

September 26, 2022

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

Sub: Regulation 30 of SEBI (LODR) Regulations, 2015

Ref: 37th Annual General Meeting Presentation.

We are pleased to enclose herewith our presentation made at the 37th Annual General Meeting held on September 26, 2022.

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

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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,
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Polyplex Corporation Limited

2021-22 Annual General Meeting of Shareholders

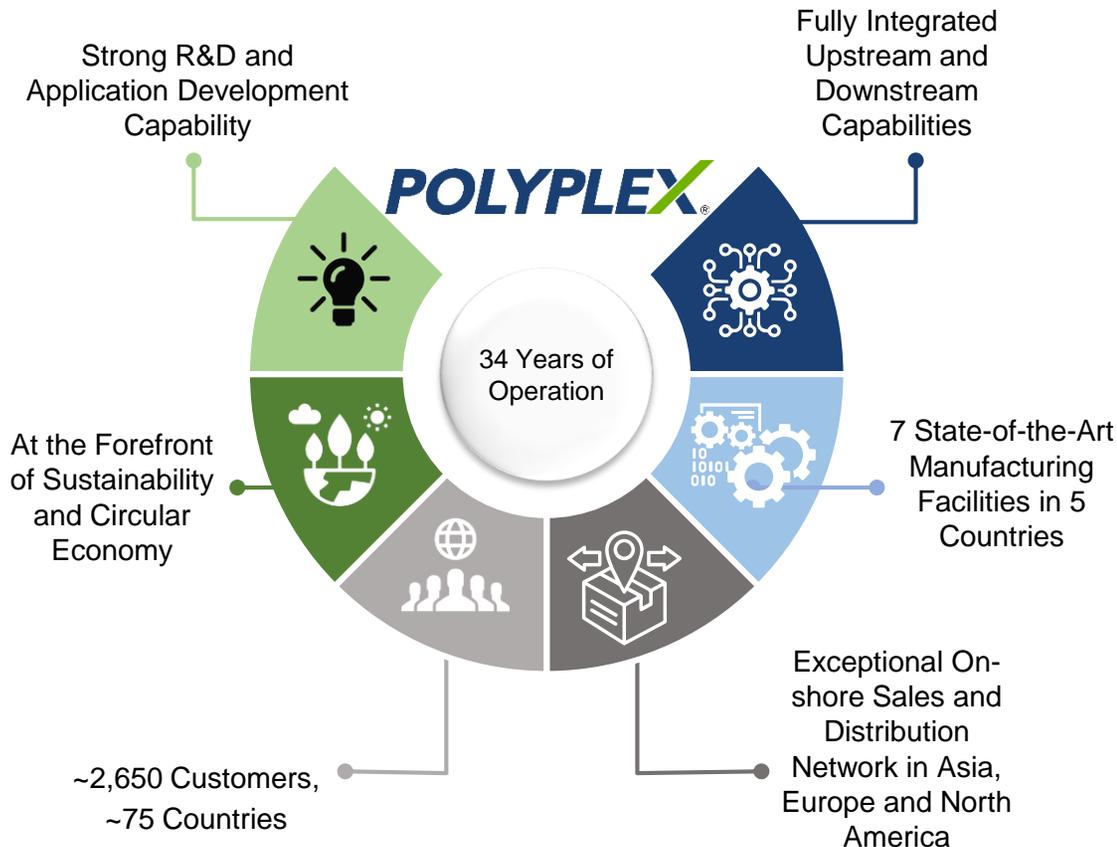
September 26, 2022



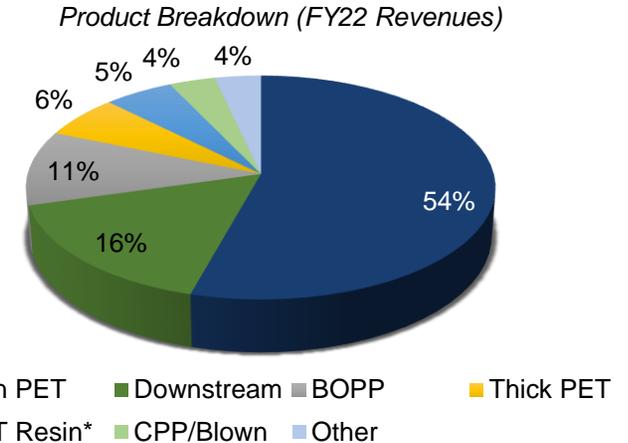
Polyplex at a Glance

- Integrated and diversified manufacturer of plastic film substrates including BOPET (thin & thick), BOPP, CPP and Blown PP / PE
- Wide offering of specialty, innovative and differentiated products across a variety of packaging, electrical & electronic and other industrial applications
- Unique value proposition of on-shoring, off-shoring and near-shoring for a global customer base, while maintaining cost leadership
- Superior sales & distribution network and strong technical support in key demand centers driving deep customer relationships

Unique Global Business Model...



...With a Diverse Product Profile...



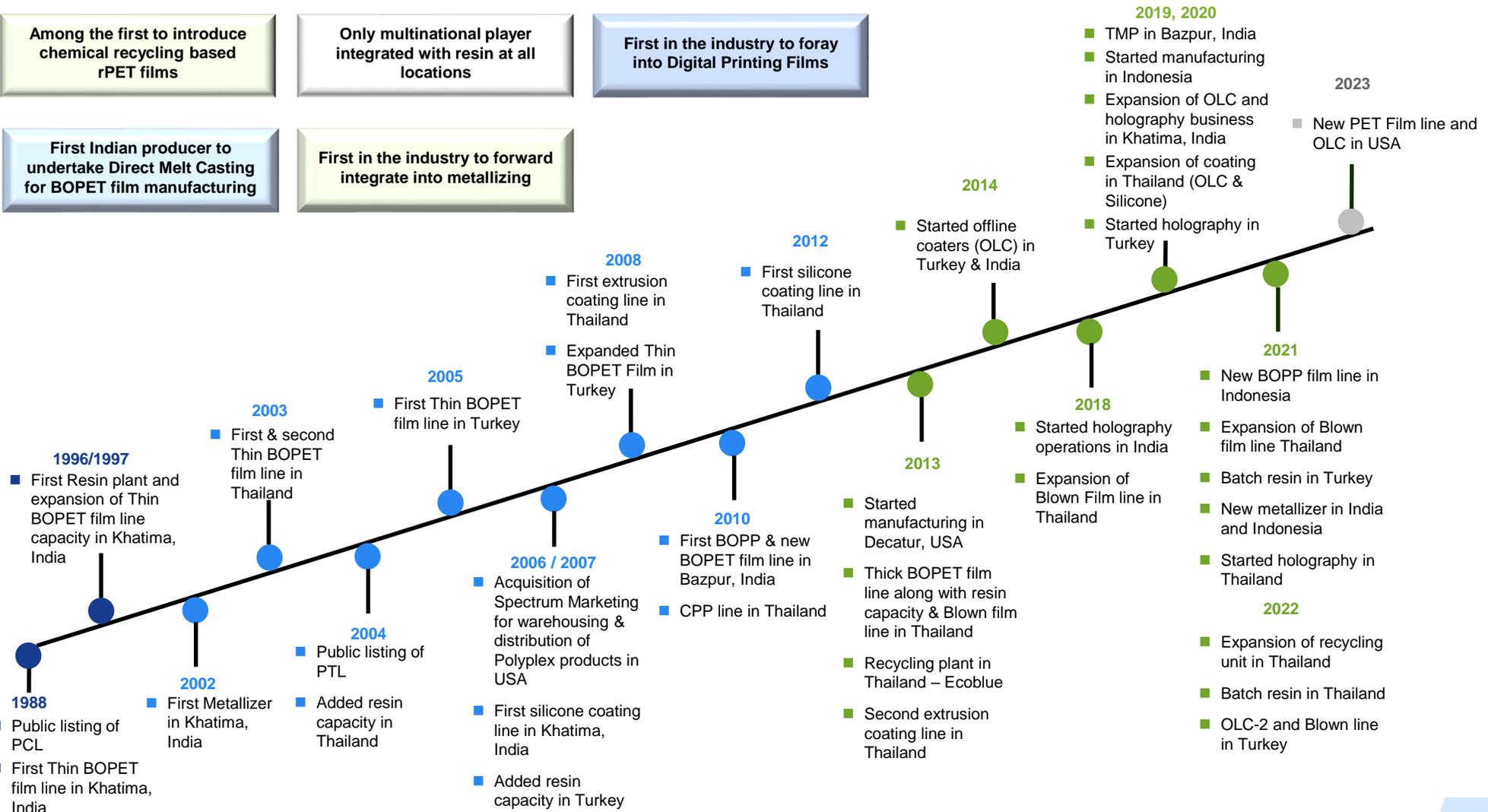
...Across a Wide Range of Applications

Packaging	Industrials
Food & Beverage	Electrical & Electronic
Labels	Building & Construction
Beauty, Personal & Home Care	Film for Liners, PV and LiB for EV
Healthcare & Pharma	Digital

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

Trend-Setter With Many 'Firsts' in the Industry

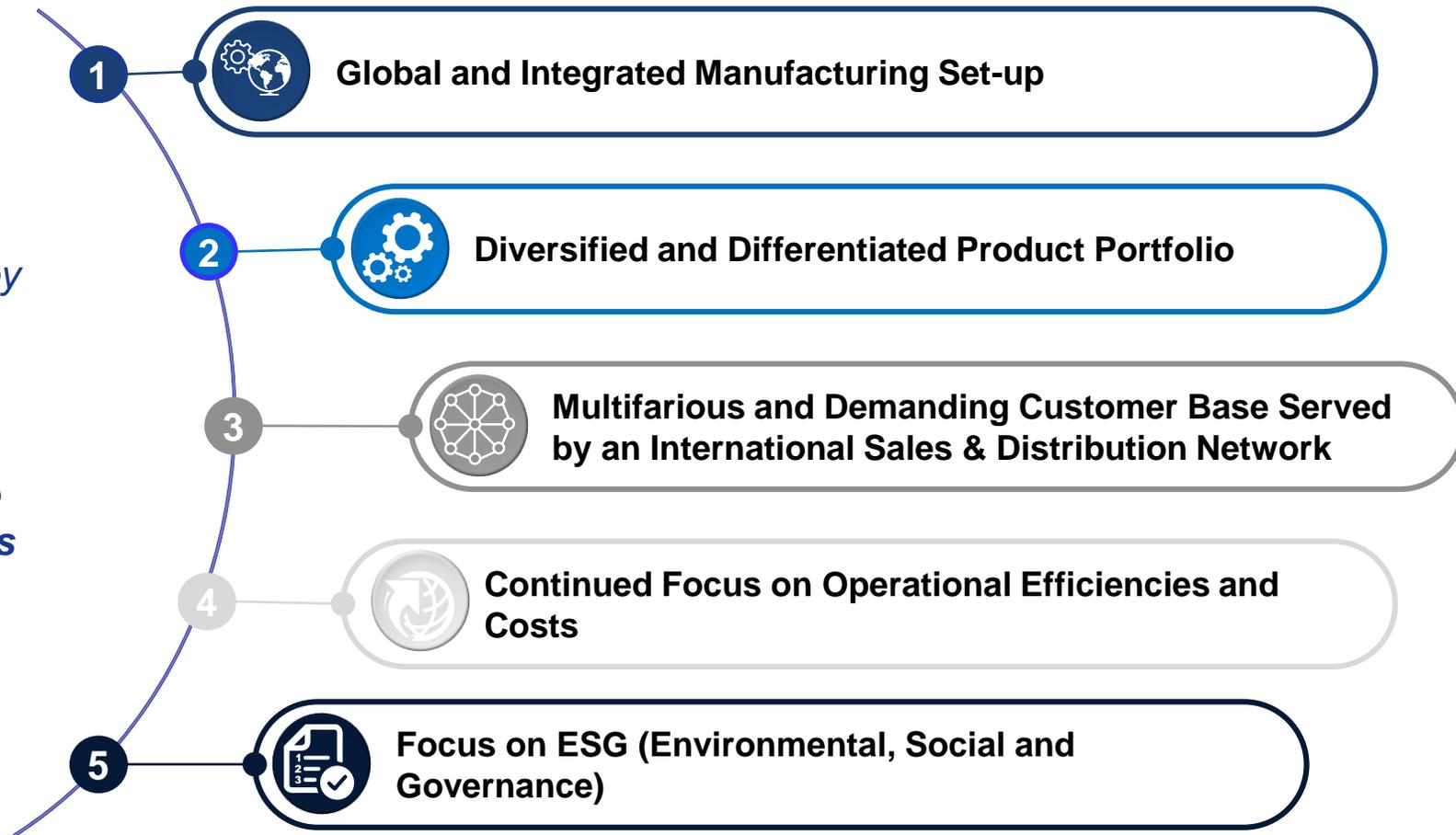
First Indian manufacturer to set up overseas operations	First in the industry to operate 10.6-meter line @ 675 mpm	First in the industry to invest in post-consumer and post-industrial plastic waste recycling
Among the first to introduce chemical recycling based rPET films	Only multinational player integrated with resin at all locations	First in the industry to foray into Digital Printing Films
First Indian producer to undertake Direct Melt Casting for BOPET film manufacturing	First in the industry to forward integrate into metallizing	



Success Enablers

*Polyplex is the **ONLY** Player to Combine Key Attributes...*

*...Resulting in **Stable and Superior Margins***



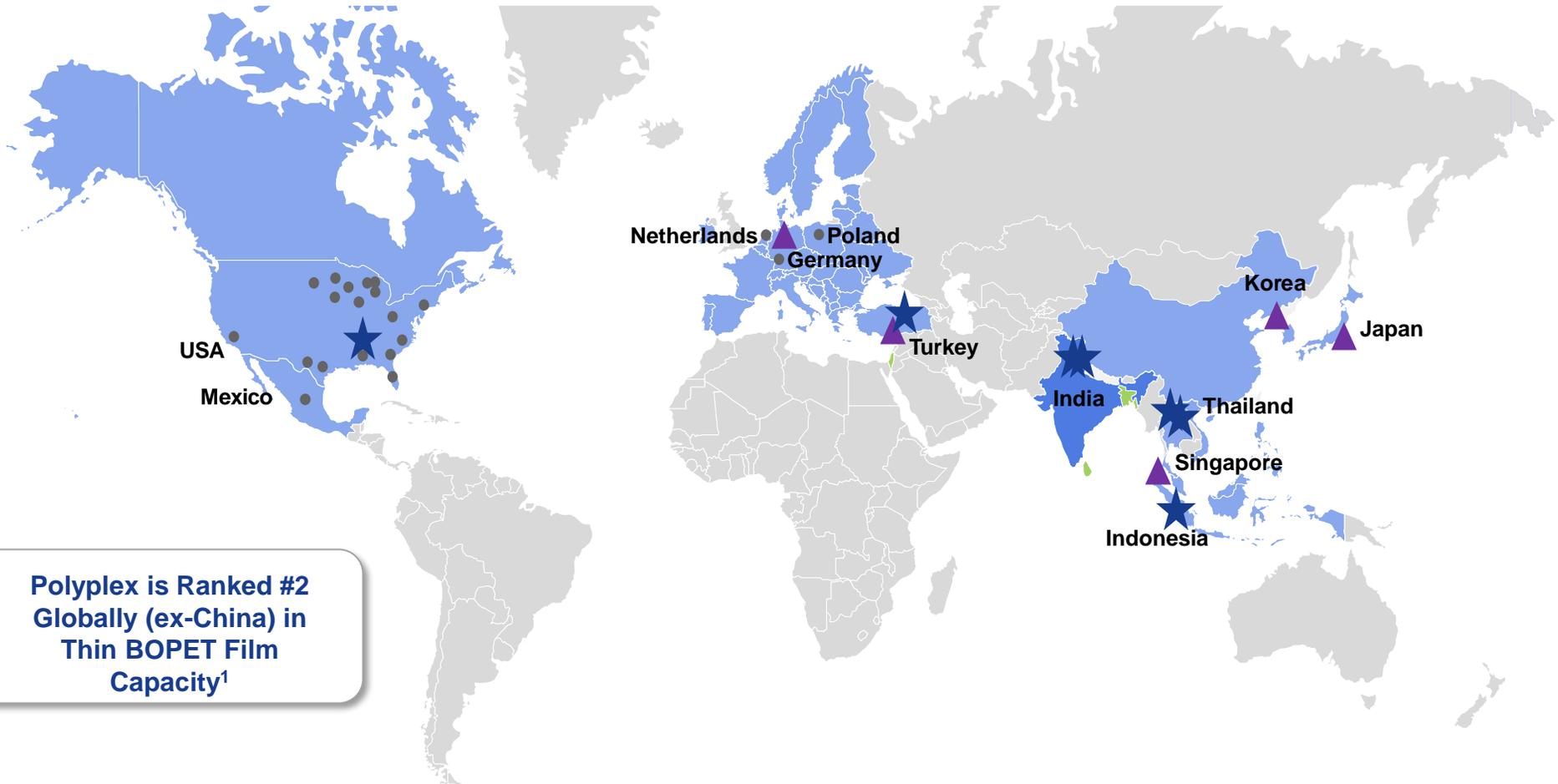
Global market share of ~10% (ex. China) in Thin BOPET Films

1

A Self-Contained Manufacturing & Sales Capability in Each Region

Manufacturing Proximity and an Entrenched Sales & Distribution Network in Major Demand Centers Ensure a Reliable Supply Chain for Customers

7 Manufacturing Facilities In **5 Countries** with Multiple Warehouses & Liaison Offices Worldwide with Total Base Films Capacity¹ of **436k MTPA** (BOPET Films: **313k MTPA**)



Polyplex is Ranked #2 Globally (ex-China) in Thin BOPET Film Capacity¹

★ Group Manufacturing Locations
 ● Warehouses
 ▲ Trading Company/Representative Office
 Countries with Direct Sales Presence
 Agent Presence

¹ Including capacity under implementation

1 Integrated Manufacturing Capacities Across Geographies

Ability to Provide a Comprehensive Suite of Products in Each Manufacturing Location

	Resin		Base Films					Value Added Films			
	PET Film Resin ¹ (MT)	Mechanically Recycled Resin ² (MT)	BOPET Thin (MT)	BOPET Thick (MT)	BOPP (MT)	CPP (MT)	Blown PP / PE (MT)	Metallized (MT)	Holography (MT)	Coated ³ (mm SQM)	TMP (mm SQM)
India	77,600		55,000		35,000			32,500	4,080	257	83
Thailand	1,06,050	43,000	42,000	28,800		10,000	13,645	21,700	960	985	
Turkey	75,850		58,000				4,392	20,700	480	320	
USA	28,400 57,600		50,000 31,000					9,250		120	
Indonesia	90,000		48,000		60,000			18,000			
Total	435,500	43,000	284,000	28,800	95,000	10,000	18,037	102,150	5,520	1,682	83

Total Resin Capacity (incl. upcoming capacities):
478,500 in MTPA

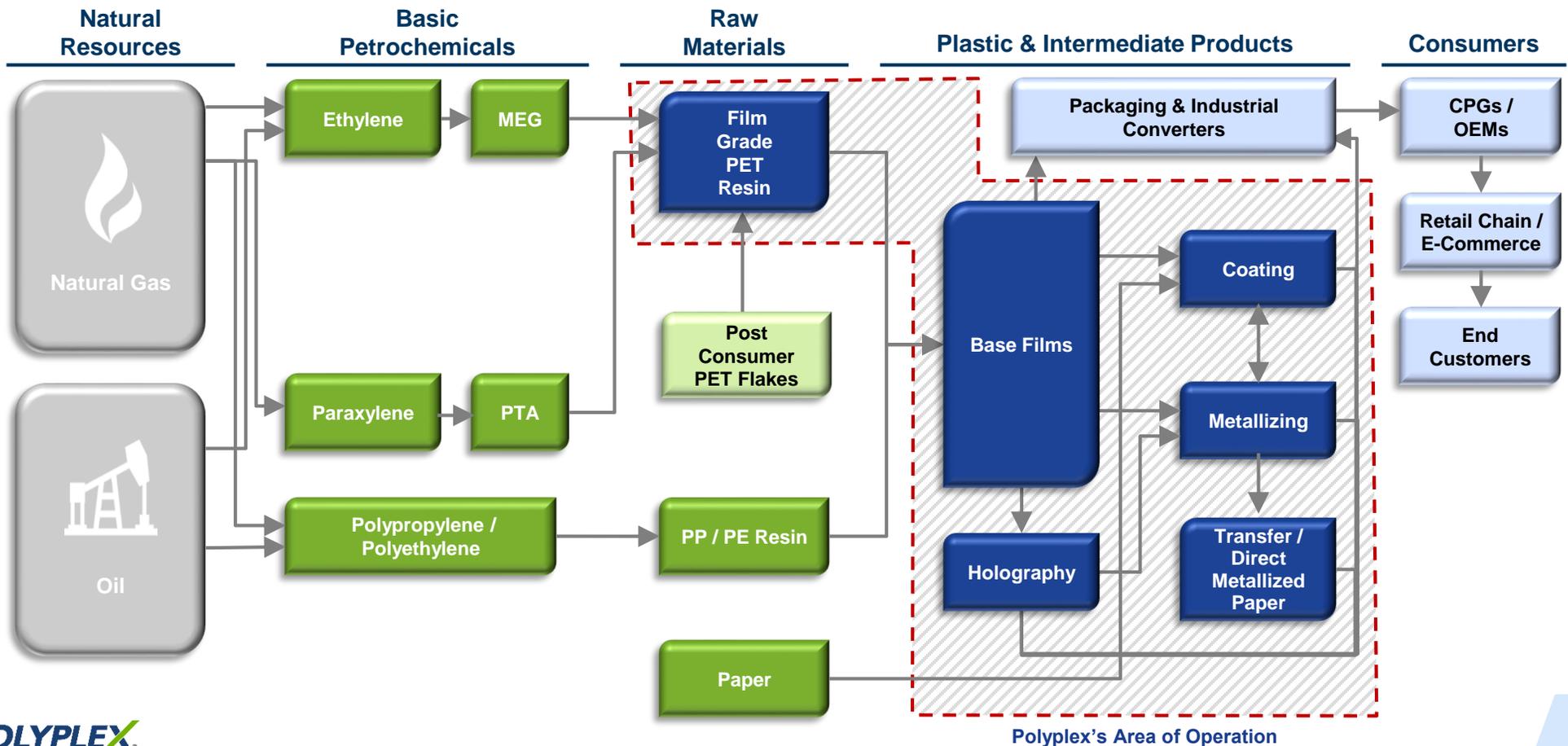
Total Base Films Capacity (incl. upcoming capacities):
435,837 in MTPA

Upcoming capacity

1 Integrated Manufacturing Has Broadened Product Portfolio

Base Film Lines with Upstream PET Resin Plants and Downstream Capabilities

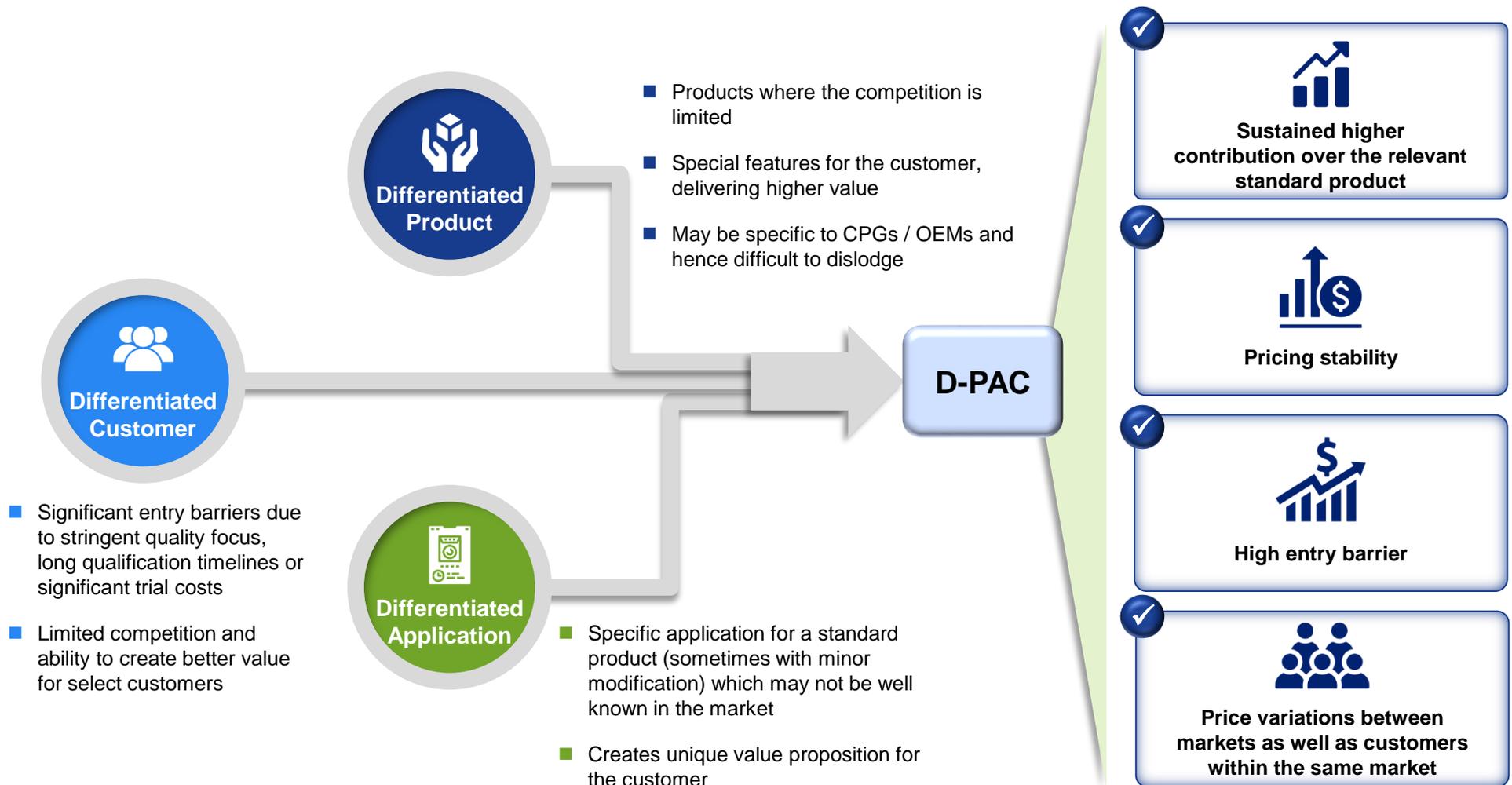
- The only global player with resin plants at all manufacturing locations
- Forward integration provides ability to undertake one or more downstream processes on the Base film, leading to higher innovation and value addition, while ensuring cost effectiveness and reduced volatility
- Backward integration is vital to developing resins required for specialty products, apart from enhancing cost competitiveness and ensuring supply security
- In-house mechanical and chemical recycling furthers Polyplex's sustainability goals, by replacing virgin PET resins (made from PTA and MEG) with Post consumer PET bales / flakes



Focus on Highly Differentiated Specialty Film Sales

Differentiated Product, Application or Customer (D-PAC): Drives Polyplex's Right to Win in a Competitive Industry

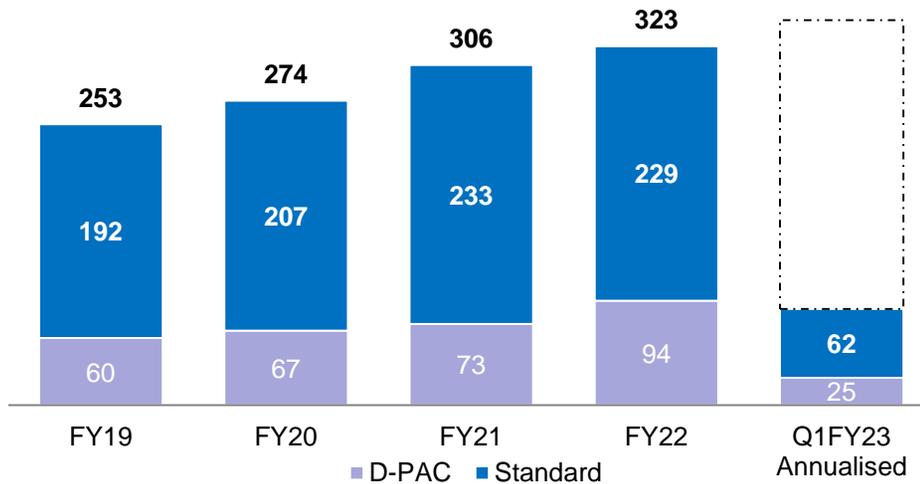
Unique value proposition of differentiated products, applications and customers has led to a healthy growth in specialty portfolio



2 Increasing Contribution of D-PAC Sales

Continued Increase in D-PAC Volumes...

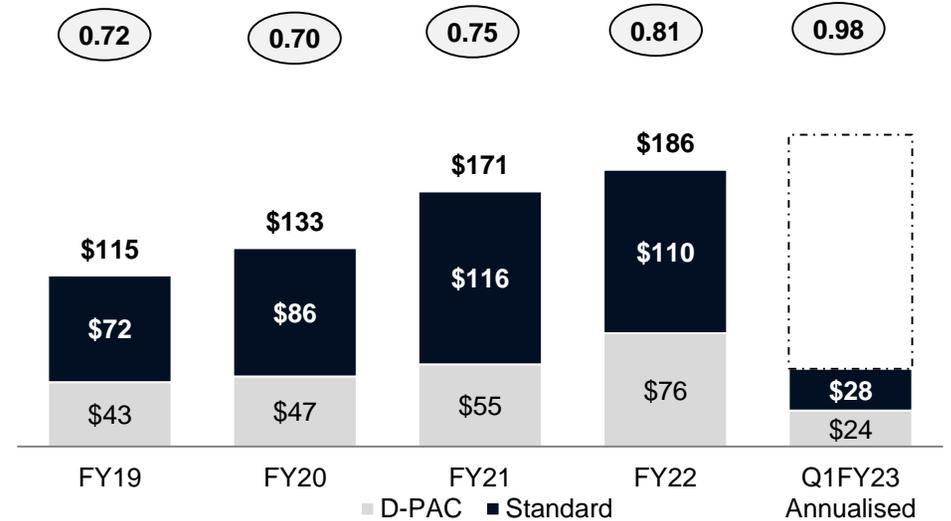
KMT (films)



...Resulting in Growth of Incremental¹ D-PAC EBITDA

Incremental EBITDA for D-PAC (\$ / kg)

EBITDA (\$ million)



Polyplex's Unique Strategy

Constant addition of new products to the differentiated portfolio, effectively "replacing" older and standard products

Sustained investments in projects in Turkey, US, India and Thailand expected to drive growth in D-PAC sales

Strong relationships and continued engagement with anchor customers for an iterative product development process

¹ The contribution from D-PAC sales to the overall EBITDA represents "incremental" margin over and above standard products net of additional costs (raw materials, differential productivity, wastages and conversion costs). As an illustration, if standard film price is 100, D-PAC product price is 200 and additional cost is 30, then the resulting incremental margin would be 70;

Global and Well-Diversified Customer Base

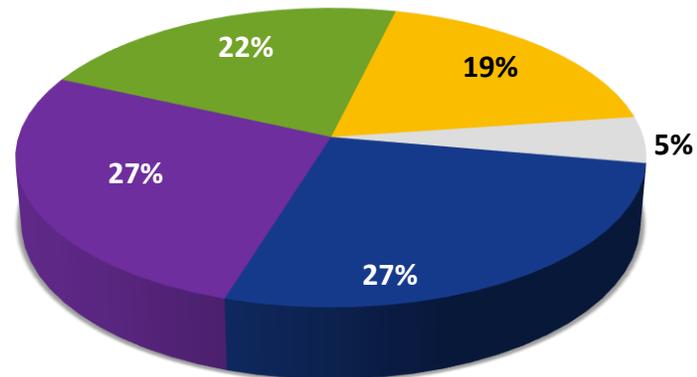
Deep-Rooted Relationships with Key Customers Spanning Over 15+ Years

- Tier I supplier to leading global and regional converters who cater to global CPGs / OEMs
- Strong manufacturing and distribution capabilities helps capitalize on the increasing preference of customers to source locally



Access to Global Customer Base...

Geographic Business Mix (FY22 Revenue)



■ Americas ■ Other Asia ■ Europe ■ India ■ RoW

...Given Capability of Catering to Customers' Preference for Local Sourcing

- ✓ Domestic availability helps in improving supply chain reliability and optimizing inventory
- ✓ Changing needs of CPGs/ OEMs requiring quick turnaround
- ✓ Flexibility in small order deliveries and responding to unplanned requirements
- ✓ Domestic purchase reduces risk from pricing and foreign exchange movements
- ✓ Limited financial capability of small customers



~2,650 customers in ~75 countries across Europe, Asia (ex-India), India, the Americas and RoW



Packaging and Industrial applications (70% and 30% of FY22 turnover respectively)



Diversified end-use across several industries



Low customer concentration risk with top 10 film customers accounting for 27% of total FY22 turnover

Continued Focus on Operational Efficiencies and Costs



■ Business process continuous improvement and excellence programs

- Undertaking several initiatives to improve business processes and optimize costs through continuous improvement in the areas of productivity, wastage, freight, packing, energy conservation, inventory management and other processes
- Benefits from these programs have been accruing over the last several years and incremental benefits are expected in the future as well



■ Structure new investments to build on leadership in delivered cost

- Near-shore and on-shore manufacturing strategy
- Benefit from logistics and trade duty differentials



■ Capacity utilization

- Ensuring ~100% CUF across all manufacturing plants even in the context of global over-capacity (if any):
 - Swift ramp up in capacity utilization of new BOPET, BOPP and other downstream assets
- Debottlenecking existing assets



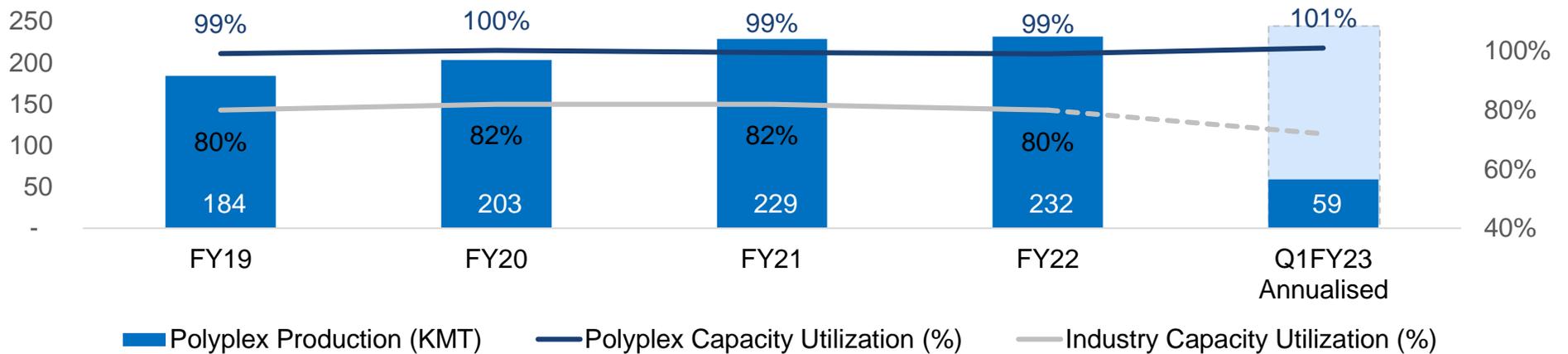
■ Asset configuration

- Cost efficiency through large contemporary assets being used for standard products
- Continue to repurpose older lines for producing specialty films efficiently
- Economies of scale through minimum asset base of two base film lines, resin plant and downstream capabilities at each manufacturing location

Strong Capacity Utilization

Polyplex has consistently improved capacity utilization through debottlenecking and outperformed the industry

(Thin BOPET Film utilization)



Key Drivers for Strong Capacity Utilization

Deep customer access and higher market penetration in key demand centers due to multi location manufacturing

Higher and increasing proportion of specialty films

Extensive sales and distribution network with local warehousing

Ability to move material between different regions depending on local market conditions

Diversification across packaging and industrial segment and in-house downstream businesses with varying market conditions

Consistent improvement in productivity and cost competitiveness

Note:

Polyplex CUF is calculated based on the extant capacity;

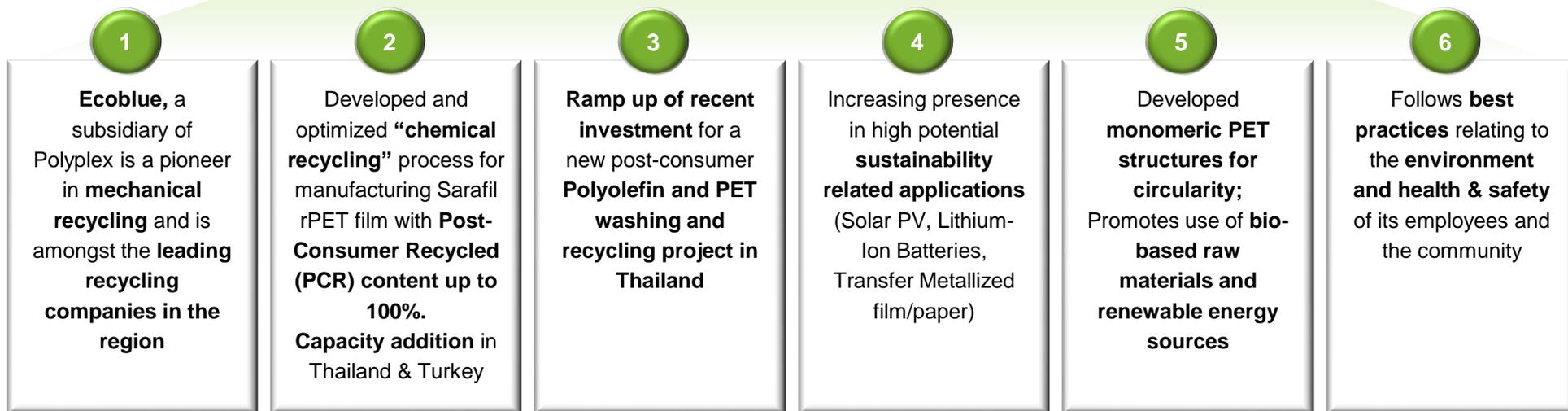
Industry CUF as per CY, Polyplex CUF as per FY; Industry CUF is based on internal estimates;

Expected Global CUF of the Industry will decline in CY22 as per demand supply estimates

5 Pioneer in Sustainable Products and Processes in the Industry

Strong Commitment Towards Sustainability Focused Innovative Solutions

- Spearheading post-consumer and post-industrial waste (PIW) recycling in the industry towards achieving the goal of circular economy
- Has taken various initiatives to recycle waste, save energy and use clean technology to assert environmental commitment



Partnering with Leading Brands to Develop Sustainable Products

Active Participation in Several Industry Groups



Significant Value Creation Potential Ahead

Self-Funded Business Model with Several Growth Drivers in Place

With a net cash positive balance sheet, strong financing capability and a deeply embedded global sales and distribution network, the platform is capable of self-funding investments needed to drive multiple initiatives for sustained and profitable growth

- Focus on **increasing the volume of specialty films** in the existing product portfolio
- Introduce new products for existing applications

Increase Product Portfolio and Specialty Focus



- Applications with **limited or no presence**
- **Potential new applications:** LiBs for EV

Expanding End-use Applications



- **Capacity addition in pipeline:**
 - BOPET: US
 - OLC: US
 - Metallizer: Turkey

Capacity Expansion



- **Strengthening market leadership and optimizing cost base by:**
 - **Repurposing the older lines** to specialty film production
 - Adopting the **latest technology**
 - Increasing **productivity**

Continued Focus on Optimal Cost Structure



- Promoting usage of **sustainable products** and develop recycling programs for customers
- Working in **close collaboration** with industry associations, converters, brand owners, recyclers and research organizations on post-consumer flexible packaging waste

Thrust on Sustainability



- Potential to evaluate value accretive **M&A opportunities**
 - Further enabled by strong balance sheet and cash flow generation

Geographical Expansion (Organic / Inorganic)



Financial Performance – Snapshot

India Rating & Research
IND AA- (Positive Outlook)

Superior Value Creation Over the Years...

(Q1 FY 22-23)

(FY 21-22)



\$263mm
Revenue#



\$52mm
Normalized
EBITDA*



\$887mm
Revenue#



\$186mm
Normalized
EBITDA*



20%
Normalized
EBITDA*
Margin



29%
ROCE¹



21%
Normalized
EBITDA*
Margin



27%
ROCE¹

...Driven by Strong, Sustainable Profitability



Widening of the
Product Portfolio



Operational Efficiencies
and Cost Optimization



Increasing Share of D-
PAC Sales



Market Positioning

FY 21-22 Performance Snapshot

YoY Growth
(FY 21-22 v/s FY 20-21)

<p>Sales Volume (All Films) 3,22,785 MT</p>	<p>6% ↑</p>
<p>Sales Revenue 6,607 INR Crores (\$ 887 million)</p>	<p>35% ↑</p>
<p>Normalized EBITDA 1,382 INR Crores (\$ 186 million)</p>	<p>9% ↑</p>
<p>PAT (Before Minority) 965 INR Crores (\$ 130 million)</p>	<p>12% ↑</p>
<p>EPS 181.19 INR/Share</p>	<p>11% ↑</p>

Factors impacting FY 22 vs. FY 21:

- Higher volumes supplemented by start up of BOPP line in Indonesia in Dec'21
- Higher Revenue due to rise in sales price on account of higher RM cost
- In FY 21-22, there is an unrealised FX gain of INR 53.88 crores (\$ 7.23 million) as against unrealised FX gain of INR 5.79 crores (\$ 0.78 million) in FY 20-21 on account of restatement of foreign currency long term loans

Sustained and Profitable Growth (1/2)

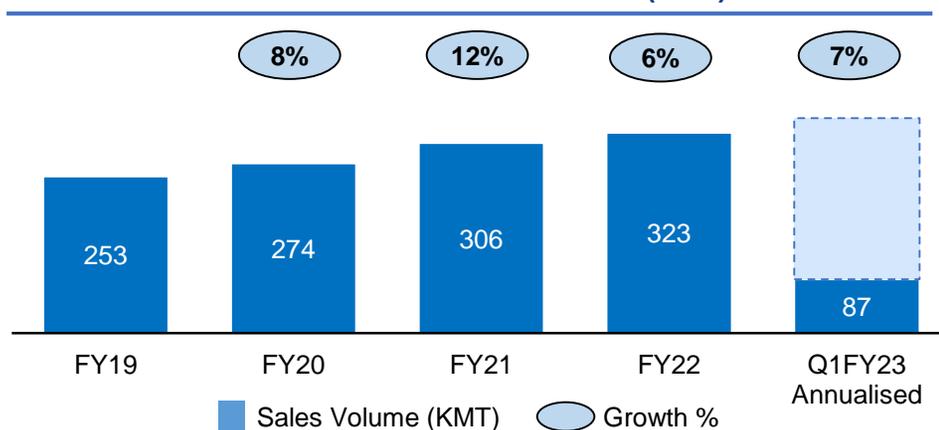
Strong Growth

Improving Profit Margins

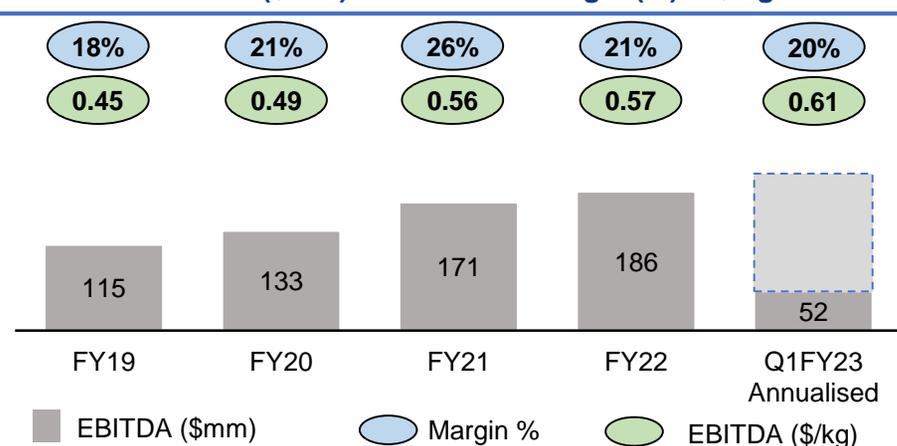
Steady Cash Flow Generation

Robust Balance Sheet

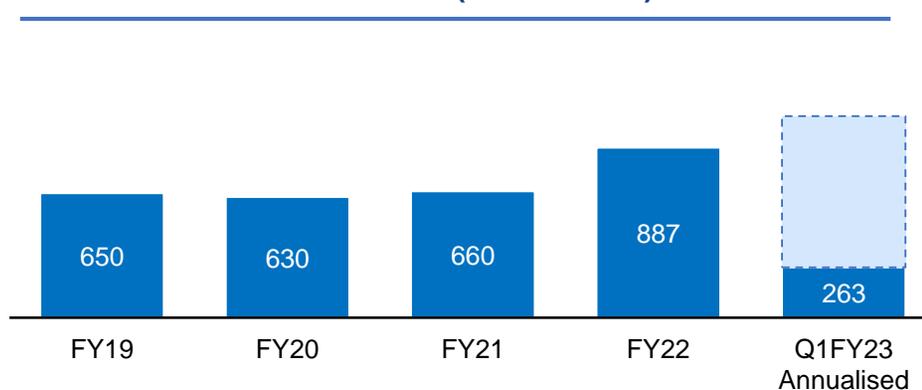
Sales Volume Across All Films (KMT)



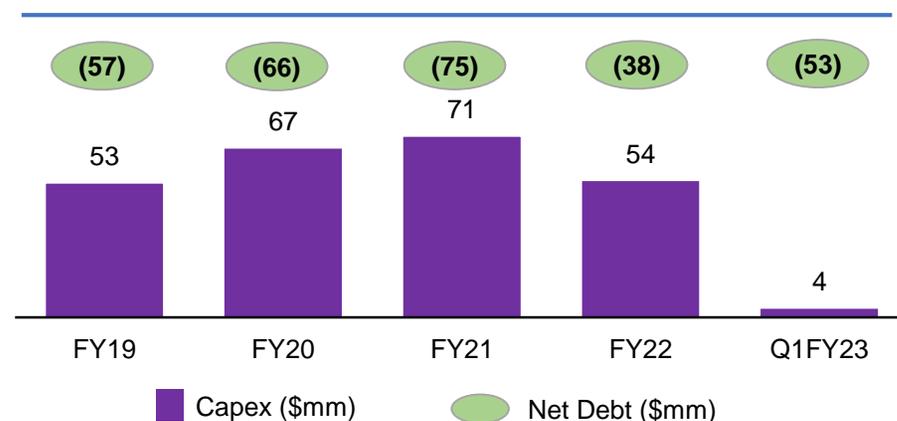
EBITDA (\$mm) and EBITDA Margin (%) & \$/kg



Revenue (USD million)



Capex (\$mm) & Net Debt (\$mm)



Sustained and Profitable Growth (2/2)



Strong Growth



Improving Profit Margins

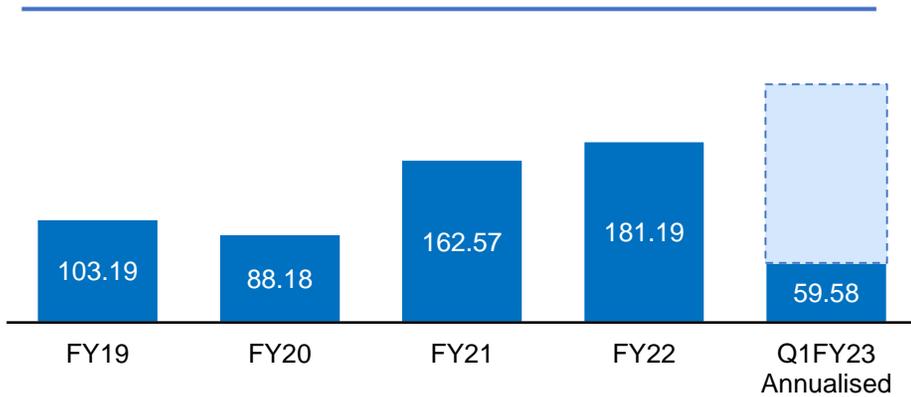


Steady Cash Flow Generation

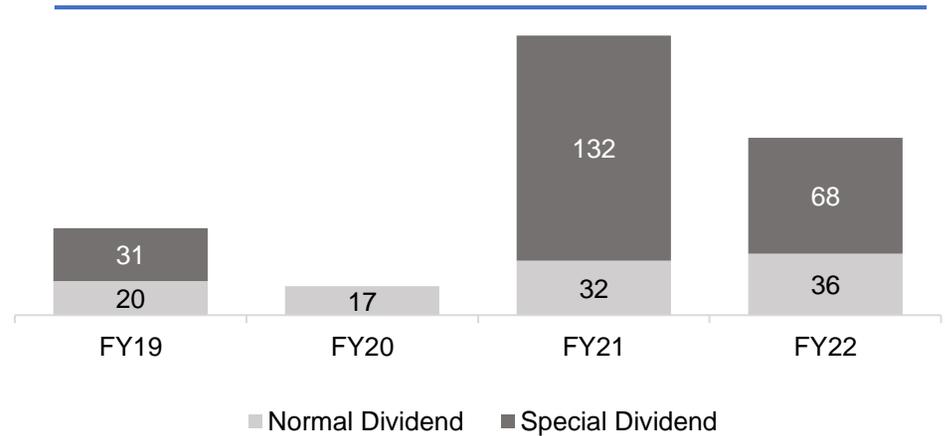


Robust Balance Sheet

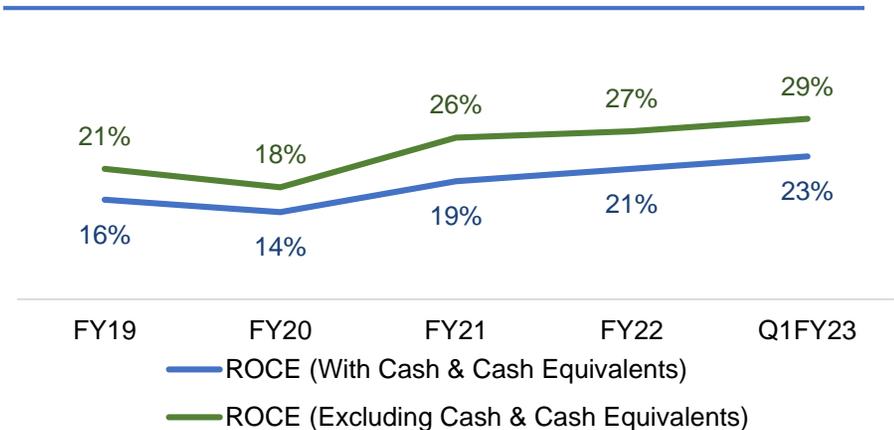
EPS (INR/Share)



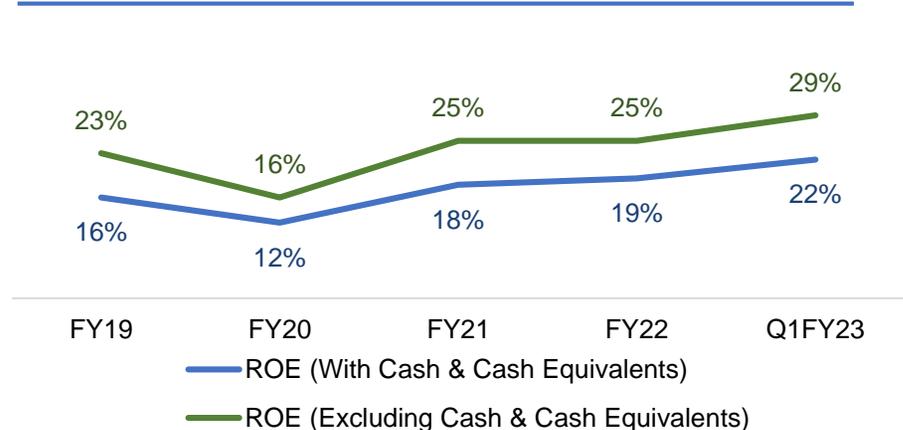
Dividend Per Share (INR/Share)



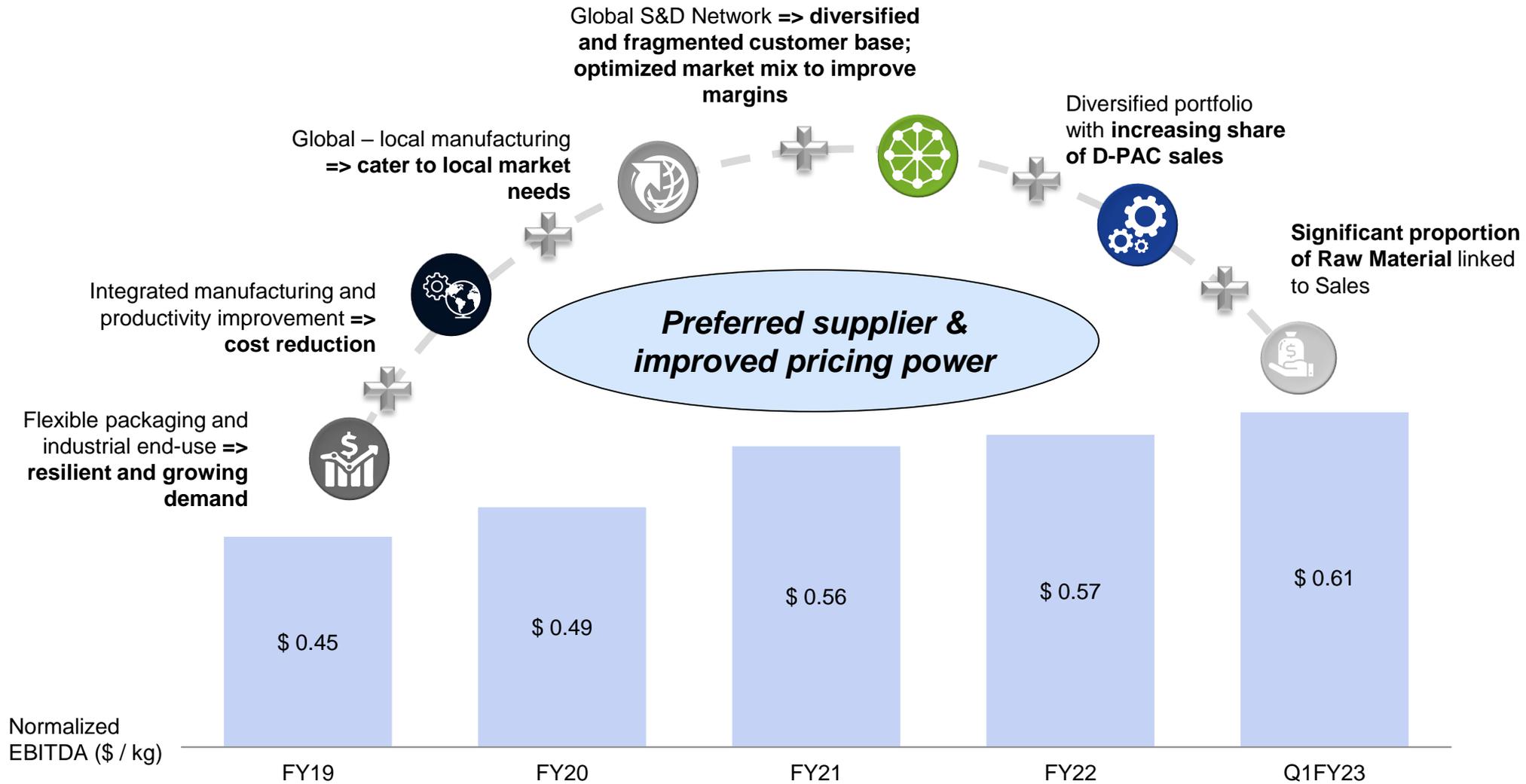
ROCE



ROE



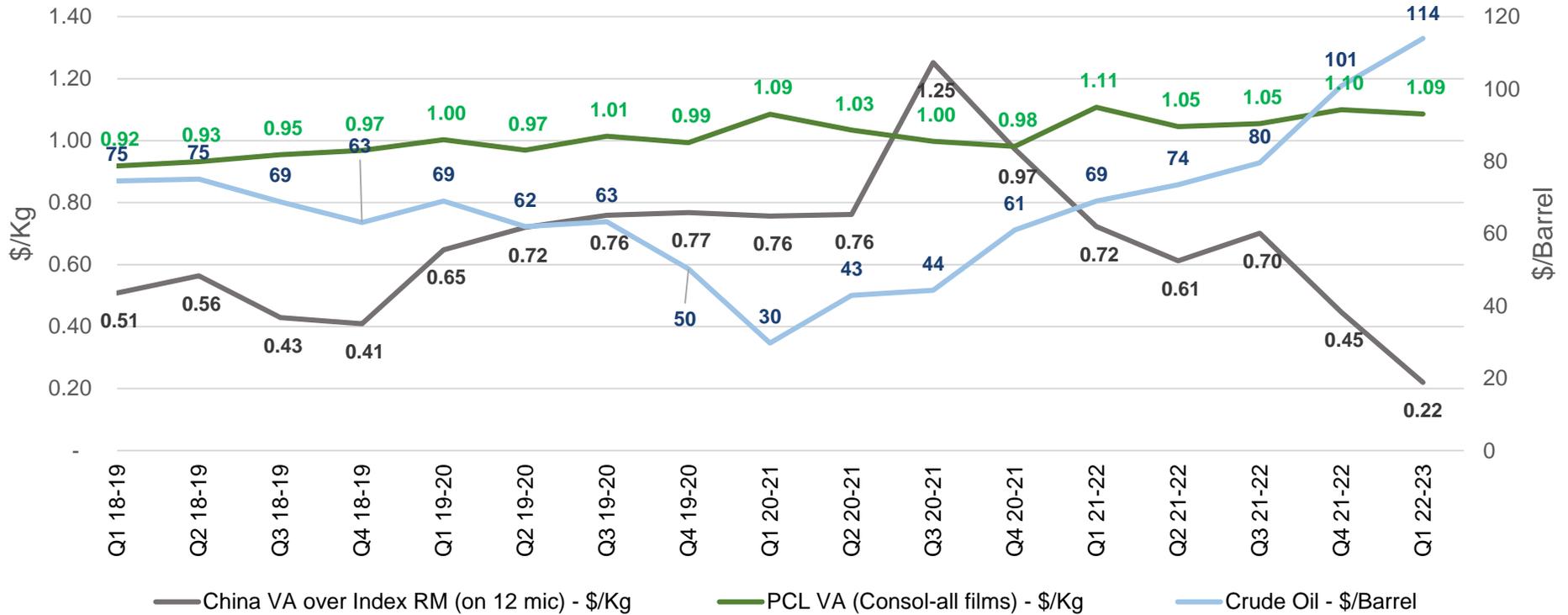
Key Attributes of the Business Model Creates a Natural Hedge Against Industry Volatility



Polyplex Has Consistently Generated Superior and Stable Gross Margins Relative to the Industry

VA Stability

Polyplex's strength as a diversified and specialty - focused business enables it to achieve steadier gross margins



- Raw Material (PTA/MEG melt cost) tracks crude oil
- Raw material movements tend to be 'pass through' in film prices
- Value Addition (VA/material margin) is dependent on industry CUF

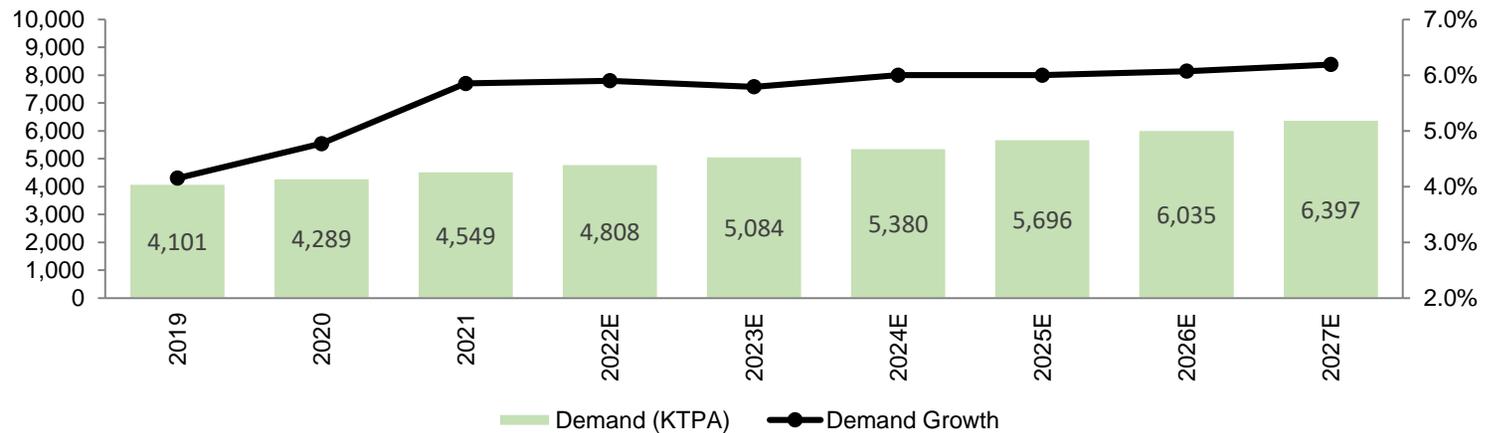
- The gap between Polyplex and Chinese players' gross margin increases significantly during the trough of industry cycle
- Chinese players achieved a higher margin for a short period in second half of 2021 owing to supply constraints resulting from logistic disruption / energy crisis

Industry Outlook - Thin BOPET Global Demand (1/2)

Thin BOPET Film Demand Expected to Stay Resilient and Accounts for 80% of Global BOPET Film Demand

Thin BOPET Films Expected to Be the Fastest Growing Segment in the Global BOPET Films Market

Global Thin BOPET Film Demand (KMT)



Key Trends - Demand



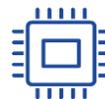
Global thin film growth expected at **5-6% in the next few years**



Ageing population, evolving retail formats and penetration of **e-commerce**, together with **focus on safety and hygiene** has led to rise in per capita packaging material consumption. There is a **continued shift from rigid to flexible packaging**, and from loose to **packaged products**



Growth drivers include **population growth, increasing urbanization, changing demographics, trend towards nuclear families and increase in purchasing power** in developing countries



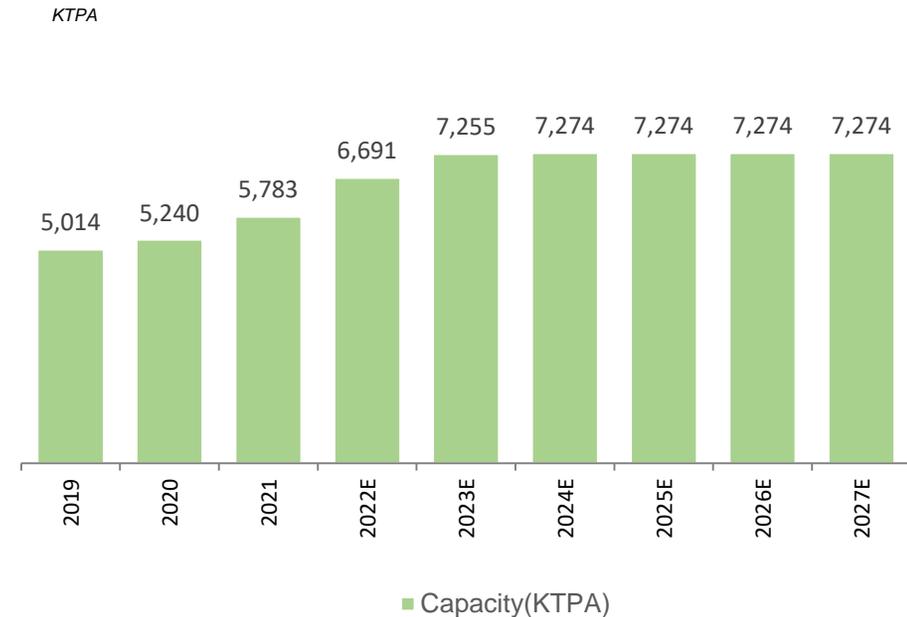
Demand driven by **higher disposable income**. Technological developments are leading to accelerated demand in **electrical, electronics and other industrial applications**, along with **new applications like LiB for EVs**, which is expected to further increase demand

Industry Outlook - Thin BOPET Global Capacity (2/2)

Upcoming Capacity Additions

- **Majority of the new capacity is being installed in low-cost developing countries - China and India**, together accounting for ~85% of the total upcoming capacity
- Based on the latest information, additional lines (over and above what we have factored in) may be added (primarily in China). Several of these are expected to be in non-packaging segment with focus on optical applications, high release liners etc.
- The impact may be significant in China with moderate influence in other regions, as Chinese players have typically focused only on the domestic market and select SEA markets with standard products due to variety of reasons
- Excluding impact of China, the capacity utilization (CUF) rates are steadier with lower variance in peaks and troughs
- **Deferment / delay in new capacity additions and the expected closure / underutilization of older lines** due to changing cost dynamics and impact of Covid-19 are expected to positively impact the outlook on utilization rates
- **Incremental demand over the next 6 years would exceed the new capacity** added for most of the key demand centers excluding China
- **Trend towards Deglobalization, Protectionism and preference for local and regional supplies**

Expected Capacity in the Industry



Polyplex Strengths

- **Players with global footprint can better withstand the regional imbalances and industry volatility**
- **With its global manufacturing presence in key demand centers, Polyplex can cater to all geographies, thereby maintaining ~100% CUF levels and superior margin profile over the years**
- **Focus on speciality and high value added products thus making earnings more predictable**
- **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 utilization of assets**

Investment Under Implementation

Key Investment Rationale

Base Film Capacity Expansion (i.e., Second BOPET Film and Debottlenecking Resin plant) in USA

Investment in Offline Coater in USA

Total Capex: \$122 mm

■ New investment rationale:

- High level of confidence owing to established sales and distribution network
- Market growth of 10-12 KT p.a.
- Availability of captive resin
- Successful strategy deployed at all locations – 2 film lines and a resin plant

■ Expected Start-up - H2 2023

- Post this investment, Polyplex will be the most cost competitive producer of Thin BOPET films in the US



Recipient of Prestigious Awards and Accolades Globally

Polyplex has been a recipient of some of the most prestigious awards in the industry, demonstrating its commitment towards becoming a global leader in the industry



Asia's Most Influential Companies Award 2019 at ACES



Best Public Company of 2020 – Industrial Group at Money & Banking Awards



Green Innovation Award 2021 at ACES



Prime Minister's Award for Innovation 2021 – Chemical Recycling in Thailand



Best Public Company of 2021 – Industrial Group at Money & Banking Awards

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.
- Financial information provided in US Dollars have been illustratively translated from reported financial information in Indian Rupees to US Dollars using simple average of monthly exchange rates for the respective applicable period(s) for the P&L related items and respective period ending exchange rate(s) for the Balance Sheet related items.
- Growth rates have been calculated based on reported INR financial information.

Thank You

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BSE (scrip code) : 524051
NSE (symbol) : POLYPLEX
ISIN : INE633B01018

Polyplex India



Symbol : PTL

Polyplex Thailand