

November 11, 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 on Q2 Unaudited Financial Results for the Financial Year 2020-21.

We are pleased to enclose herewith our presentation on Q2 Unaudited Financial Results for the Financial Year 2020-21.

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)

B-37, Sector-1, Noida - 201 301, Distt. Gautam Budh Nagar (U.P.) India
Board: +91.120.2443716-19, Fax: +91.120.2443723 & 24 Website : www.polyplex.com
Registered Office: Lohia Head Road, Khatima - 262308, Distt. Udham Singh Nagar, Uttarakhand, India

POLYPLEX[®]

Polyplex Corporation Limited (PCL)
November 11, 2020

Second Quarter FY 20-21
Financial Results & Summary



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.

Polyplex: At a Glance

Q2 20-21 Highlights

H1 20-21 Highlights

1,223 Cr
Sales Revenue#

+6% QoQ
+13% YoY

2,378 Cr
Sales Revenue#

+8% YoY

337 Cr
Normalized EBITDA*
(**28% EBITDA Margin**)

+13% ▲
163bps QoQ
+55% ▲
754bps YoY

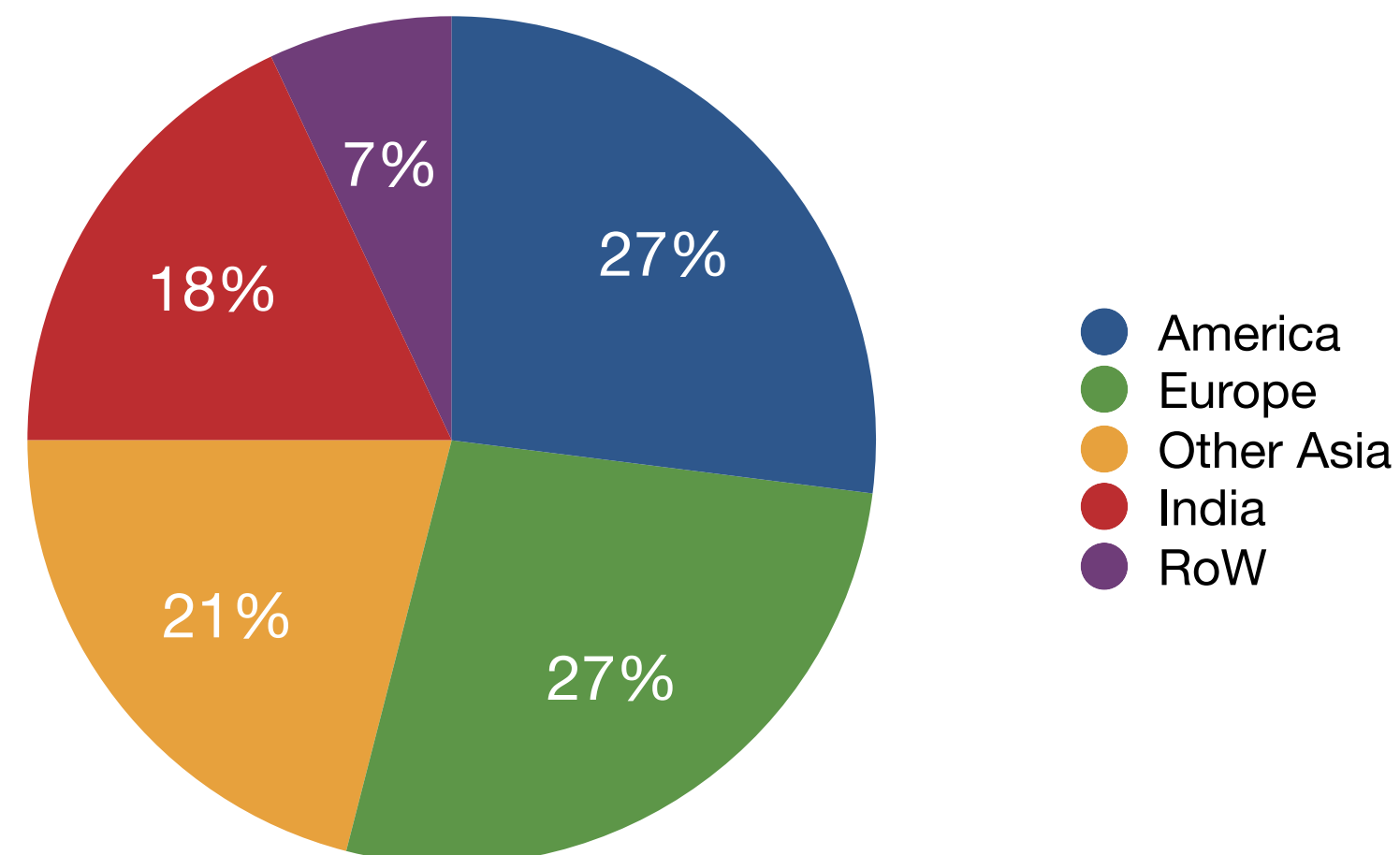
636 Cr
Normalized EBITDA*
(**27% EBITDA Margin**)

+39% ▲
583bps YoY

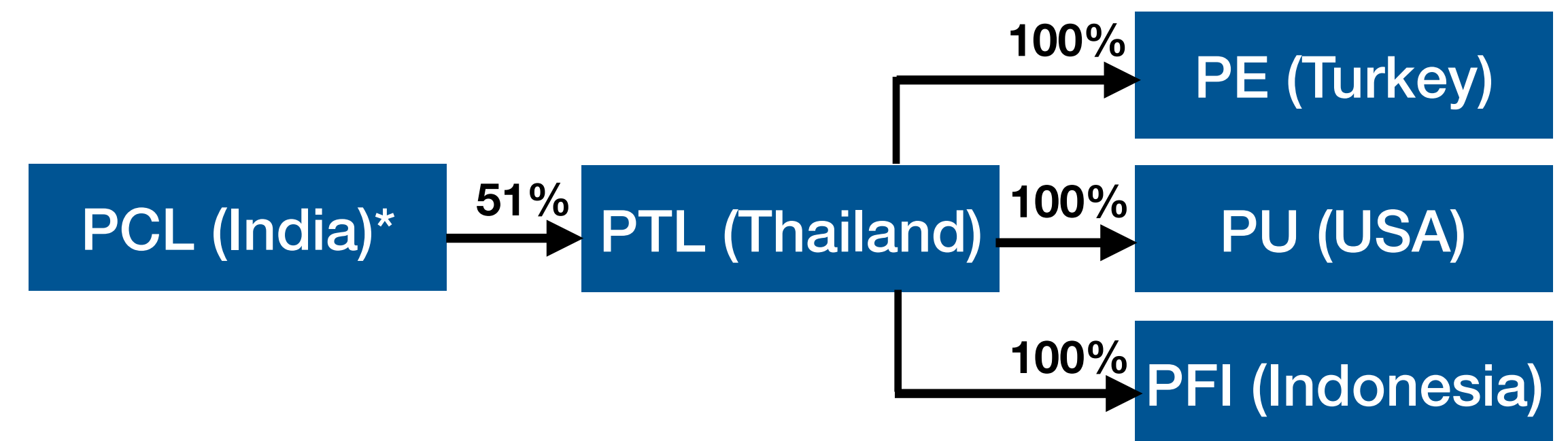
Excludes other operating revenues

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

Business Mix (H1 20-21)



Polyplex Group Structure[^]



* Including Holding of Singapore WOS

[^] Covers only major manufacturing entities

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

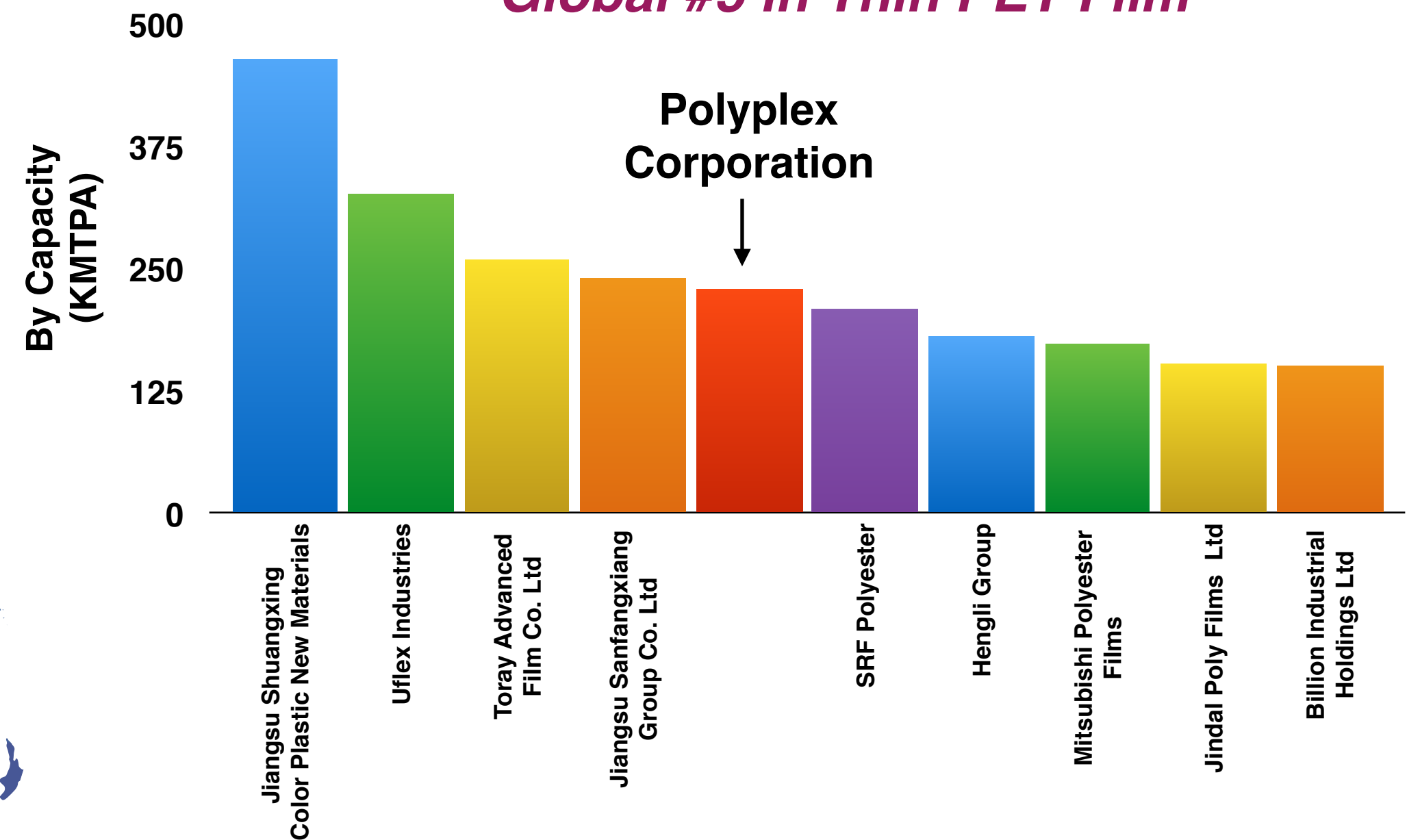
In **5** Countries

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 Thin PET Film**

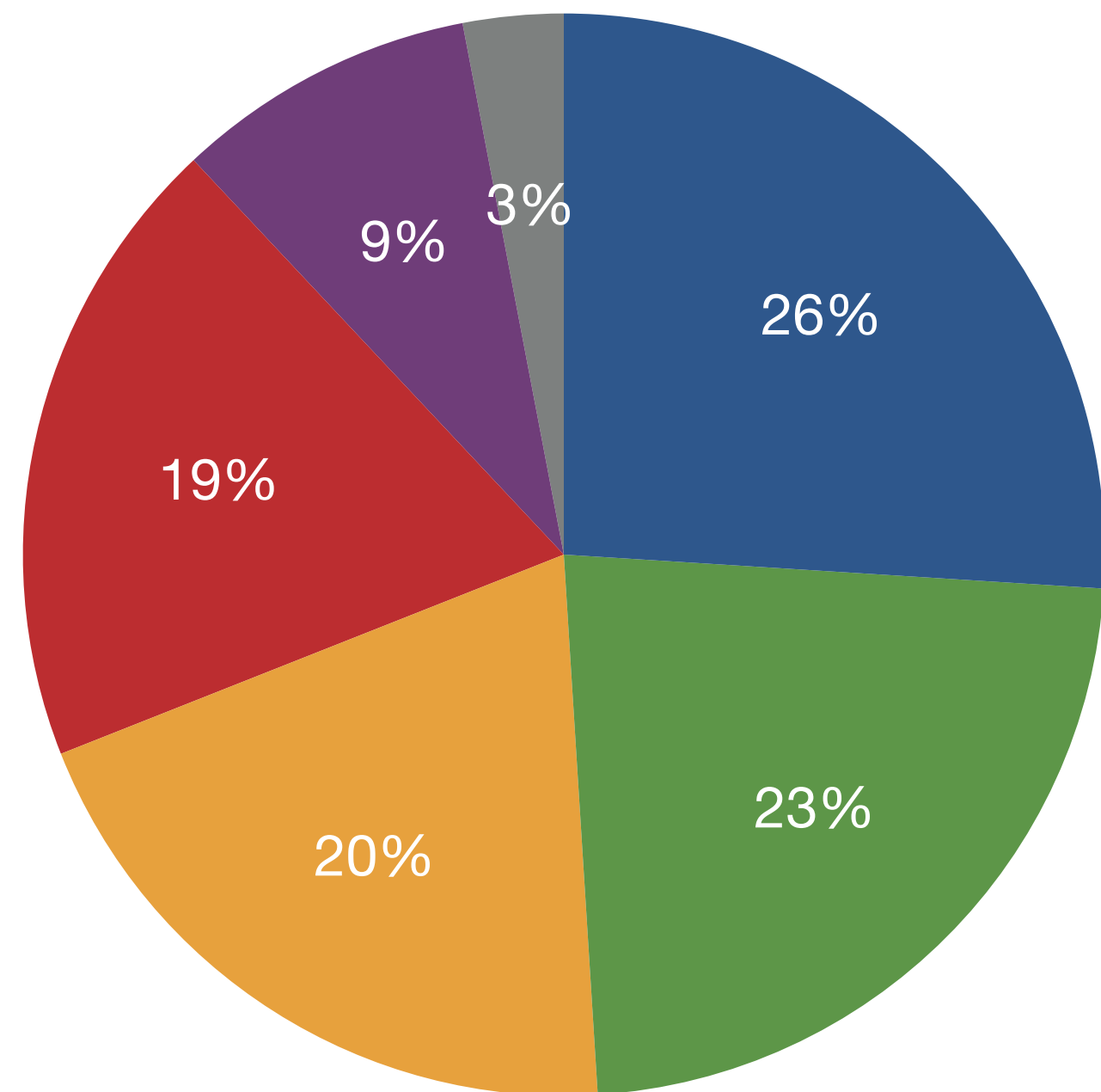


**Including all capacity started till now*

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

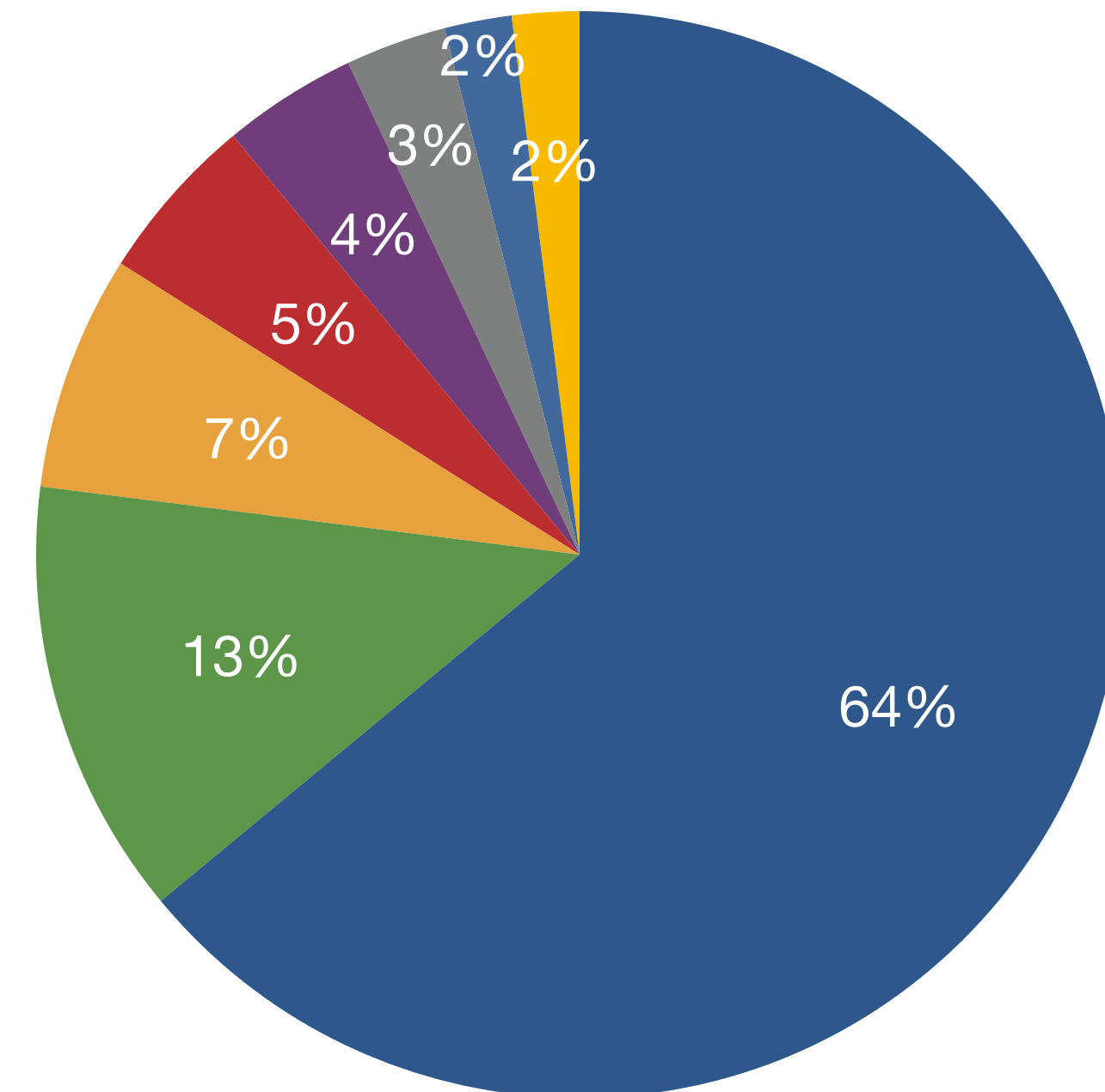
Global Presence & Portfolio

Operating company-wise breakup of sales
H1 20-21



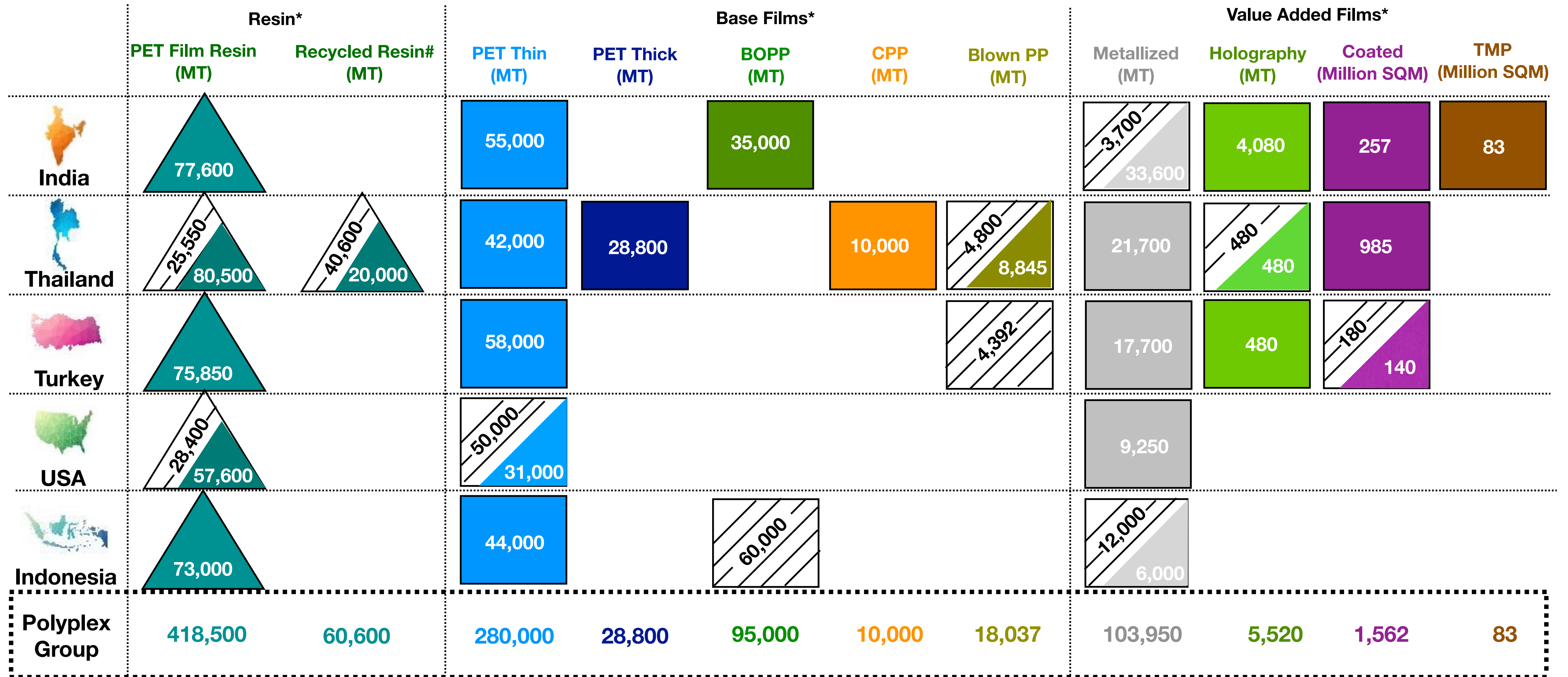
- Polyplex USA
- Polyplex Thailand
- Polyplex India
- Polyplex Turkey
- Polyplex Indonesia
- Other operations (EB, PEBV, PAPL)

Business segment-wise breakup of sales
H1 20-21



- 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



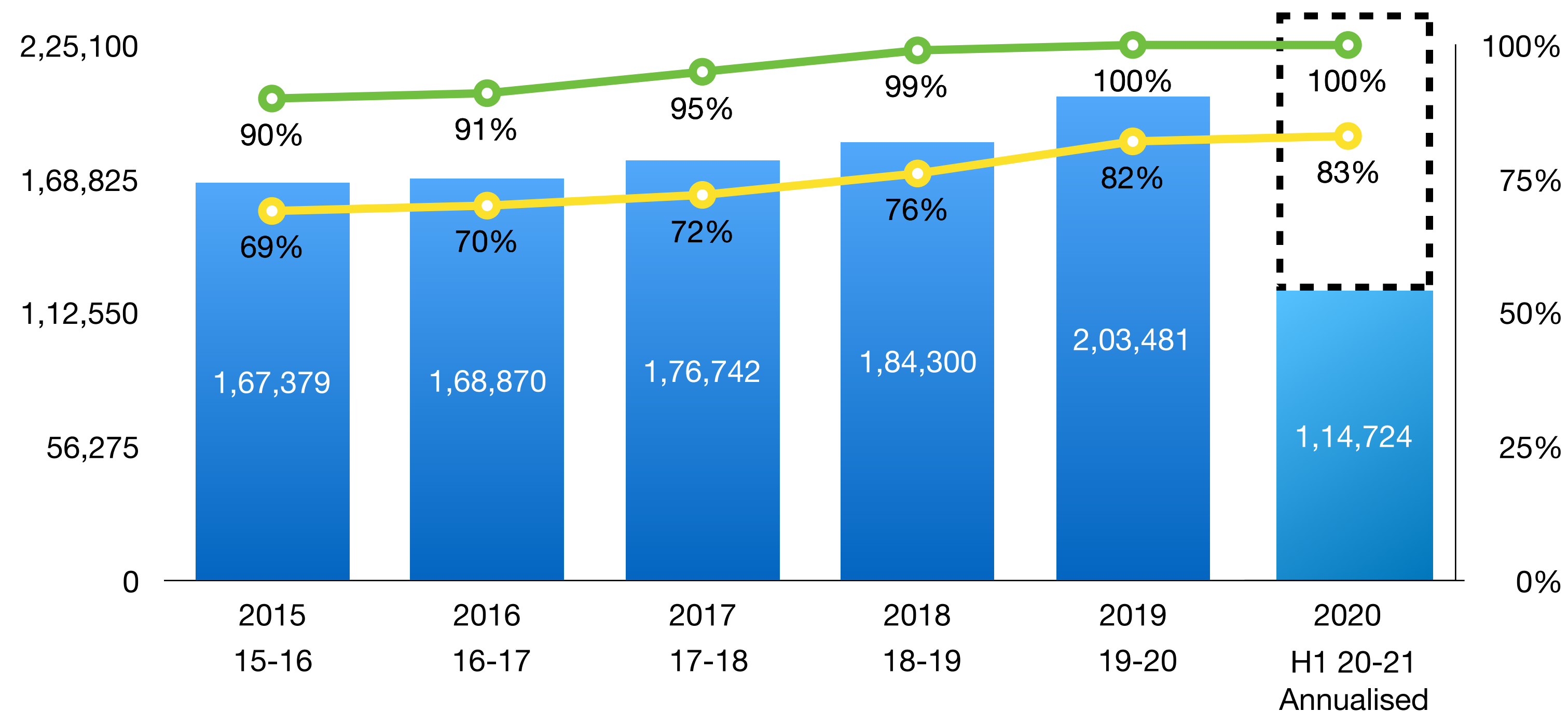
Total Resin Capacity (incl. new upcoming capacities) = 479,100 (in MT per annum)
 Total Base Films Capacity (incl. new upcoming capacities) = 431,837 (in MT per annum)

▨*Including New Upcoming Capacities
 # In Ecoblue, Thailand



Industry leading cost structure

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
- Industry CUF for 2020 is based on internal estimates
- Polyplex CUF in H1 20-21 - lower due to plant closures in India in Q1 (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

Q2 20-21 Performance Snapshot

QoQ Growth (Q2 20-21 v/s Q1 20-21)

YoY Growth (Q2 20-21 v/s Q2 19-20)

	QoQ Growth (Q2 20-21 v/s Q1 20-21)	YoY Growth (Q2 20-21 v/s Q2 19-20)
Sales Volume (All Films) 77,628 MT	11% ↑	19% ↑
Sales Revenue# 1,223 INR Crores	6% ↑	13% ↑
Normalized EBITDA* 337 INR Crores	13% ↑	55% ↑
PAT (Before Minority) 102 INR Crores	-69% ↓	-47% ↓
EPS^ 24.37 INR/Share	-56% ↓	-27% ↓

Factors impacting Q2 FY 20-21 performance v/s previous quarter (Q1 FY 20-21)

* Exceptional items impacting PAT & EPS:

- Unrealized FX loss of INR 143.65 crores in Q2 FY 20-21 as against FX gain of INR 118.56 crores in Q1 FY 20-21 on account of re-statement of foreign currency long term loans

Excludes other operating revenues

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

^ EPS is computed based on daily weighted average no. of shares in Q2

H1 20-21 Performance Snapshot

Growth (H1 20-21 v/s H1 19-20)

Sales Volume (All Films) 147,824 MT	14% ↑
Sales Revenue# 2,378 INR Crores	8% ↑
Normalized EBITDA* 636 INR Crores	39% ↑
PAT (Before Minority) 432 INR Crores	24% ↑
EPS^ 80.81 INR/Share	37% ↑

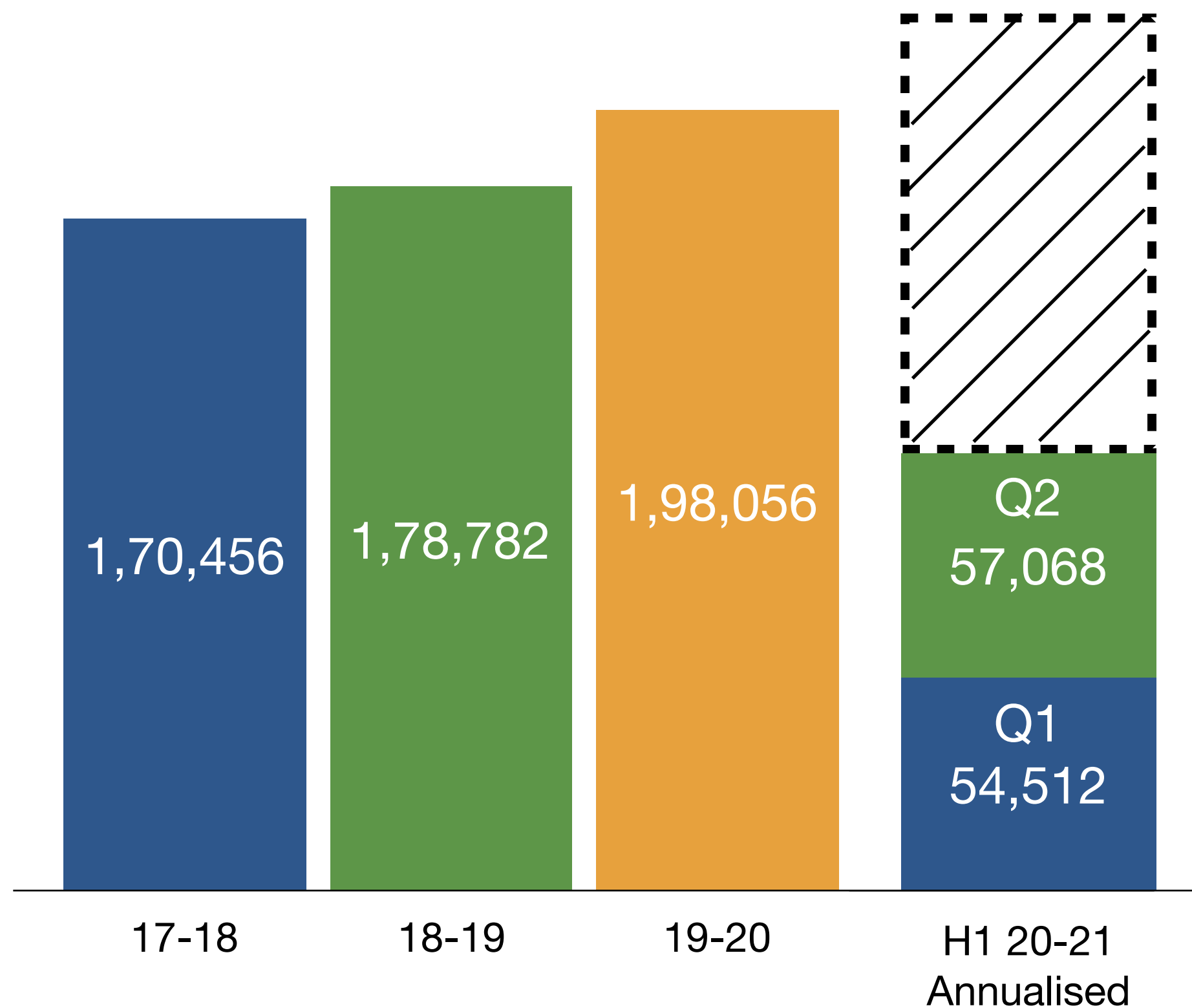
Excludes other operating revenues

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

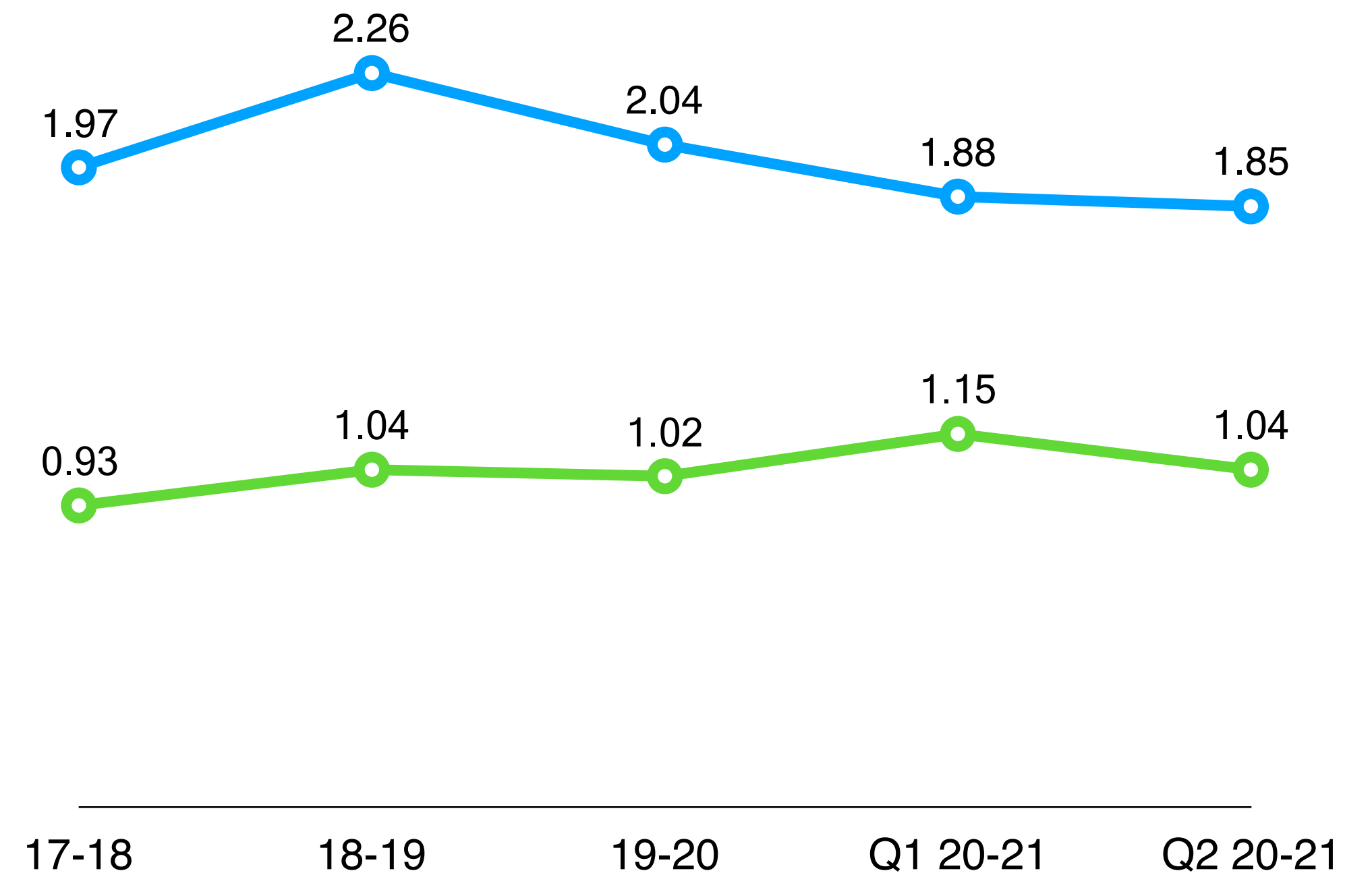
^ EPS is computed based on daily weighted average no. of shares in H1

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)

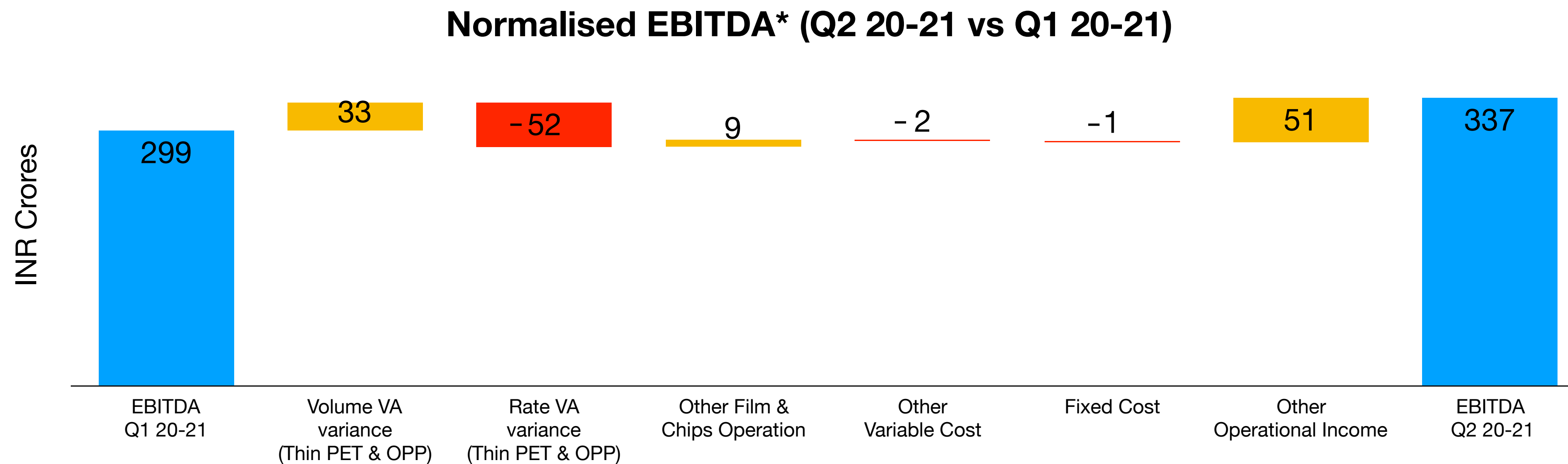
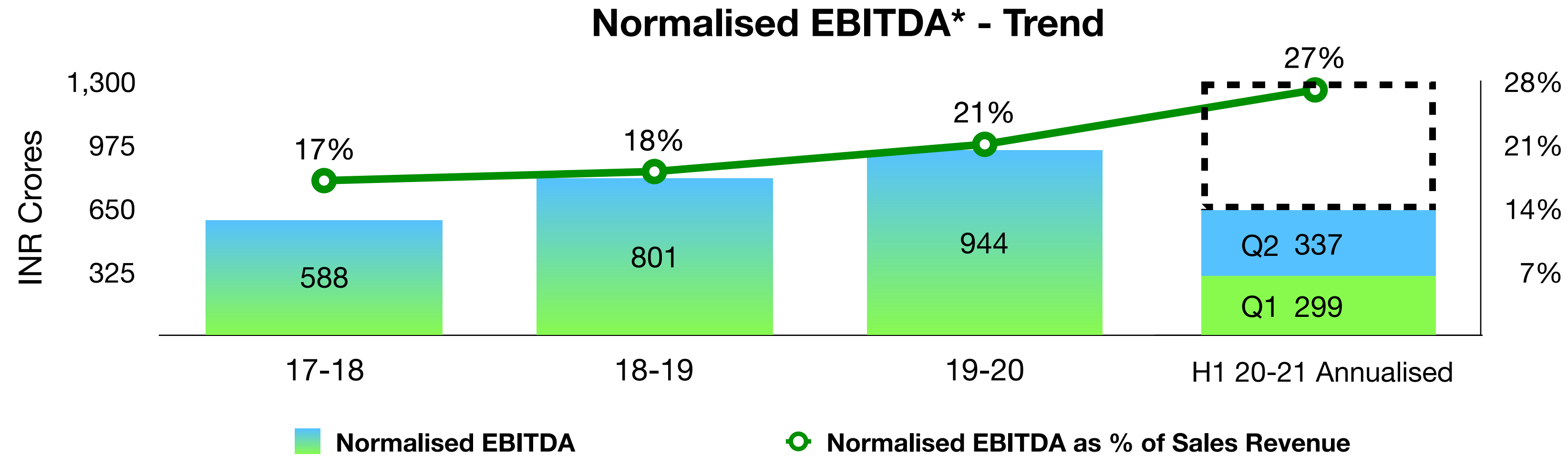


* Includes :

- 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

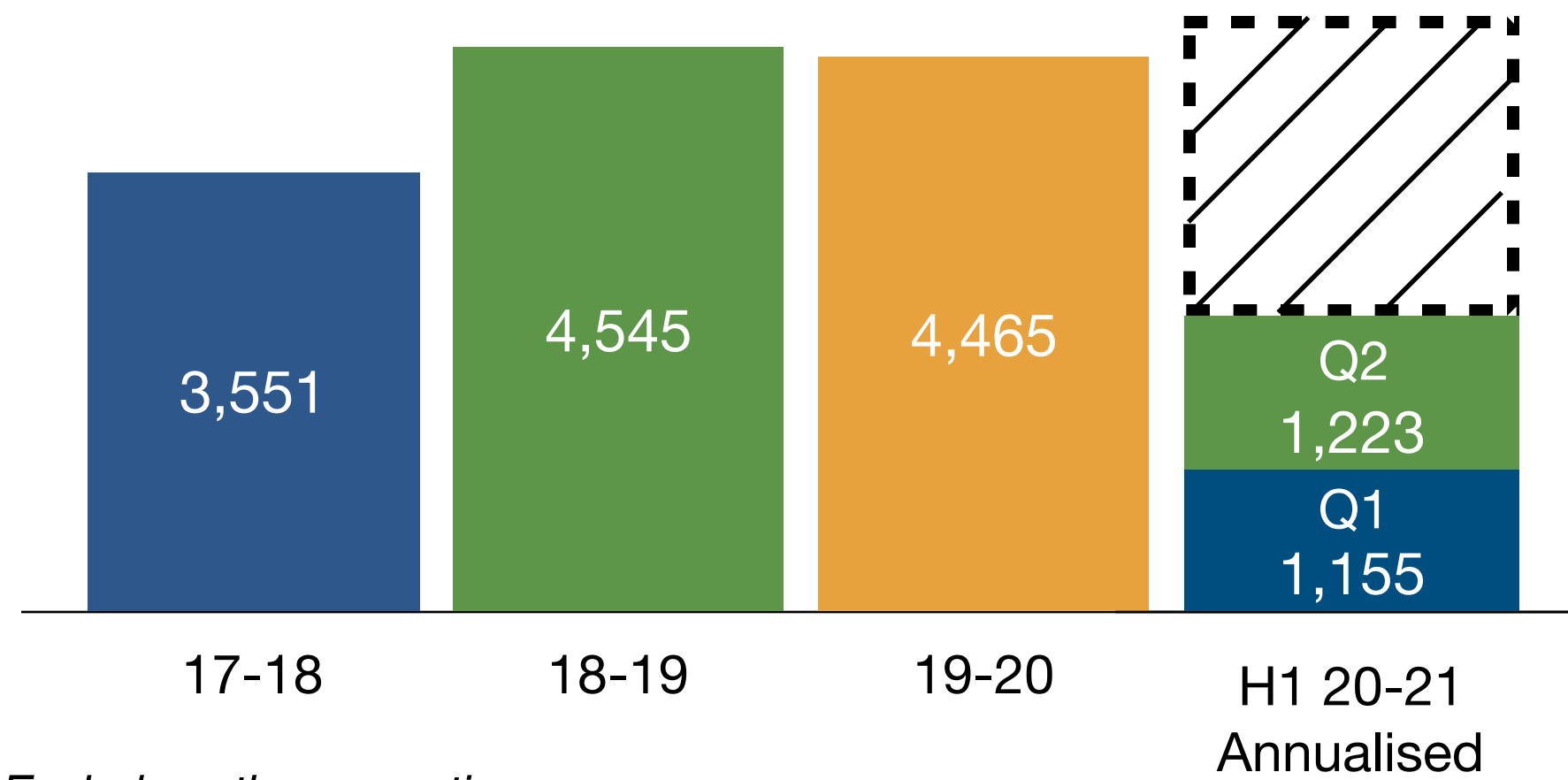
Normalised EBITDA



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

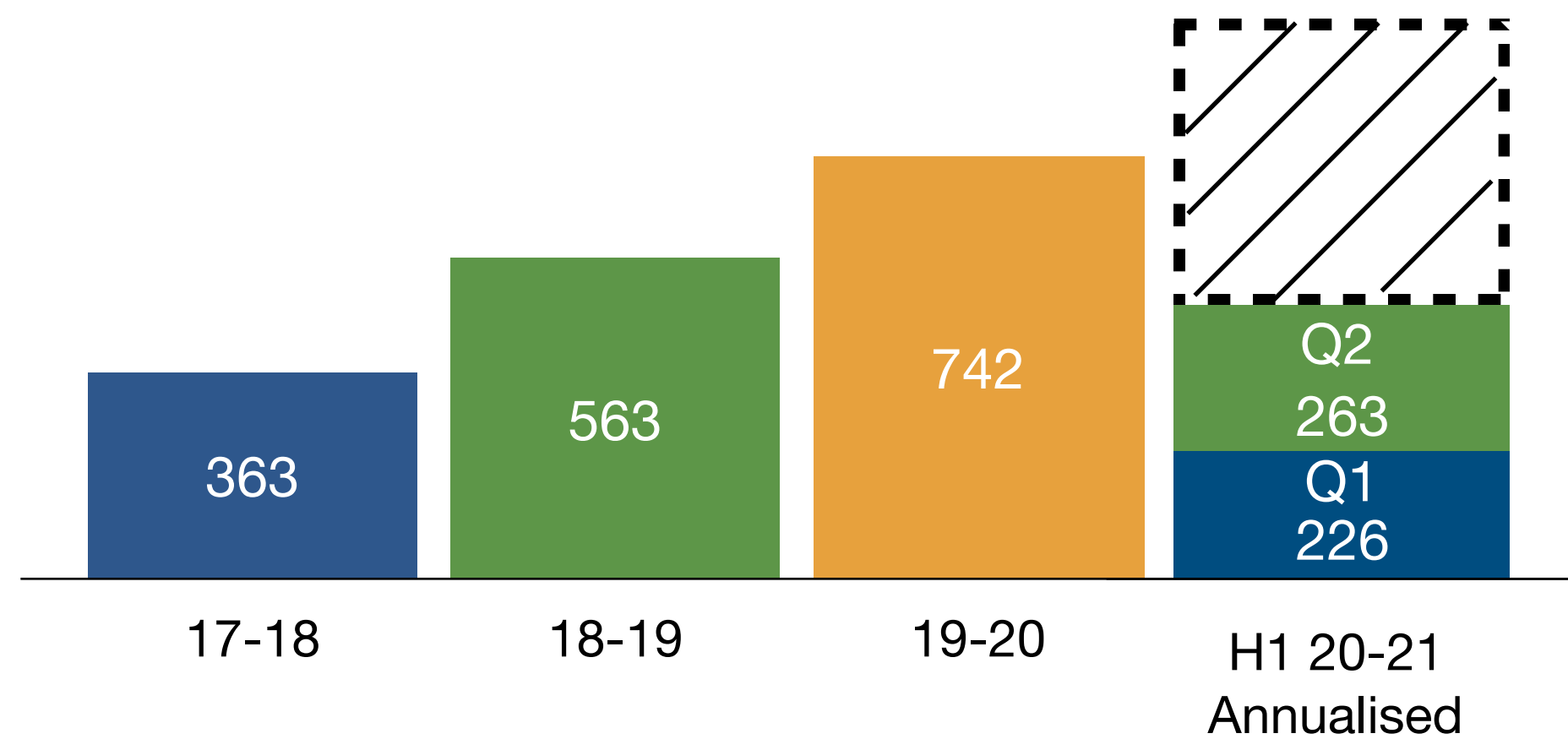
Strong Financial Performance

Sales Revenue* (INR Crores)



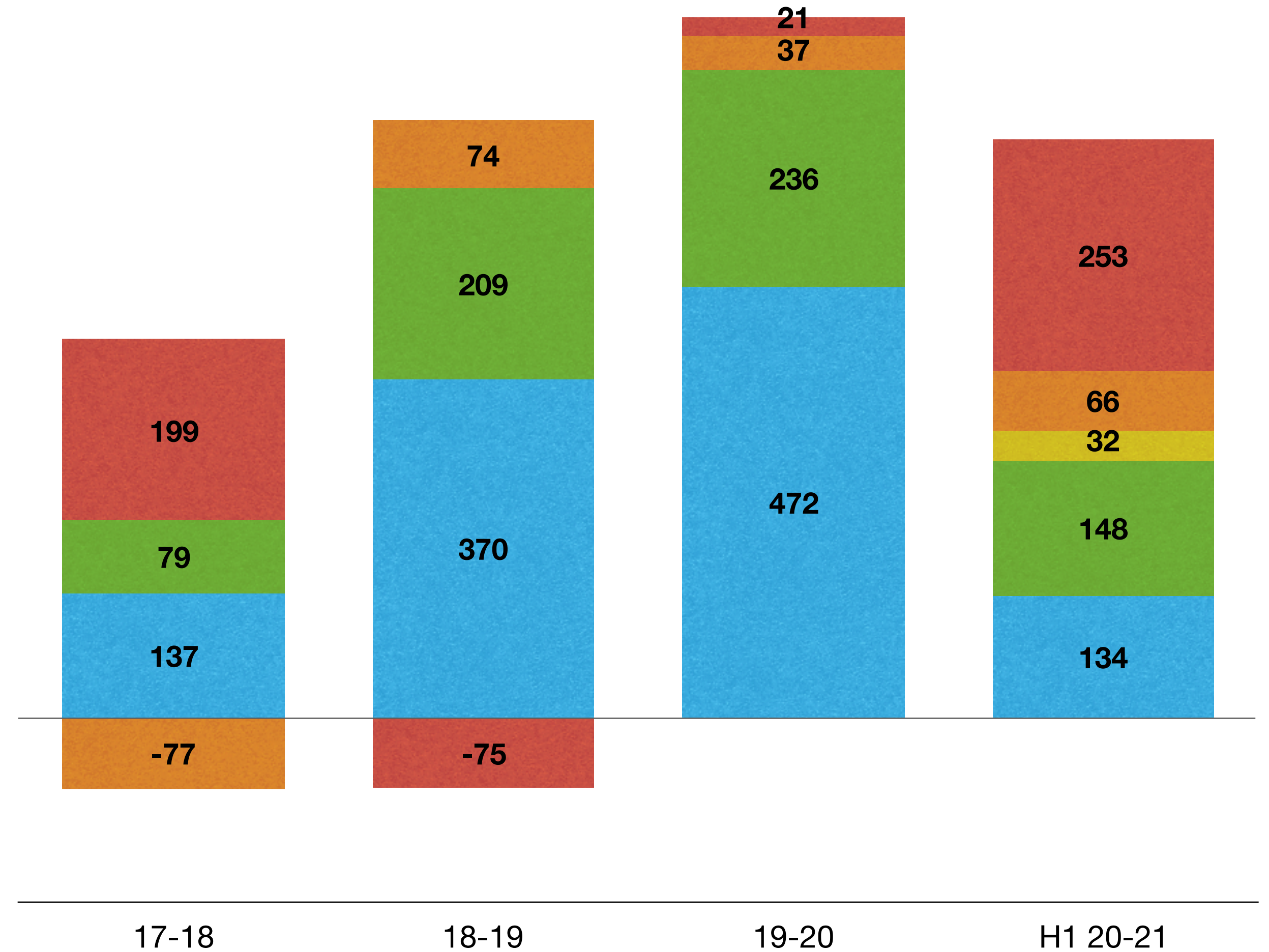
* Excludes other operating revenues

PBT Normalized# (INR Crores)



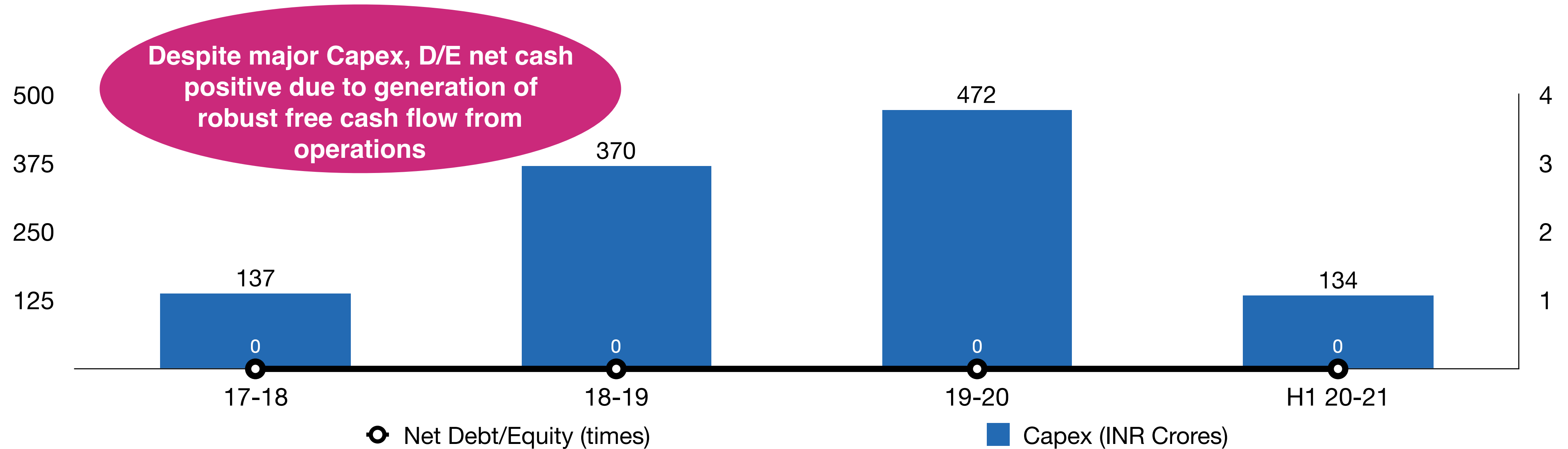
Excluding impact of unrealised FX gains / (losses) on long term loans

Operating Cash Flow Deployment Trend (INR Crores)

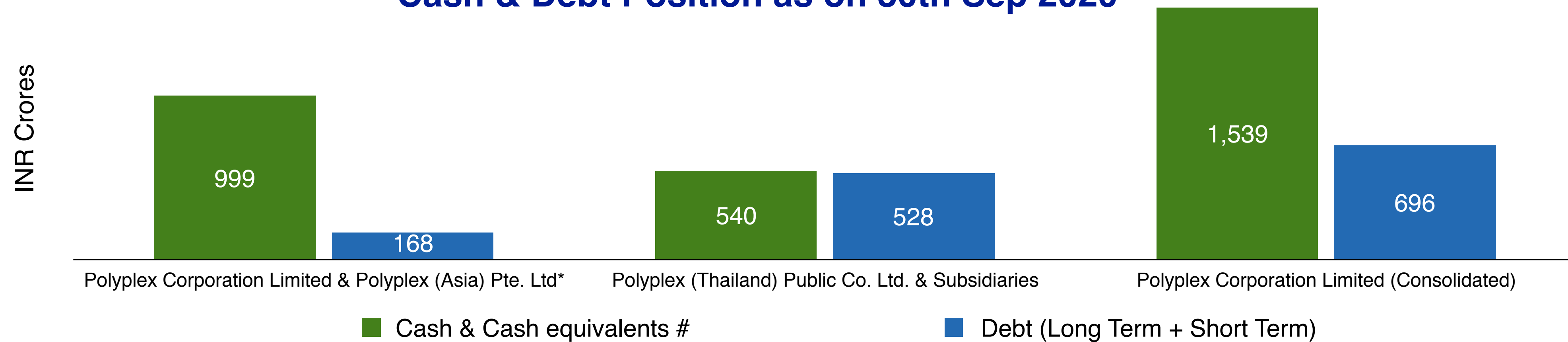


- Capex
- BuyBack of shares (incl. Tax)
- Surplus / (Deficit)
- Dividend Paid
- Net Repayment/ (Borrowings)

Strong Liquidity



Cash & Debt Position as on 30th Sep 2020

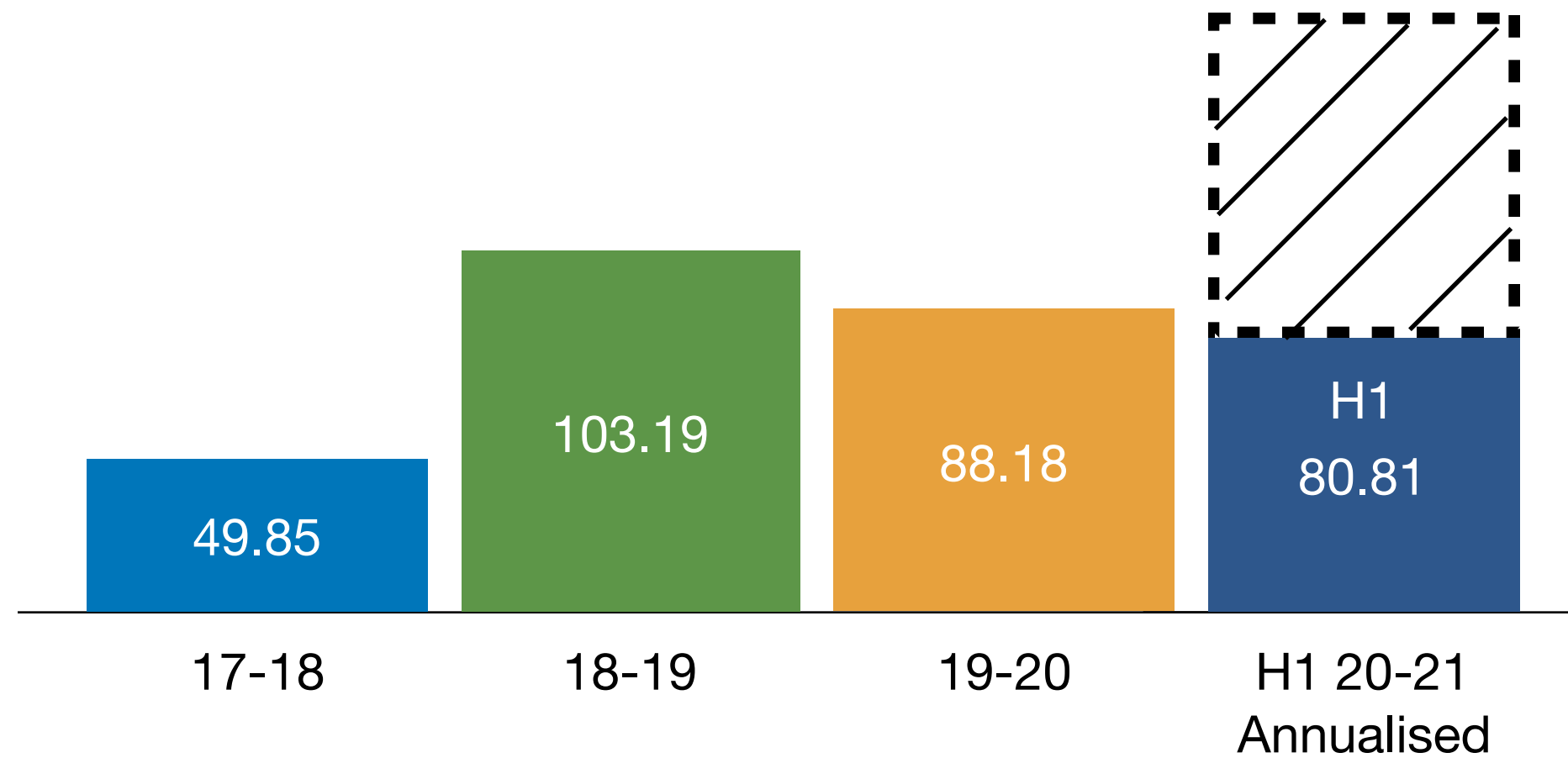


* Polyplex (Asia) Pte. Ltd. (Singapore) is 100% owned by Polyplex Corporation Limited

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

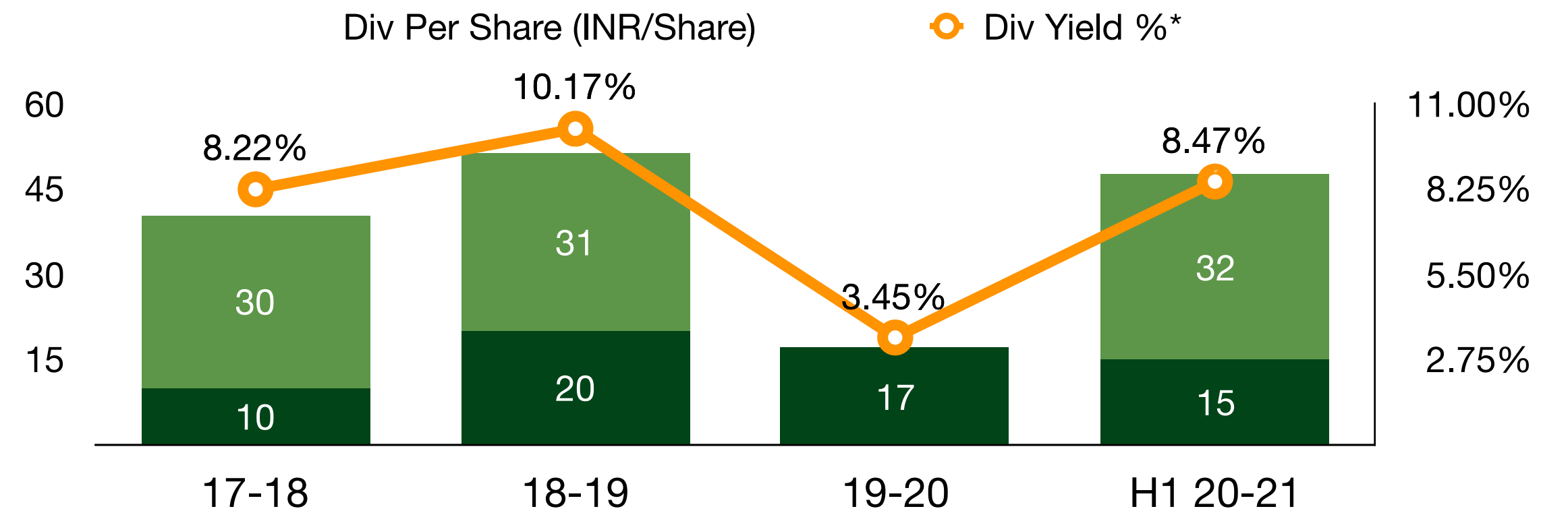
Strong Financial Performance

EPS^ (INR/Share)



^ EPS is computed based on daily weighted average no. of shares

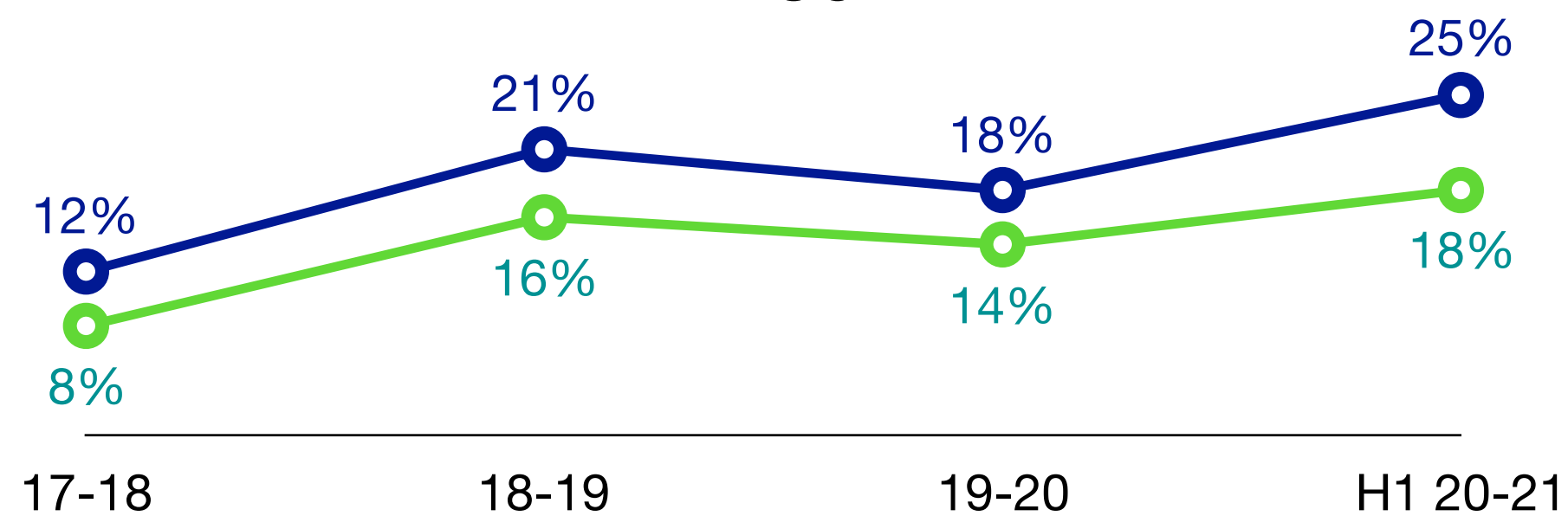
Dividend



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

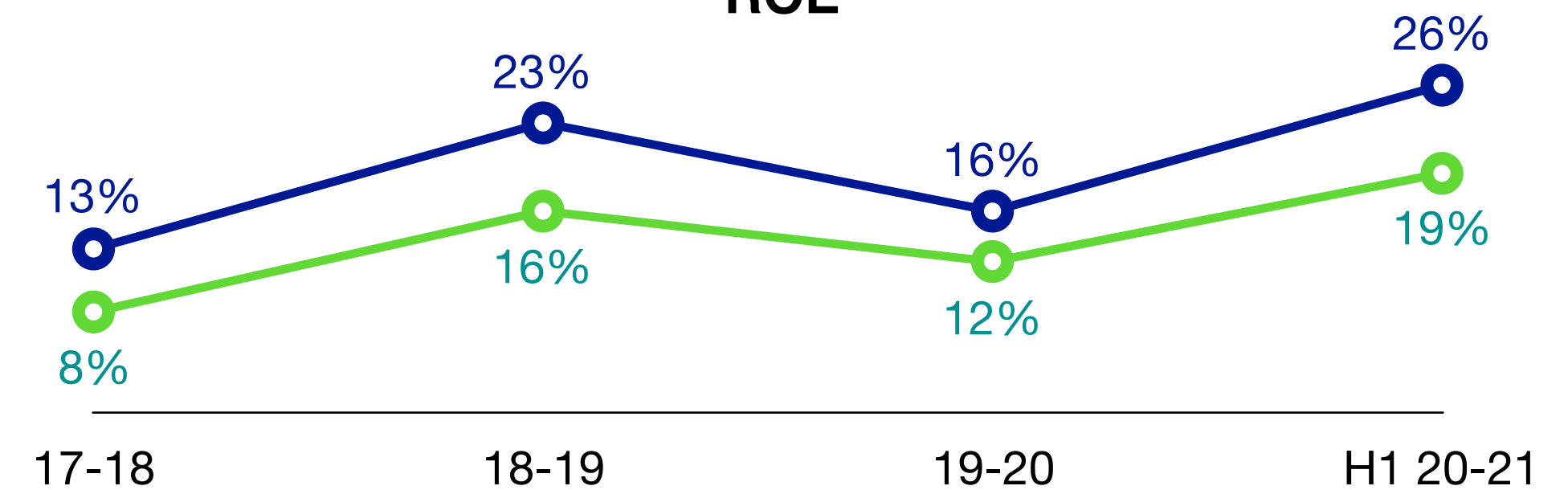
■ Normal Dividend
■ Special Dividend

ROCE



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

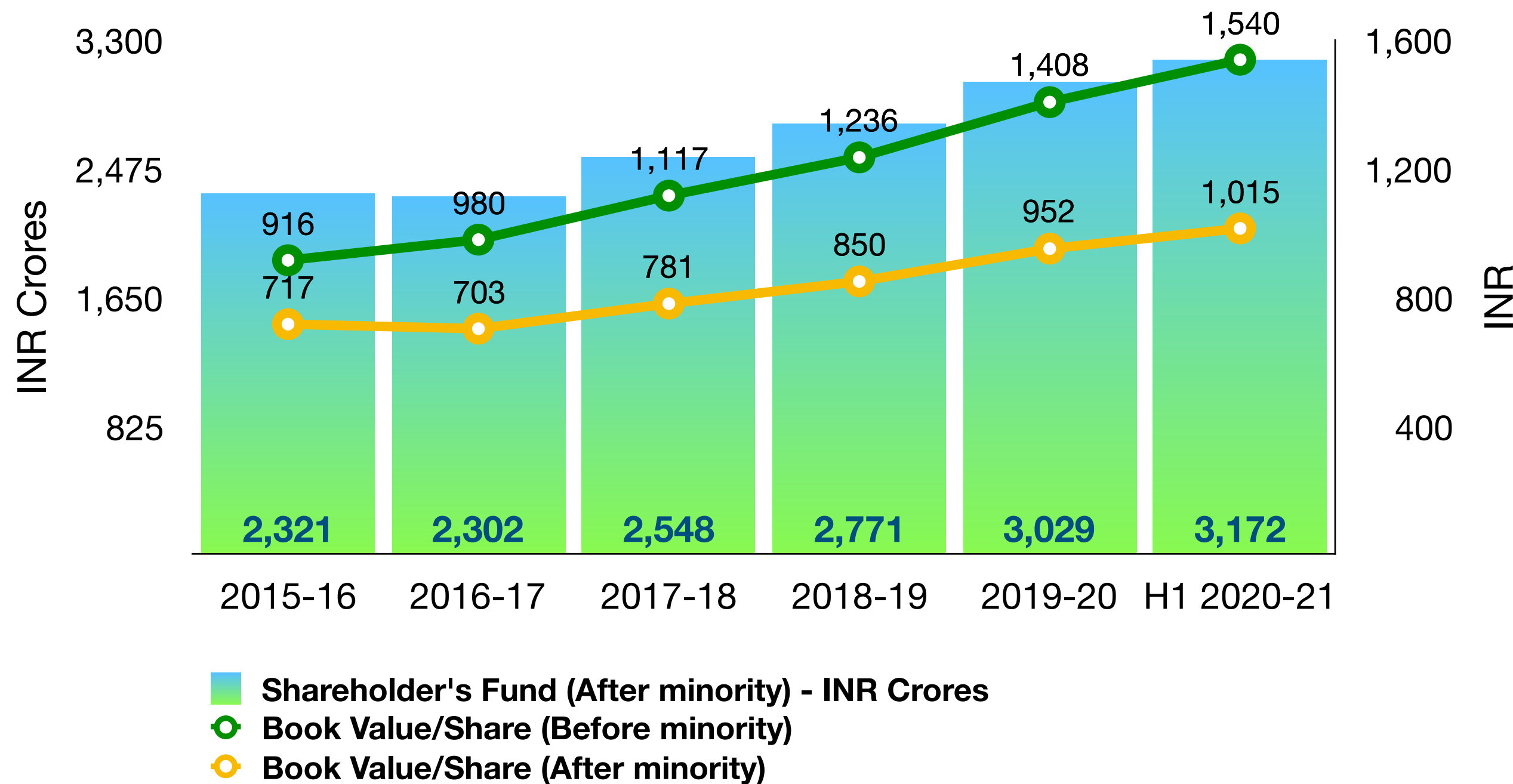
ROE



○ 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 Shareholder's Return



Note:

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

Shareholder's Return	Last 1 year	Last 3 years	Last 5 years	Since IPO (1988)
(A) Total Returns*				
- Polyplex	76%	20%	35%	23%
- Nifty 500 - TRI	3%	4%	9%	12%
- BSE Small Cap - TRI	12%	-5%	7%	12%
(B) Stock Price Movement				
- Polyplex	76%	20%	35%	23%
- Nifty 500	2%	2%	8%	10%
- BSE Small Cap	11%	-5%	6%	12%

* Dividend Reinvestment Method

Note:

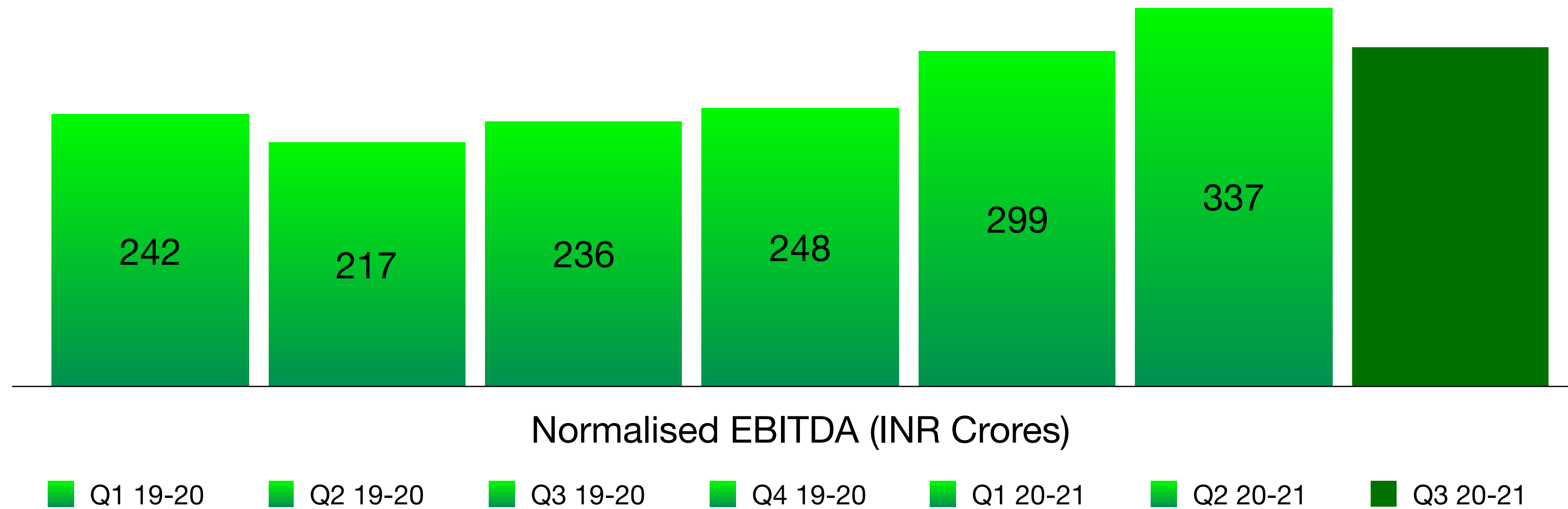
- Dividend considered based on the payout dates
- The returns have been calculated based on the stock price data till 5 Nov 2020

Awards

Thai subsidiary PTL won the Money & Banking Awards 2020 in the 'Best Public Company' Category



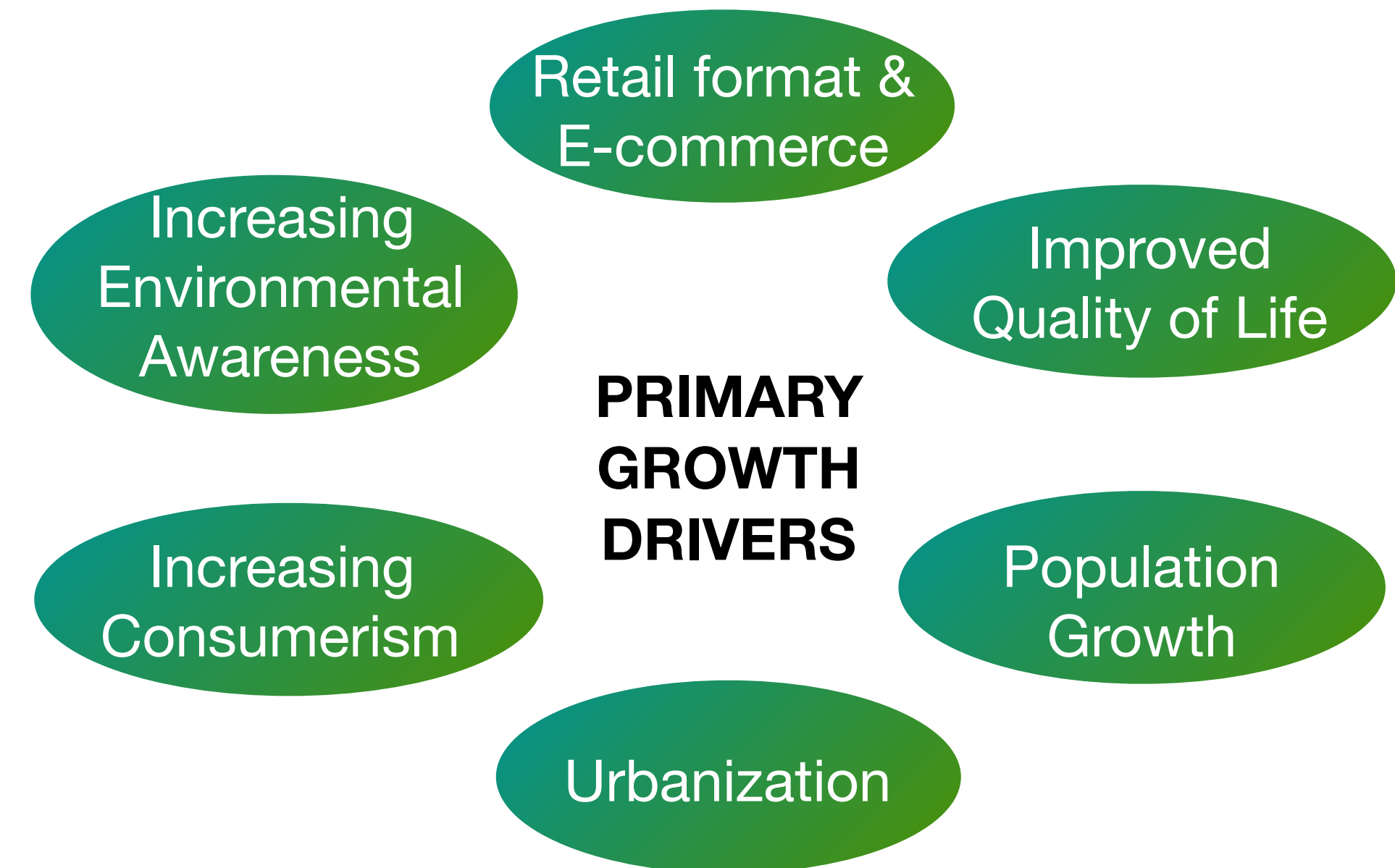
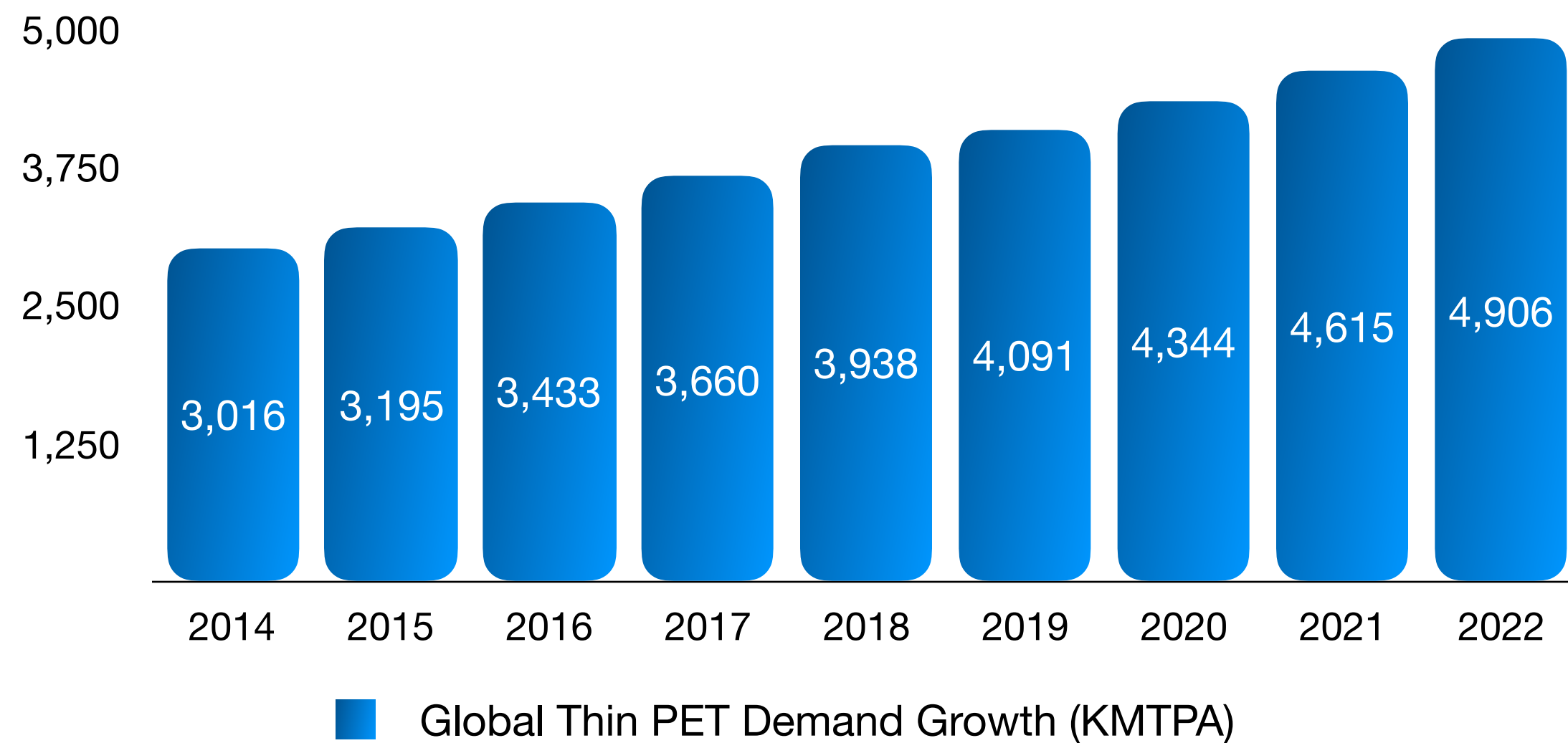
Third Quarter 20-21 Guidance



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

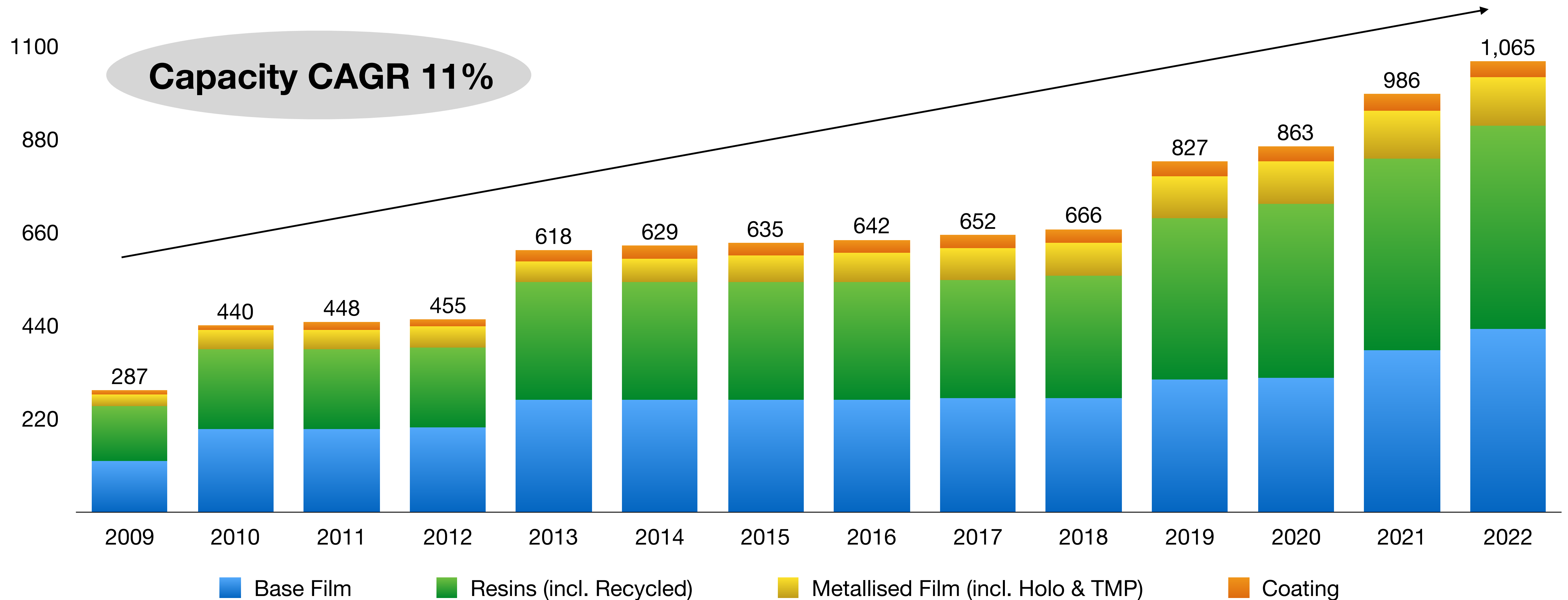


- Demand growing at 5-6% due to design versatility, cost advantage, resource economy, low carbon footprint, cost advantage and retail format/packaging innovations
- Versatility and high performance of polyester film leads itself to a wide range of 100+ applications in both industrial & consumer staples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

Continuous Growth

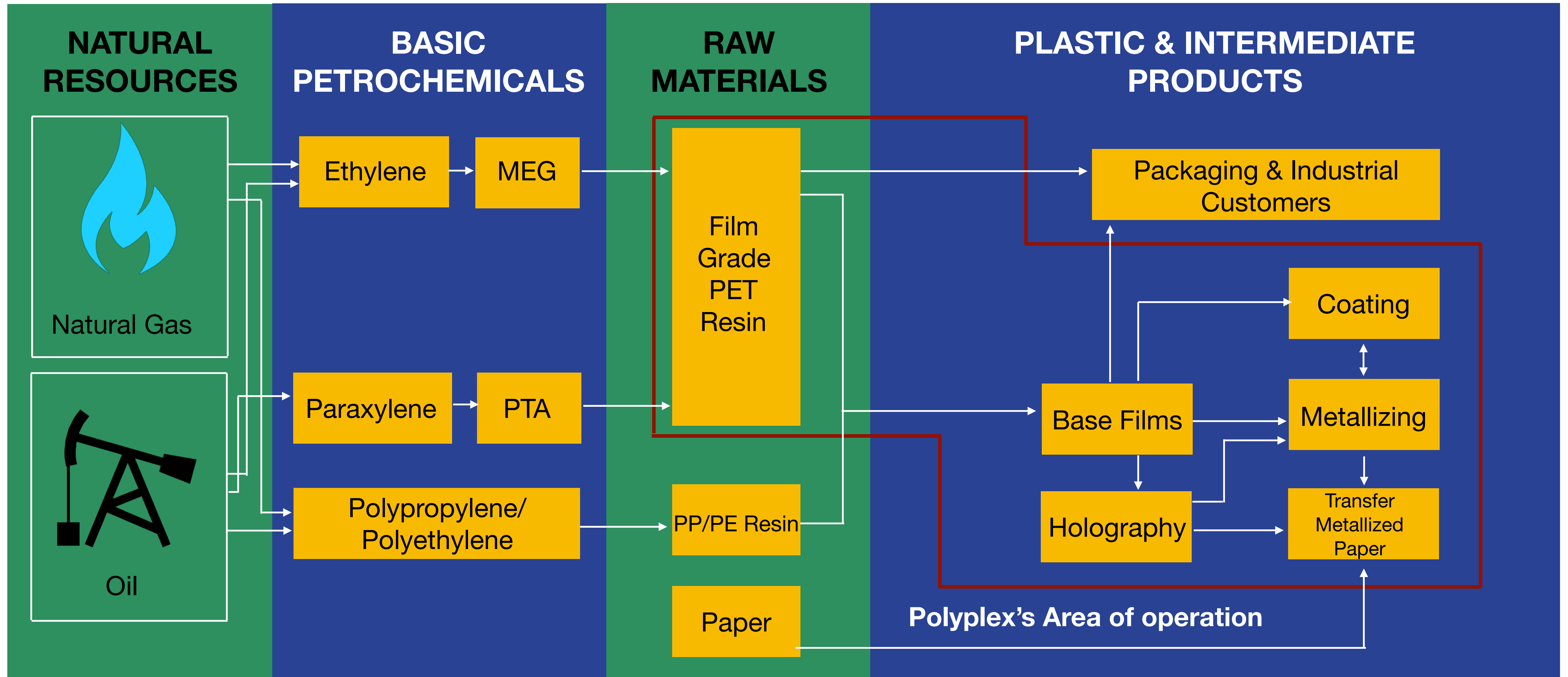
Polyplex growth more than the average market growth rate

Capacity is in '000 MT



Stable earning across business cycles

Value Chain



Product Applications & Sales Mix - H1 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

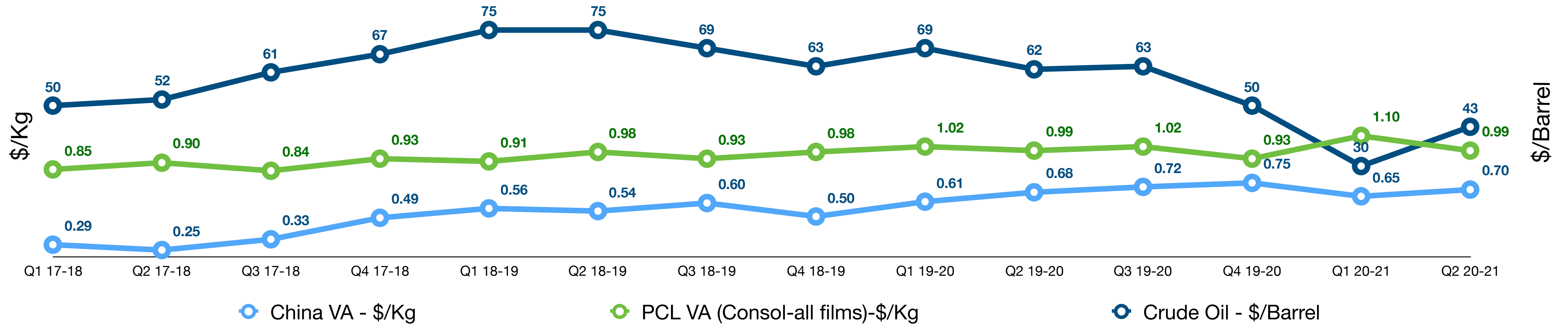
No. of Patents granted - 19 (Across products, processes & countries)

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

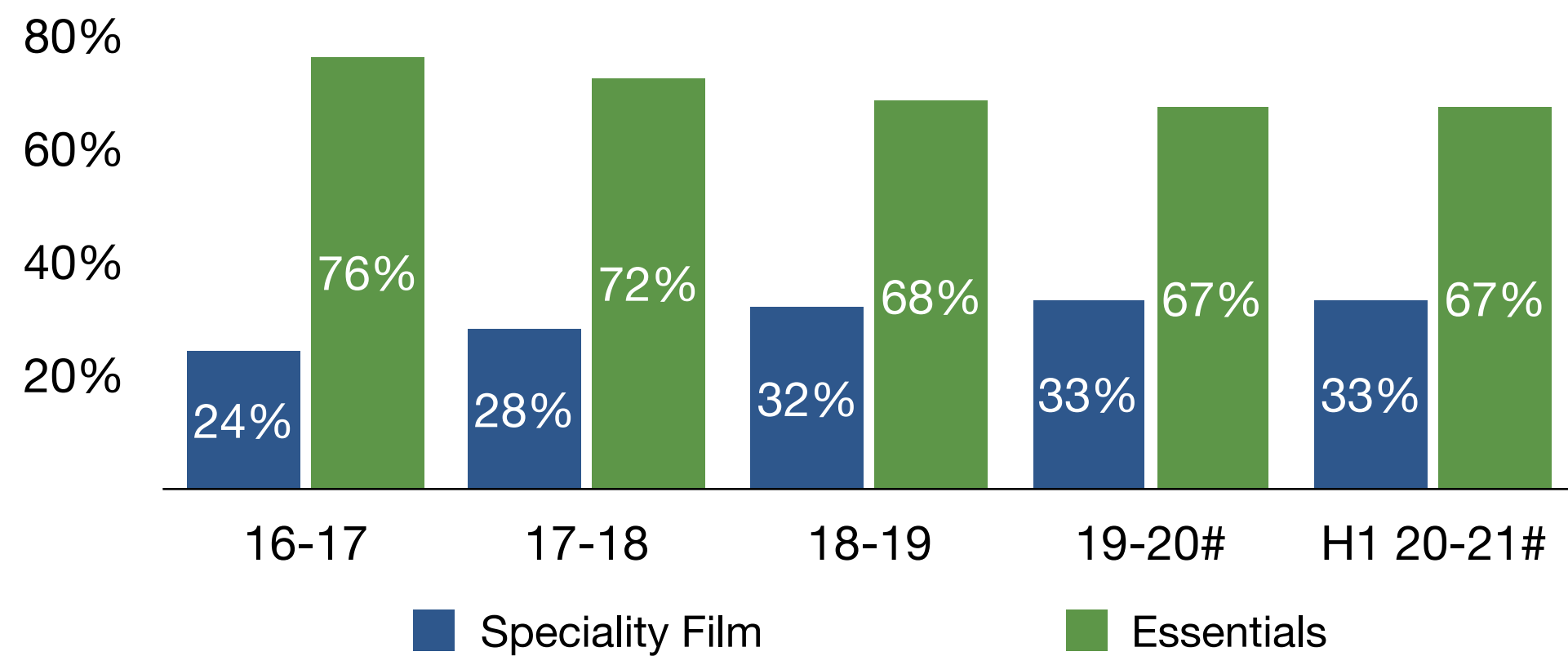
VA Stability

Stable VA despite crude price volatility

PCL VA v/s China VA v/s Crude

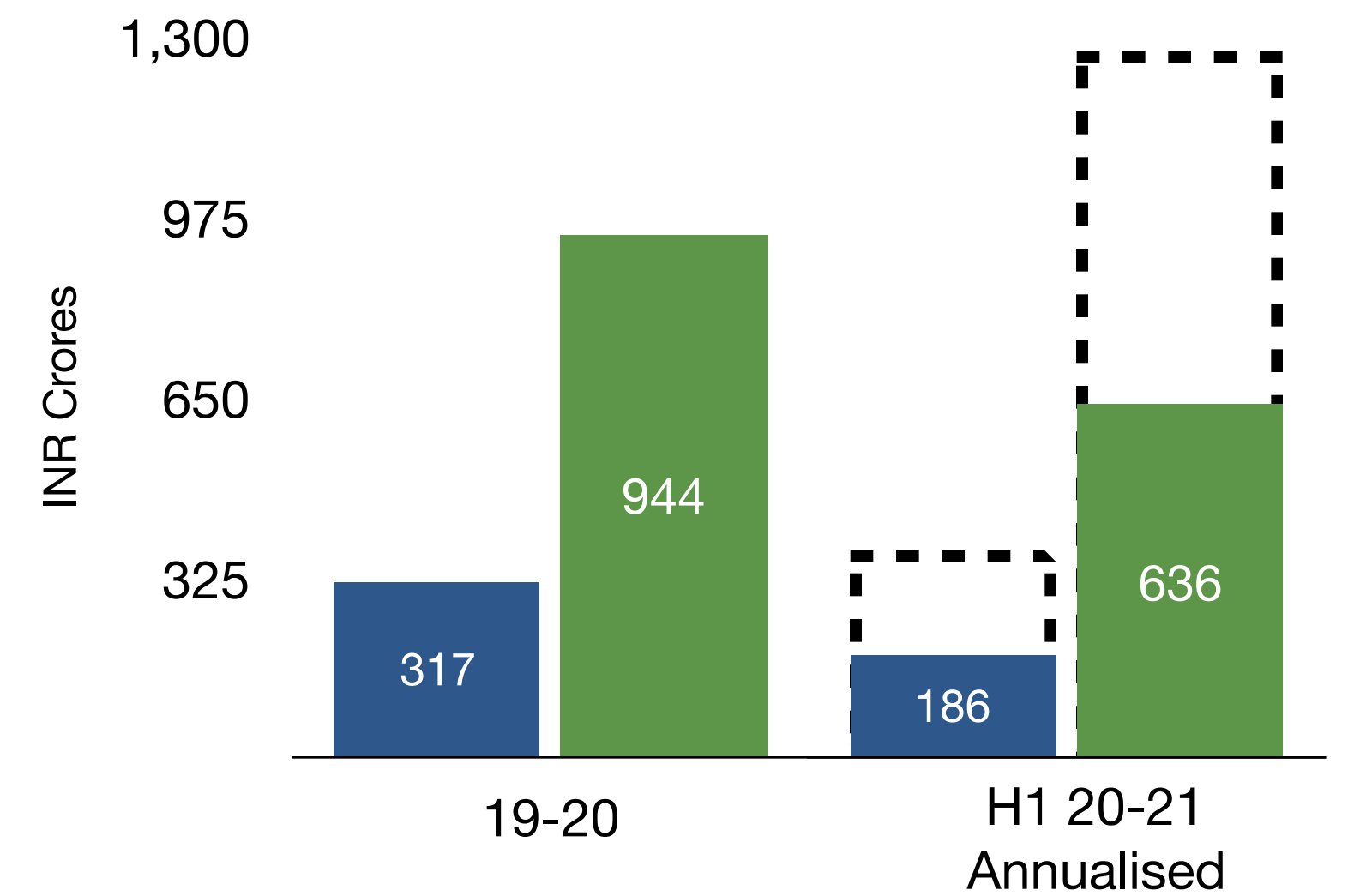


Speciality Film Share in Turnover



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**

Polyplex & Sustainability

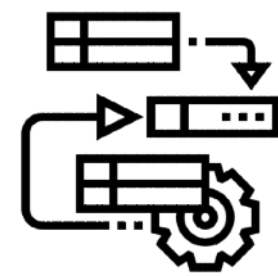
Portfolio



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

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

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)

Target Product:

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

- Increase Sustainable Sourcing
- Use recycled material
- Use biomaterials

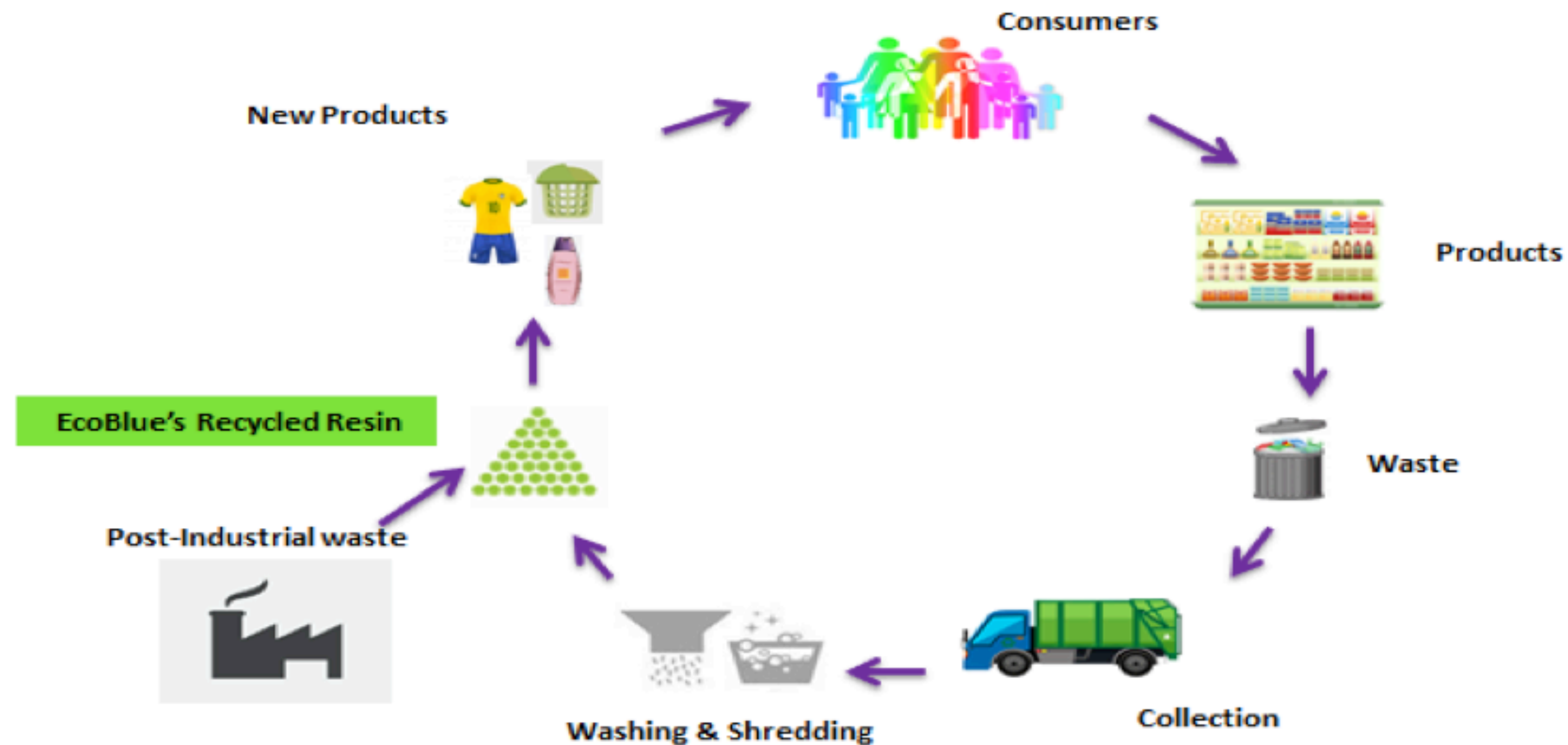
- Play catalyst and leadership role in engaging the industry in sustainability efforts - both plastic waste and climate change

Polyplex & Sustainability

Ecoblue Limited, Thailand provides sustainable solutions for the packaging and apparel industry

- US FDA & GRS approved 3D Pure rPET resin for bottle, film and polyester yarn applications
- New state of the art facility being setup to provide complete solution for recycled PET, PP and PE materials
- Pioneers in recycling of hard-to-recycle materials like coated films, laminates & fibre waste with oils

Circularity Through Responsible Recycling



Industry Outlook

OUTLOOK

- Approx. 1.79 Million Tons of Capacity (more than 60% in China) to be further added in Thin PET by 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 outlook:
 - 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	54	H1 FY 21-22
BrownField - BOPET	USA	83	H2 FY 22-23
Other Projects	India	6	Upto Q3 FY 21-22
Other Projects	Overseas	54	Upto Q4 FY 21-22
Total		197	

Note:

Includes Post Consumer Bottle Recycling Project (Ecoblue, Thailand)

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

BrownField BOPP Project (Indonesia)

10.4 Meter Line - 60 KTPA Film Capacity, 5 layer machine with inline coating
Capex: 54 Million USD

*Board Approved June'19 *25 Million USD funding confirmed

*Estimated Date of Start Up H1 FY 2021-22



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

*Other processes - Yet to be initiated

*Estimated Date of Start Up H2 FY 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

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 has seen minor decline
- 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 has declined. 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.

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



Annexures

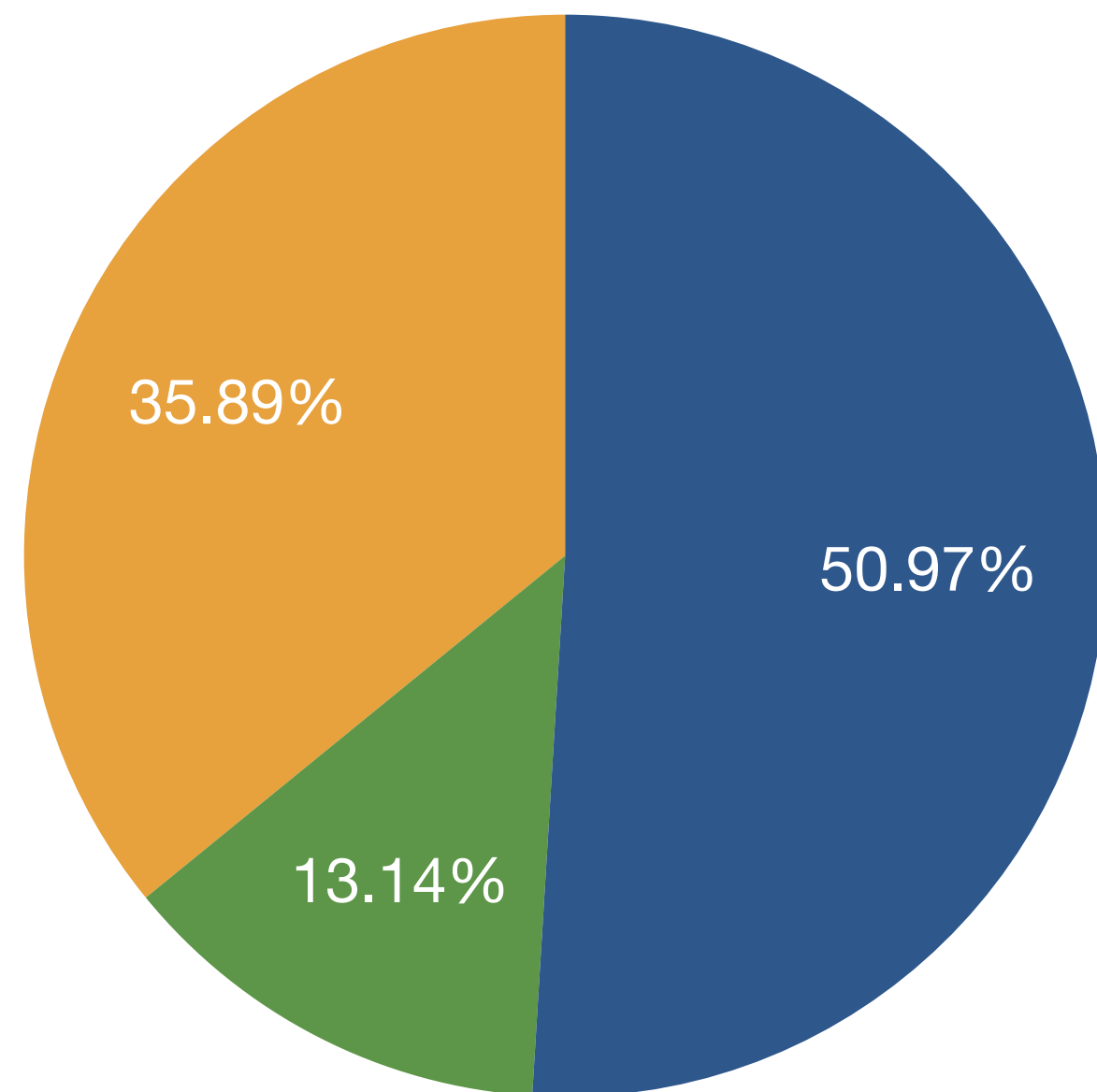
Contents

- Shareholding Pattern
- Group Structure

Shareholding Pattern

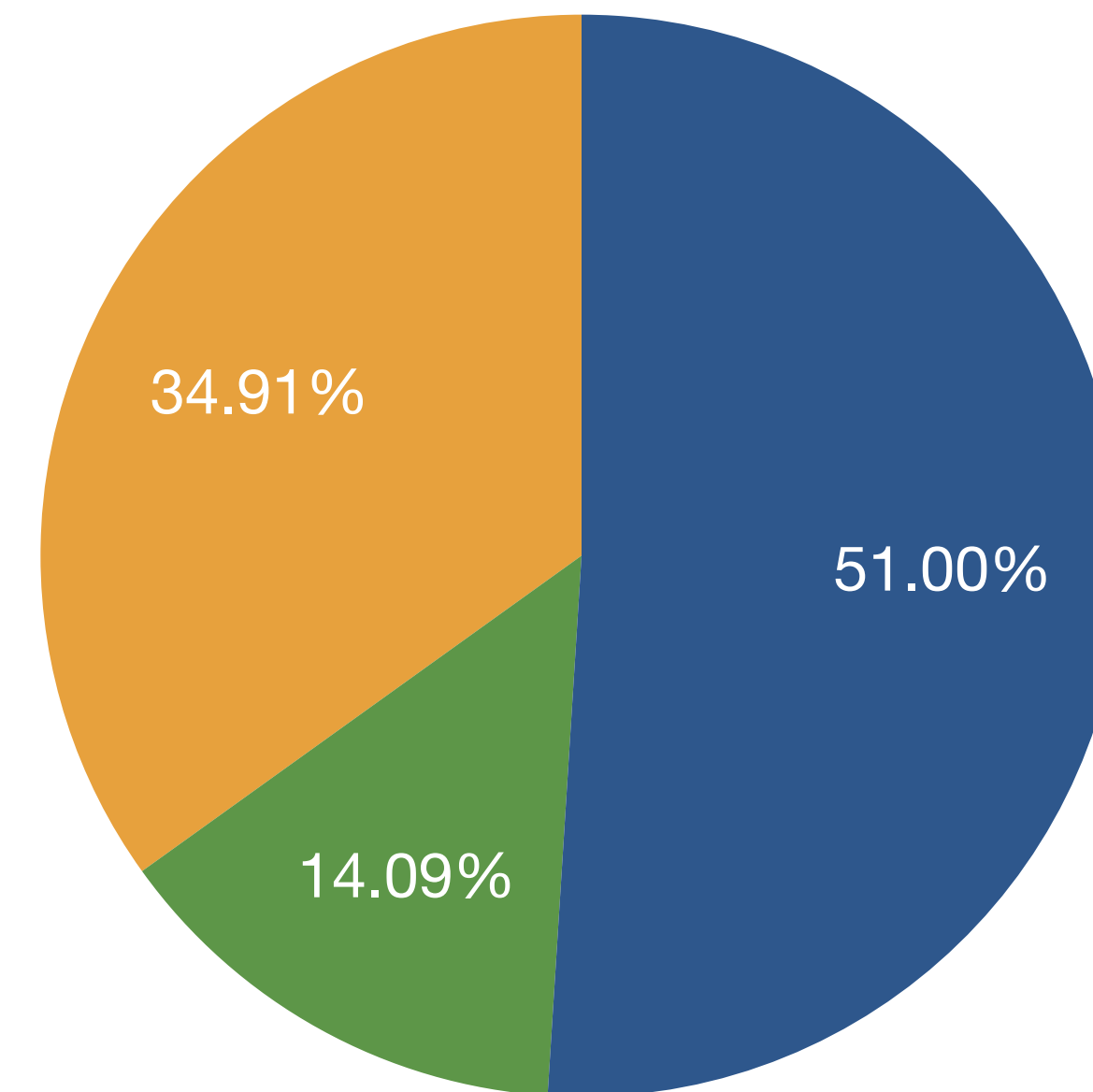
- Polyplex Corporation Limited (PCL) is the Group Holding Company
- PCL's economic interest in the overseas businesses is 51%
- PCL listed on BSE/NSE in India and the Thai subsidiary (PTL) on the Stock Exchange of Thailand (SET)
- Shareholding of the Company (as on 30th Sep'20) is as below:

PCL Shareholding



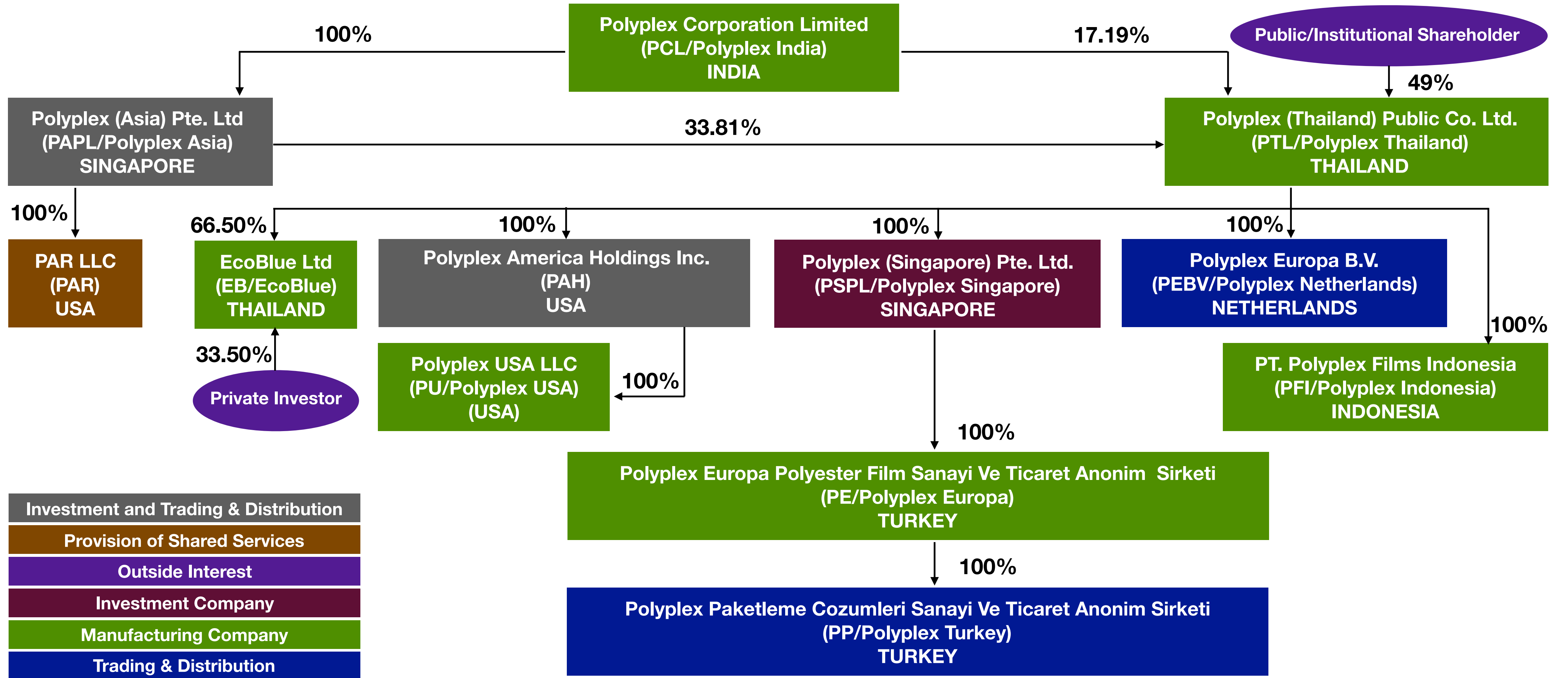
● Promoter
● Institutions
● Non-Institutions

PTL Shareholding



● Promoter
● Institutions
● Non-Institutions

Group Structure



Note: Polyplex Trading (Shenzhen) Co. Ltd (PTSL), China which was engaged in trading & distribution has been liquidated in June 2020

Thank You

Polyplex Corporation Limited

B-37, Sector-1, NOIDA

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