

29 July 2021

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 960308, 960310 & 960311.	Trading Symbol: EPL

Ref.: EPL Limited

Sub.: Investors notes/updates with respect to the Unaudited Financial Results for the quarter ended 30 June 2021.

Dear Sirs,

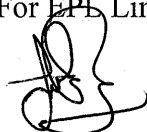
Please find attached copy of the Investors notes/updates as mentioned in the subject line.

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

Kindly take the above on record.

Thanking You

Yours faithfully
For EPL Limited



Suresh Savaliya
SVP - Legal & Company Secretary



Encl.: As above

Filed online



Leading the
pack

EPL LIMITED
(Formerly known as Essel Propack Limited)
Q1FY22 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

*Market Leading Revenue Growth
and
Capital Efficient, Consistent Earnings Growth*

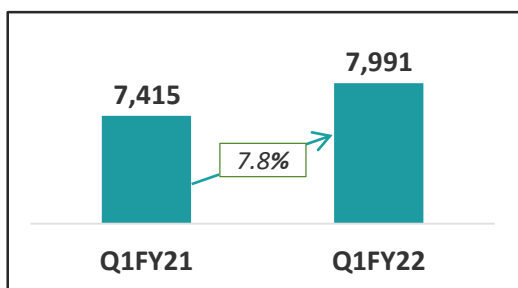
EPL - Executive summary Q1FY22

- 1 Double digit growth of 12.8% pro-forma for shutdown of Russia manufacturing operations and Hand Sanitizer pipeline in Q1FY21.**
- 2 Delivered sequential margin expansion by 66 bps.**
- 3 Price increases taken across the board ahead of plan.**
- 4 Navigated unprecedented supply disruption with high raw material and transportation cost.**
- 5 Intrinsic performance of the business is strong; exit June is better than full quarter on all key parameters.**

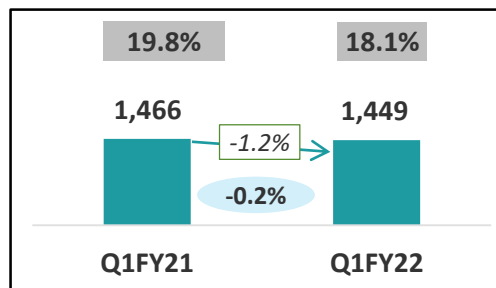
Q1FY22 Consolidated Financial Highlights

(INR million)

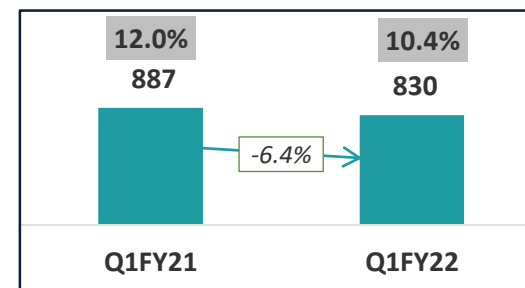
Revenue from Operations



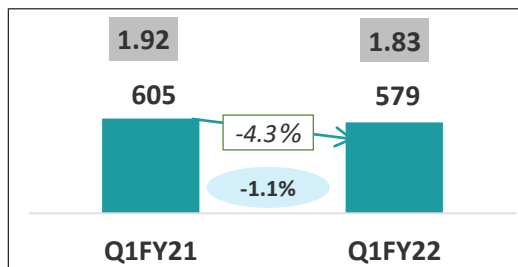
EBITDA and EBITDA Margins



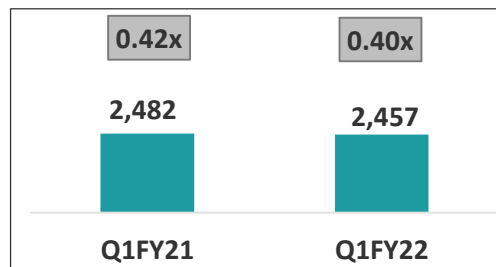
EBIT and EBIT Margins



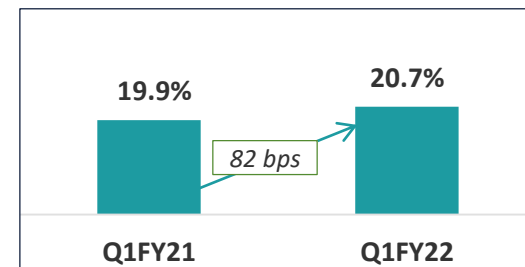
PAT¹ and EPS (INR)



Net Debt and Net Debt/ LTM EBITDA



ROCE²



Adjusted growth %

Includes INR 1675 mm of cash proceeds paid for Creative acquisition. Adjusted for this net debt is INR 782 mm

- ▶ Delivered 7.8% revenue growth. Double digit growth of 12.8% pro-forma for shutdown of Russia manufacturing operations and Hand sanitizer pipeline in Q1FY21. Comparable Organic Revenue growth at 10.4%
- ▶ EBITDA and EBITDA margin growing sequentially. EBITDA margin and growth lower vs PY due to steep increase in raw material prices and freight cost increase.

(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 Jun 21 (INR 138 mn for Jun 20) of Transition Services Agreement (TSA) related expense, Nil in Jun 21 (INR 11 mn in Jun 20) of tax amnesty expenses and INR 155 mn for Jun 21 (Nil for Jun 20) of ESOP related expenses.

EPL – Capital Efficient, Sustainable Revenue Growth

(INR million)

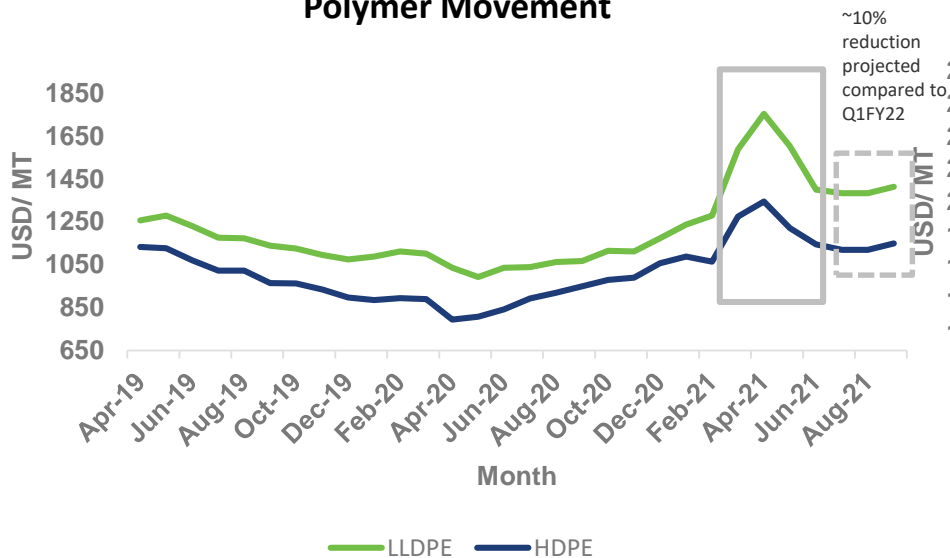
	Q1FY21	Q1FY22	Growth	
Growth¹	Revenue	7,415	7,991	7.8%
	Adjusted EBITDA	1,506	1,503	-0.2%
	Adjusted EPS (INR)	1.93	1.91	-1.2%
<div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p style="text-align: center;">↑</p> <p>growth of 12.8% pro-forma for shutdown of Russia manufacturing operations and Hand Sanitizer pipeline in Q1FY21.</p> </div>				
	As of June 20	As of June 21		
Capital Efficiency	ROCE ²	19.9%	20.7%	82 bps
	Net Debt	2,482	2,457	
	Capex	FY21 1,760	Q1 FY22 531	
<div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p style="text-align: center;">↑</p> <p>Includes INR 1675 mm of cash proceeds paid for Creative acquisition. Adjusted for this net debt is INR 782 mm</p> </div>				

(1) Refer page 27 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 Jun 21 (INR 138 mn for Jun 20) of Transition Services Agreement (TSA) related expense, Nil in Jun 21 (INR 11 mn in Jun 20) of tax amnesty expenses, and INR 155 mn for Jun 21 (Nil for Jun 20) of ESOP related expenses.

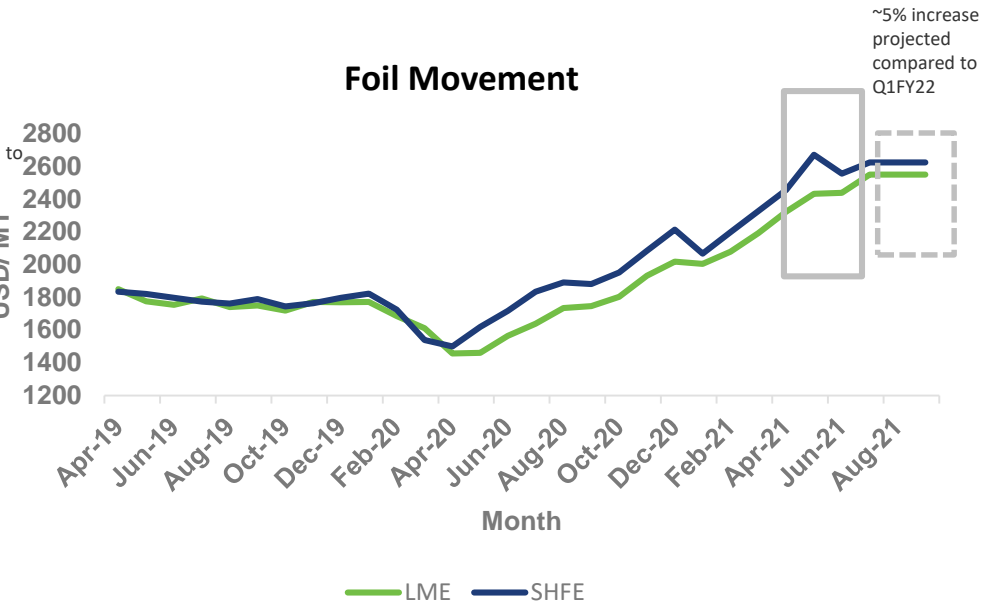
Raw Material prices remain high and volatile

Polymer Movement



Source – ICIS M LLDPE and HDPE Index

Foil Movement



Source – LME and SHFE Index

	Q1FY22 vs Q1FY21	Q1FY22 vs Q4FY21
LLDPE	55%	16%
HDPE	52%	8%
LME	61%	15%
SHFE	59%	17%

▶ Overall increase in key RM prices.

Holistic EBITDA margin improvement plan on track

Holistic EBITDA margin improvement plan for sequential margin expansion is already in place for FY22 through a three-pronged approach:

1 Judicious Price Increases ●

- ▶ Contractual pass-through in long term contracts has a 3-month lag
- ▶ Price corrections being negotiated across geographies to offset the raw material price increase

2 Cost Productivity Initiatives: Project Phoenix Phase II ●

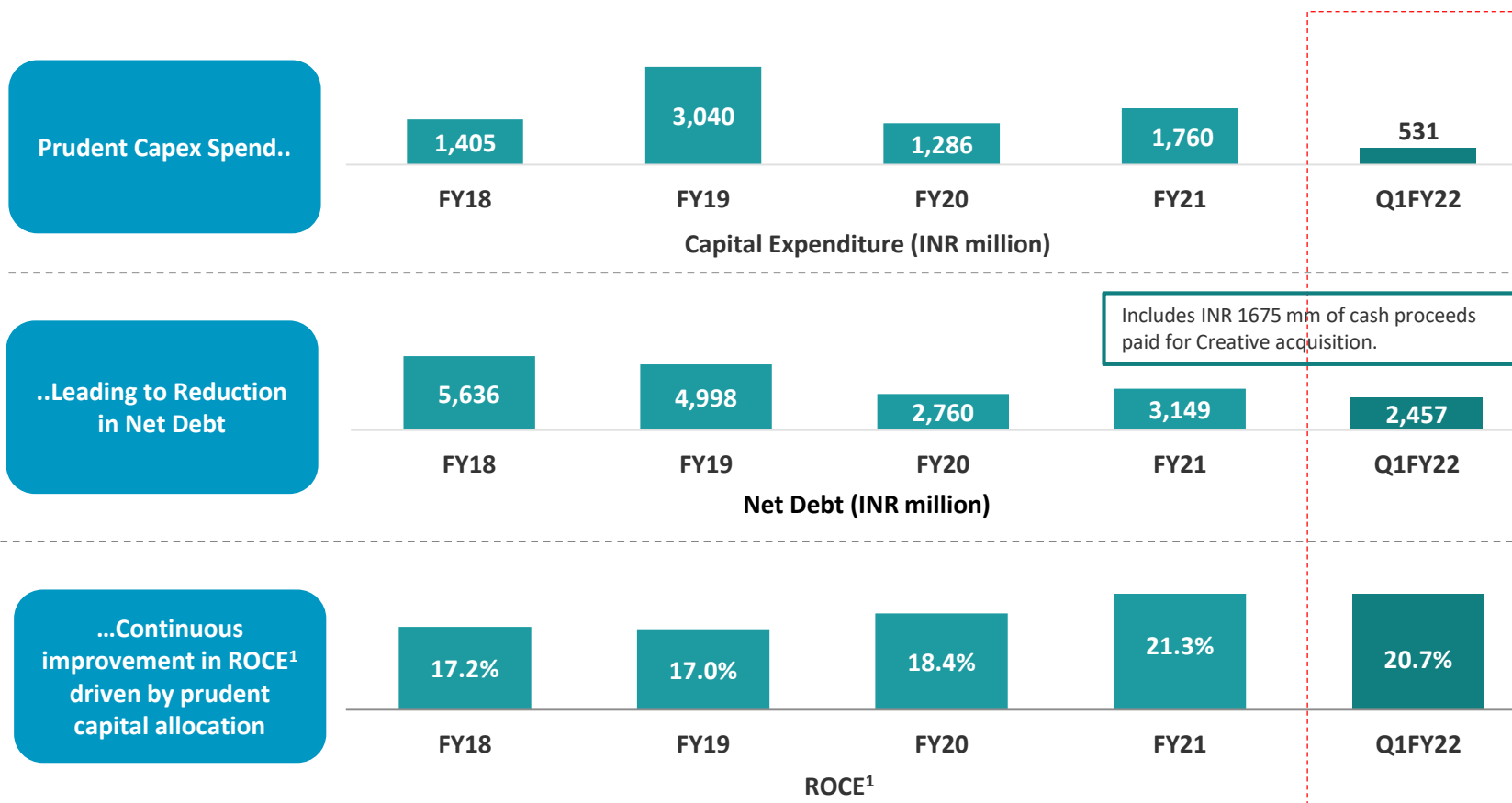
- ▶ “Modern Times”: Improving manufacturing efficiency through automation
- ▶ Increased in-house manufacturing of caps and closures
- ▶ Scrap and wastage reduction
- ▶ Rationalization of energy consumption

3 Mix Improvement ●

- ▶ Focus on higher-profit segments and value-added offerings

Delivered sequential margin expansion by 66 bps

Continued Focus on Capital Efficiency



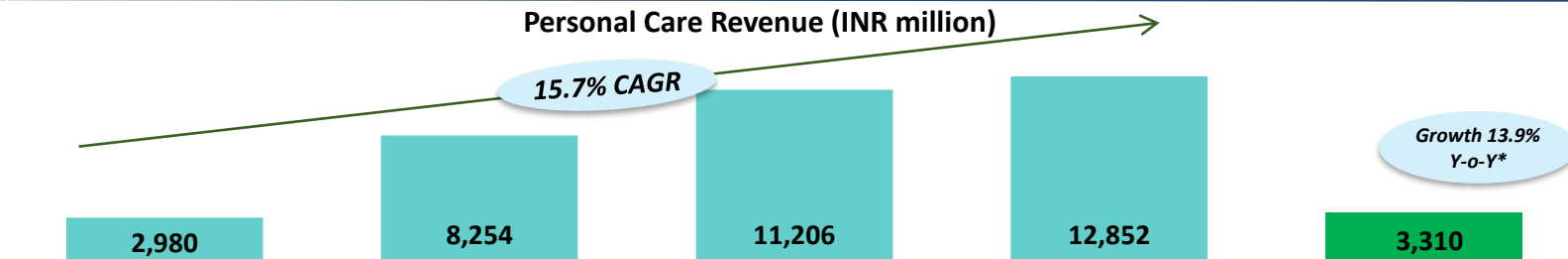
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Delivered strong progress across all our identified levers

- **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 15.7% CAGR Over the Last Ten Years and Continues to be the Major Growth Driver for EPL in FY22

Personal Care Revenue (INR million)



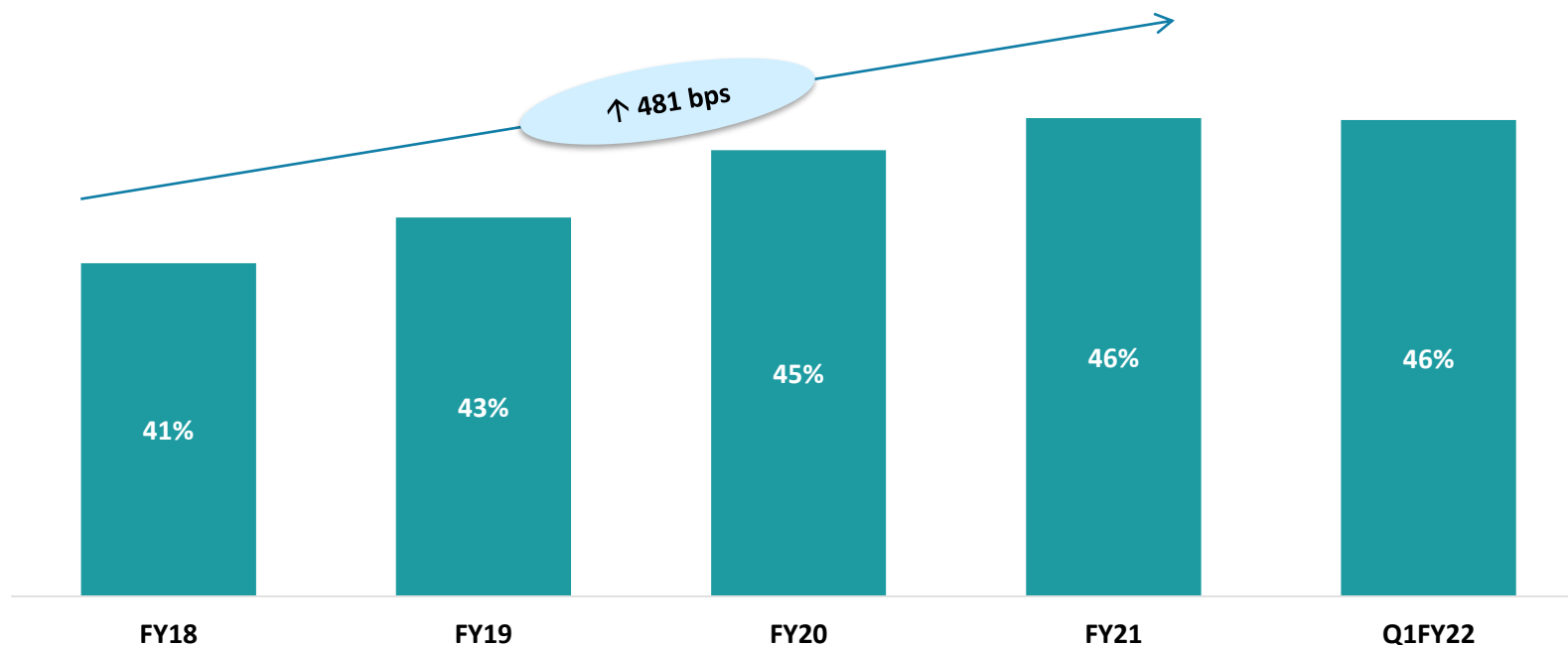
Sub-categories	FY11	FY15	FY20	FY21	Q1 FY22
Face Care	✓	✓	✓	✓	
Hair Care	✗	✗	✓	✓	
OTC Medication	✗	✓	✓	✓	
Prescription Medication	✗	✗	✓	✓	
Food	✗	✓	✓	✓	
Home	✗	✗	✓	✓	
Hygiene Products	✗	✗	✓	✓	
Eye Care	✗	✗	Actively Pursuing → ✓	✓	
Hand Cream	✗	✗		Actively Pursuing ← ✓	
New Applicator (B&C)	✗	✗	✗		

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

* Growth pro-forma for shutdown of Russia manufacturing operations and Hand sanitizer pipeline in Q1FY21.

Personal Care Contribution stood at 46% in Q1FY22

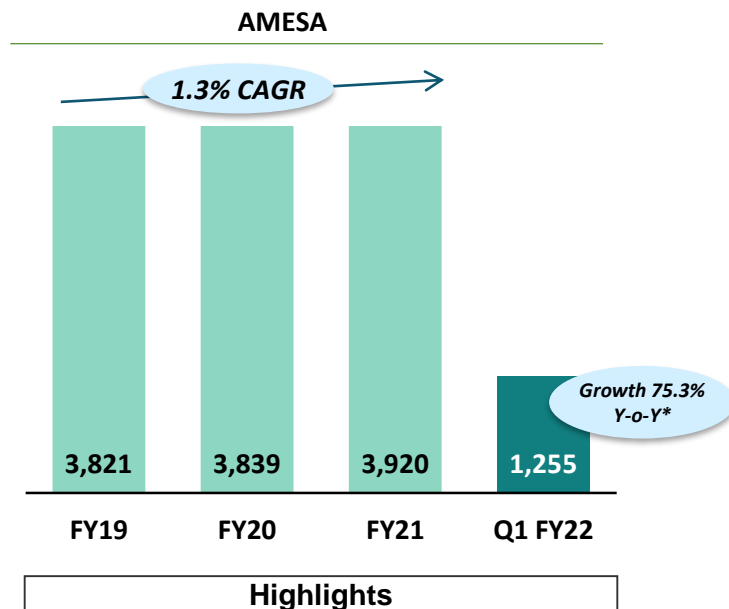
Personal Care Contribution to Tube Revenue



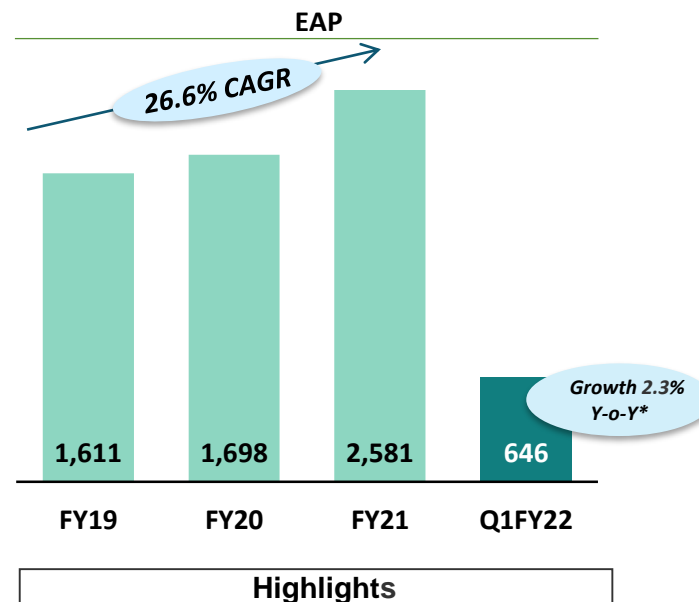
Personal care share held in Q1FY22 and will continue to grow in FY22

Continued Growth in Personal Care (1/2)

(INR million)



- ▶ Personal Care contribution increased to 56.6% in Q1FY22 (v/s 46.0% in Q1FY21), Growth is seen majorly due to the recovery of B&C category from ongoing Covid -19 outbreak.
- ▶ Continued focus on customer engagement, increased wallet share & NPD has enabled a better performance in this quarter.

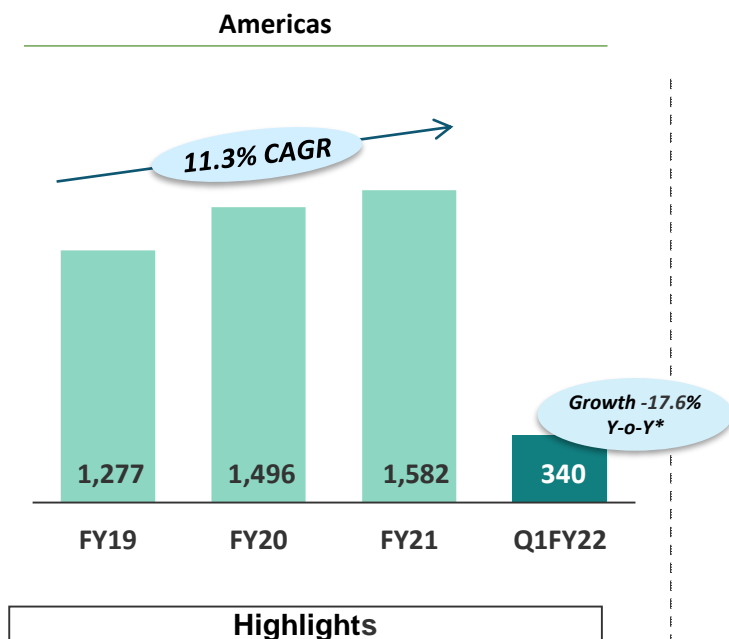


- ▶ Personal Care contribution decreased to 38.3% in Q1FY22 (v/s 44.9% in Q1FY20), due to demand for sanitizer tubes tapering off in Pharma category. However, robust growth in B&C category.
- ▶ Strong business pipeline in B&C and Pharma categories and increased focus on fast-growing regional players will drive robust growth in FY22.

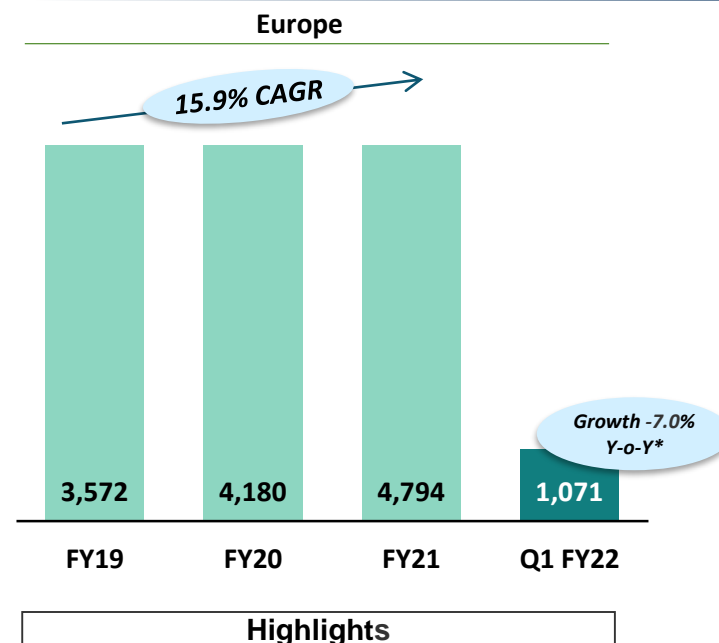
* Growth pro-forma for shutdown of Russia manufacturing operations and Hand sanitizer pipeline in Q1FY21.

Continued Growth in Personal Care (2/2)

(INR million)



- ▶ Personal Care contribution decreased to 21.5% in Q1FY22 (v/s 29.4% Q1FY21). Growth impacted due to lower offtake in personal care category, month-long strike in Colombia and one key customer moving production from Colombia to Asia.
- ▶ New customer wins across categories; cross-selling Personal Care products to existing Oral care customers will lead to a productive growth in Americas region.



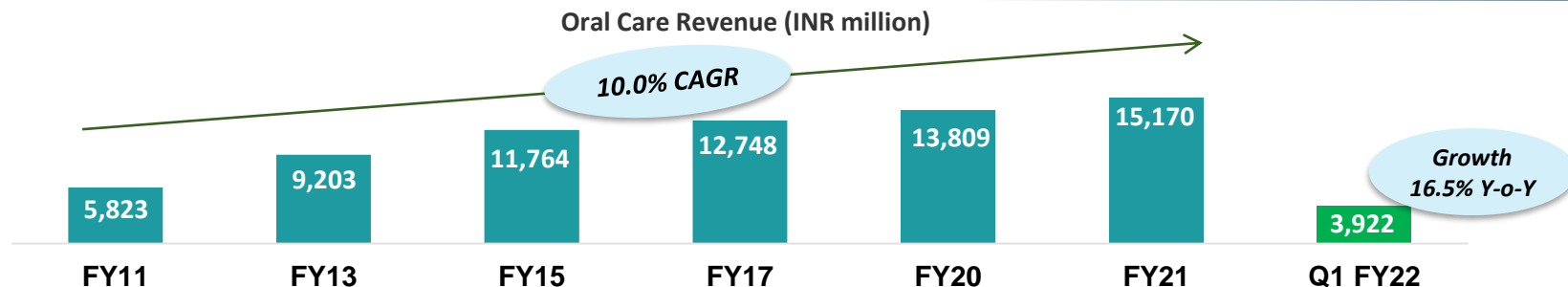
- ▶ Personal Care contribution decreased to 61.2% in Q1FY22 (v/s 70.0% in Q1FY21), due to demand for sanitizer tubes tapering off and closure of Russia mfg. operation.
- ▶ Strong Business Development pipeline.

* Growth pro-forma for shutdown of Russia manufacturing operations and Hand sanitizer pipeline in Q1FY21.

Delivered strong progress across all our identified levers

- 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 10.0%



Customers



Market Positioning

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

#1

Business highlights

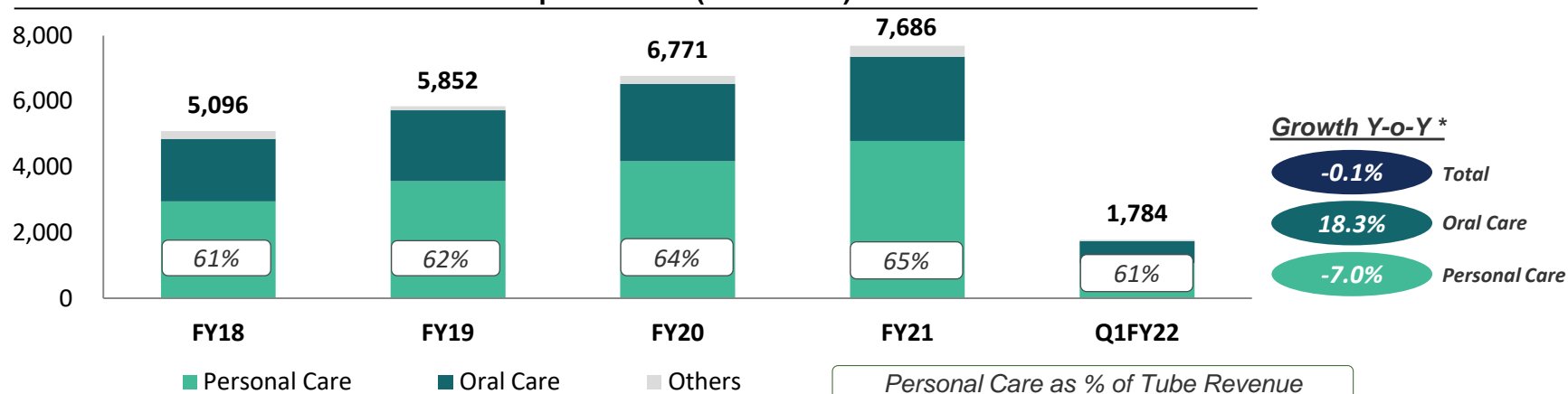
1. Wallet share gain with marquee global consumer companies. Global major added in Europe.
2. Market share gain from regional players in China.
3. Travel and sample tubes recovery leading to Oral care growth in Americas
4. Oral care category grew in India with strong performance of global major.

Delivered strong progress across all our identified levers

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

Strong growth in Oral Care in Europe strengthens the portfolio

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

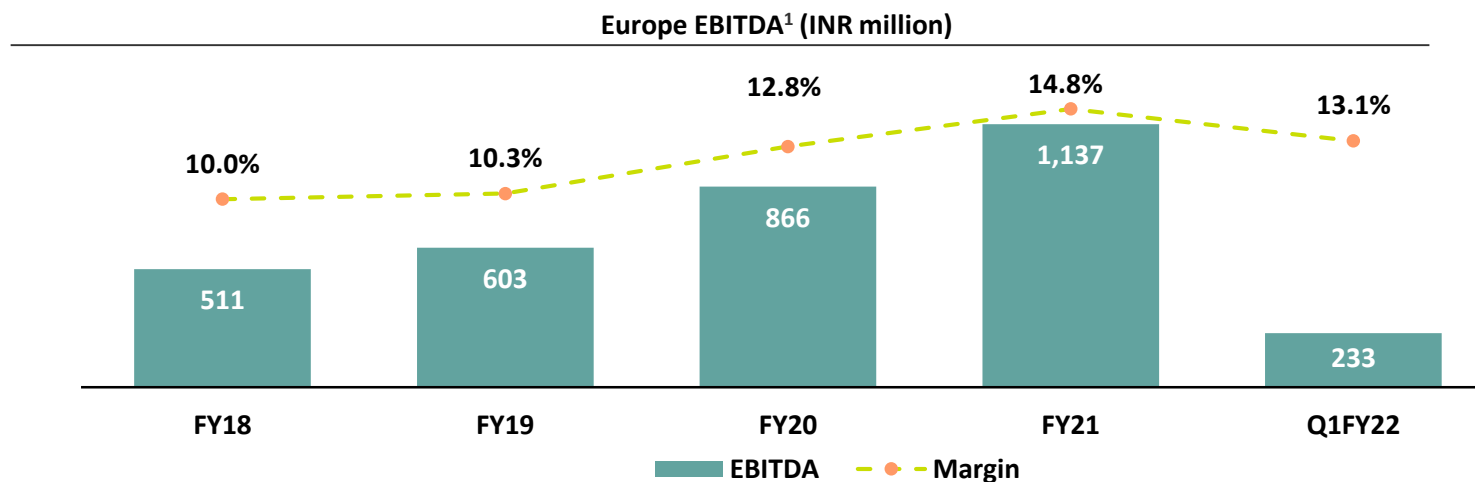
Impact

1. Strong oral care growth due to recent key customer wins in Europe. Now serves all major Oral Care players in the region.
2. Closure of Manufacturing facility in Russia, tapering off of hand sanitizer and lower offtake in personal care category due to second wave Covid has impacted the revenue in Europe.
3. Business development pipeline strong

EPL continues to deliver robust growth driven by new customer wins and wallet share gain

* Growth pro-forma for shutdown of Russia manufacturing operations and Hand sanitizer pipeline in Q1FY21.

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. EBITDA impacted due to personal care category revenue impact.
2. Initiatives including operating leverage will drive the improvement in EBITDA margins.
3. Operations further optimized with the closure of Russia Manufacturing facility.

Sustained momentum will lead to continuous performance improvement

Delivered strong progress across all our identified levers

- 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 laminated tubes fully recyclable in HDPE bottle stream

- ▶ Recognized and certified by **APR / RecyClass / Cyclos**
- ▶ Widest thickness range of tubes offering: 220u – 350u
- ▶ Designed to incorporate > **50% Green “Sustainably Sourced PE”**
- ▶ Designed to incorporate > **30% PCR resins**



The Association of
Plastic Recyclers



RecyClass™

Sustainability : “Leading the Pack”

Platina Pro - Next gen sustainable laminated tubes

- ▶ Fully recyclable tubes in HDPE bottle stream approved by APR and RecyClass
- ▶ Enhanced haptics
- ▶ Enhanced chemical resistance
- ▶ Enhanced flavor barrier

RecyClass™

APR The Association of Plastic Recyclers



Etain tubes with **Post Consumer Recycled (PCR)** resin content

- ▶ Eco-friendly tube from EPL with up to 30% PCR content in the tube wins the prestigious ETMA "Tube of the Year" Award 2020
- ▶ Successfully launched laminated tubes with up to 50% PCR content.

etma
TUBE OF THE YEAR 2020



Building a portfolio through industry-leading pipeline

- ▶ **Platina vision**
- ▶ **Platina me**
- ▶ **Platina shine**
- ▶ **Platina pcrmax**
- ▶ **Platina biomax**

Platina Success Story with HELA

Key Customer Challenges

Partnered to create more sustainable packaging for Hela's brands

- Hela's customer requirements on sustainability
- Requirement of extremely high oxygen barrier close to that of aluminum barrier laminates

EPL Offered A Better Product

- ✓ EPL's Platina Pro solution allows Hela to pack challenging material like Ketchups in an optimal, safe and odourless way
- ✓ Ensuring necessary barrier properties are maintained throughout the entire life cycle of the product.

Impact

Technical breakthrough will open up new market opportunities



The problem statement was to support Hela's conversion towards fully sustainable/recyclable tubes. EPL was able to leverage the PLATINA PRO 250, which ticked all boxes in terms of stability, bulk protection, etc. Furthermore, EPL's expertise in printing was also a key differentiator as customer artworks are very challenging. EPL's capability to manufacture cutting-edge sustainable tubes combined with its expertise in printing enabled the firm to successfully convert the opportunity.

Corporate Social Responsibility



Focus area:

EPL's Strategy will focus on Sustainability and Sustainable Development with core values of Prosperity, Balance & Harmony, Vitality, Regeneration & Renewal, and Invigoration



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 senior leaders of EPL.

Our Vision: Greening Lives



Green communities:

Working on Waste management program to encourage and facilitate cleaner and greener environment: **Pilot project to be initiated in Vasind location**

Constant support to the marginalized communities:

- EPL donated INR 2 mm to Akshaya Patra in Q1
- The funds will be utilized for distribution of “**Family Happiness kits**” to marginalized communities nearby our manufacturing plants
- The kits consists of non perishable food items (such as grains, pulses), hygiene items (such as toothpaste, sanitary pads, masks etc.), and educational material (Covid19 awareness book, notebook for children)

Looking Ahead: FY22

- 1 Committed to deliver double digit revenue growth for second consecutive year.**
 - *Robust pipeline to fuel future growth*
- 2 Quarter-on-Quarter improvement in EBITDA margin through:**
 - Judicious price increases
 - Cost productivity initiatives
 - Mix improvement
- 3 Sustainability will be a key driver and EPL is leading the way for the industry.**
- 4 We are committed to delivering market leading revenue growth and capital efficient, consistent earnings growth.**
- 5 Severe Covid Wave 3 and volatile raw material prices remain a concern.**



Appendix

Q1FY22: Adjusted EBITDA

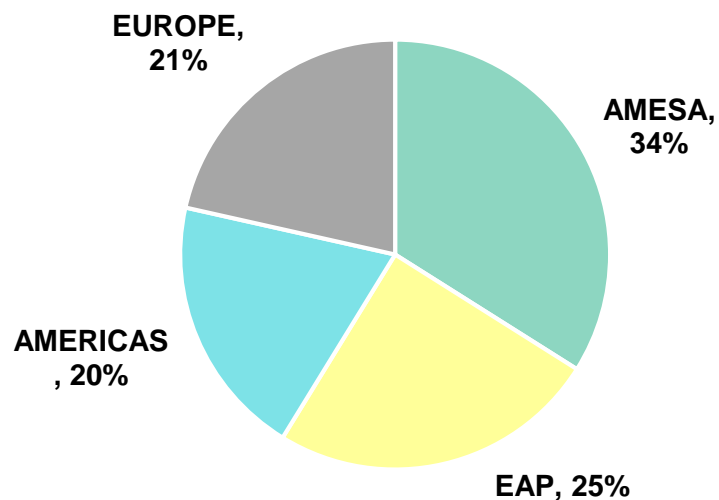
(INR million)

<i>Adjustments</i>	EBITDA	PAT ¹
Reported Q1FY22 numbers	1,449	579
• TSA ² related expenses	+40	+30
• One time acquisition related costs	+3	+3
• China Tax refund	-	-20
• ESOP related cost	+11	+11
Adjusted Q1FY22 numbers	1,503	603
Reported Q1FY21 numbers	1,466	605
• China Tax refund	-	-25
• TSA ² related expenses	+40	+30
Adjusted Q1FY21 numbers	1,506	610
Like for Like Y-o-Y Growth (%)	-0.2%	-1.1%

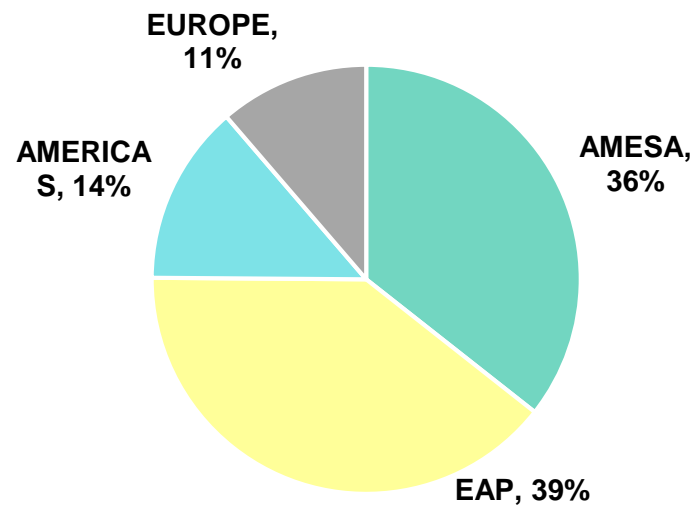
(1) PAT excluding exceptional items; (2) Transition Services Agreement

Q1 FY22 Regional Performance – 1/2

Revenue Split %



EBIT Split %



- The revenue grew by 7.8% Y-o-Y, majorly driven by AMESA and AMERICAS.
- Strong business pipeline across regions to enable continued growth momentum
- Operating margin impacted due to steep increase in raw material prices and freight cost increase.

Q1FY22 Regional Performance – 2/2

(INR million)

	Revenue	YoY Growth	EBITDA ¹	Margin
AMESA	2,819	28.5%	613	21.8%
EAP	2,060	2.0%	465	22.6%
Americas	1,639	8.8%	233	14.2%
Europe	1,784	-9.8%	233	13.1%

(1) EBITDA is adjusted for ESOP cost for all the regions and also TSA related regions for AMESA

Q1FY22 Performance – AMESA and EAP

(INR million)

AMESA			
Particulars	Q1FY22	Q1FY21	% change
Revenue	2,819	2,193	28.5%
EBITDA	613	441	39.1%
EBITDA %	21.8%	20.1%	
EBIT	351	200	75.7%
EBIT %	12.5%	9.1%	
EAP			
Particulars	Q1FY22	Q1FY21	% change
Revenue	2,060	2,020	2.0%
EBITDA	465	552	-15.8%
EBITDA %	22.6%	27.3%	
EBIT	346	438	-21.0%
EBIT %	16.8%	21.7%	

EBITDA and EBIT is adjusted for ESOP cost for all the regions and also TSA related cost for AMESA

Q1FY22 Performance – Americas and Europe

(INR million)

Americas			
Particulars	Q1FY22	Q1FY21	% change
Revenue	1,639	1507	8.8%
EBITDA	233	256	-9.1%
EBITDA %	14.2%	17.0%	
EBIT	124	154	-19.7%
EBIT %	7.5%	10.2%	
Europe			
Particulars	Q1FY22	Q1FY21	% change
Revenue	1,784	1977	-9.8%
EBITDA	233	298	-21.8%
EBITDA %	13.1%	15.1%	
EBIT	106	179	-40.7%
EBIT %	6.0%	9.1%	

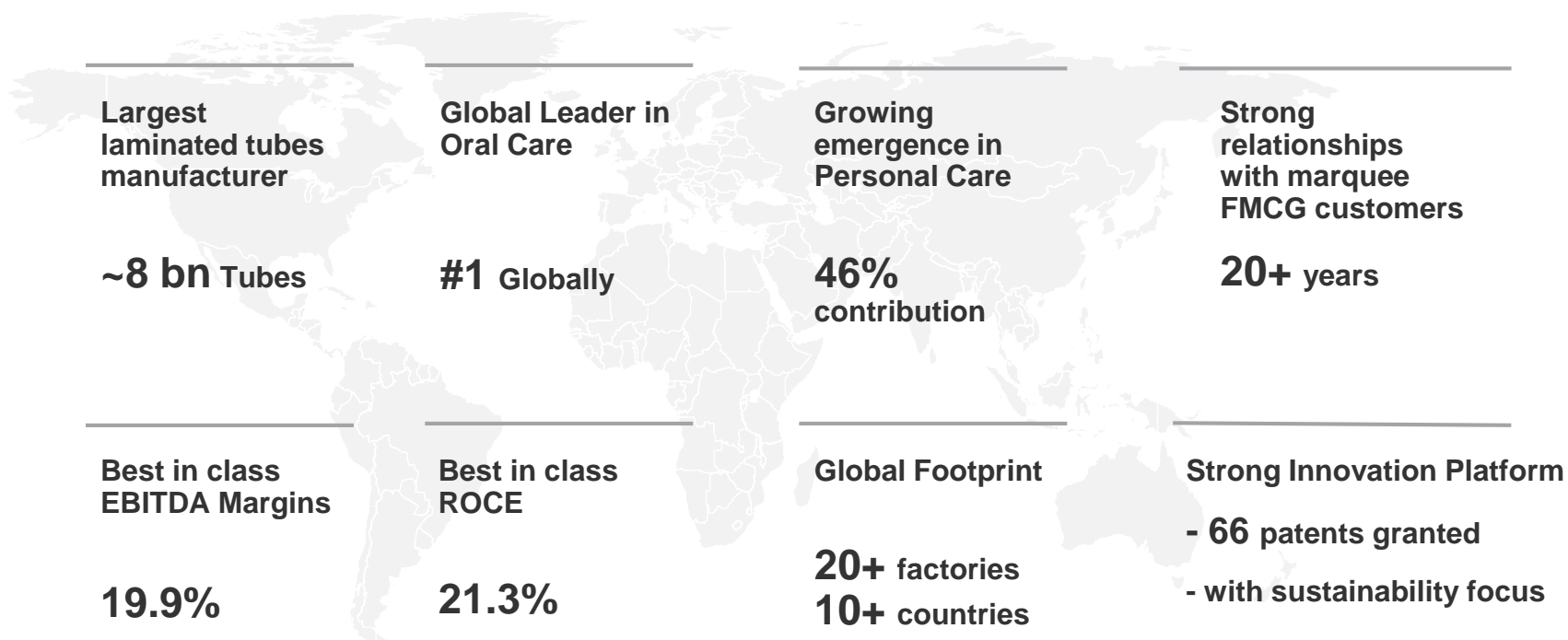
EBITDA and EBIT is adjusted for ESOP cost for all the regions.



About EPL

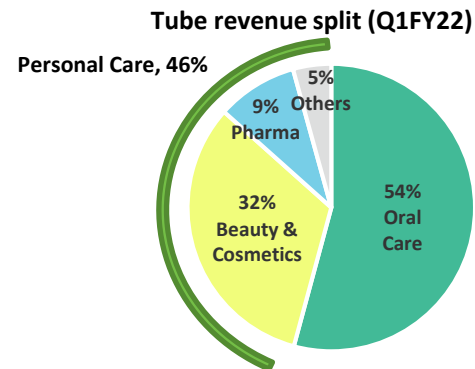
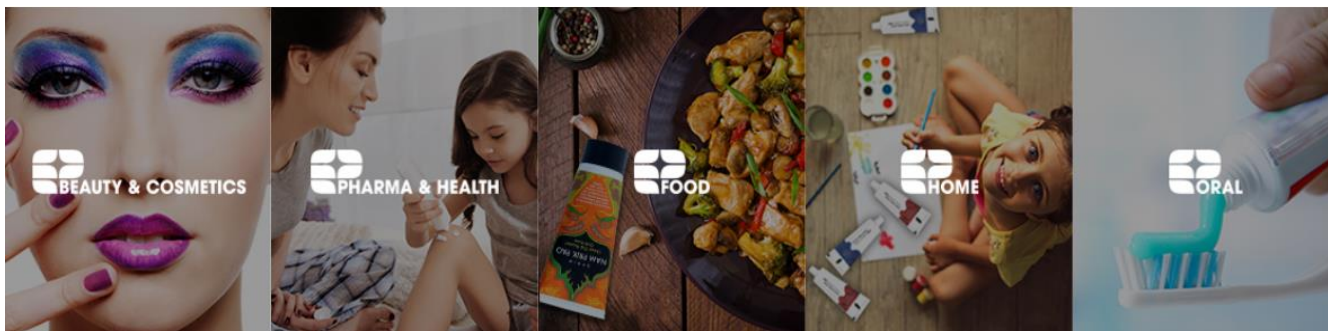
(Formerly known as Essel Propack Limited)

EPL: Company Overview



Note: Numbers on this page are as of 31 March, 2021. ROCE on trailing twelve month basis; adjusted for INR 160 mn of Transition Services Agreement (TSA) related expense and INR 144 mn of ESOP related 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 nine 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, 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**

For further information contact:
Amit Jain
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LEADING THE PACK

Thank you



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EPL LIMITED

(Formerly known as Essel Propack Limited)

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Mumbai - 400 013, India