the globe. Ester Industries has state of the art manufacturing facilities in Khatima in Uttarakhand and Hyderabad in Telangana with combined capacity of 67,000 TPA of Polyester Resin, 110,000 TPA of Polyester Film and 30,000 TPA of Specialty Polymers. Specialty Polymers are manufactured primarily for the US and other overseas markets. Ester has a strong focus on sustainability and circularity, which complements the Infinite Loop™ technology developed by Loop Industries for recycling various types of polyester waste into high-value added Polyester products for applications in rigid/flexible packaging, fibers/garment, industrial, automotive, and consumer electronic products.

About Loop Industries

Loop Industries is a technology company whose mission is to accelerate the world's shift toward sustainable PET plastic and polyester fiber and away from our dependence on fossil fuels. Loop Industries owns patented and proprietary technology that depolymerizes no and low-value waste PET plastic and polyester fiber, including plastic bottles and packaging, carpets and textiles of any color, transparency or condition and even ocean plastics that have been degraded by the sun and salt, to its base building blocks (monomers). The monomers are filtered, purified and polymerized to create virgin-quality Loop™ branded PET resin suitable for use in food-grade



packaging and polyester fiber, thus enabling our customers to meet their sustainability objectives. Loop™ PET plastic and polyester fiber can be recycled infinitely without degradation of quality, successfully closing the plastic loop. Loop Industries is contributing to the global movement towards a circular economy by reducing plastic waste and recovering waste plastic for a sustainable future. Common shares of the Company are listed on the NASDAQ Global Market under the symbol "LOOP."

Forward-Looking Statements

Certain statements in this press release may be forward-looking in nature. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local political or economic developments, technological risks, finance risk and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. Ester Industries Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

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