MOLD-TEK
Packaging Limited

QUARTERLY BUSINESS REPORT
Q1 FY 22-23

(BSE: 533080; NSE:MOLDTKPAC)

July 27, 2022

www.moldtekpackaging.com

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Moldtek Packaging Limited Business Report
for Quarter 1, FY2022-2023

Moldtek Snapshot

35 YEARS OF EXPERIENCE

10 ISO CERTIFIED UNITS

PUBLICLY LISTED WITH INR ~2,281cr Market cap

- Established in 1986, one of the leading players in rigid plastic packaging in India. Publicly listed in 1993
- Manufactures injection molded containers for lubes, paints, food &other products
- 10 Manufacturing Units, 2 stock points PAN India. Current installed Injection molding capacity of over 45,000 TPA
- Pioneers in the field of In-Mold labelling (IML) in India. HD photographic labels, produced by 100% hands-free operation & are 100% recyclable.
- MTPL commands strong presence across all major customers like Asian Paints, Castrol, Shell, Mondelez, Hindustan Unilever, etc.
- Superior margins in the packaging industry due to the cost advantage emanating from backward integration

Innovations to Surge ahead

Constant Innovation

Pioneers in launching newer & better designs

First to introduce

- Plastic pails for paints & lubes in India
- IML Decoration – Photo realistic & Hands-free
- In-house robots & label – Most cost effective

Flexibility

Change your design at ease

- In-house mould design, mould making, IML making, Robot making
- In-house Design studio
- Rapid prototyping & 3D modelling

Quick Cycle Times

Better Productivity & Asset utilisation

Multi-cavity moulds to boost productivity

- Automated hopper mechanism for RM & MB
- Umbrella™ cooling mechanism in moulds
- Quick maintenance & mould development

FOOD PACKAGING




PAINT PACKAGING

BUSINESS STRATEGY

Continuous Focus on Innovation

We recognize the importance of **continued innovation in packaging products** to cater the needs of various customers. As part of our efforts, we have been continuously working towards **enhancing the utility and feature of our existing products and create new packaging products**

Continue to invest in research to develop new products

Focusing on R&D with new features , more efficient machine , new technologies.

We consistently **invest in R & D** to innovate and widen product range

Focus on cost reduction and improving cost efficiency

Through our research and innovation, we adopted various **cost reduction** measures including installation of high speed machines, low cycle times, backward integration- **EBIDTA has increased considerably during the last few years**

Increasing contribution from food, FMCG industry and IML products

With customization of IML technology and quality accreditation, we have been able to make **headway in food and FMCG industry**. As one of the **first companies to introduce IML in India**, we are in a better position to **leverage our experience** and increase contribution from this segment

Future Roadmap & Plans

The company has significant growth plans in the next 2-3 years with focus on high value adding products through both product & geographical expansion

Injection Blow Molding → Expansion → Digital Packaging

IBM with clear room manufacturing

Leverage our grip in Injection Molding (Mold design, IML, productivity) and provide low weight options to customers in Pharma, FMCG & Cosmetics

New Products, Plants & Industries

- Launch 3-4 concept products every year
- New plants in Kanpur, Hyderabad & double capacities in Vizag & Mysore
- Entering new industries like Seeds, Cheese, Fertilizers, Sweets etc.

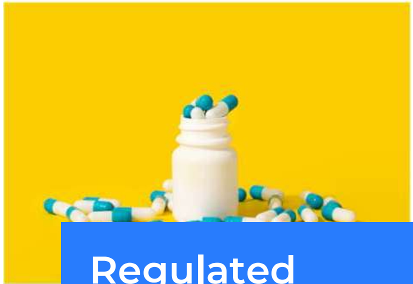
Variable QR coded IML

Receiving good response across industries. Expecting growth in IML share from existing customers and entry into new industries through this feature

In addition to these, the company is

- Confident of increasing IML adoption even in traditional industries.
- Gearing up to continue 30-40% YOY growth in Food & FMCG sales.

Injection Blow Molding
Project Update

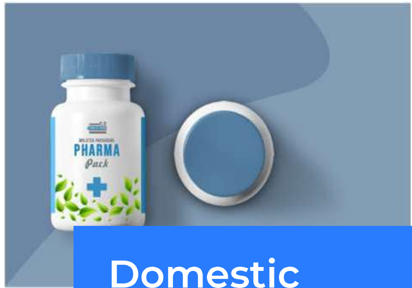


Regulated Pharma

Significant market size and business opportunity Requires DFM & USFDA approved manufacturing processes

FMCG & Cosmetics

Huge market with immense growth potential. Requires Hygiene and best decoration



Domestic Pharma

Rapidly growing market. Requires Hygiene and innovative concepts

During the DMF approval stage (FY22-23), plans to start supplies to FMCG & Cosmetics – encouraging discussions with potential customers

PROJECT PROGRESS

Implementation is in full swing and on target with all departments involved

- **Infrastructure**
  - Building for phase 1 is constructed and interiors are underway
  - Molds, Machines have been ordered
- **Compliance**
  - Clean room manufacturing process training underway
  - Standards being implemented
- **Marketing**
  - Approaching potential customers and response is encouraging

Digital IML

Unique QR coded IML with partially peel-able feature gives tremendous scope to customers

Moldtek supplies each container with 2 unique QR codes – one on the surface and another under the peel off. Top QR provides Unique identity while beneath QR gives loyalty benefits

The surface QR code will be used for Trace & Track / pushing information content

After purchase, the Buyer peel off & Scan the QR code on the reverse of the label.

Peeled => Used once
Replace coupons & manage promotions

One time peel off feature will provide Authenticity – Anticounterfeit

Track & Trace through the distribution supply chain

Embed new-age Promotions through QR code scans

Push Information & Training content on the dynamic QR code

PROJECT PROGRESS

Customer's response is encouraging. Already received first confirmed Order

- **Infrastructure**
  - Already in place; samples for customer trials underway
- **Technology**
  - Entered into MOU with IT service provider to provide track & trace & promotions platforms.
- **Trials**
  - Active trials at Paint (1), Lubricant (3) & FMCG (4) companies

SOME OF OUR CUSTOMERS IN FOOD, FMCG & PHARMACEUTICAL, PAINT & LUBRICANT INDUSTRIES

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Customers Added in Q1

Encouraging customer additions

Moving towards seasonal immunity

This quarter, in addition to multiple new customers across industries, the company was able to re-connect with in-active customers

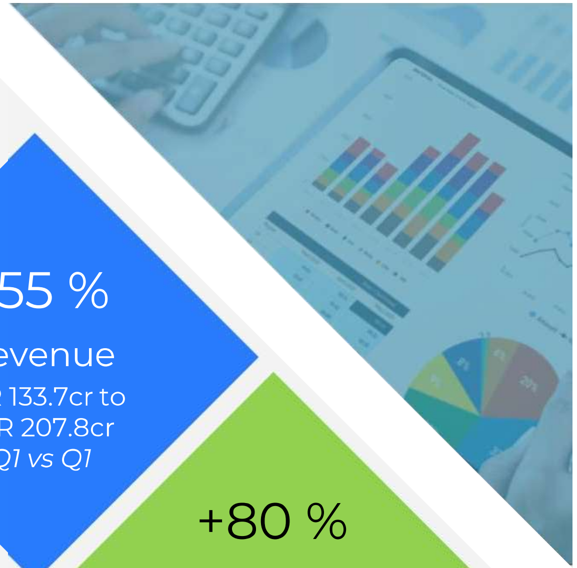
ExxonMobil
ANSCHEM
Akshayakalpa Organic
Mother Nutri Foods
A PEANUT BUTTER UNIT
M&M FOODS
moglix

82
New Food & FMCG customers added in Q1

930
New designs processed for our customers in Q1

800
New SKUs processed in Q1

Key Financial Highlights - Quarter



Snapshot

Finacial Performance & Highlights

INR 25.77 Crores raised through Rights Issue during the quarter

The Company has issued 18,67,518 rights equity shares at an exercise price of ₹184 upon conversion of detachable warrants into equity shares.

Revenue

The Company recorded a total revenue of INR 207.83 cr in Q1, compared to INR 133.73 cr in last year Q1 – a growth of 55%

Margins

The EBIDTA increased from INR 25.41cr in Q1FY'22 to INR 37.3cr in Q1FY'23, a growth of 47%.
During the same period, PAT increased by 80% from INR 12 cr to 21.71 cr in Q1FY'23

+55 %
Revenue
INR 133.7cr to INR 207.8cr
Q1 vs Q1

+47 %
EBIDTA / KG
INR 25.4 to INR 37.3
Q1 vs Q1

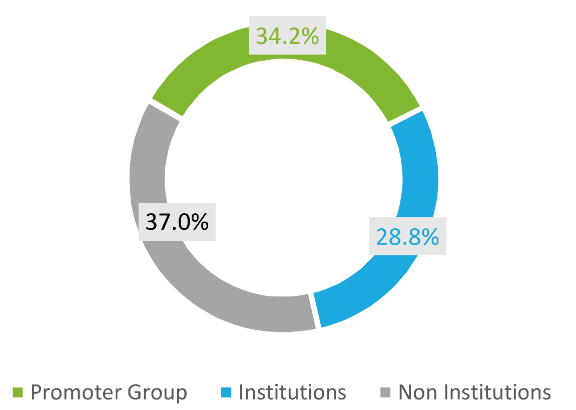
+80 %
PAT
INR 12.09cr to INR 21.71cr
Q1 vs Q1

+55 %
EPS
4.32 to 6.69
Q1 vs Q1

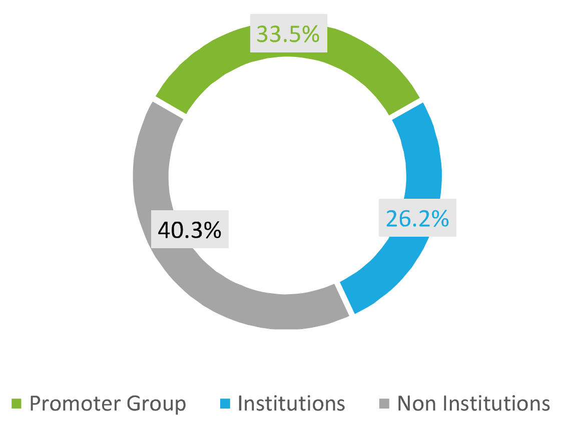
Shareholding Distribution of the Company

for last two Quarters

Shareholding Distribution
as on June, 30, 2022



Shareholding Distribution
as on March, 31, 2022



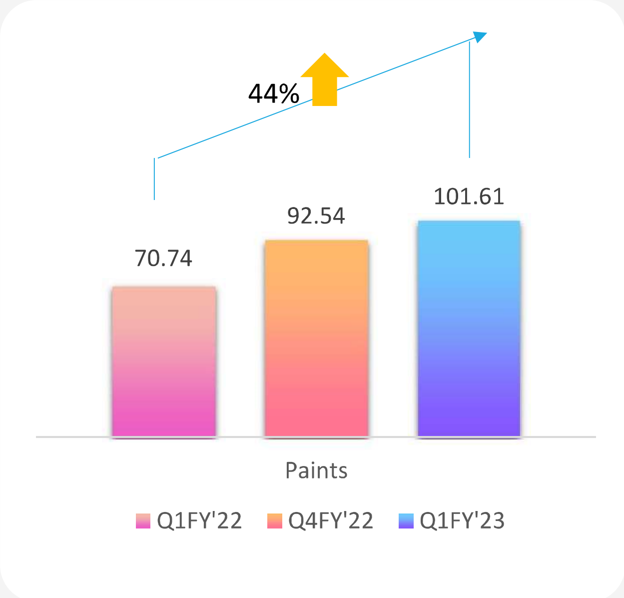
Profit & Loss Statement

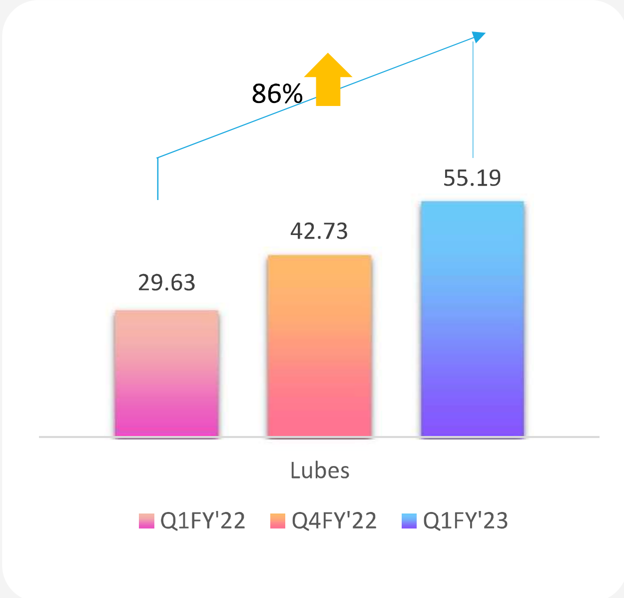
PARTICULARS IN (RS. CRORE)	Q1 FY23	Q4 FY22	Q1 FY22	YoY %	Q1oQ4 %	12M FY22	12M FY21	YoY %
Revenue	**207.83**	177.92	133.73	**55%**	17%	**631.47**	478.92	**32%**
Other Income	**0.13**	1.05	0.12	**8%**	-88%	**1.56**	0.60	**160%**
Total Expenditure	**170.66**	146.15	108.44	**57%**	17%	**510.78**	382.97	**33%**
Material Cost	**126.64**	110.17	81.99	**54%**	15%	**384.82**	277.77	**39%**
Changes in FG & WIP	**2.33**	-1.35	-3.52	**-166%**	-273%	**-8.23**	-5.36	**54%**
Employee Benefit Expense	**10.87**	10.62	8.9	**22%**	2%	**38.68**	32.69	**18%**
Other Expense	**30.82**	26.71	21.07	**46%**	15%	**95.51**	77.87	**23%**
EBITDA	**37.3**	32.82	25.41	**47%**	14%	**122.25**	96.55	**27%**
EBITDA Margin(%)	**17.95%**	18.45%	19.00%	**-105bps**	-50 bps	**19.36%**	20.16%	**-80 bps**
EBITDA per KG	**41.27**	39.11	42.49	**-3%**	6%	**41.80**	36.72	**14%**
Finance Costs	**1.01**	1.13	2.69	**-62%**	-11%	**9.32**	9.94	**-6%**
Depreciation and Amortisation	**7.13**	6.87	6.16	**16%**	4%	**26.42**	21.48	**23%**
PBT	**29.16**	24.82	16.56	**76%**	17%	**86.51**	65.13	**33%**
Tax Expense & Exceptional item	**7.45**	7.51	4.47	**67%**	-1%	**22.85**	17.04	**34%**
PAT	**21.71**	17.31	12.09	**80%**	25%	**63.66**	48.09	**32%**
PAT Margin(%)	**10%**	10%	9%	**141 bps**	27 bps	**10%**	10%	**4 bps**
EPS Basic (Rs.)	**6.69**	5.68	4.32	**55%**	18%	**22.12**	16.86	**31%**

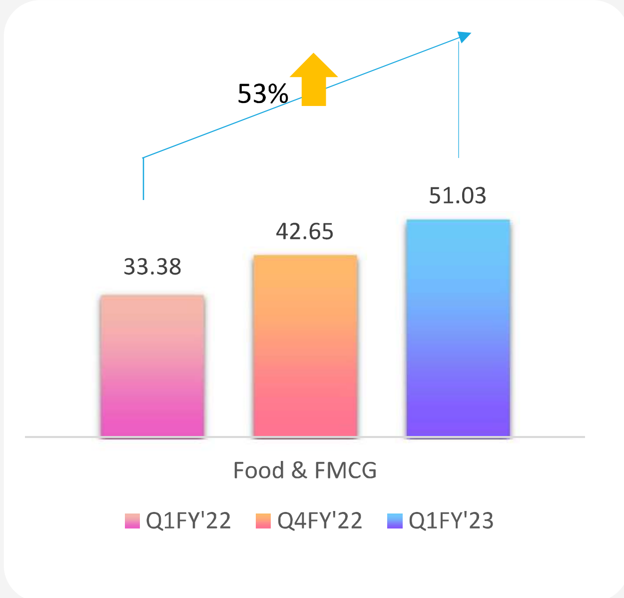
Operating Expenditure

PARTICULARS	UOM	FY23	FY22	YoY %	FY22	QoQ%	FY22	FY21	YoY %
Q/Y		Q1	Q1		Q4		12M	12M	
RM COST	Rs. Cr.	111.25	66.83	66%	94.89	17%	324.36	229.63	41%
CONSUMABLES	Rs. Cr.	20.91	13.55	54%	16.33	28%	61.05	49.32	24%
STAFF COST	Rs. Cr.	10.87	8.90	22%	10.62	2%	38.68	32.69	18%
CONT MP COST	Rs. Cr.	8.08	6.02	34%	7.21	12%	26.77	20.89	28%
POWER COST	Rs. Cr.	7.03	4.58	54%	5.27	33%	19.88	16.73	19%
M/C MAIN	Rs. Cr.	1.39	0.98	42%	0.95	46%	4.28	2.83	51%
MOULD MAIN	Rs. Cr.	0.48	0.49	-2%	0.68	-29%	2.77	1.34	107%
MAIN BUILD	Rs. Cr.	0.57	0.11	434%	0.29	99%	0.63	0.53	19%
MAIN OTHERS	Rs. Cr.	0.63	0.44	43%	0.68	-7%	2.30	1.56	48%
FREIGHT COST	Rs. Cr.	6.78	4.41	54%	6.24	9%	20.43	17.98	14%
TRAVEL COST	Rs. Cr.	0.63	0.25	153%	0.39	60%	1.56	0.78	101%
CSR COST	Rs. Cr.	0.03	0.17		0.94		1.12	2.21	
BAD DEBTS	Rs. Cr.	0.06	0.07		0.03		0.14	0.16	
ADMIN COST	Rs. Cr.	1.93	1.66	17%	1.63	19%	6.77	6.32	7%
TOTAL		170.65	108.44	57%	146.14	17%	510.74	382.97	33%
PRODUCTION	Tons	9144	6429	42%	8406	9%	30144	26909	12%
SALE	Tons	9037	5978	51%	8395	8%	29250	26293	11%

Customer Segment **Analysis**







Revenue breakdown for major segments

Capacity Utilisation

UNIT	Capacity in MT 12m	Capacity in MT in 3M (Q1)	Production	Utilisation (%)
Unit I	13850	3463	2925	84%
Unit II	3750	938	722	77%
Unit III	9700	2425	1927	79%
Unit IV	1250	313	240	77%
Unit VII	5040	1260	914	73%
Unit VIII	5400	1350	1254	93%
Unit IX	4800	1200	1010	84%
Unit XI	1500	375	153	41%
TOTAL	**44540**	**11323**	**9145**	**81%**
VI (Film)	750	188	139	74%

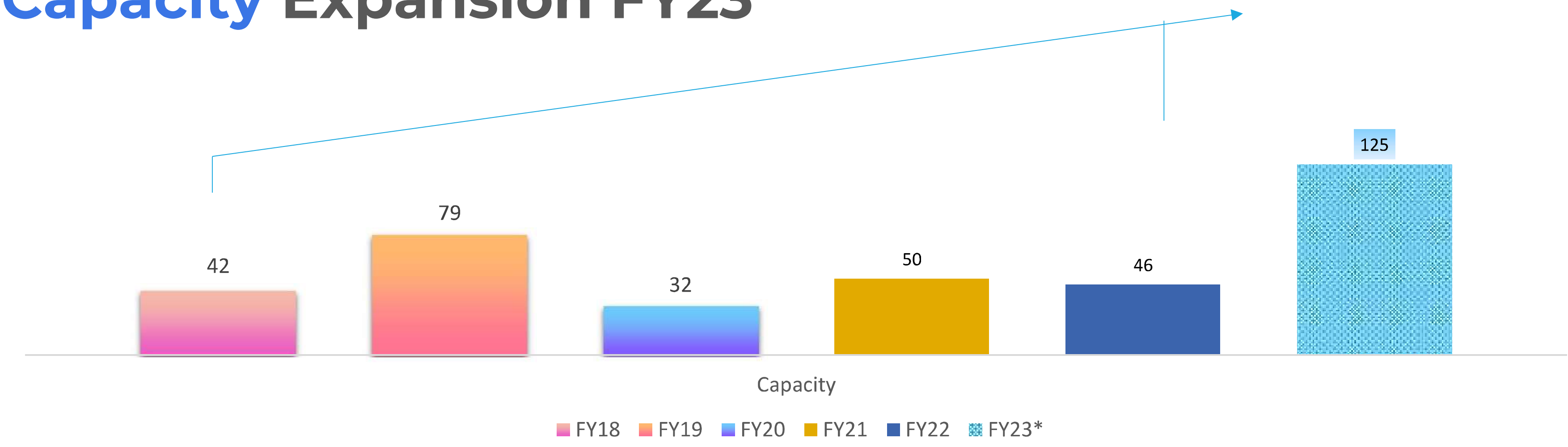
Company First time in the history achieved more than 9000MT sales volume in a Quarter and hope to achieve 36000MT against 29250MT in FY22

Capacity Expansion

THIN-WALL	BULK PACKS	IBM	IML LABELS	TOOL ROOM
• 4700 MT will be added Sulthanpur, Daman	• 2600MT will be added Daman, Vizag, Hyderabad, Kanpur	• 2000MT will be setup Sulthanpur, Hyderabad	• Doubling capacity to 4.5 cr labels per month	• Per month capacity will increase from 4 in 2021 to 8 in 2023

In addition to this, the company is planning to add new designs & shapes for Food, FMCG & Lubricant industry

Capacity Expansion FY23



PROJECT	AMOUNT IN CR.
SULTANPUR (PHARMA & TW)	50
DAMAN NEW PLANT	30
LABEL (PRINTING & CUTTING)	17
TOOL ROOM	5
ADDING CAPACITY TO EXISTING PLANTS	23
TOTAL	125

Leverage Position

Particulars in Cr.	Jun-22	Mar-22
Short term Debt	5.42	7.32
Long Term Debt	22.36	25.37
Current Maturities	12.57	11.32
Total Debt	40.36	44.01
Cash & Cash Equivalents	1.86	4.12
Net Debt	38.50	39.89
Equity	477.69	457.1
Net Debt/ Equity	0.08	0.09

Corporate social Responsibility


Setting up of R O Water Plant at Kakinada District of Andhra Pradesh.


Construction of School Building at Annaram, Medak Dist. of Telangana


Ration Distribution in view of impact of Covid-19 to the needy


Construction of Mahila Bhavan at Sangareddy District of Telangana


Contribution to Sight Savers India

THANK YOU