INNOVATION AND TECHNOLOGY QUADRUPLE MARKET OPPORTUNITY FOR LAMINATED TUBES

...PIONEERING GLOBALLY...
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.
Table of Content

1. Company Overview
2. Corporate Structure & Business Organisation
3. Strategy Evolution
4. Financials
Company Overview

> Leading **global specialty packaging** company - FY18 Turnover of USD 375 Million, manufacturing circa 8 billion laminated tubes catering to renowned **FMCG/Pharma brands across categories** of Beauty & Cosmetics, Pharma & Health, Food, Oral Care & Home Care.

> One of the only two global players in the tube space, and the **world’s largest manufacturer of laminated tubes**.

> **Market leader in Oral care tubes** with global volume share of 36%

> **Growing in the Non-oral care tubes** and driving market transition from the current extruded plastic & aluminum tube formats to the new generation laminated tubes

> **R&D and Technology** driving innovations in products and processes

All figures converted at March 18 closing USD/INR rate @ 65.1750

www.esselpropack.com
Company Overview

> Employs over 3172 people from 25 different nationalities at 19 state-of-the-art facilities in **eleven countries** across all continents

> **Marquee customer base** of global, regional and local niche brands.

> **Backward integrated manufacturer** – from blown film to tubes

> **Listed** on the NSE and the BSE in India for 35 years since inception - Market Capitalization USD 580 Million at March 31, 2018
Categories Serviced

Beauty & Cosmetics
- Beauty Creams
- Face Creams
- Body Lotion
- Face Scrub
- Skin Creams
- Lip Balms
- Dilapilatories
- Hair Conditioners
- Shampoos
- Hair Colorants

Pharma & Health
- Ophthalmic
- OTC Gel/Ointments
- Prescription Drugs

Food
- Cheese
- Jam
- Mayonnaise
- Wasabi
- Condensed Milk

Home
- Adhesives
- Paints
- Crayons
- Shoe Polish

Oral Care
- Toothpaste
- Therapeutic/Cosmetic Dental Products
- Dental Fixtures
Fully Integrated Manufacturing Process

Laminated Tubes

- Polymers
- Multilayer Films
- Extrusion Lamination
- Laminates
- Slitting
- Tubing
- Shouldering
- Capping
- Final Tube

www.esselpropack.com
Fully Integrated Manufacturing Process

Plastic Tubes

Polymers → Mono/Multi Layer Sleeves → Cutting

Shouldering → Decoration → Capping → Final Tube

www.esselpropack.com
Product Range

Revenue Contribution FY18

Laminated Tubes – 91%

Plastic Tubes – 9%

Caps & Closure and Tube Laminates - mostly for Captive Consumption
Innovation Thrust

- A state of art C&I rolls out continuous product innovations in Barrier layers, Laminate structure, Look & Feel, Decoration, Security features, Dispensers with Focus on Product safety, Brand value enhancement, Resource reduction, Sustainability, Recyclability.

- Partnering with Strategic suppliers of Raw material for improved functionality and efficacy

- Partnering with equipment suppliers to develop new technology platforms, enhanced productivity, advanced product features etc

- Over 142 patent applications globally (granted already 38)

<table>
<thead>
<tr>
<th>Product</th>
<th>Feature</th>
</tr>
</thead>
<tbody>
<tr>
<td>‘EGNITE’</td>
<td>High Metallic sheen</td>
</tr>
<tr>
<td>‘Green Maple Leaf–C2’</td>
<td>100% recyclable tube</td>
</tr>
<tr>
<td>‘Clarion’</td>
<td>very high clear UV protected tube</td>
</tr>
<tr>
<td>‘Etain’</td>
<td>Efficient Recycling &amp; consequent reduced carbon footprint</td>
</tr>
<tr>
<td>‘Velvetie’</td>
<td>Soft Touch &amp; Feel tube</td>
</tr>
<tr>
<td>‘Prizm’</td>
<td>Holographic printed tube</td>
</tr>
</tbody>
</table>
Global Market Opportunities expand

- High value Cosmetic/ Pharma and others categories opened up with our new generation laminated tubes which offer superior value proposition v/s plastic and aluminium tubes and bottles
- Market opportunity therefore triples in volume and quadruples in value terms
Global Footprint

- **11 Countries**
  - Germany
  - UK
  - Mexico
  - USA
  - Poland
  - Russia
  - China (5)
  - India (6)
  - Indonesia
  - Egypt
  - Philippines

- **19 Factories**
  - Laminated Tubes
  - Plastic Tubes
  - Greenfield
  - Acquisition
  - Laminates
  - Caps

- **3172 Employees**

Growth thru a mix of pioneering greenfield and synergistic acquisitions
Operates thru WOS in all Countries except Egypt (75%) & Indonesia 30% - Associate
Shareholding Pattern
As on 31st March 2018

Large institutional shareholder base comprising ~20%

Promoters: 57%
FII: 23%
DII: 15%
Non Institution: 5%
Table of Content

- Company Overview
- Corporate Structure & Business Organisation
- Strategy Evolution
- Financials
Mission & Core Values

Mission

> To be the Global Supplier of Choice by providing value added, innovative & sustainable packaging solutions to a range of market sectors with customer service second to none

> To be a workplace where Passion, Empowerment and Creativity is nurtured by shared values, internal systems & processes

> To exhibit responsible behavior & create value for all our stakeholders

Core Values

- Innovation
- Leadership & Achievement
- Integrity
- Safety
- Commitment to Excellence
- Mutual Trust, Respect & Team work
- Customer Care
Business Segments

- **Americas** (USA, Columbia, Mexico)
- **Europe** (UK, Germany, Poland, Russia)
- **Africa, Middle East & South Asia ‘AMESA’** (India, Egypt)
- **East Asia Pacific ‘EAP’** (China, Philippines)
Region wise Revenue & EBIT Break-up

FY 18

Revenue (Net of Excise) Break up %
- AMESA: 37%
- EAP: 23%
- AMERICAS: 21%
- EUROPE: 19%

EBIT Break up %
- AMESA: 46%
- EAP: 4%
- AMERICAS: 30%
- EUROPE: 20%
# Table of Content

- Company Overview
- Corporate Structure & Business Organisation
- Strategy Evolution
- Financials
Strategy over years

› Pioneer laminated tubes for toothpaste in India, to become Market leader

› “Go and Grow with Customers”, to become a Global leader for toothpaste tubes with multi-country operations

› **And now,**

› Pioneer new generation laminated tubes in place of extruded plastic/aluminum tubes and bottles for non oral care categories, leveraging R&D

› Deploy Technology to drive up Productivity, Quality and Customer experience so as to create sustained competitive advantage

› Actively Promote Sustainability in the Tube space
Revenue 6Y CAGR 10.0% - ASP deflation in FY16 due to RM price pass thru globally, depresses top line beginning FY16, no impact for profit

- Significant 6Y PAT CAGR 21.2%
- Strong EBITDA FY18 - 19.5% (Margin expansion - 1.8 pp between FY18 and FY12)
> Europe continue to expand

> Latin America expansion and new contracts drive Americas business

> EAP and AMESA sustained contributors to Revenue and EBIT
Region-wise Revenue & EBIT Trend

**AMESA**

- Revenue
- EBIT

**EAP**

- Revenue
- EBIT

**Americas**

- Revenue
- EBIT

**Europe**

- Revenue
- EBIT

All figures converted at March 18 closing USD/INR rate @ 65.1750

March 2016, March 2017 and March 2018 on IND AS basis earlier years on IGAAP basis

Revenue figures are net of excise duty

For Continuing Business
Profitability Ratios

> Strong improvement in Return on Equity (ROE) and Capital Employed (ROCE), creating value for stakeholders

> EPS 6Y CAGR 22.3%

<table>
<thead>
<tr>
<th>Date</th>
<th>EPS (INR)</th>
<th>ROCE</th>
<th>ROE (INR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mar-12</td>
<td>3.3</td>
<td></td>
<td>10%</td>
</tr>
<tr>
<td>Mar-13</td>
<td>5.2</td>
<td></td>
<td>9%</td>
</tr>
<tr>
<td>Mar-14</td>
<td>6.9</td>
<td></td>
<td>12%</td>
</tr>
<tr>
<td>Mar-15</td>
<td>9.0</td>
<td>16%</td>
<td>14%</td>
</tr>
<tr>
<td>Mar-16</td>
<td>11.6</td>
<td>20%</td>
<td>19%</td>
</tr>
<tr>
<td>Mar-17</td>
<td>12.1</td>
<td>18%</td>
<td>19%</td>
</tr>
<tr>
<td>Mar-18</td>
<td>10.9</td>
<td>17%</td>
<td>17%</td>
</tr>
</tbody>
</table>

March 2016, March 2017 and March 2018 on IND AS basis earlier years on IGAAP basis
Operating Cash Flow Trend

> Stable and improving cash flows

All figures converted at March 18 closing USD/INR rate @ 65.1750
March 2016, March 2017 and March 2018 on IND AS basis earlier years on IGAAP basis

www.esselpropack.com
> Debt Equity Ratio and Interest Cover healthy & improving.
> AA rated for long term debt.
> A1+ RATED (Top rating) for short term debt.
> Active in Commercial Paper & Listed privately placed NCD’s.
> Effective interest cost reduced by 4.4 pp to 5.8 % in this period.

All figures converted at March 18 closing USD/ INR rate @ 65.1750
March 2016, March 2017 and March 2018 on IND AS basis earlier years on IGAAP basis
> Payout Target 20-25% of the global profits subject to local regulations
All figures as at 31st March of respective financial year
All figures converted at March 18 closing USD/INR rate @ 65.1750
March 2016, March 17 and March 2018 on IND AS basis earlier years on IGAAP basis
Looking Ahead

> Increase the share of Non Oral Care Revenue to 50%
> Revenue Growth @ 15% CAGR and PAT Growth @ 20% next 5 years
> Improvement in Asset Turnover through Value growth resulting in improved EBITDA margin, RoCE and RoE @ 20%. (MISSION 20:20:20)
Thank You