

February 10, 2021

The Manager - Listing Department, National Stock Exchange of India Limited, Exchange Plaza, NSE Building, Bandra Kurla Complex, Bandra East, Mumbai- 400 051	The General Manager - Listing Department, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001
SYMBOL : POLYPLEX	BSE Scrip Code : 524051

Dear Sir(s),

Sub: Regulation 30 of SEBI (LODR) Regulations, 2015**Ref: Presentation on Q3 Unaudited Financial Results for the Financial Year 2020-21.**

We are pleased to enclose herewith our presentation on Q3 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 Corporation Limited (PCL)
February 10, 2021

Third Quarter FY 20-21 Financial Results & Summary



Polyplex At a Glance

33 Years
Of Experience
in Plastic Films

High level of expertise, especially in PET Film production, with in-house R&D continuously seeking to provide innovative solution to customers

#1 In BOPET Film
Production in SEA

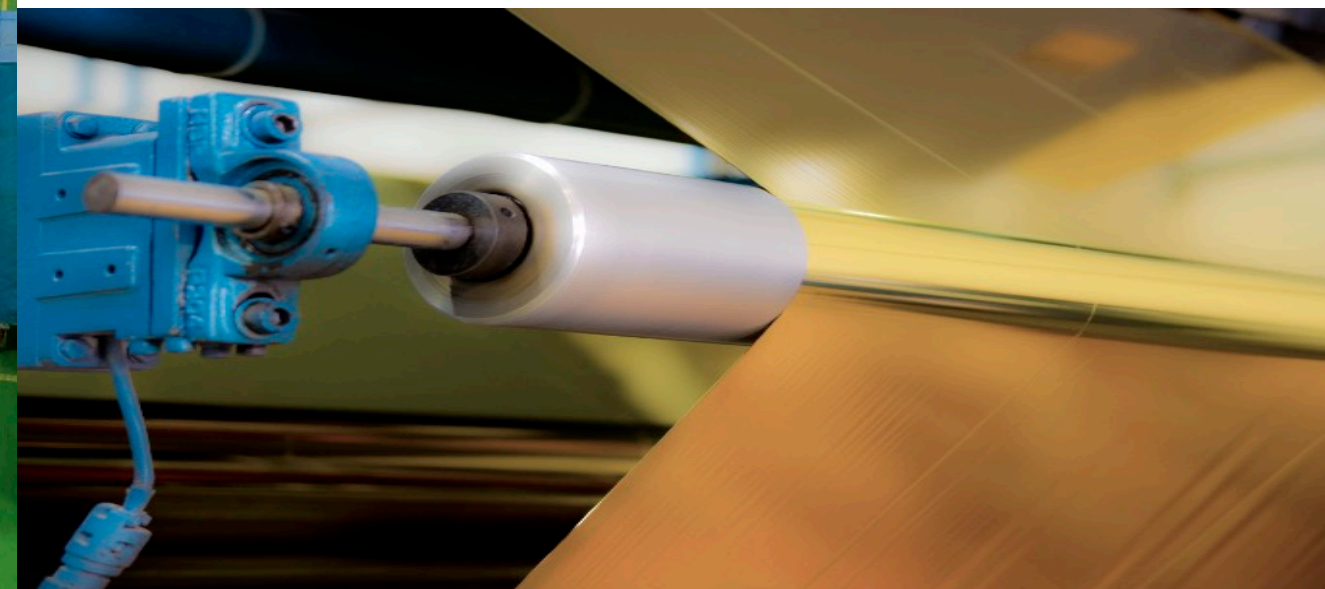
The preferred provider across regions

#6 Global
BOPET Thin Film provider

Large capacity with consistently higher than industry's capacity utilization

75 Countries
Reached with ~ 1,800
Customers

Wide global reach with strong
Network of customers



Polyplex: At a Glance

India Rating & Research
2020 : IND AA- (Stable Outlook)

Q3 20-21 Highlights

1,234 Cr Sales Revenue#	+1% QoQ	+14% YoY
343 Cr Normalized EBITDA* (28% EBITDA Margin)	+2% ▲ 28bps QoQ	+45% ▲ 605bps YoY

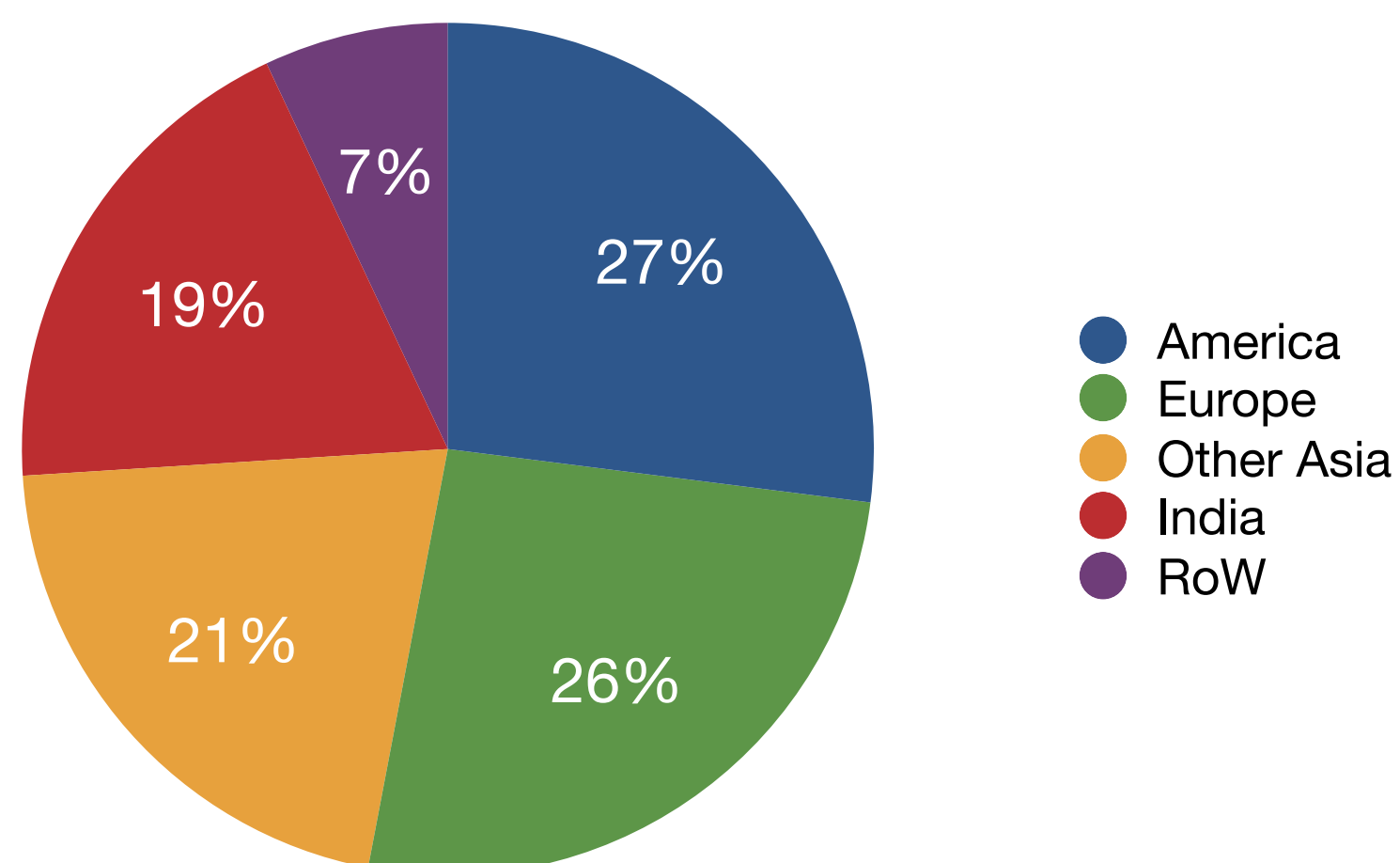
Excludes other operating revenues

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

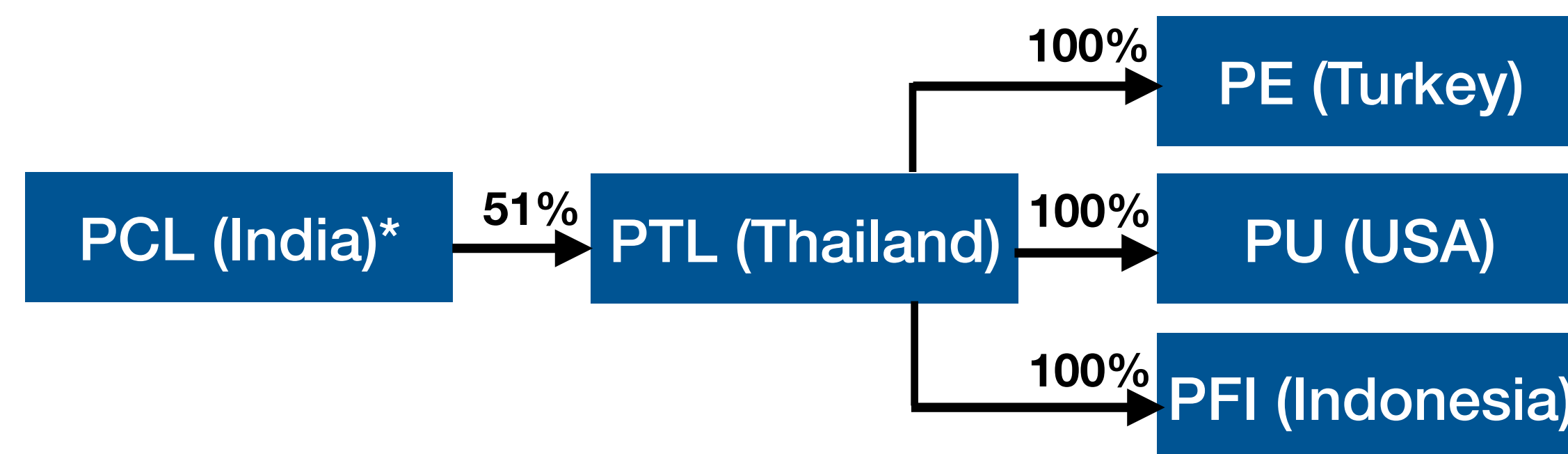
YTD 20-21 Highlights

3,612 Cr Sales Revenue#	+10% YoY
980 Cr Normalized EBITDA* (27% EBITDA Margin)	+41% ▲ 591bps YoY

Business Mix (YTD 20-21)



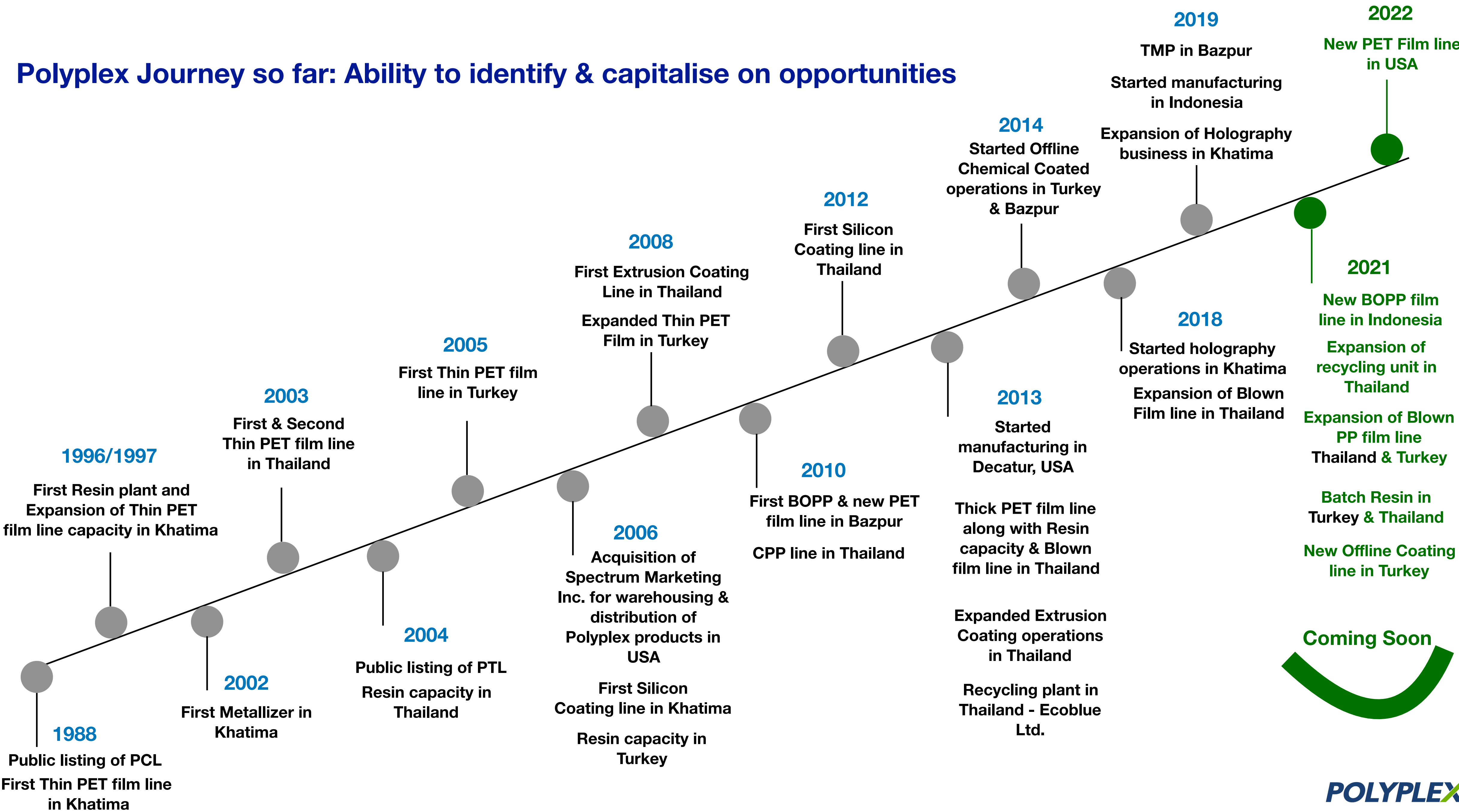
Polyplex Group Structure[^]



* Including Holding of Singapore WOS

[^] Covers only major manufacturing entities

Polyplex Journey so far: Ability to identify & capitalise on opportunities



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



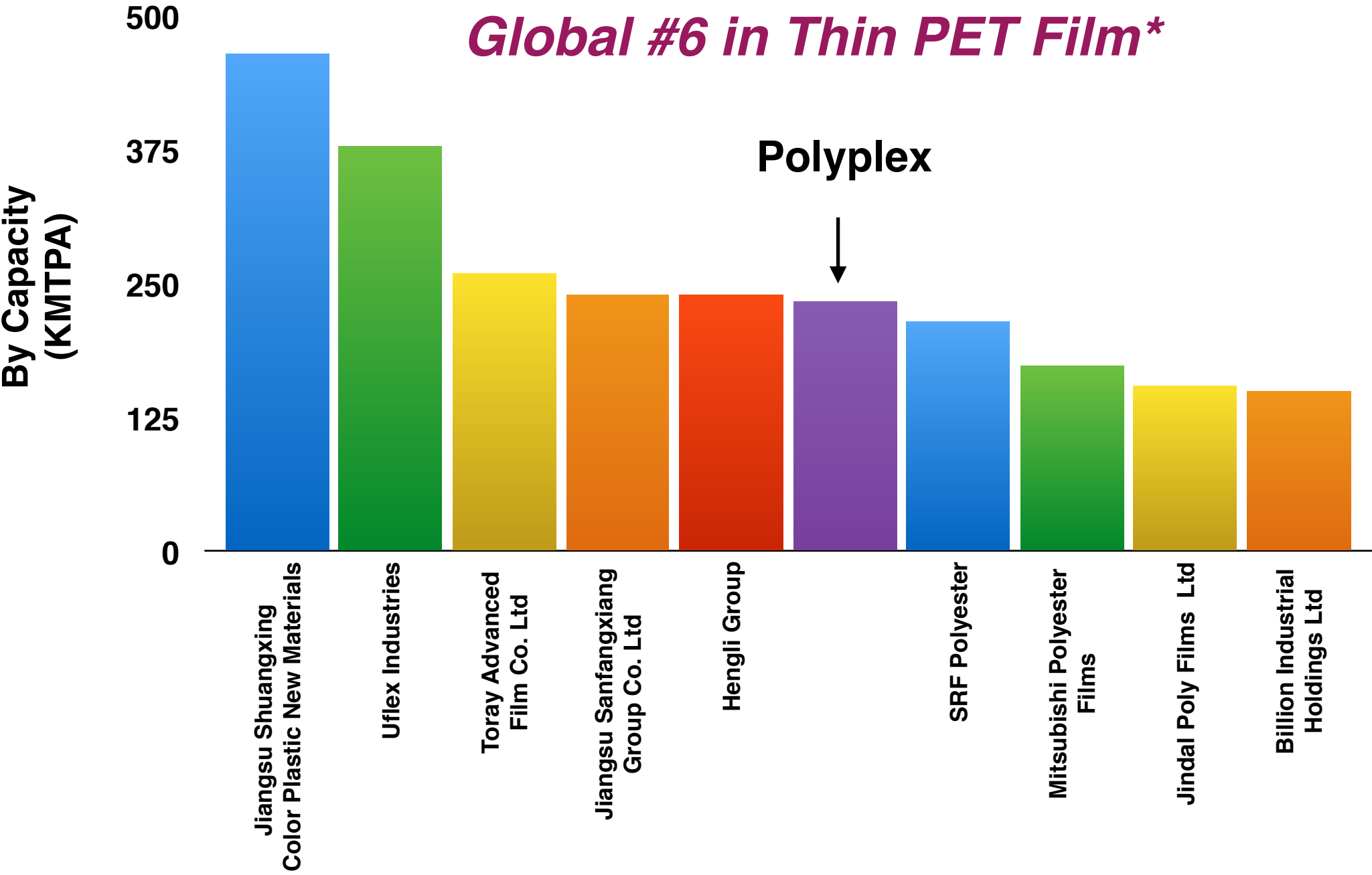
6 Manufacturing Facilities

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 PET film



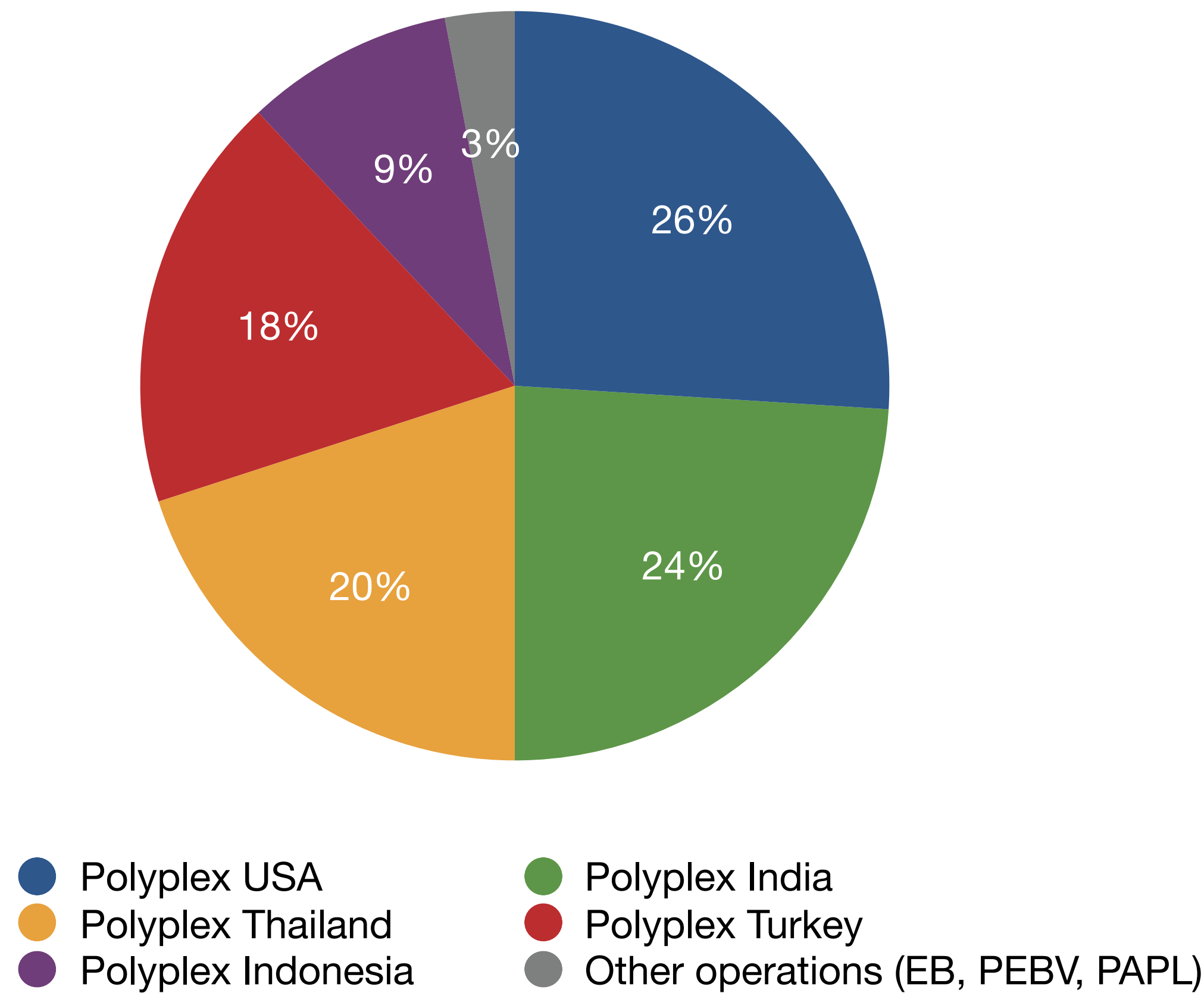
*Global #6 in Thin PET Film**

**Including all capacity started till now*

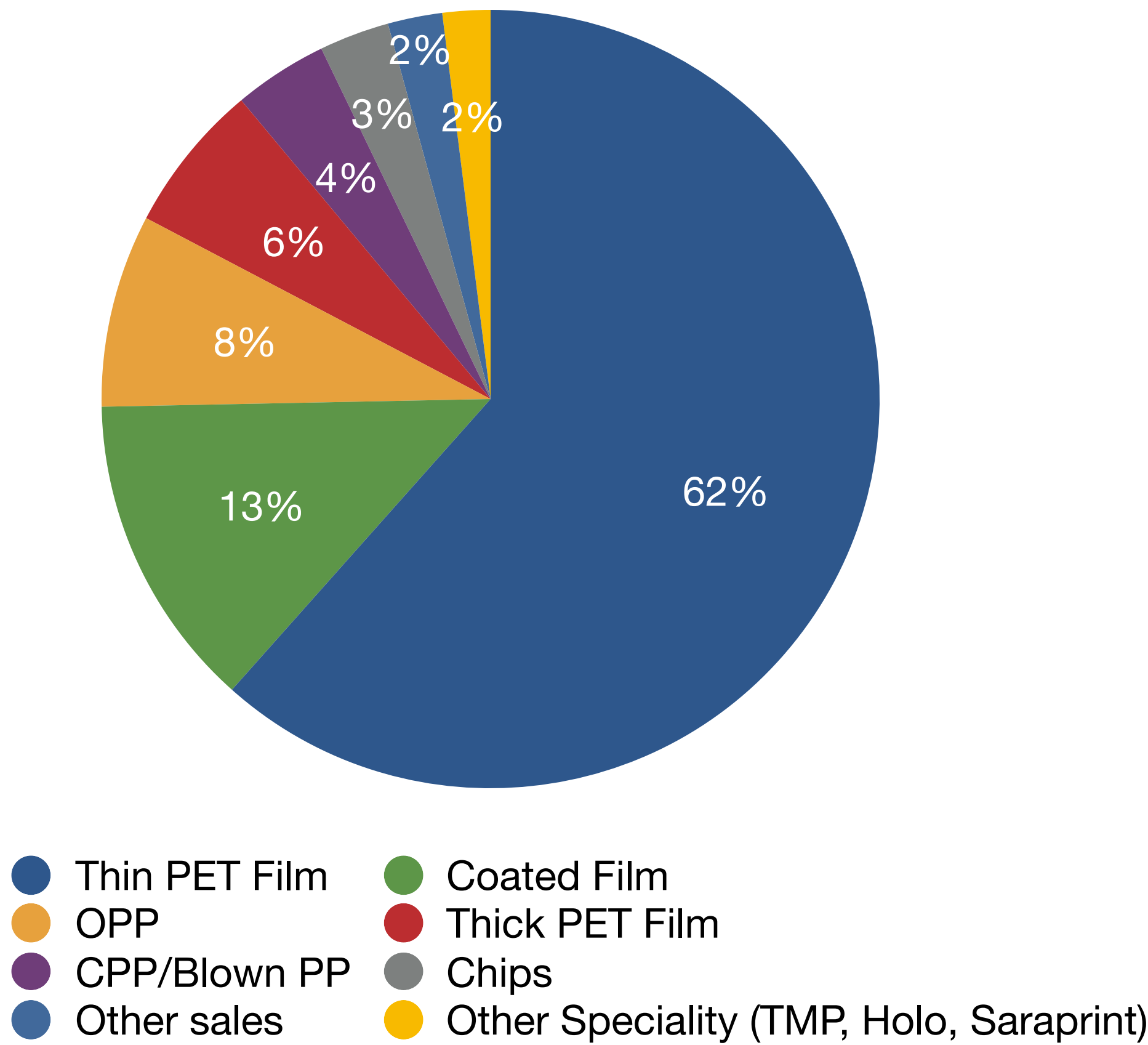
Global footprint providing customers a low-risk, reliable and cost effective supply chain

Global Presence & Portfolio

Operating company-wise breakup of sales
YTD 20-21



Business segment-wise breakup of sales
YTD 20-21



Industry leading scale & vertical integration

	Resin*		Base Films*					Value Added Films*			
	PET Film Resin (MT)	Recycled Resin# (MT)	PET Thin (MT)	PET Thick (MT)	BOPP (MT)	CPP (MT)	Blown PP (MT)	Metallized (MT)	Holography (MT)	Coated (Million SQM)	TMP (Million SQM)
India	77,600		55,000		35,000			3,700 33,600	4,080	257	83
Thailand	25,550 80,500	40,600 20,000	42,000	28,800		10,000	13,645	21,700	480 480	985	
Turkey	75,850		58,000				4,392	17,700	480	180 140	
USA	28,400 57,600		50,000 31,000					9,250			
Indonesia	73,000		44,000		60,000			12,000 6,000			
Polyplex Group	418,500	60,600	280,000	28,800	95,000	10,000	18,037	103,950	5,520	1,562	83

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

POLYPLEX

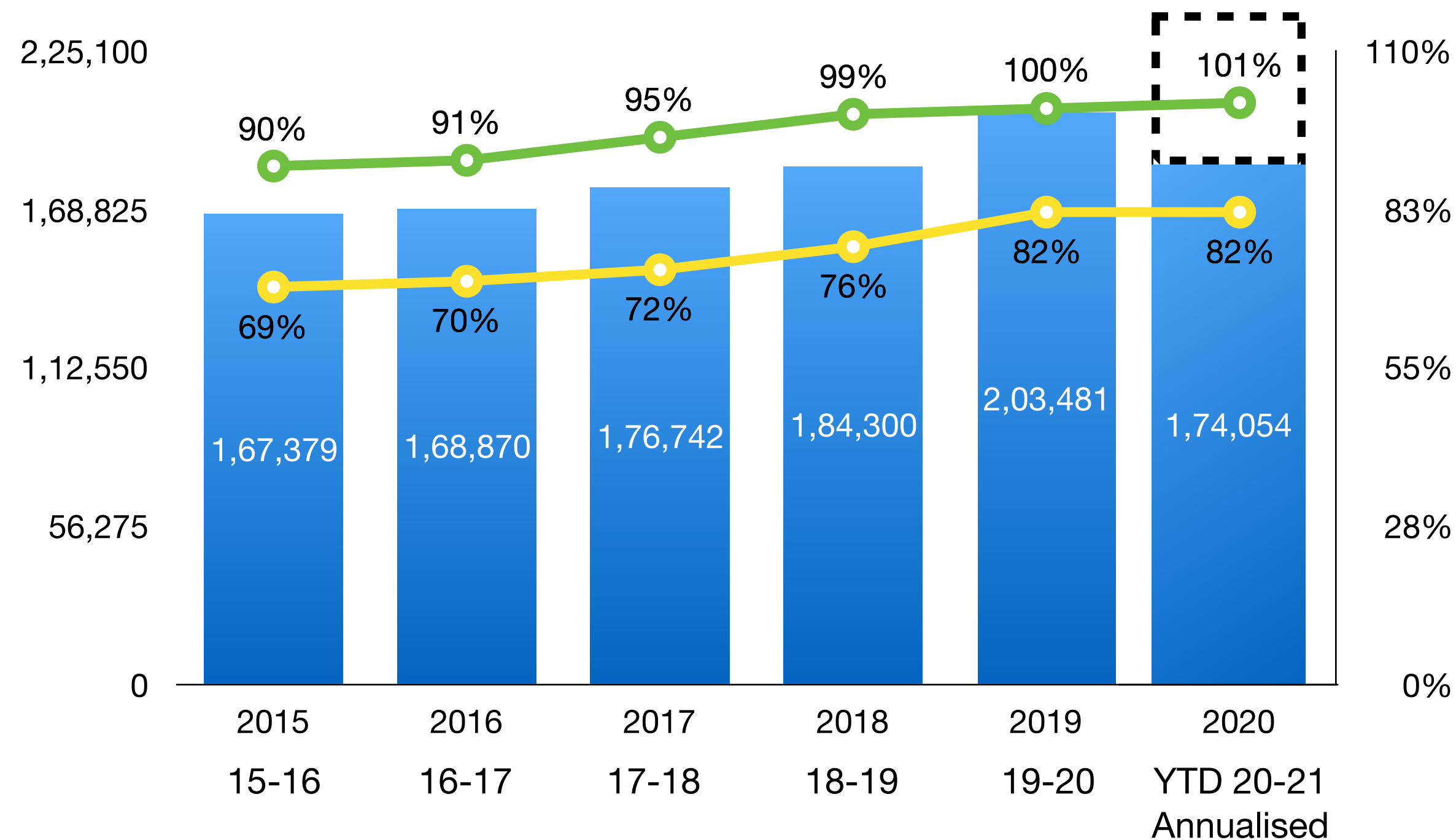
Industry leading cost structure



Enhancing Operational Excellence

- Implementing Kaizens to improve productivity and business processes
- Debottlenecking of existing assets to expand capacity
- Reducing wastage and conserve energy
- Investing in new high productivity lines
- Cross-learning and sharing best practices/benchmarking across business line
- Investing in Human Resources

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

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

Q3 20-21 Performance Snapshot

	QoQ Growth (Q3 20-21 v/s Q2 20-21)	YoY Growth (Q3 20-21 v/s Q3 19-20)
Sales Volume (All Films) 80,283 MT	3% ↑	18% ↑
Sales Revenue# 1,234 INR Crores	1% ↑	14% ↑
Normalized EBITDA* 343 INR Crores	2% ↑	45% ↑
PAT (Before Minority) 225 INR Crores	120% ↑	81% ↑
EPS 41.84 INR/Share	72% ↑	89% ↑

Factors impacting reported PAT & EPS for Q3 FY 20-21 v/s previous quarter (Q2 FY 20-21)

Unrealised FX gain of INR 0.11 crores in Q3 FY 20-21 as against unrealised FX loss of INR 143.65 crores in Q2 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

YTD 20-21 Performance Snapshot

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

Sales Volume (All Films) 228,332 MT
Sales Revenue# 3,612 INR Crores
Normalized EBITDA* 980 INR Crores
PAT (Before Minority) 657 INR Crores
EPS^ 122.65 INR/Share

15% ↑
10% ↑
41% ↑
39% ↑
51% ↑

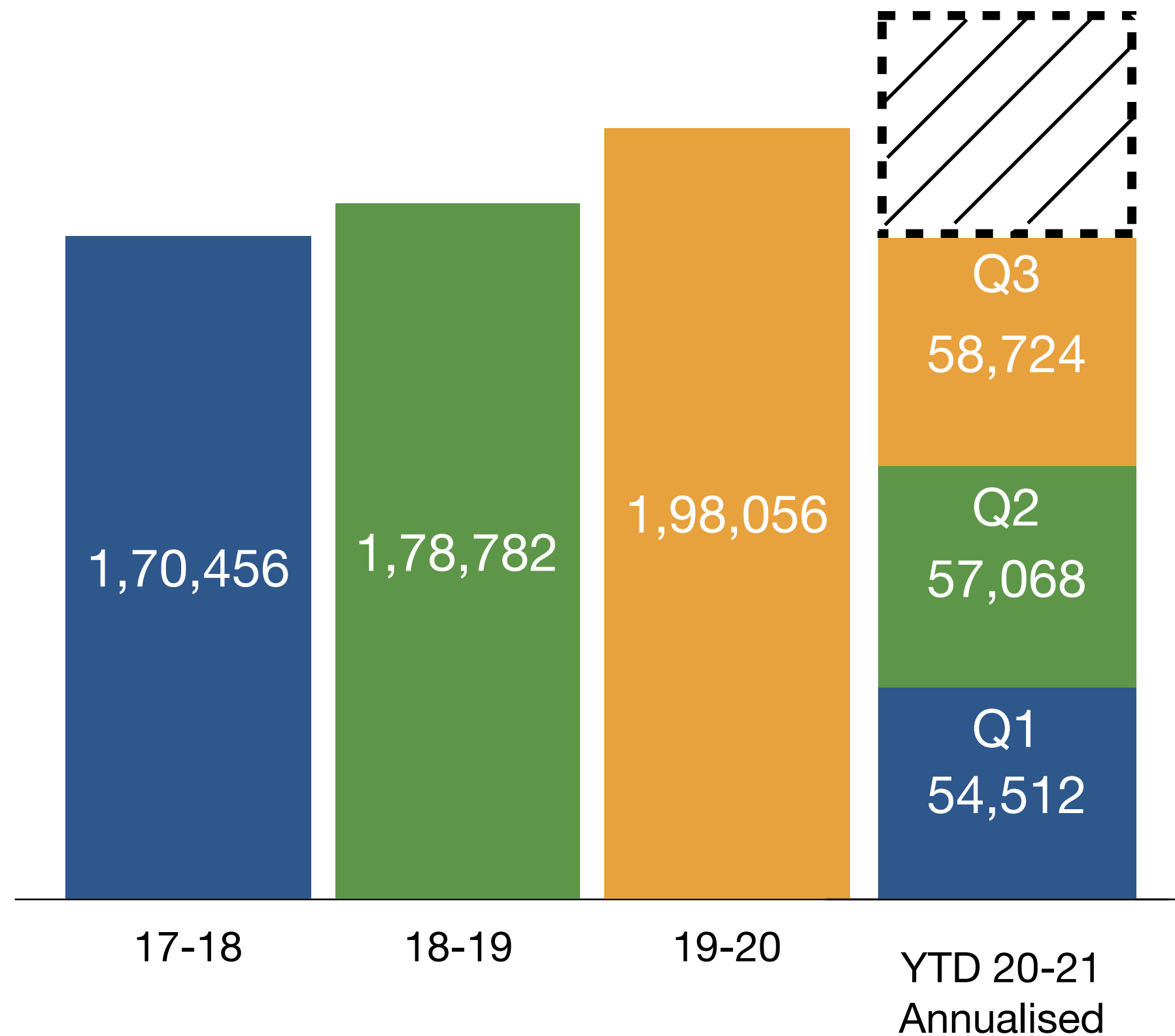
Excludes other operating revenues

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

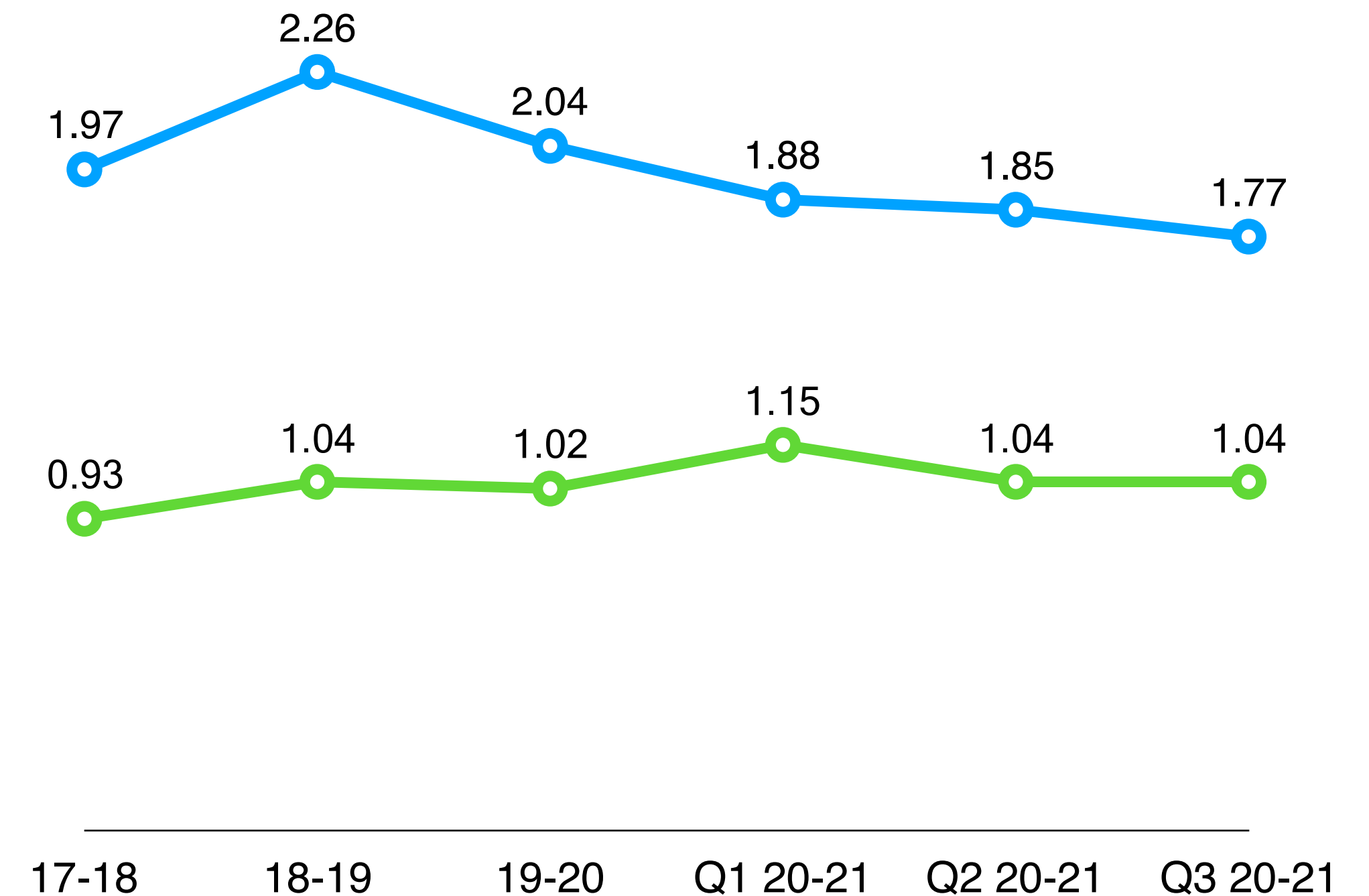
^ EPS is computed based on daily weighted average no. of shares in YTD 20-21

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)

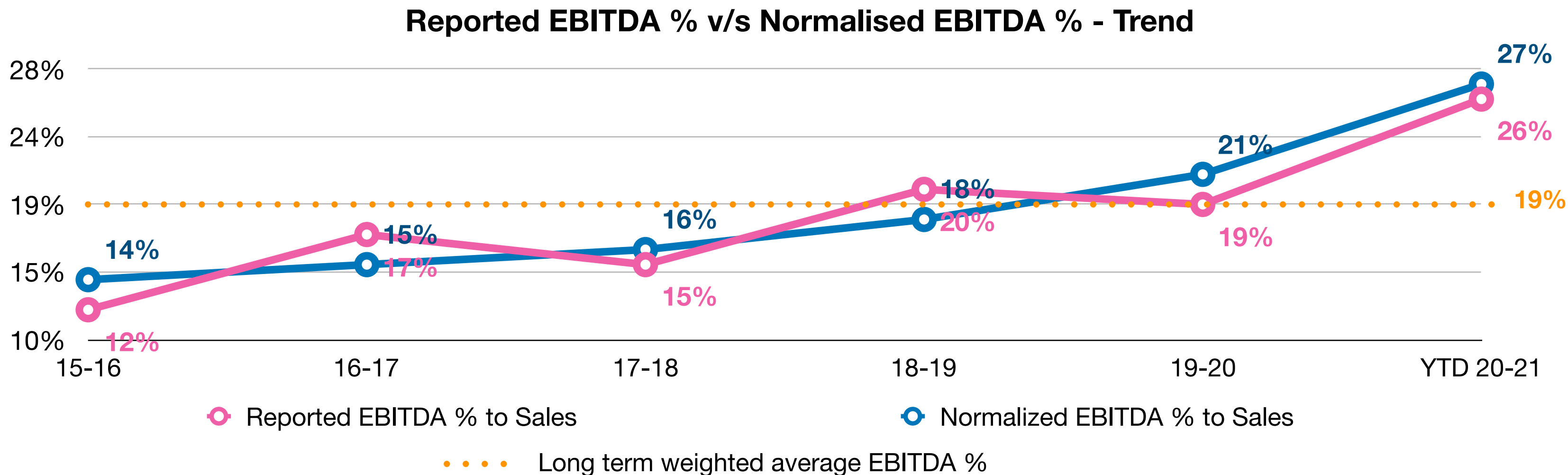
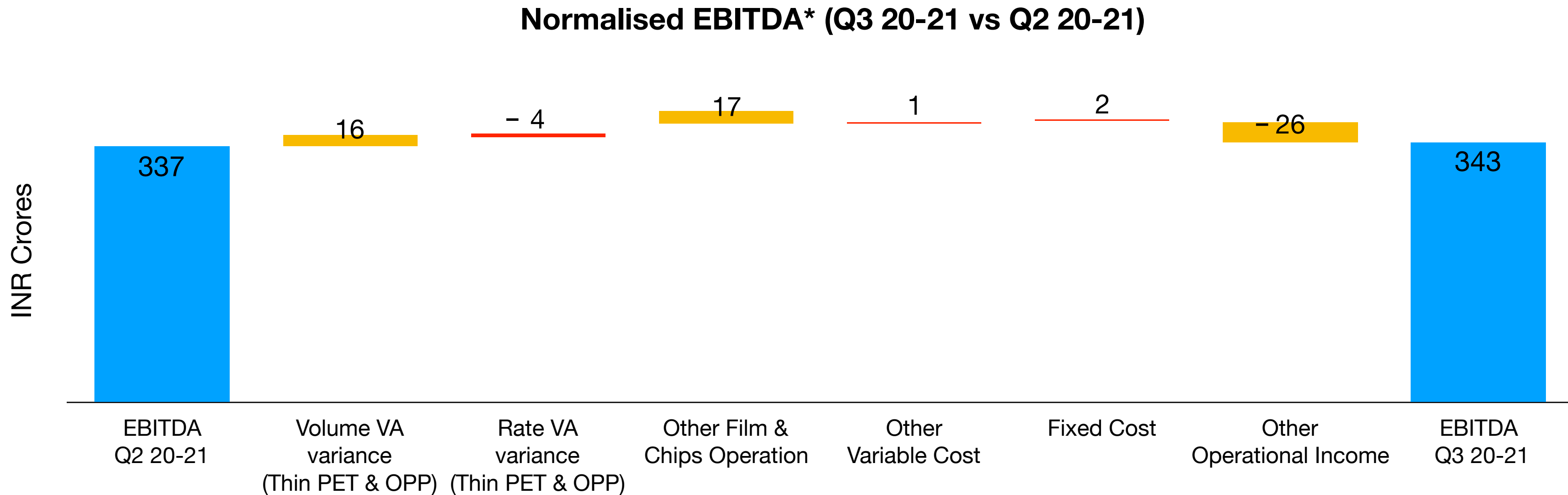
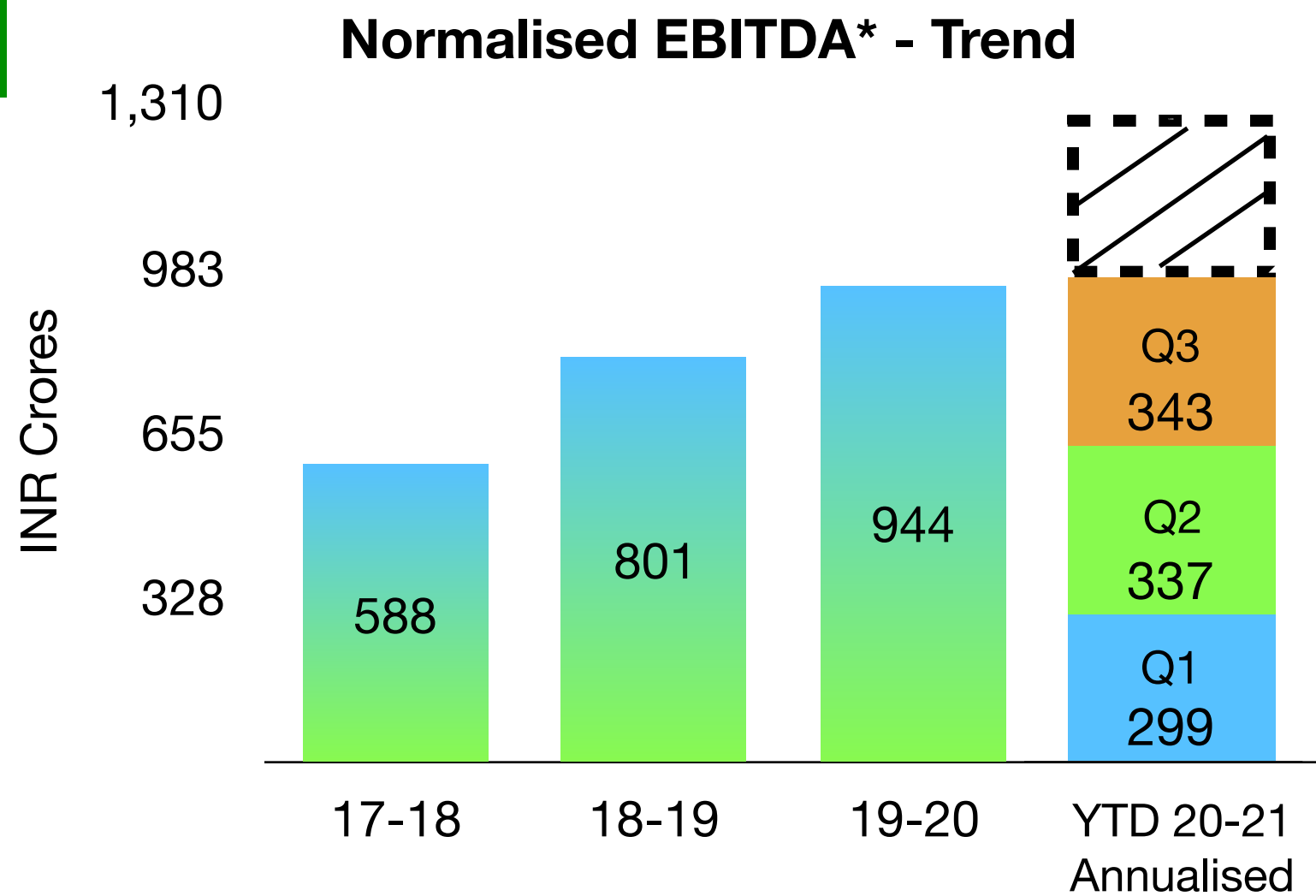


* Includes :

- 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

EBITDA

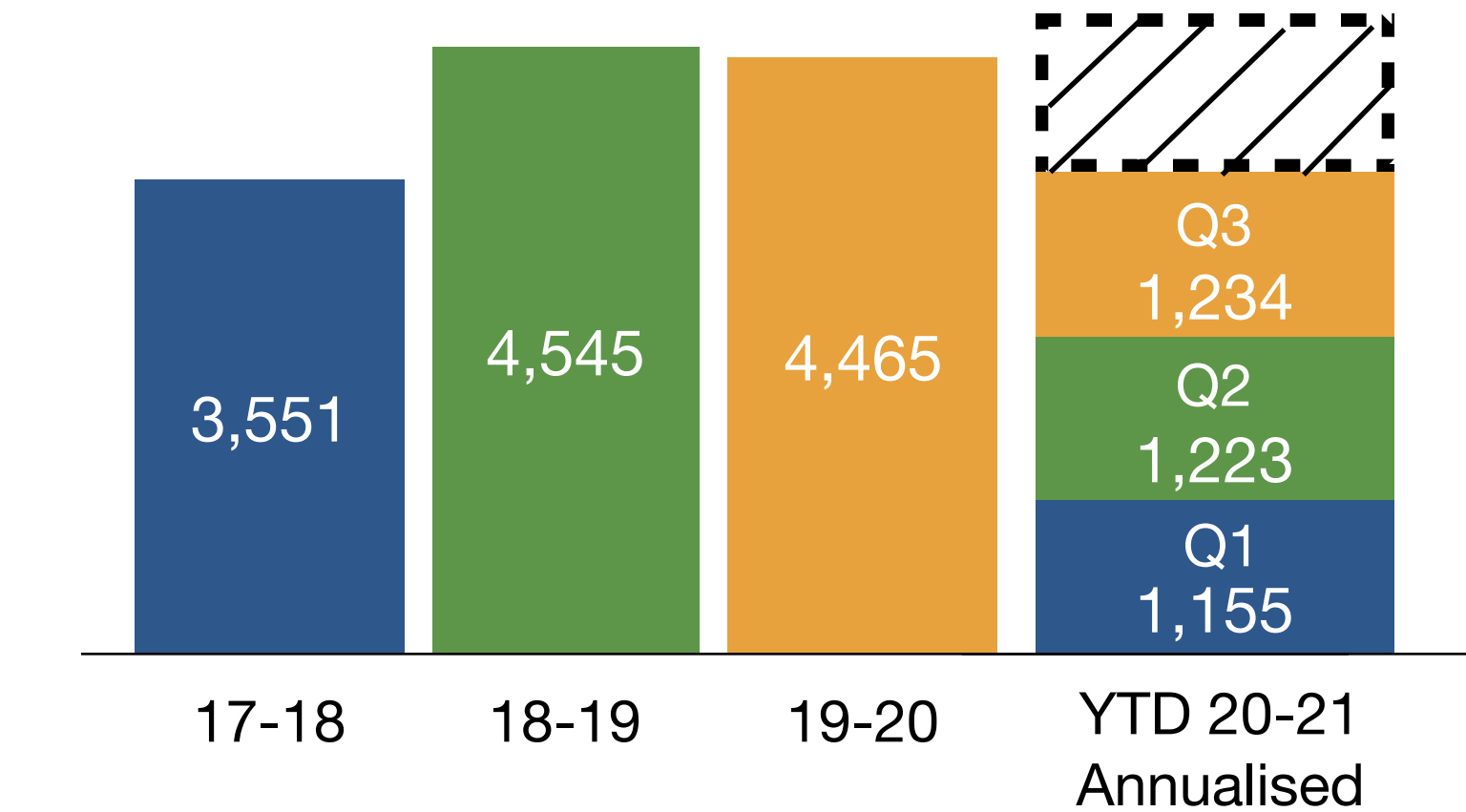


- ❖ Reported EBITDA is fluctuating due to impact of FX movement on restatement of long term FX loans
- ❖ Eliminating the restatement impact (Normalised EBITDA), EBITDA margins are continuously improving YoY basis
- ❖ Long term average (almost same for both Reported & Normalized EBITDA) shows that the differences are evened out as exchange rates moves up and down

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

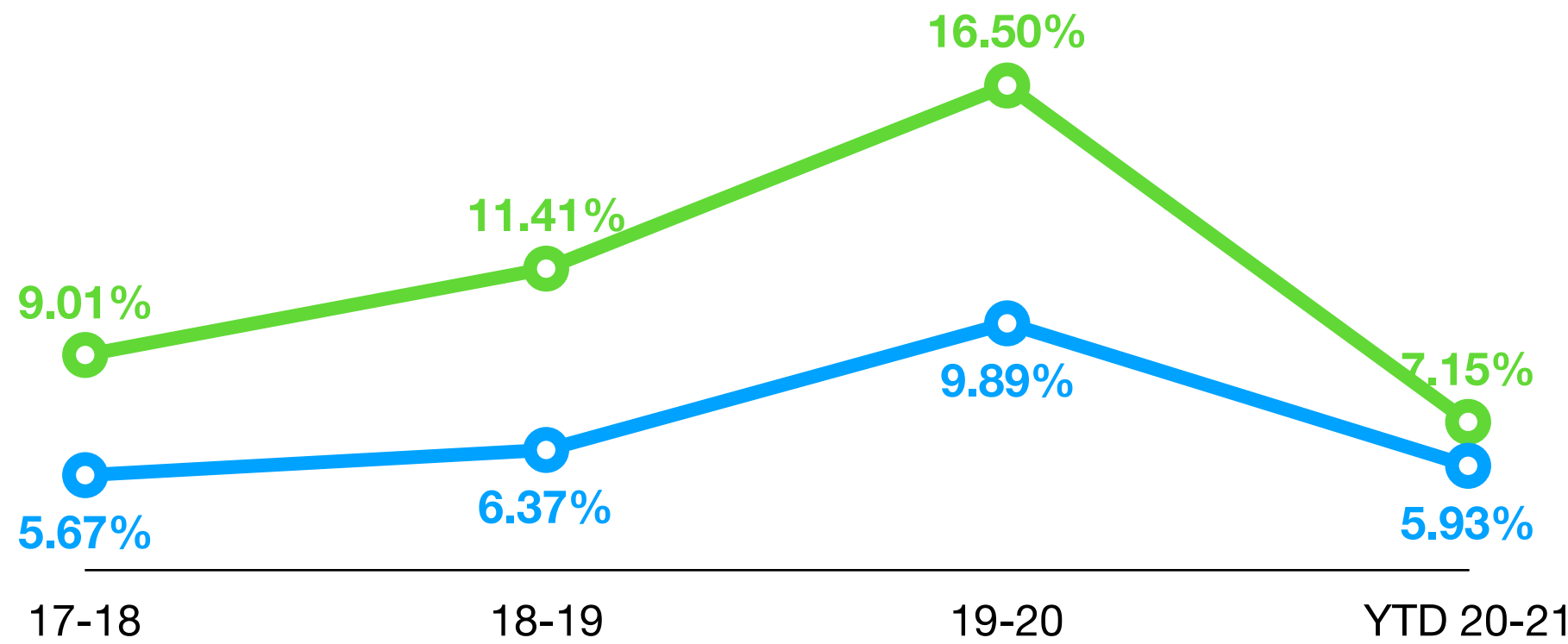
Strong Financial Performance

Sales Revenue* (INR Crores)



* Excludes other operating revenues

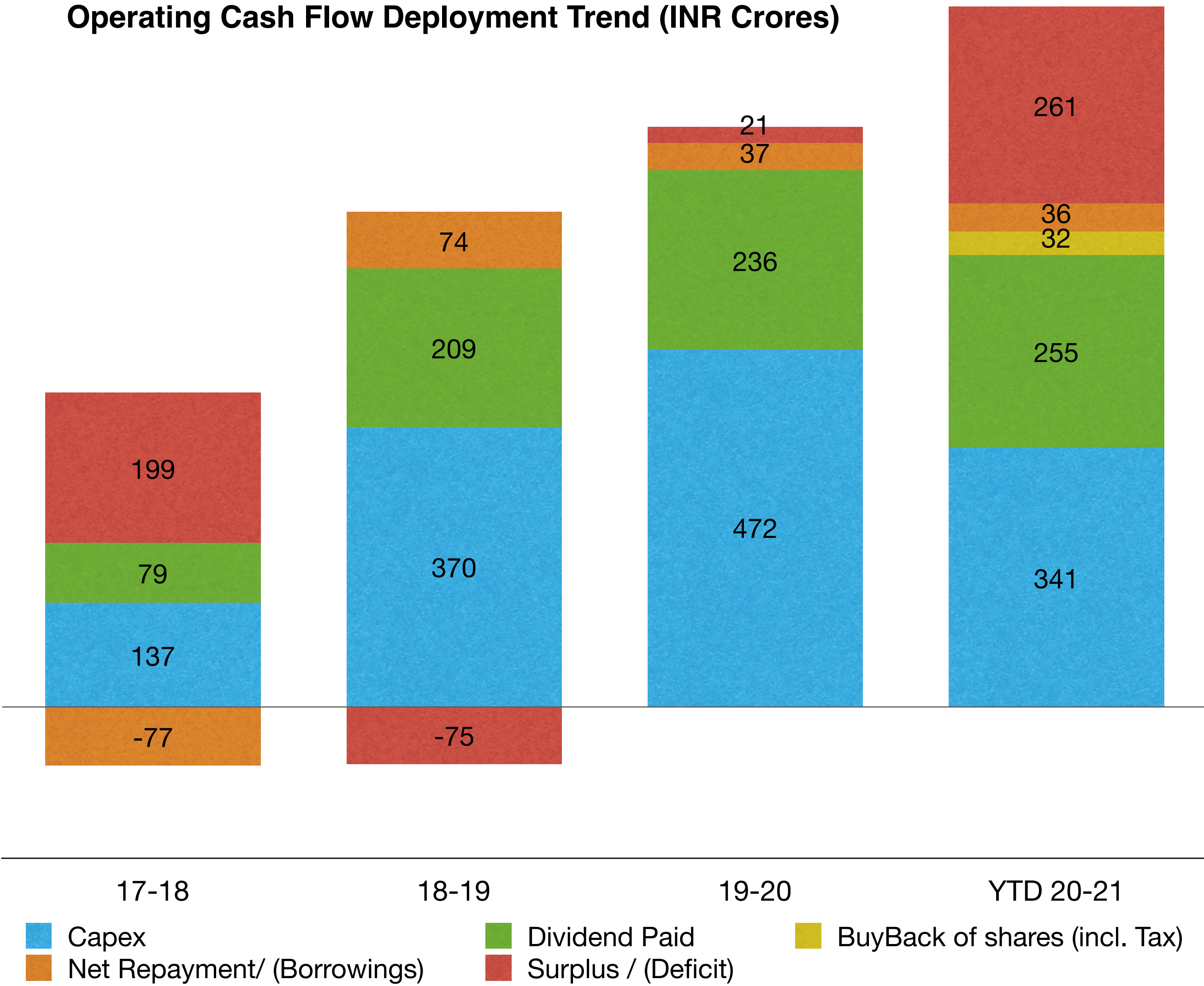
Effective Tax Rate (Tax/PBT)



● Current tax adjusted for tax on inter company dividend & buyback
● Current tax (unadjusted)

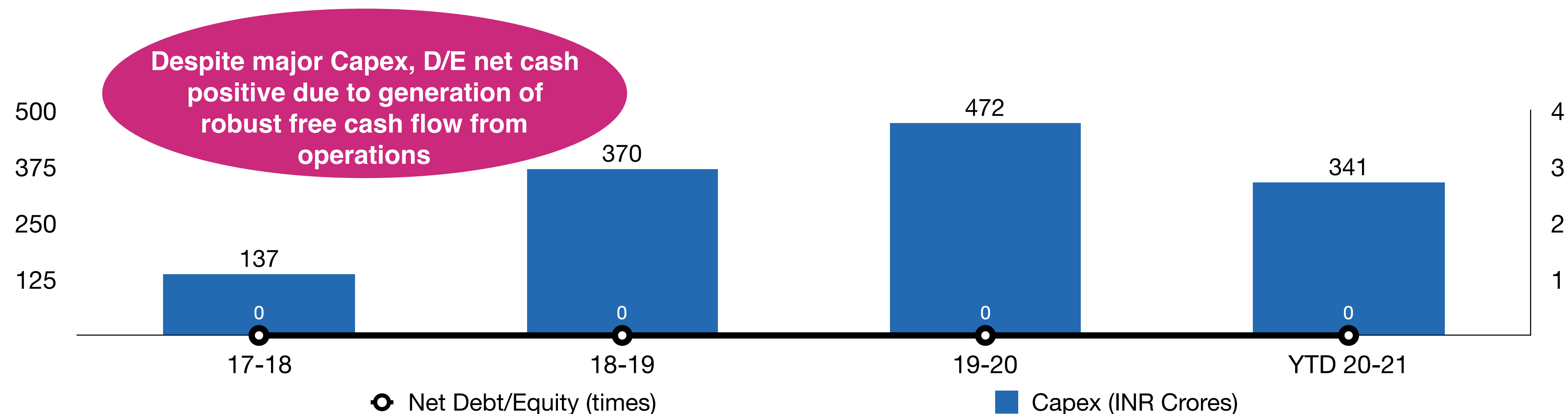
PBT - Adjusted for Exceptional Items
Tax - Current tax for the period (excluding any DTL/DTA movements)

Operating Cash Flow Deployment Trend (INR Crores)

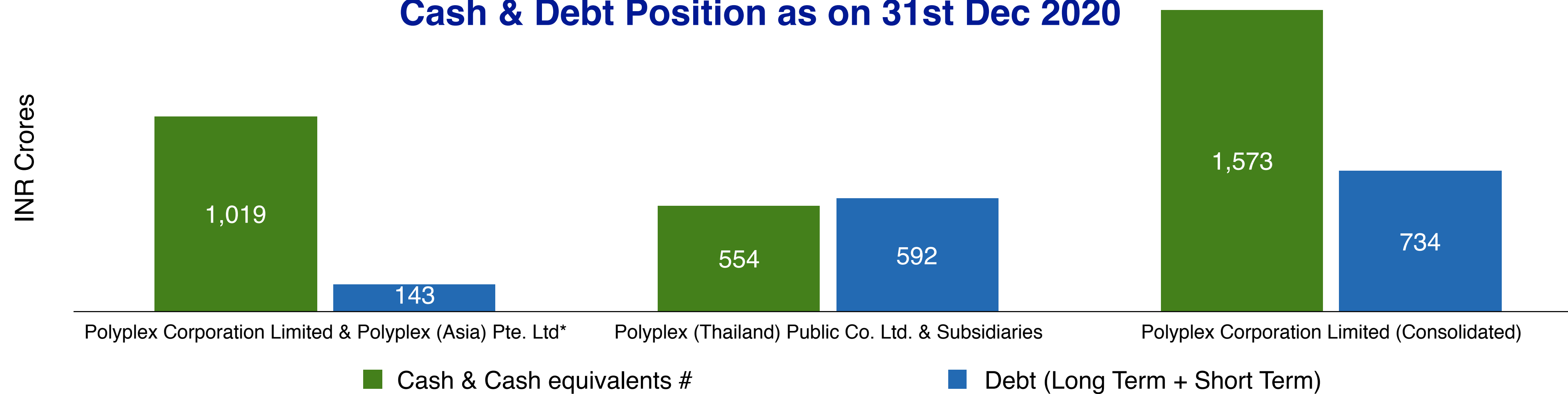


■ Capex
■ Net Repayment/ (Borrowings)
■ Dividend Paid
■ Surplus / (Deficit)
■ BuyBack of shares (incl. Tax)

Strong Liquidity



Cash & Debt Position as on 31st Dec 2020

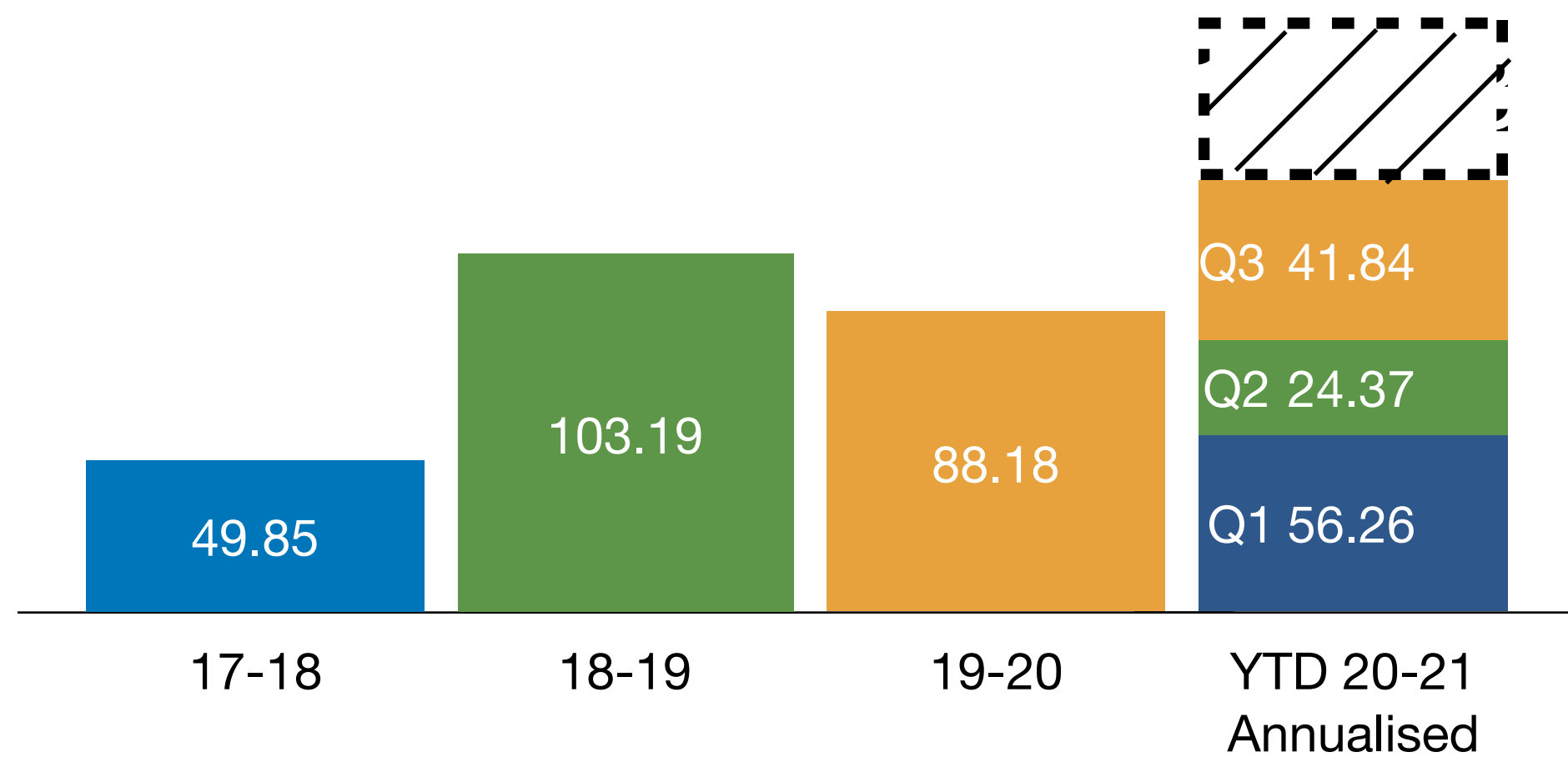


* Polyplex (Asia) Pte. Ltd. (Singapore) is 100% owned by Polyplex Corporation Limited

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

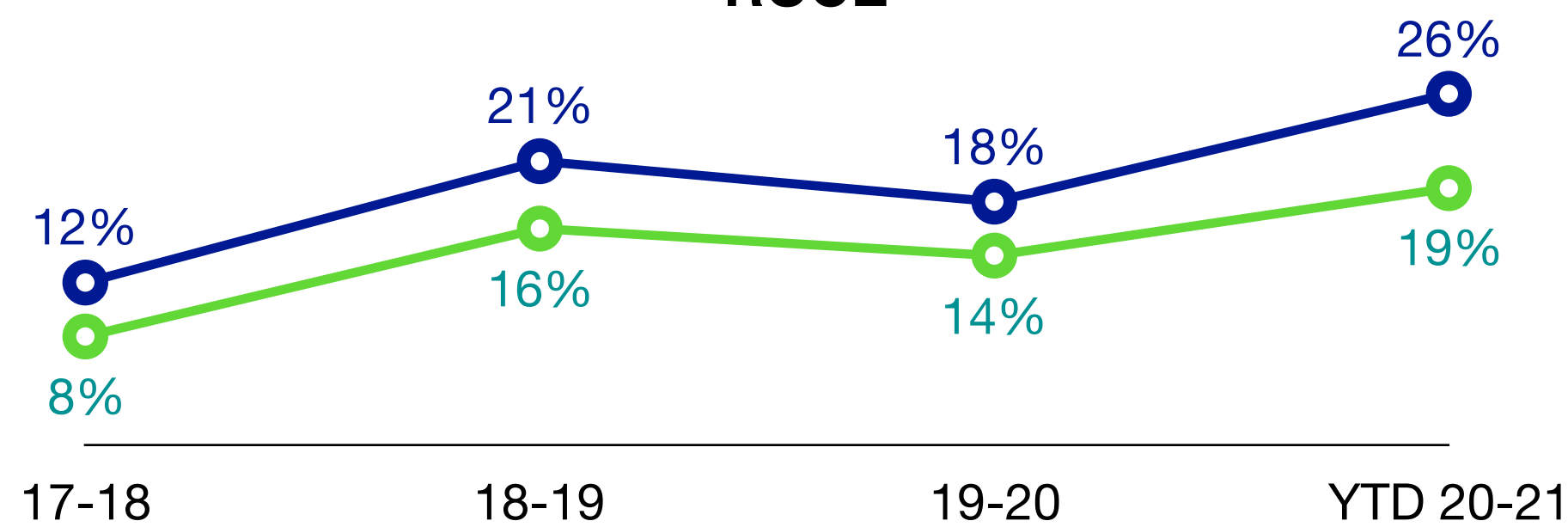
Strong Financial Performance

EPS^ (INR/Share)



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

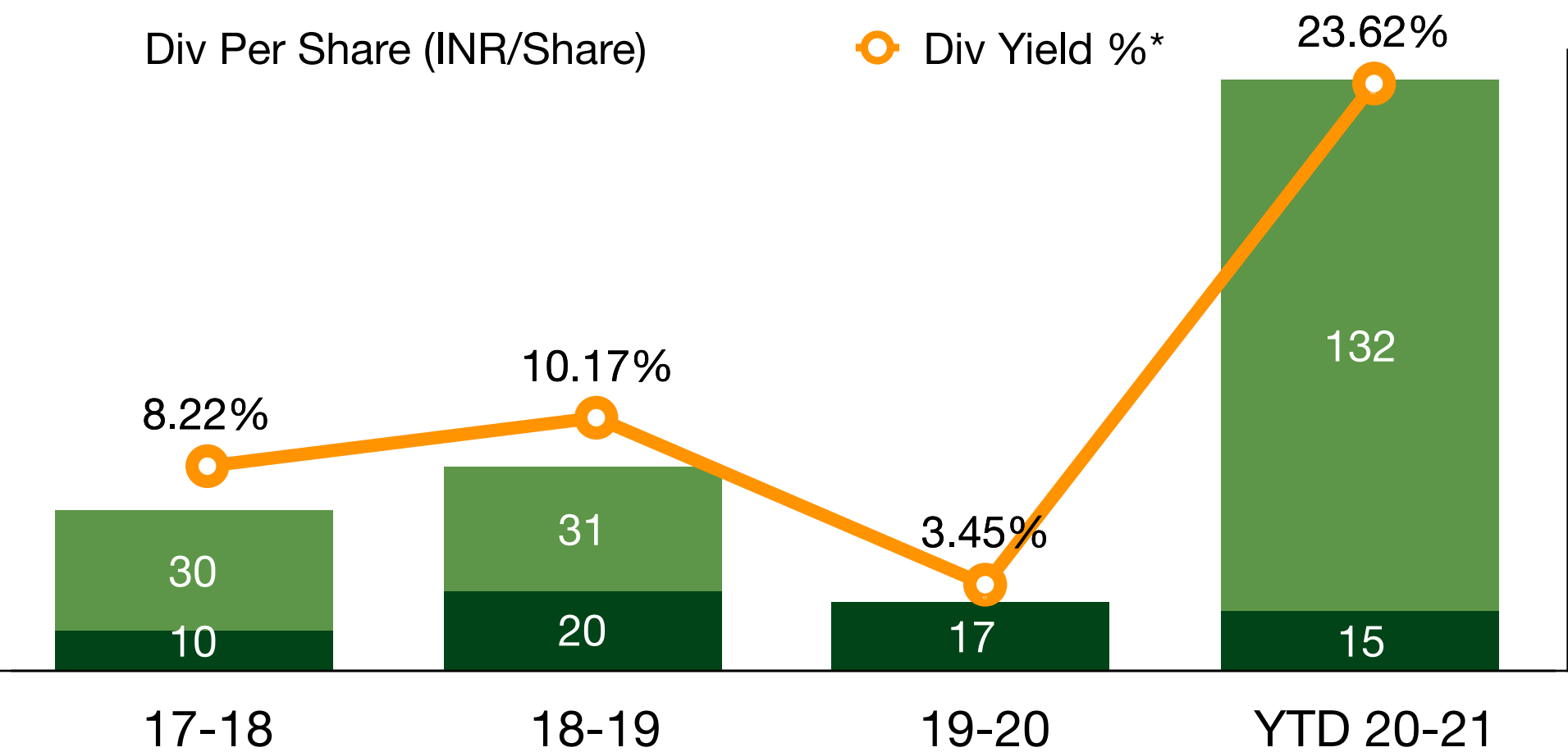
ROCE



- ROCE (With Cash & Cash Equivalents)
- ROCE (Excluding Cash & Cash Equivalents)

- ROCE (%) = EBIT as a % to average capital employed
- ROE (%) = PAT as a % to average equity

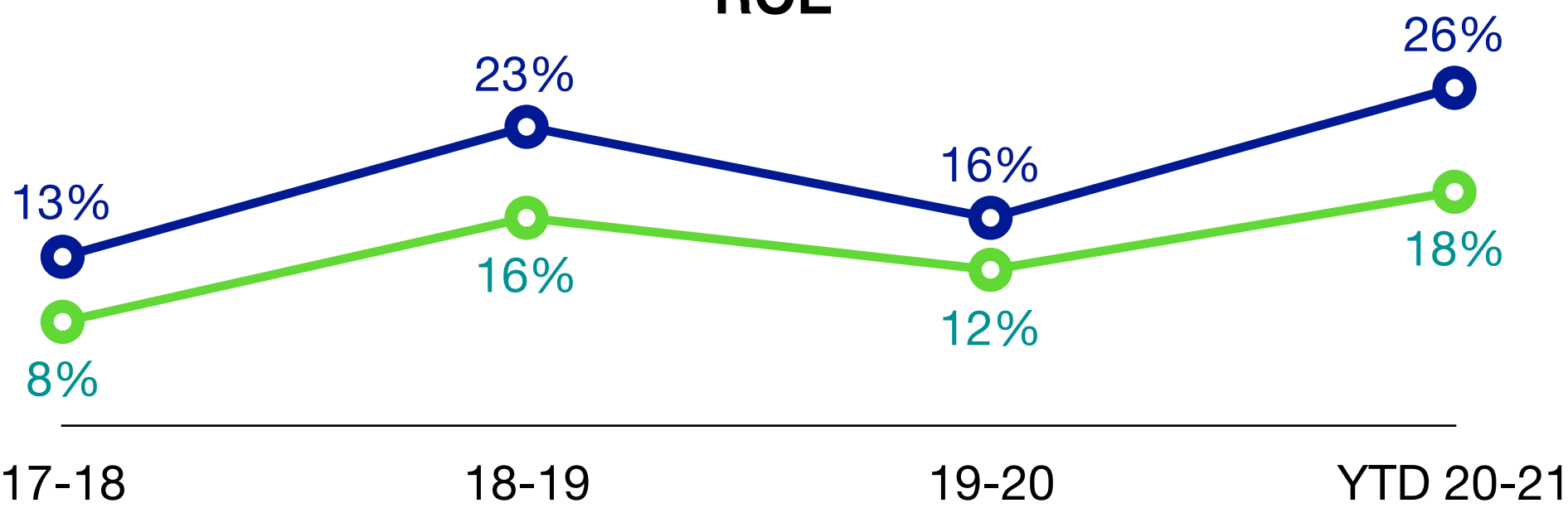
Dividend



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

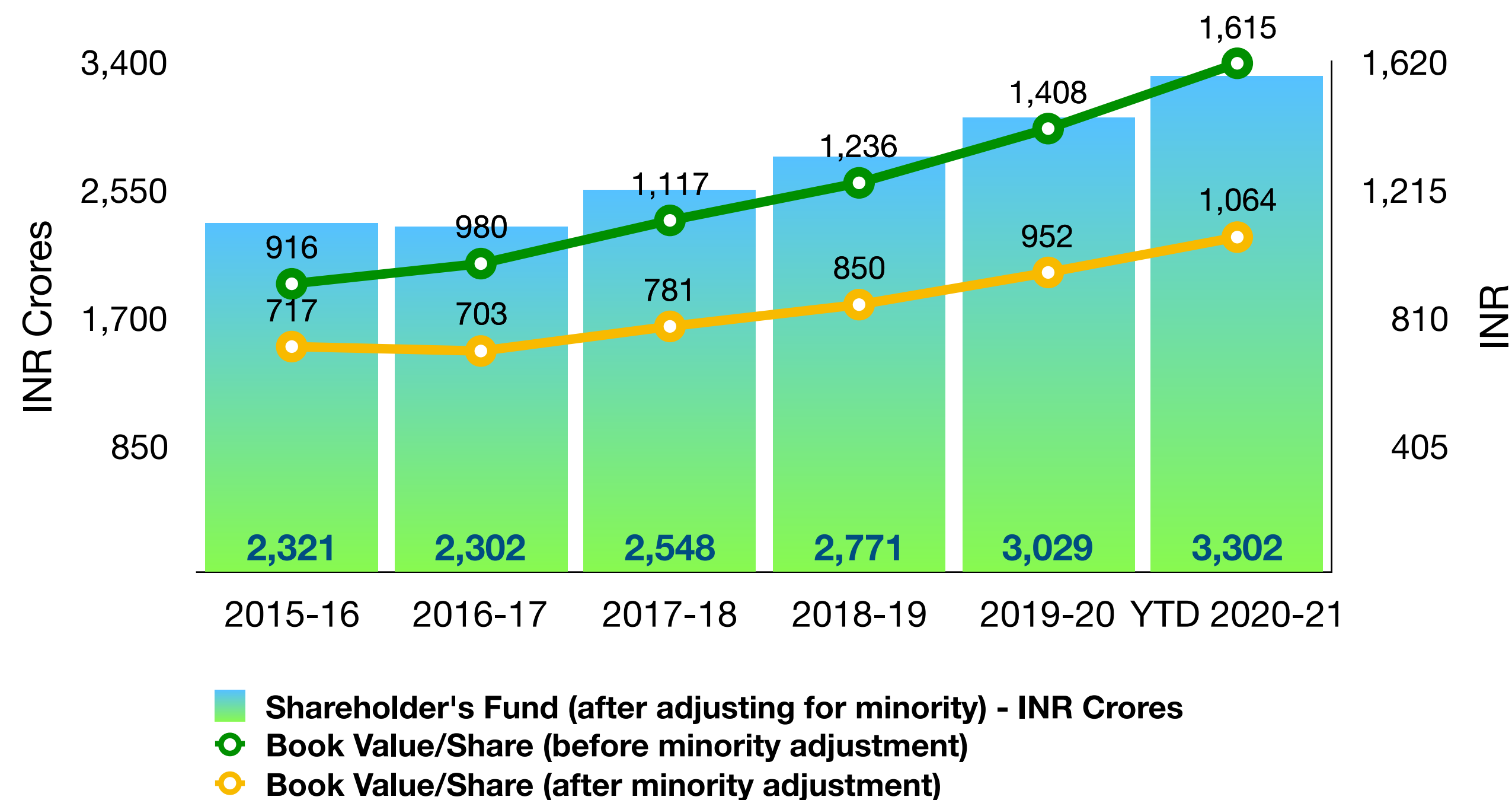
- Normal Dividend
- Special Dividend

ROE



- ROE (With Cash & Cash Equivalents)
- ROE (Excluding Cash & Cash Equivalents)

Total Shareholder's Return



Shareholder's Return	Last 1 year	Last 3 years	Last 5 years	Since IPO (1988)
(A) Total Returns*				
- Polyplex	29%	21%	31%	22%
- Nifty 500 - TRI	14%	6%	14%	12%
- BSE Small Cap - TRI	22%	-1%	12%	13%
(B) Stock Price Movement				
- Polyplex	20%	11%	23%	14%
- Nifty 500	13%	5%	12%	11%
- BSE Small Cap	21%	-2%	11%	12%

* Dividend Reinvestment Method

Note:

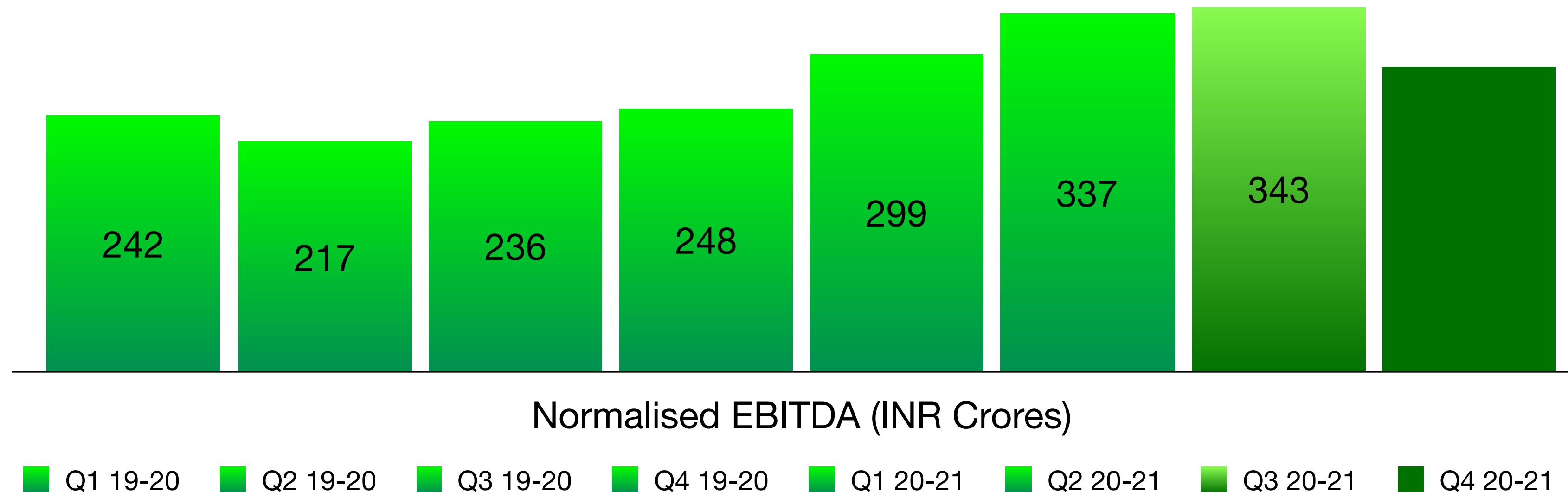
- Dividend considered based on the payout dates
- The returns have been calculated based on the stock price data till 31st Jan 2021

Awards

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



Fourth Quarter 20-21 Guidance

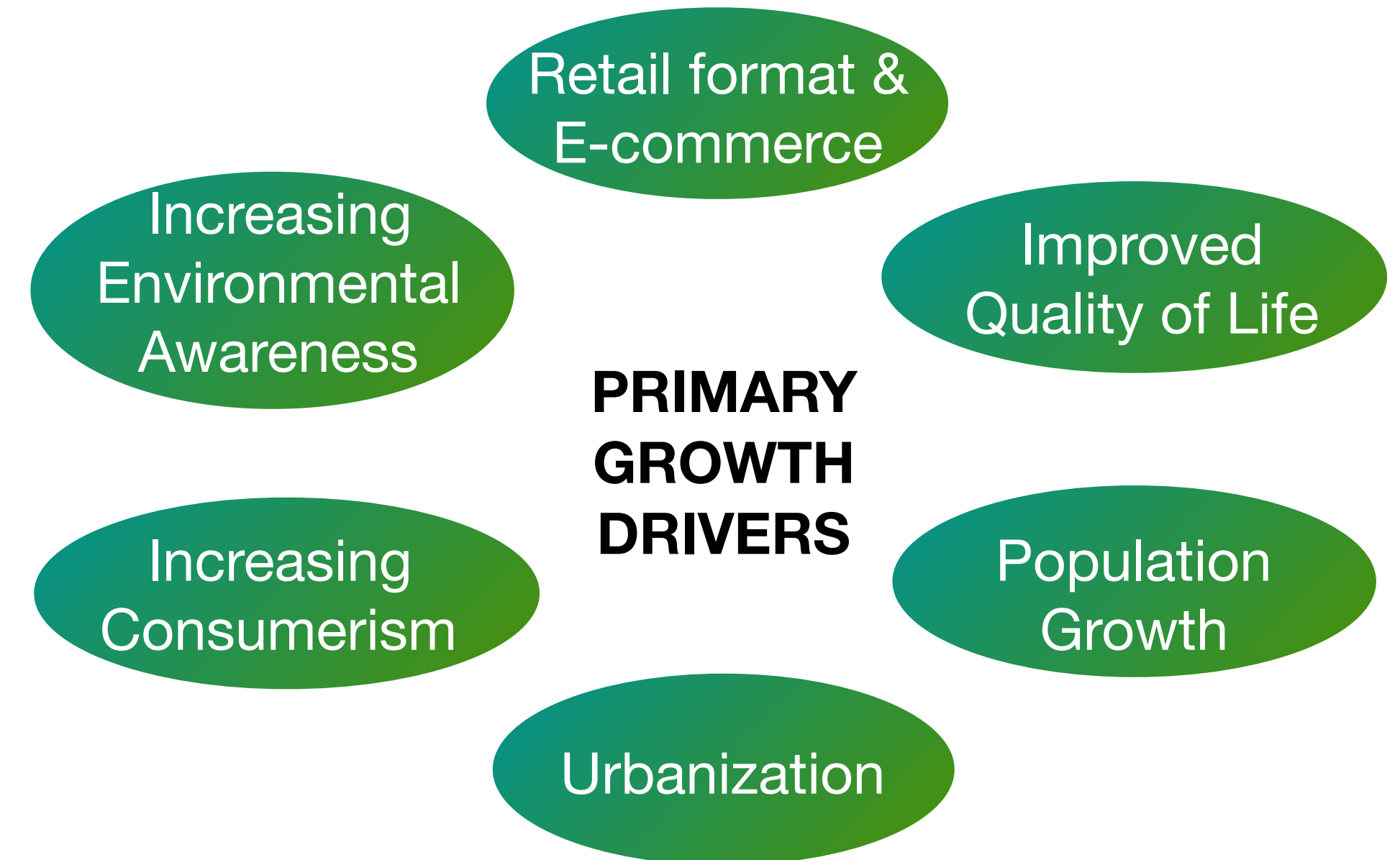
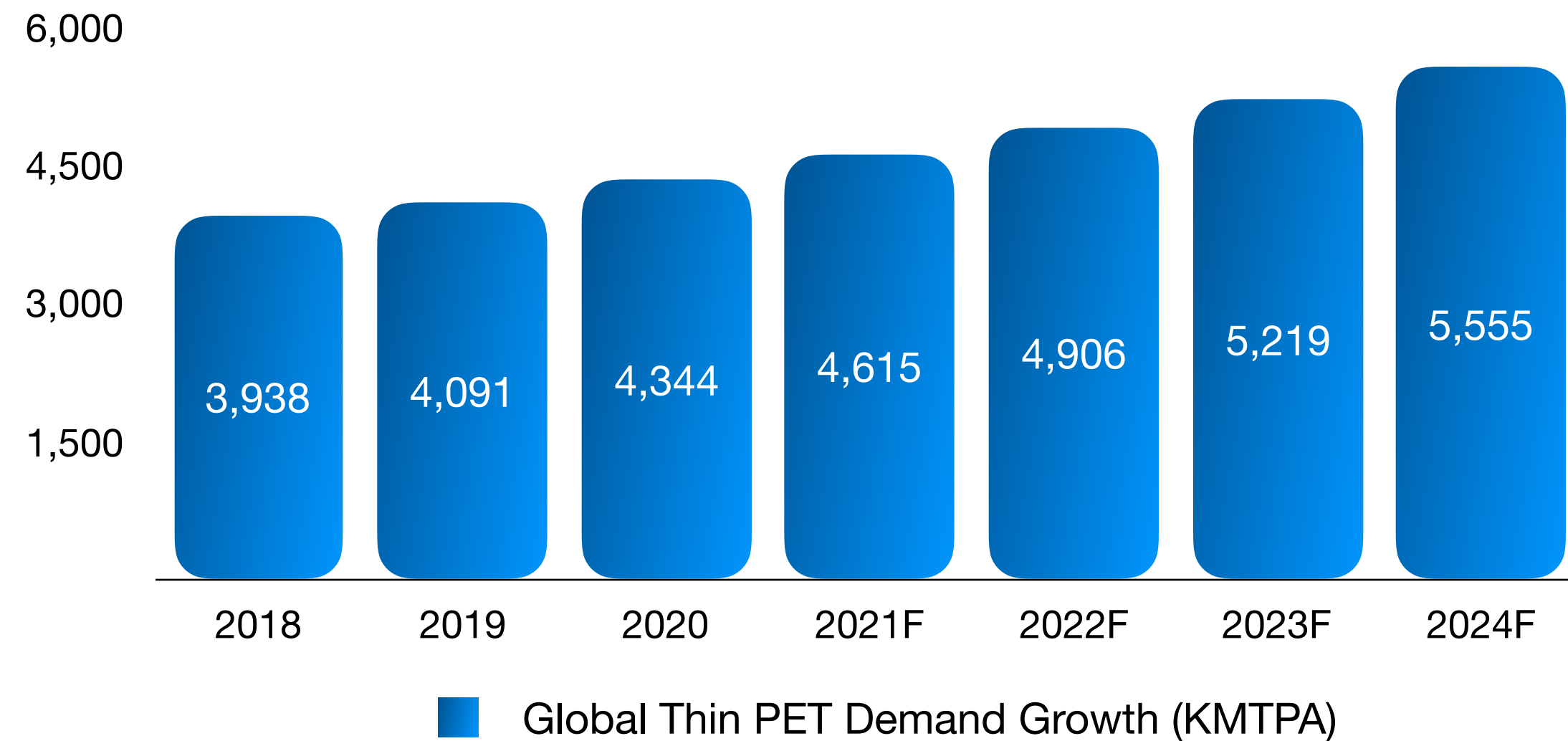


The forward-looking statements reflect Polyplex's expectations of its next quarter earnings. These are based on certain assumptions as on date and are subject to significant risks and uncertainties, as they could be substantially influenced by several factors which are beyond Company's control including, 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

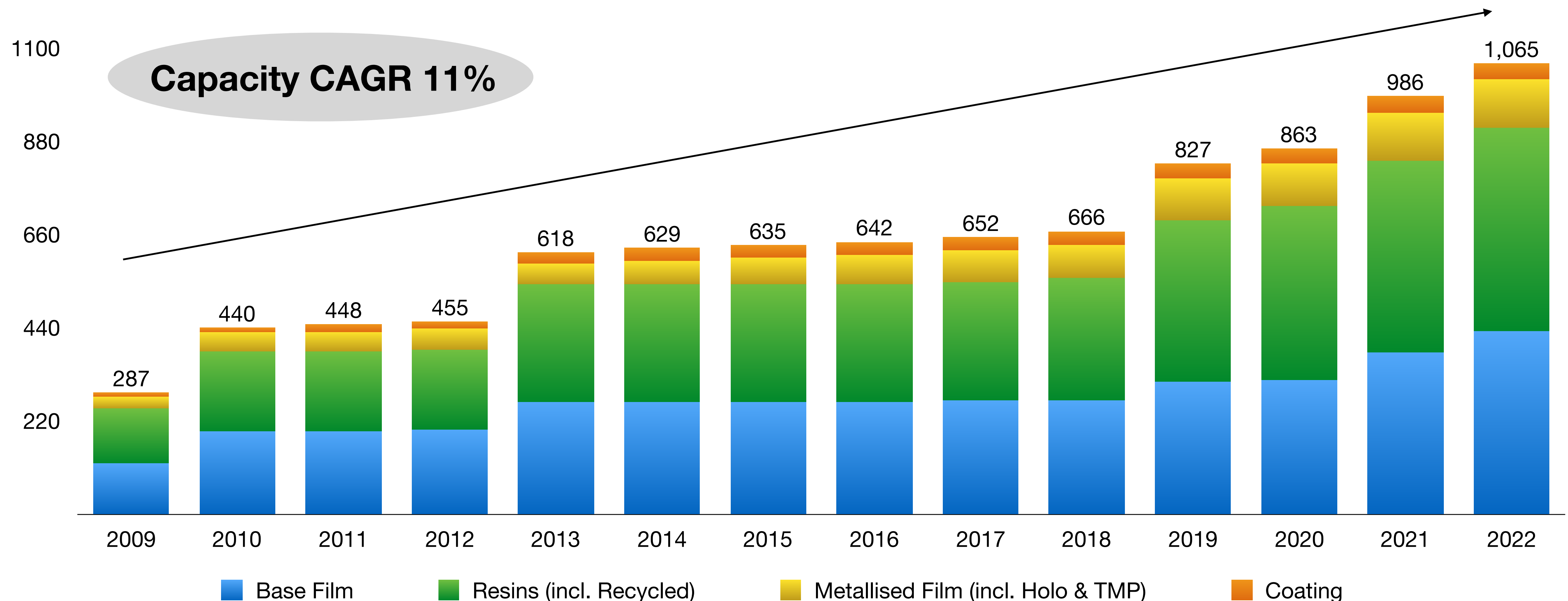


- Demand growing at 5-7% due to design versatility, cost advantage, resource economy, low carbon footprint, cost advantage and retail format/packaging innovations
- Versatility and high performance of polyester film leads itself to a wide range of 100+ applications in both industrial & consumer staples 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

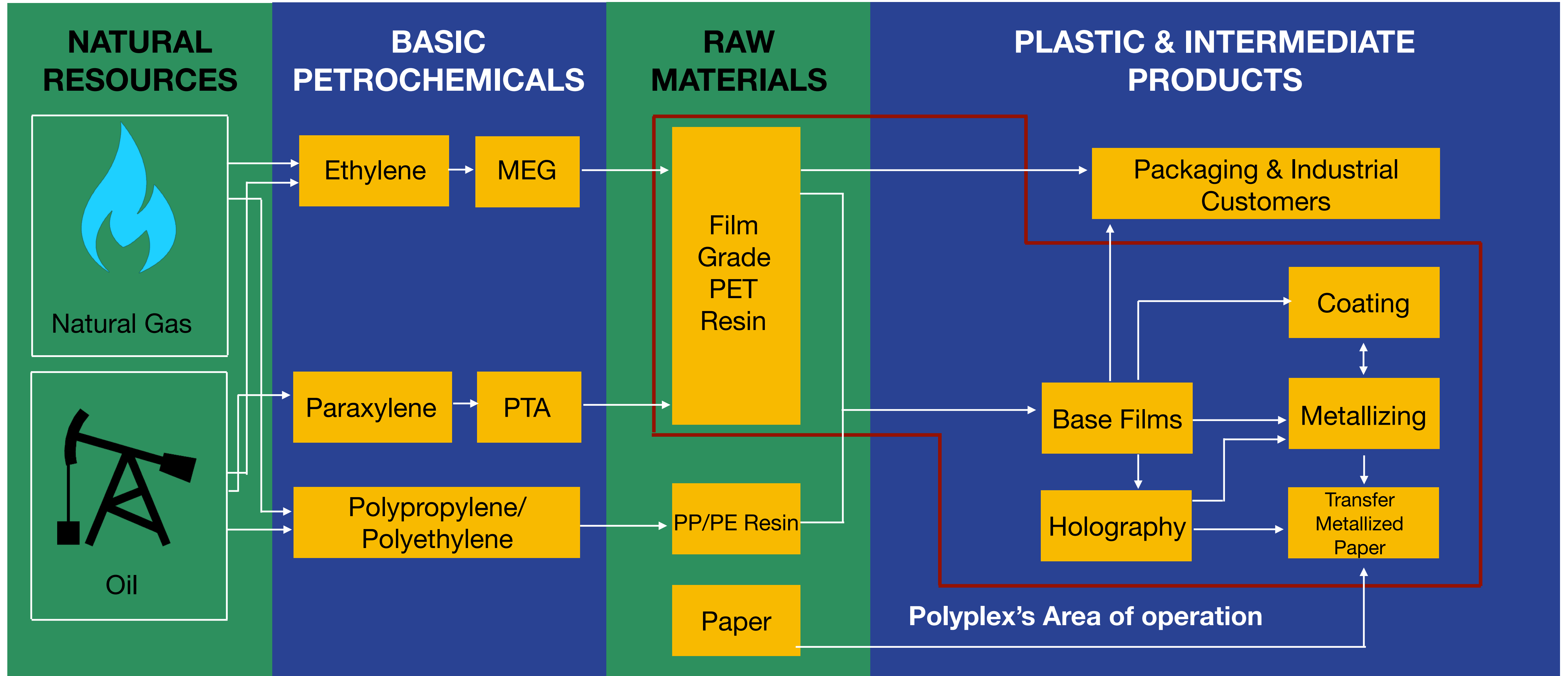
Capacity is in '000 MT





Stable earning across business cycles

Value Chain



Polyplex Example of Product Applications & Industry

By Customer's Industry

 60% Food

 40% Non-Food

Food



Retrot Pouch



Susceptor Film



Easy Peeling Lids



Wafer Bag



Rice bags

*Personal Care -
Health & Hygiene*



Healthcare Products



Liquid Packaging

Label

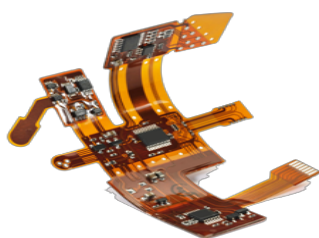


Product Labels

Electrical



Solar Panel
Back sheets



Flexible circuits



Wire and Cable
over wrap

Optical



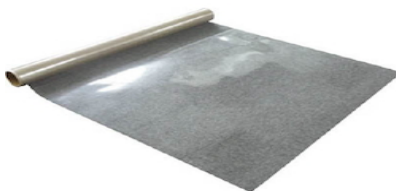
Plastic Optical Fibre

Label



Barcode Labels

Other



Window Film



Cards Lamination



Adhesive tapes

73% Packaging

27% Industrial
& Electrical

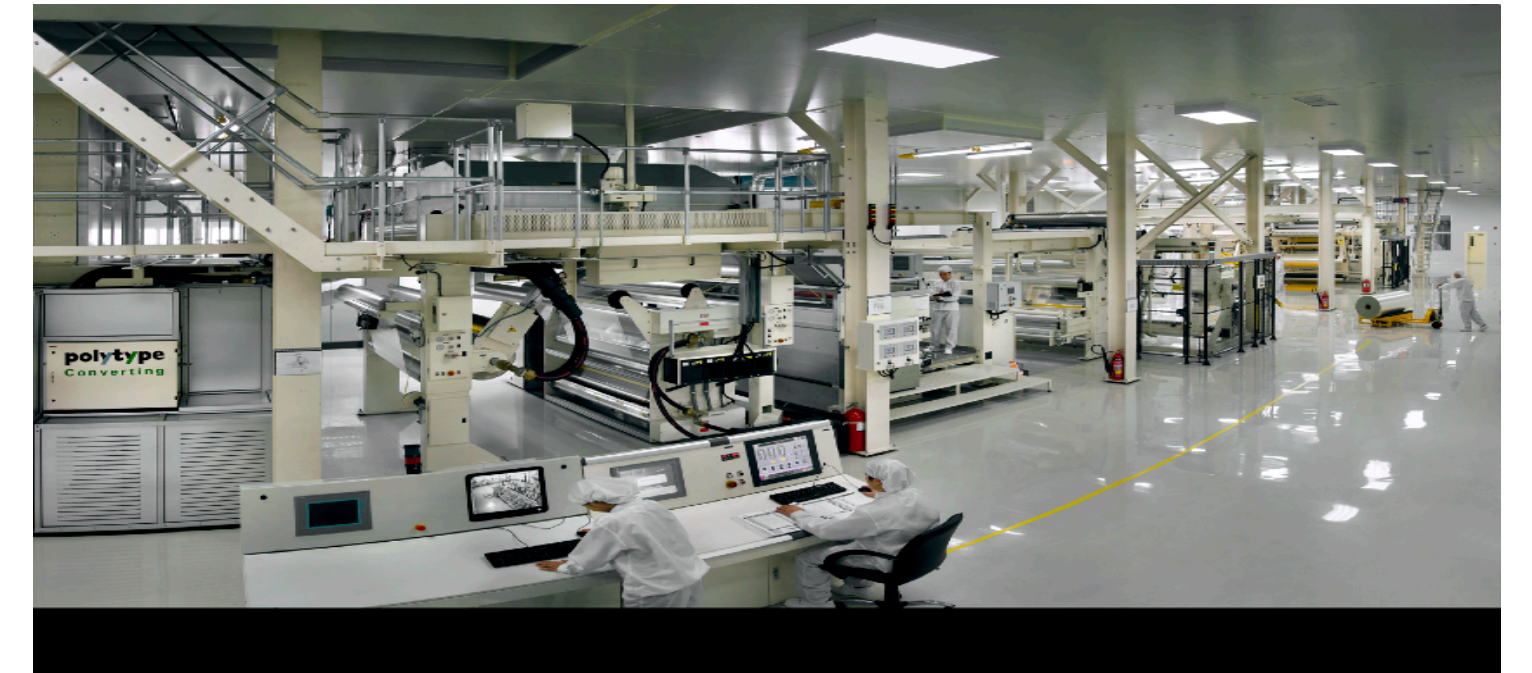
Strong R&D Capability



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



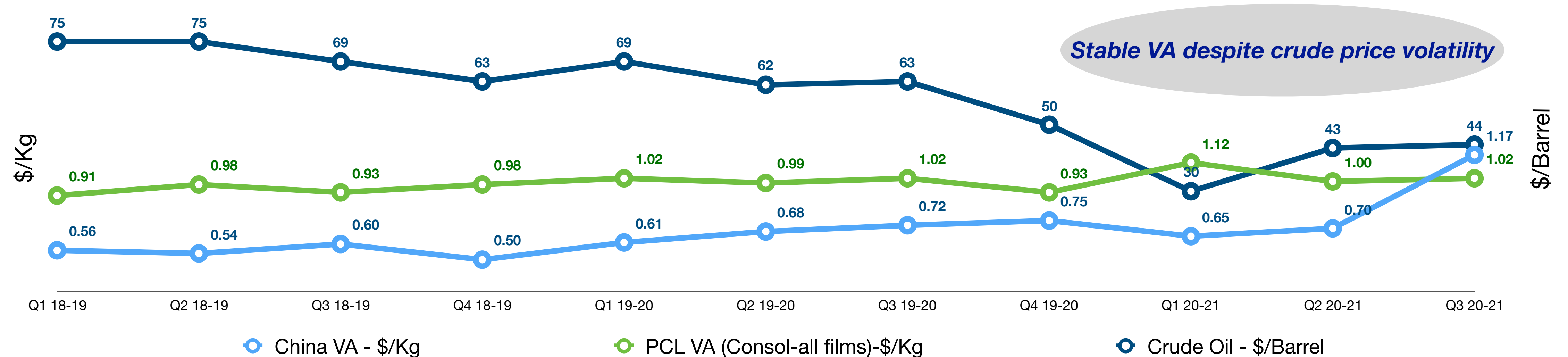
Focus on providing innovative solutions to customers. Collaborative Research with govt. labs and educational institutes

No. of Patents granted - 20 (Across products, processes & countries)

No. of Trademarks granted - 6 (Across brands and countries)

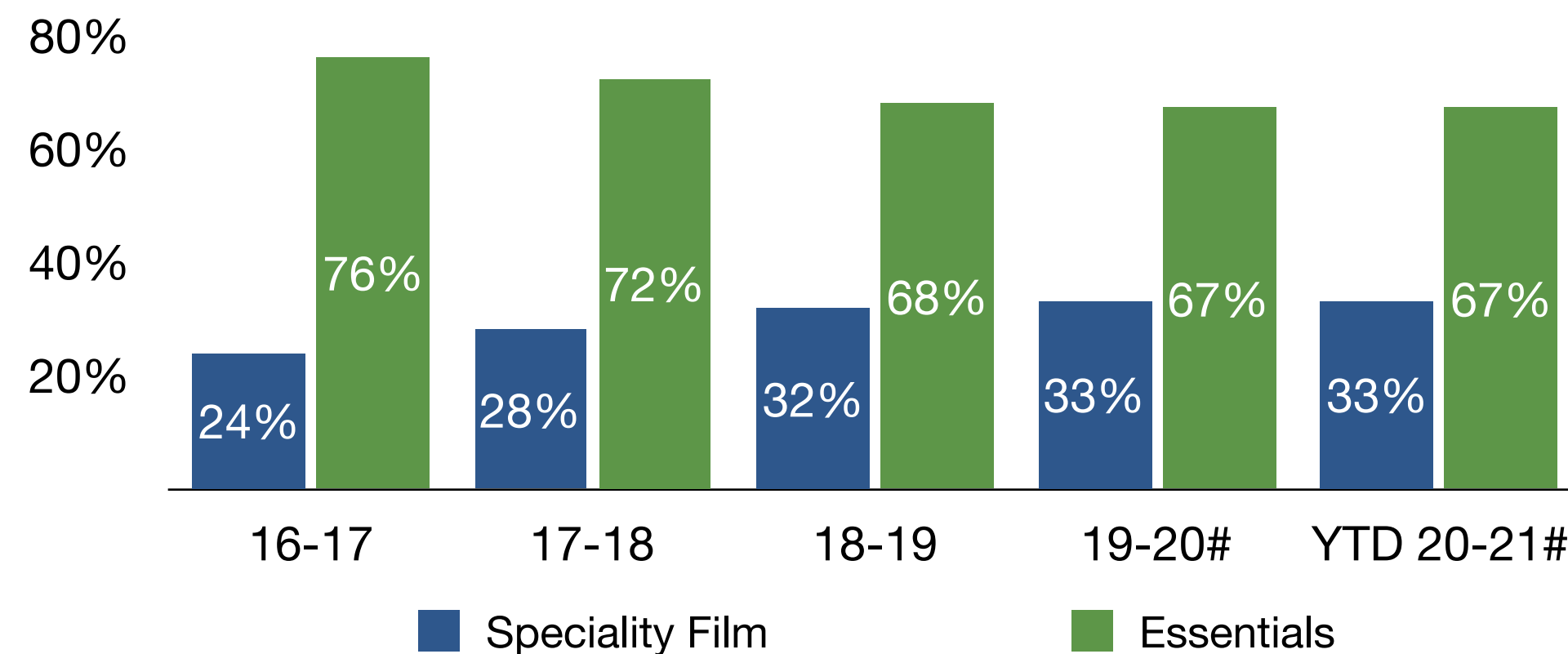
VA Stability

PCL VA v/s China VA v/s Crude



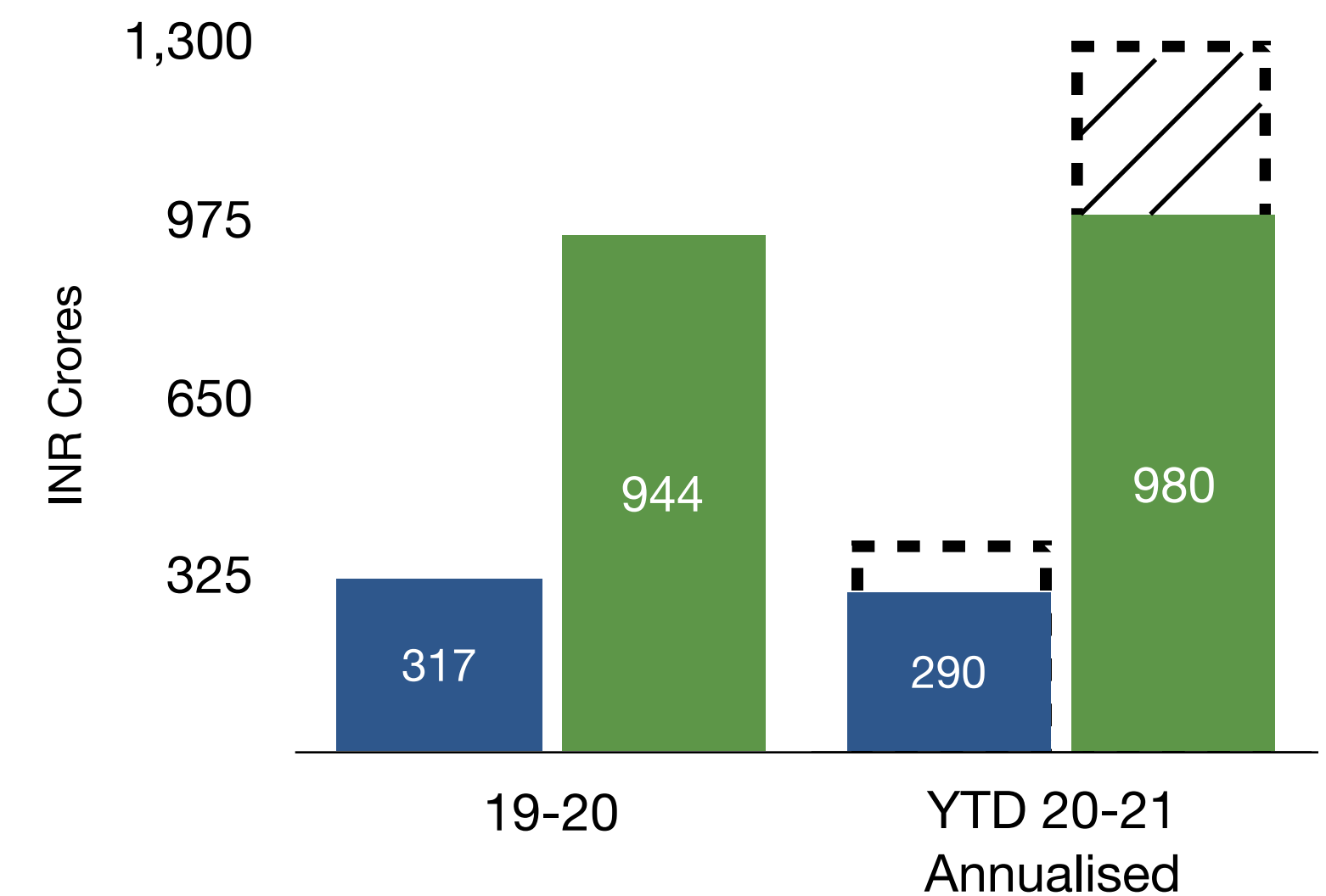
- China VA in Q3 20-21 is an aberration as demand for PET film suddenly spiked since early October due to pent-up downstream demand arising out of impact of Covid further compounded by low inventory in the pipeline.
- Polyplex - lag effect due to monthly/quarterly pricing v/s spot pricing in China

Speciality Film Share in Turnover



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)

Increasing contribution from Speciality Films helps sustain superior margins



■ Incremental EBITDA from Speciality Films
■ Total Normalised EBITDA (incl. Speciality Films)

POLYPLEX

Grow Sustainable Business Line

Introduce Sustainable Products and Adopt Sustainable Process

To response to global concern over plastic use and develop sustainable business, Polyplex aims to continue introducing sustainable plastic products and transform the business process to be more environmentally friendly.

 Sustainable Products & Solutions	 Sustainable Process	
 Introduce Mono-material, Mono-layer Structure and Higher Recyclable Content Products Example of products: • RPET - with up to 90% PCR content • BioPET - Bio content 30% Plastic Free Carton - Use of Transfer Metallisation for Paper & Board Lamination Biodegradable films - meeting the requirements of anaerobic Biodegradation either in accelerated land fill or high solids Anaerobic conditions Down-guaging 8-10 micron  Introduce Post-Consumer/Industrial Plastic Recycling Business Line  ECOBLUE's New upcoming state-of-art recycling line dedicated for hard to recycle materials	Adopt Sustainable Processes to enforce circular economy  • Reduce water and energy consumption  • Effective & Efficient waste management  • Increase usage of renewal energy  • Increase sustainable sourcing i.e. • Use recycled material • Use biomaterials (MEG)	• Collaborate with recyclers in Europe to recycle Multi Layer Plastics (MLPs) • Support development and modernization of plastic waste management infrastructure (Collection, Segregation and Recycling) • Play a leadership role in engaging the industry in sustainability efforts

Benefits


Increase Product Variety


Enhance Business Sustainability and Support Circular Economy


Reduce Industrial Process Waste

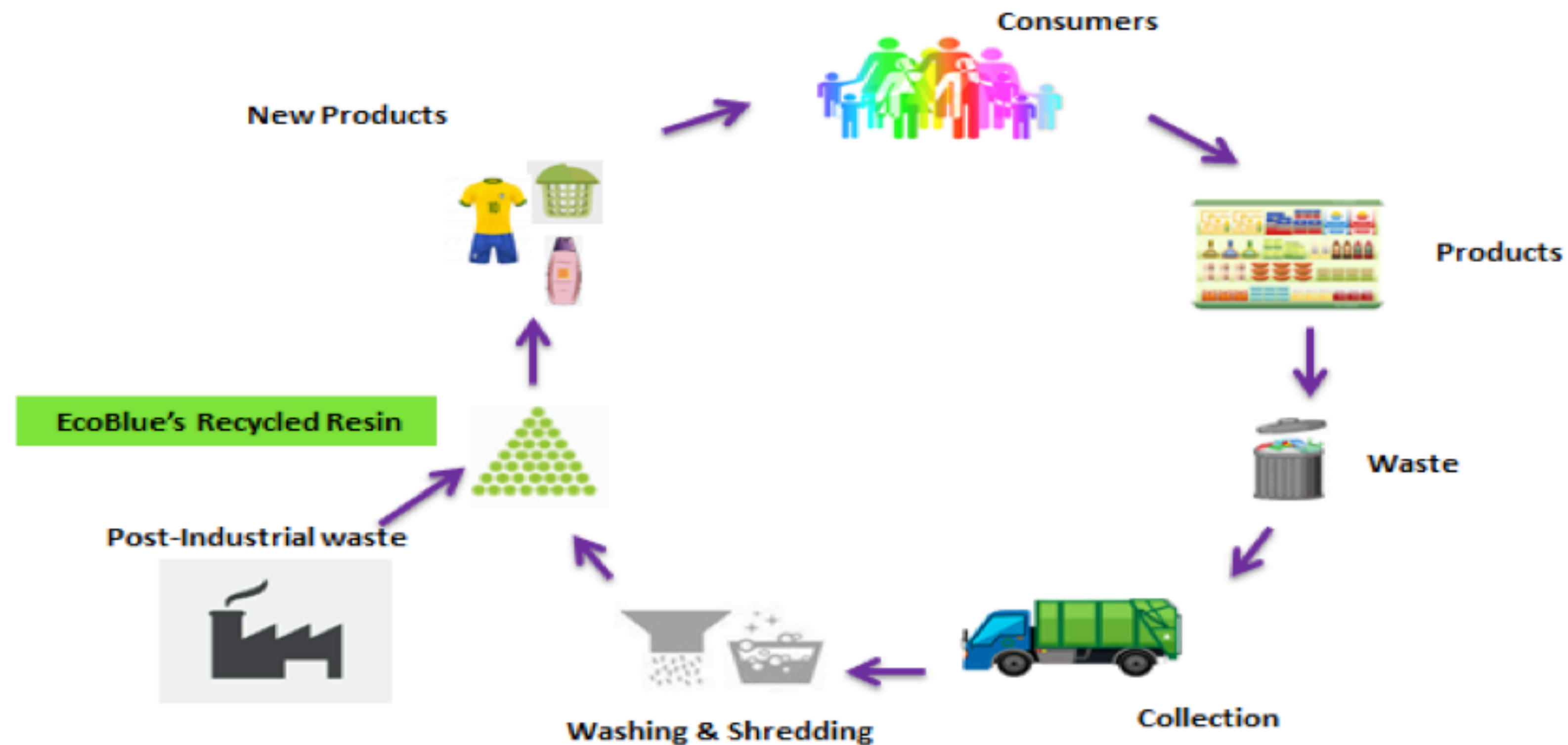

Minimize Usage of Fossil Fuels Consumption in Production

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

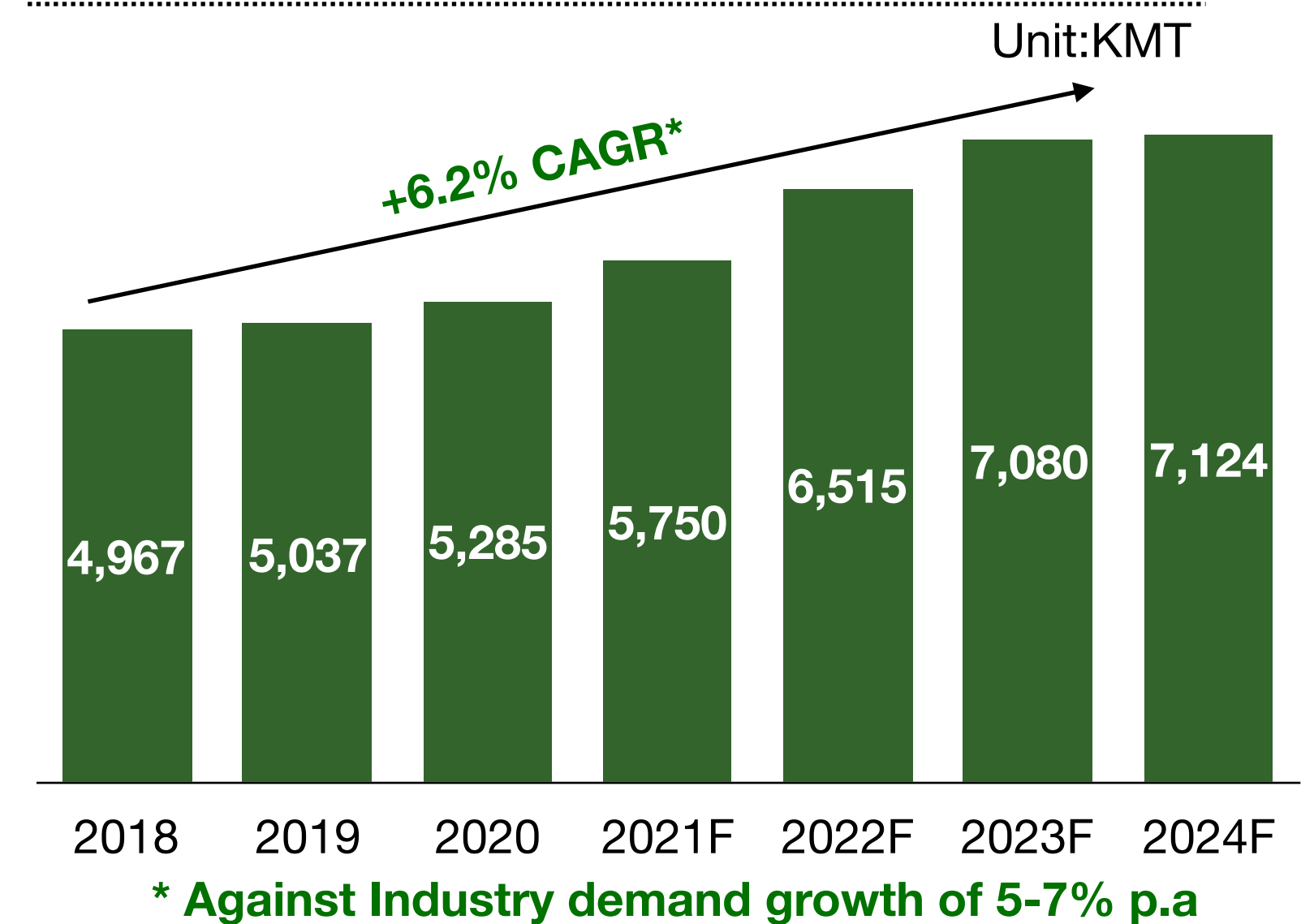
- Approx. 1.67 Million Tons of Capacity (more than 64% in China) to be further added in Thin PET by 2023 globally
- Changing cost dynamics may result in closure/underutilization of older lines
- Constant up-gradation in technology (10.6 mtr wide line) to remain a challenge for industry players stuck with mostly legacy assets for standard films
- Raw Material Price Outlook: Crude Oil prices have recovered from post Covid lows - expected to remain range bound
- Sharp spike in export freight rates since Oct'20 expected to continue into most of 2021 before normalising gradually
- 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.

Expected Total Capacity in the Industry

BOPET Thin Film



Growth Plans

Projects	Location	Capital Cost (In USD million)	Likely Start Up
Brownfield - BOPP	Indonesia	53	H1 FY 21-22
Brownfield - BOPET	USA	83	H2 FY 22-23
Other Projects	India	3	Upto Q3 FY 21-22
Other Projects	Overseas	56	Upto Q4 FY 21-22
Total		195	

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: 53 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

*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

Annexures

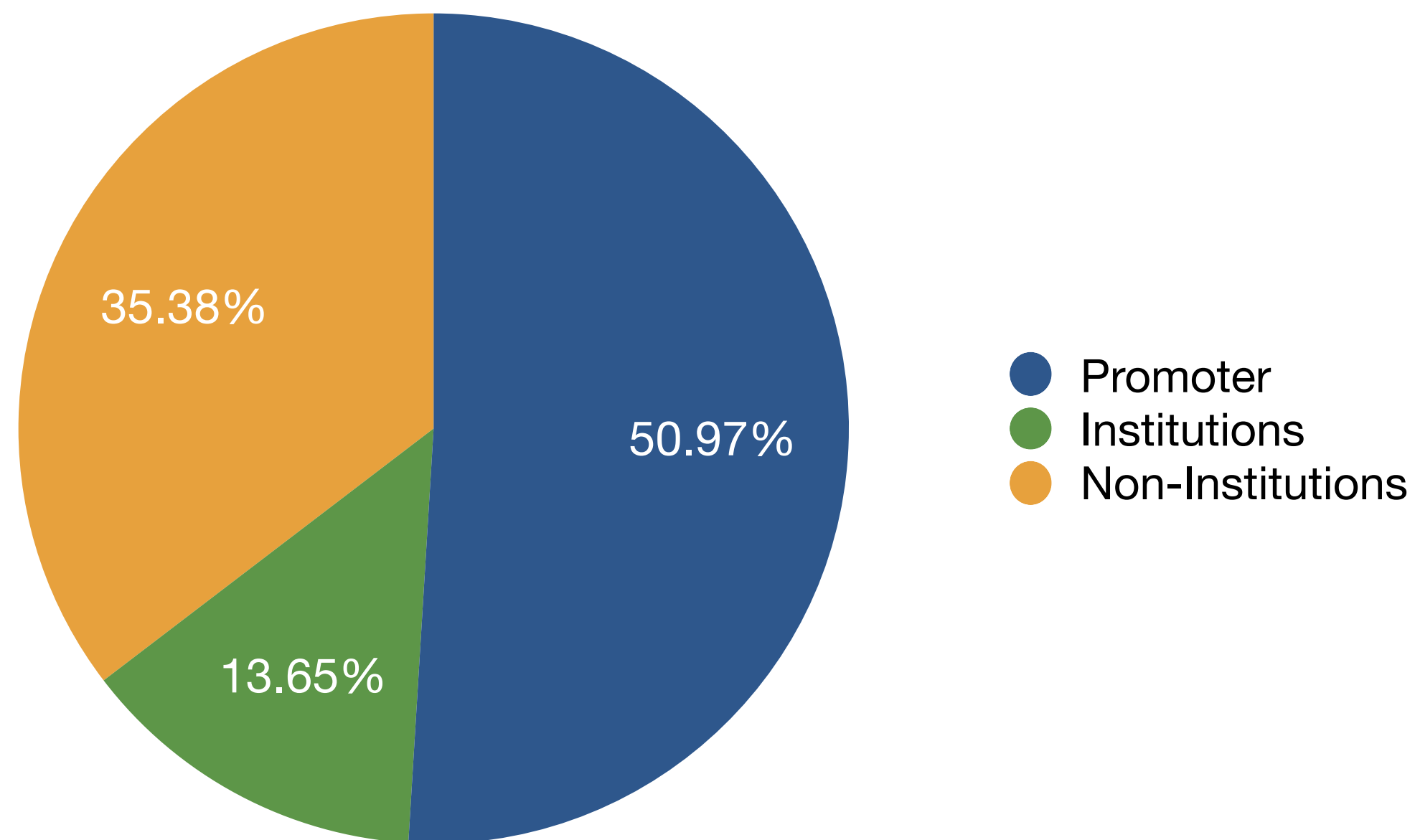
Contents

- Shareholding Pattern
- Group Structure

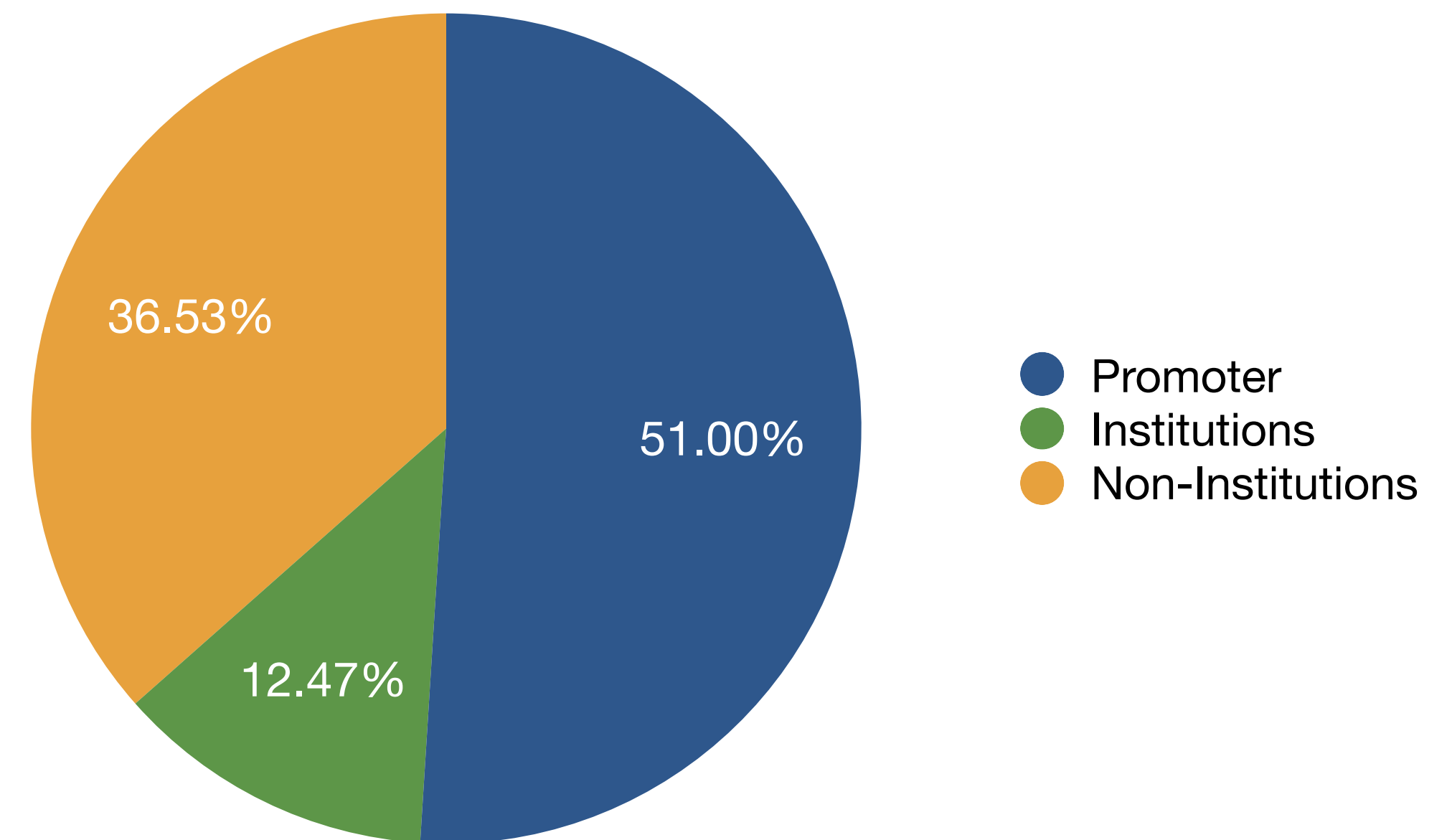
Shareholding Pattern

- 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 31st Dec'20) is as below:

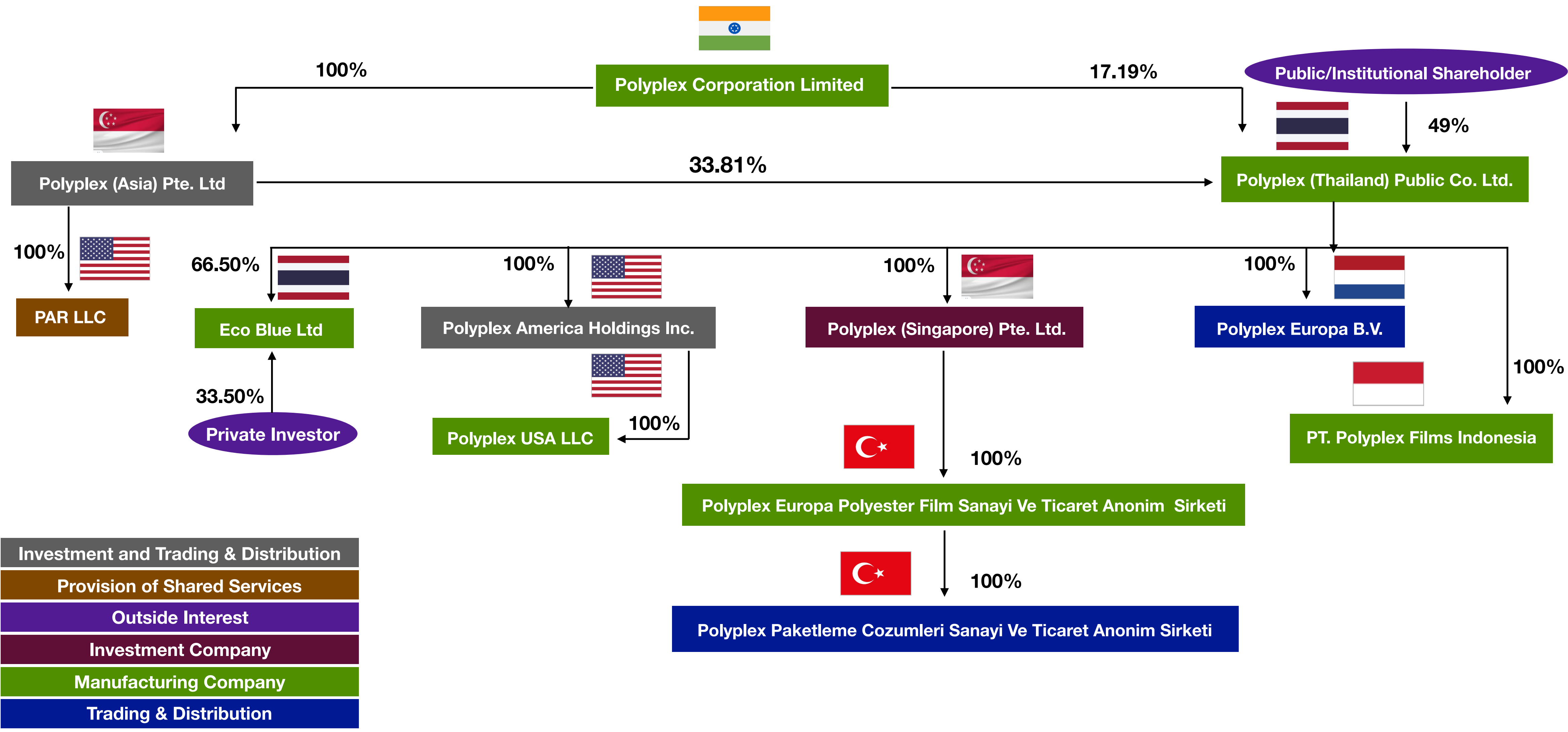
PCL Shareholding



PTL Shareholding



Group Structure



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

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.

Thank You

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Symbol : POLYPLEX
ISIN : INE633B01018



Polyplex India



Symbol : PTL



Polyplex Thailand

POLYPLEX

Glossary

- EBITDA: Earning before interest, tax, depreciation and amortisation
- PCL: Polyplex Corporation Limited
- PTL: Polyplex (Thailand) Public Company Limited
- PE: Polyplex Europa Polyester Film Sanayi Ve Ticaret Anonim Sirketi
- PU: Polyplex USA LLC
- PFI: PT Polyplex Films Indonesia
- WOS: Wholly Owned Subsidiary
- RoW: Rest of the World
- PET: Polyethylene Terephthalate
- BOPP: Biaxially Oriented Polypropylene
- CPP: Cast Polypropylene
- TMP: Transfer Metallized Paper
- TRI: Total Return Index
- VA: Value Addition
- DDP: Delivered Duty Paid
- MEG: Mono Ethylene Glycol
- PTA: Purified Terephthalic Acid
- RM: Raw Material