

13 August 2019

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|--|---|
| 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: ESSELPACK |

Ref.: Essel Propack Limited

Sub.: Investors notes/updates with respect to Unaudited Financial Results for the quarter ended 30 June 2019


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 Essel Propack Limited



H Suresh Savaliya
Head - Legal & Company Secretary



Filed online

Encl.: As above



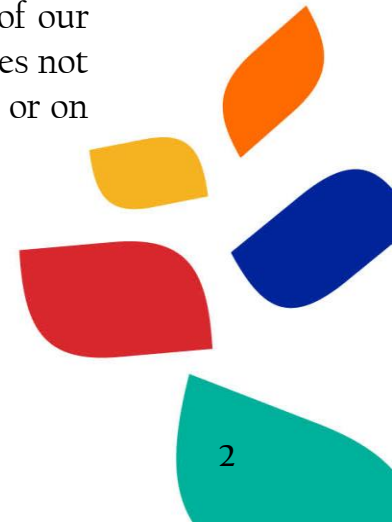
EXTRAORDINARY
PACKAGING

Essel Propack Limited

Q1FY20 Earnings Update



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 Essel Propack 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.



Essel Propack Proposition



Exceptional financial track record with industry leading margins and cash generation.



Market leading position in attractive end markets with stable growth in oral care and increasing penetration in non-oral care markets.

Highly experienced management team with long history of success with EPL.

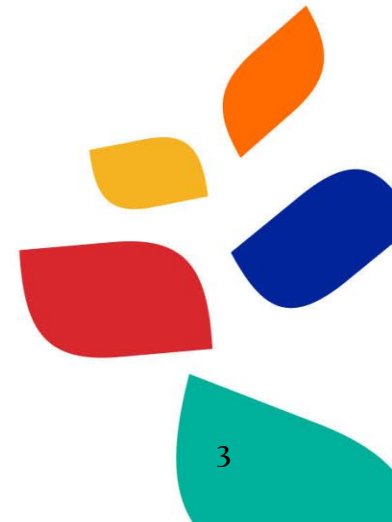


Best in class innovation platform proven ability to cater multiple industries and offer specialized features with speed to market.

Long standing relationships with diversified global and regional customers.



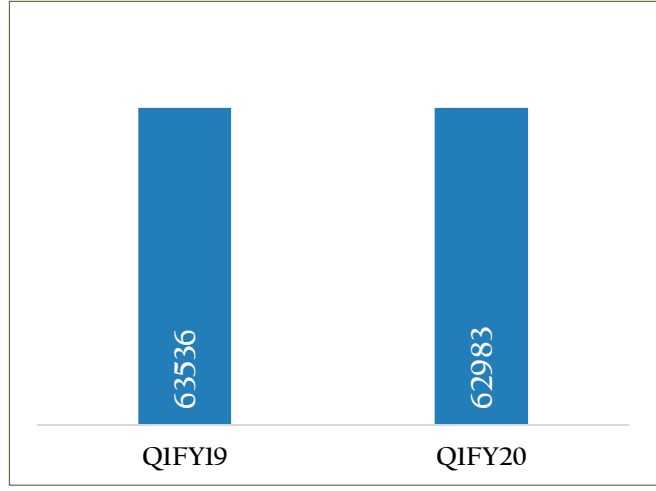
State of art global manufacturing base with significant operational scale.



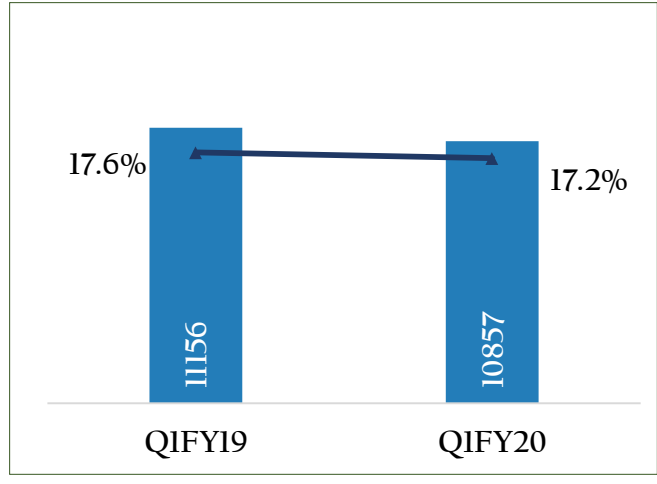
Consolidated Financial Highlights QIFY20



Total Income from Operations

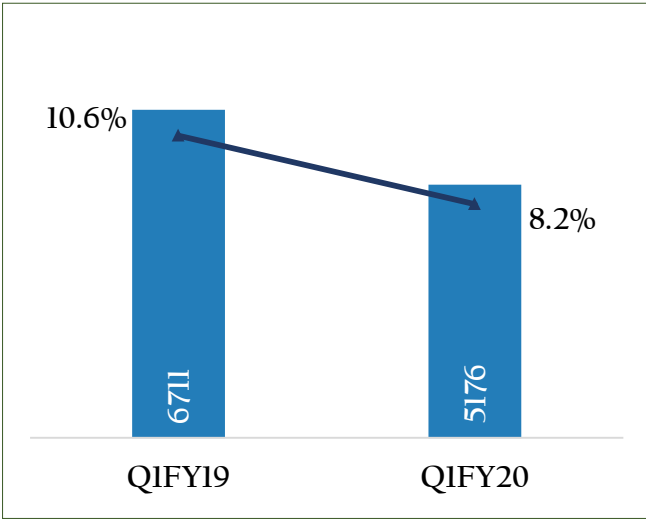


EBITDA and EBITDA Margins

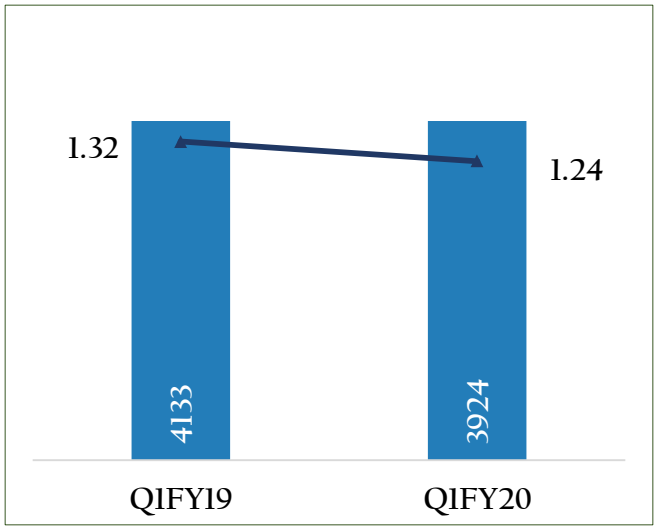


(INR lacs)

EBIT and EBIT Margins

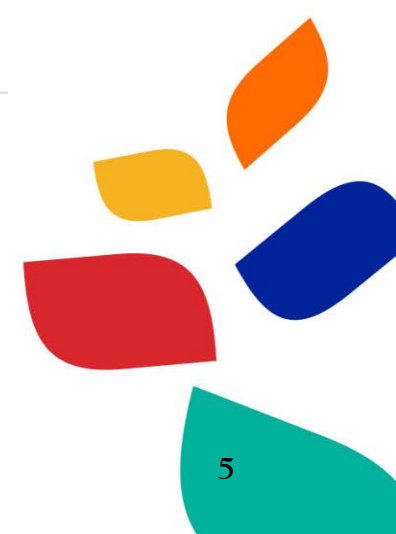
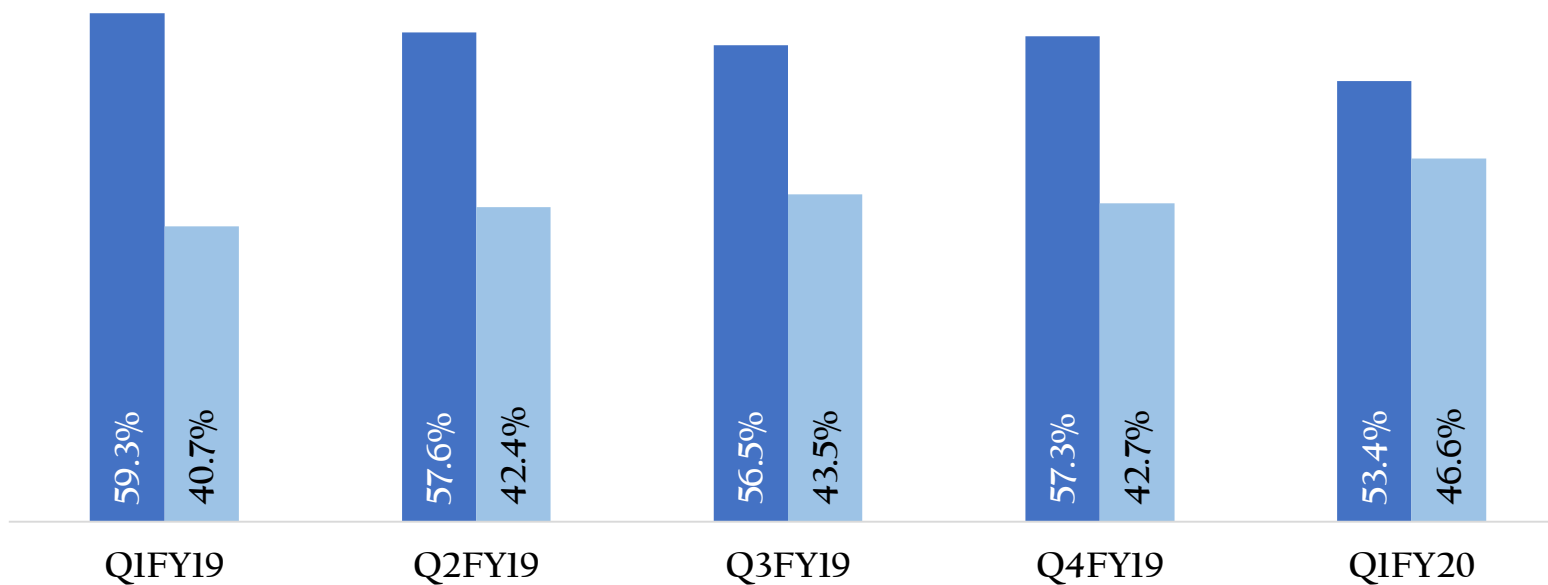


PAT and EPS (in INR)



Category-wise Revenue

■ Oral Care ■ Non-oral Care



Key Highlights

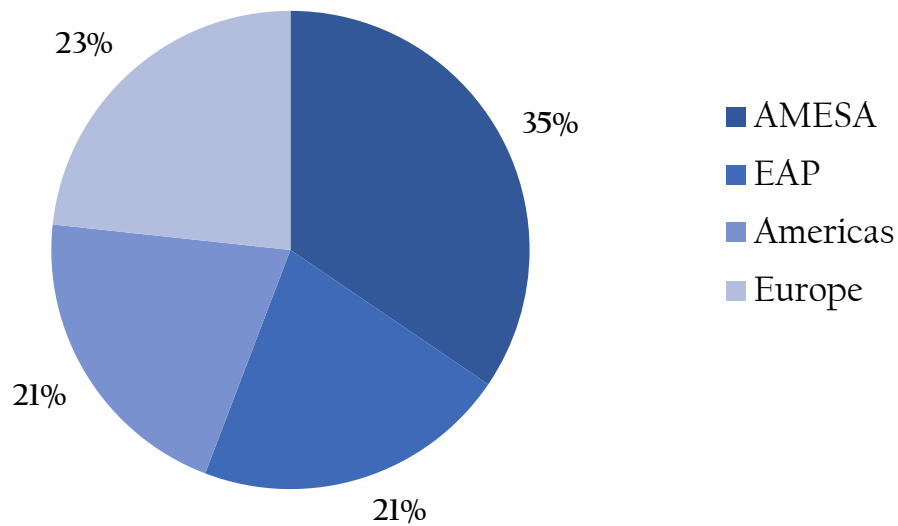


- In Europe customer engagement and strong business pipeline has resulted in robust revenue growth. Americas revenue growth helped by strong growth in Colombia.
- India and China revenue impacted due to volatile market conditions.
- Non oral care contribution has increased by 5.9 pp to 46.6% in QIFY20 from 40.7% in QIFY19, helped by growth across all the regions.
- EBIT Margin impacted due to lower revenue and also due to capex, full ramp up effect of which is yet to materialize.
- Company is committed to sustainability by offering innovative products and creating solutions for efficient re-use and re-cycling and developed a new fully recyclable laminate, which is under “Certification” as well as on test trials with various customers across different geographies.
- Net Debt, at -1.0x EBITDA (TTM); at INR 51246 Lacs as of June 2019 as compared to INR 49982 Lacs as of March 2019. The net debt of the company as of June 19 is lower than Net Working Capital.
- ROE and ROCE on TTM basis is at 14.6% and 16.6% as compared to 14.6% and 17.4% respectively in March 2019. ROE and ROCE are impacted by 0.1% and 0.4% respectively due to new Accounting Standard on Lease Accounting applicable w.e.f. 1st April 2019.

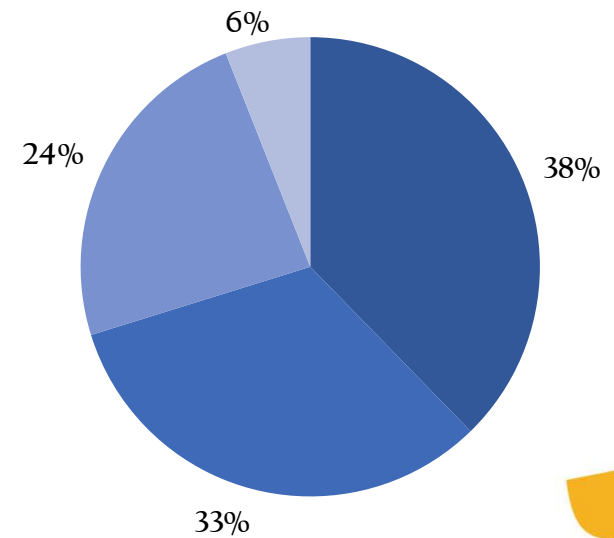


Region-wise Revenue and EBIT Break-up QIFY20

Revenue Split % across regions



EBIT Split % across regions



(INR lacs)

| Particulars | QIFY20 | QIFY19 | % change |
|-------------------|--------|--------|----------|
| Revenue | 13881 | 15635 | (11.2%) |
| EBITDA | 2880 | 3032 | (5%) |
| EBITDA Margin (%) | 20.7% | 19.4% | |
| EBIT | 1789 | 2075 | (13.8%) |
| EBIT Margin (%) | 12.9% | 13.3% | |

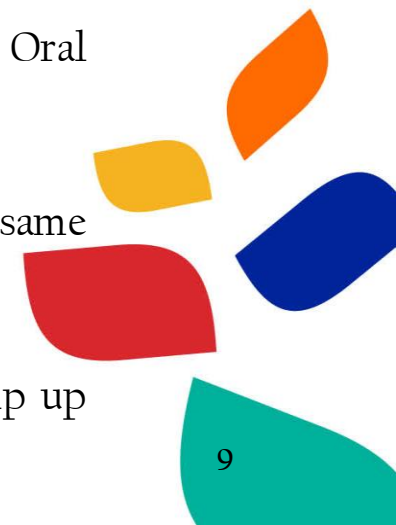
- Underlying tube revenue has declined by only 1.7%. Total revenue declined mainly on account of lower laminate sales by China and also volatile market conditions due to US China trade issues.
- Non Oral Care revenue grew strongly at 29.4% and contribution increased by 8 pp largely helped by Beauty & Cosmetics category.
- Philippines revenue grew strongly at 26.9% (21.1% at constant currency).



(INR lacs)

| Particulars | QIFY20 | QIFY19 | % change |
|-------------------|--------|--------|----------|
| Revenue | 22507 | 23563 | (4.5%) |
| EBITDA | 4585 | 5259 | (12.8%) |
| EBITDA Margin (%) | 20.4% | 22.3% | |
| EBIT | 2079 | 3459 | (39.9%) |
| EBIT Margin (%) | 9.2% | 14.7% | |

- Egypt continued to post strong revenue growth for the quarter at 22.8% (13% on constant currency basis) helped by both Oral Care and Non Oral Care categories.
- India revenue impacted by macro slowdown and lower off-take by customers in Oral Care category.
- Non oral care category revenue composition increased by 4.3 pp compared to the same quarter last year
- EBIT is mainly impacted due to product mix in India and due to capex, full ramp up effect of which is yet to materialize.



(INR lacs)

| Particulars | QIFY20 | QIFY19 | % change |
|-------------|--------|--------|----------|
| Revenue | 13663 | 13286 | 2.8% |
| EBITDA | 2198 | 2131 | 3.1% |
| EBITDA % | 16.1% | 16.0% | |
| EBIT | 1313 | 1499 | (12.4%) |
| EBIT % | 9.6% | 11.3% | |

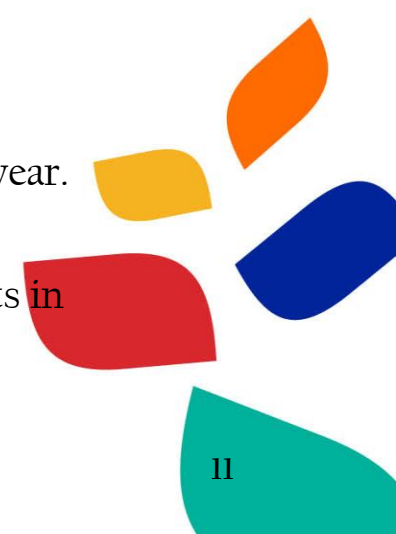
- Revenue growth is helped by a strong growth in Colombia and Non Oral Care category.
- Non Oral Care revenue composition increased by 4.8 pp as compared to the same period last year.
- EBIT margin impacted due to capex, full ramp up effect of which is yet to materialize.
- Strong new business pipeline in US and Mexico.



(INR lacs)

| Particulars | QIFY20 | QIFY19 | % change |
|-------------|--------|--------|----------|
| Revenue | 15172 | 12931 | 17.3% |
| EBITDA | 1503 | 1231 | 22.1% |
| EBITDA % | 9.9% | 9.5% | |
| EBIT | 328 | 194 | 69.1% |
| EBIT % | 2.2% | 1.5% | |

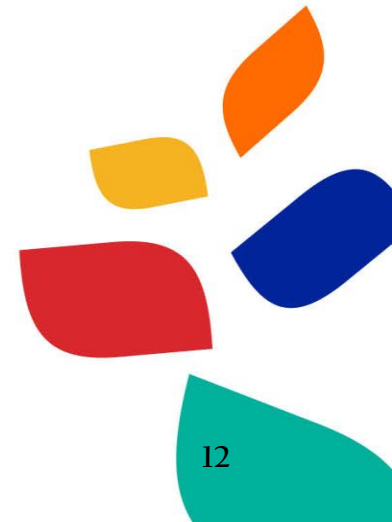
- Revenue growth was helped by Non Oral Care category.
- Margin expansion led by operating leverage.
- Non oral care contribution increased by 5.9 pp as compared to the same period last year.
- Engagement with customers and strong business pipeline has started yielding results in Europe.



Overall the business development pipeline is strong across regions. The customer engagement and strong business pipeline during all these years in non oral care category has started yielding results. Contribution from Non Oral Care category increased significantly during this quarter, which is in line with our business strategy. India and China revenue impacted due to volatile market conditions.

The Company has developed yet another Code 2 fully recyclable laminate, which is under test with various customers in different geographies. This is going to open new opportunities in sustainable tube space. The two fully recyclable laminates are ‘Green Maple Leaf’ and ‘Platina’.

The Company continues to build capabilities during recent years to maintain its market positioning and will continue in following year/s.



About Essel Propack



Essel Propack is the largest specialty packaging global company, manufacturing laminated plastic tubes catering to the FMCG and Pharma space. Employing over 3366 people representing 25 different nationalities, Essel Propack functions through 20 state of the art facilities and in eleven countries, selling circa 7 billion tubes and continuing to grow every year.

Essel Propack is the world's largest 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 Beauty & Cosmetics, Pharma & Health, Food, Oral and Home, offering customized solutions through continuously pioneering first-in-class innovations in materials, technology and processes.

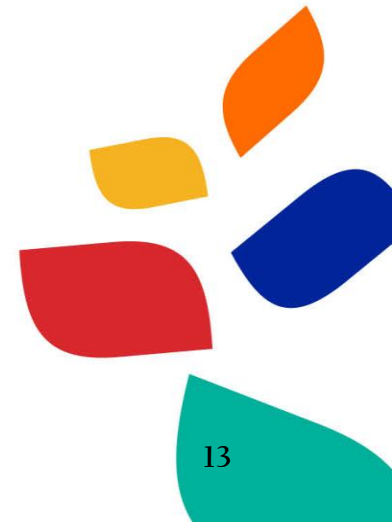
Essel Propack Limited

CIN : L74950MH1982PLC028947

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THANK YOU

