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BSE Limited

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Dalal Street, Mumbai - 400001
Scrip Code: 500135

National Stock Exchange of India Limited

Exchange Plaza, C/1, Block G,
Bandra-Kurla Complex, Bandra (E), Mumbai - 400051
Trading Symbol: EPL

Sub. : Transcript of the Conference Call - EPL Limited (“Company”)

**Ref. : 1. Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (“SEBI LODR Regulations”)
2. ISIN: INE255A01020**

Sir/ Madam,

In furtherance of our intimation(s) dated March 29, 2026 and March 30, 2026, we are enclosing herewith, the Transcript of the conference call for the Analysts/ Investors, which was held on March 30, 2026, to discuss the Scheme of Amalgamation of Indovida India Private Limited (Transferor Company) with EPL Limited (Transferee Company) and their respective shareholders (“said transcript”).

The said transcript is also made available on the website of the Company i.e. at <https://www.eplglobal.com/investors/shareholder-information/>

This is for your information and records.

Thanking you.

Yours faithfully,
For **EPL Limited**

Onkar Ghangurde
Head - Legal, Company Secretary & Compliance Officer
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Encl.: As above

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“EPL Limited Conference Call on -
EPL and Indovida Merger”

March 30, 2026



MANAGEMENT: **MR. HEMANT BAKSHI – MANAGING DIRECTOR AND GLOBAL CHIEF EXECUTIVE OFFICER, EPL LIMITED**
MR. M. R. RAMASAMY – CHIEF OPERATING OFFICER, EPL LIMITED
MR. DEEPAK GOYAL – CHIEF FINANCIAL OFFICER, EPL LIMITED
MR. ONKAR GHANGURDE – HEAD - LEGAL, COMPANY SECRETARY AND COMPLIANCE OFFICER, EPL LIMITED

MODERATOR: **MR. PRATIK OZA – SYSTEMATIX SHARES & STOCKS INDIA LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to EPL Limited Conference Call hosted by Systematix Shares & Stocks India Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Pratik Oza from Systematix Shares & Stocks India Limited. Thank you, and over to you, sir.

Pratik Oza: Thank you. Good morning, everyone. Thank you for joining us for this conference call to discuss the strategic merger between EPL and Indovida. Joining us today from EPL's management team are Mr. Hemant Bakshi, Managing Director and Global CEO; Mr. M. R. Ramasamy, Chief Operating Officer; Mr. Deepak Goyal, Chief Financial Officer; and Mr. Onkar Ghangurde, Head of Legal, Company Secretary and Compliance Officer.

We will begin with opening remarks from the management to provide context on transaction, followed by an interactive question-and-answer session. We kindly request to limit your question on the merger itself.

I would now like to invite Bakshi sir, to share his opening remarks. Over to you sir.

Hemant Bakshi: Good morning, everyone. I'm truly delighted to be here today and share with you what we believe is one of the most exciting and transformational chapters in our company's journey. EPL today is a leading global flexible packaging company that has consistently delivered strong financial performance. As a recap, we have delivered double-digit revenue growth over the last three consecutive quarters at 20% plus EBITDA margin.

Also, we have delivered 500 basis points of EBITDA margin improvement over the last 15 quarters. We operate across 21 manufacturing sites in 11 countries as the trusted partner for leading oral care and beauty and cosmetic brands globally and holds EcoVadis Platinum sustainability rating, a distinction that very few in our industry can claim.

Last time we spoke, I had shared that we are working on the strategy for the next phase of EPL's growth journey. Our vision is to become a leader in consumer packaging for the emerging markets. This means we would enter new emerging markets in Southeast Asia and Africa, evolve from a single-format supplier to a multi-format player and become an innovation partner for both the large and emerging brands globally.

Today, I'm excited to share that we've taken a foundational step towards our vision by entering into definitive agreements for the merger of EPL and Indovida to create a consumer packaging leader focused on emerging markets. This merger will create a \$1 billion revenue packaging powerhouse with expanded product portfolio and capabilities, wider global presence across emerging markets and stronger financial metrics.

I can't be more excited. Indovida a global leader in rigid packaging, is a subsidiary of Indorama Ventures Group, which is a global group with US\$13.6 billion revenue, specializing in polymer value chain integration with a deep understanding of operating in emerging markets.

In the year 2025, Indovida delivered over INR3,800 crores in revenue, EBITDA margin of 21.3% and ROCE of 23.7% and a volume CAGR of 8% over the last 5 years, including organic and inorganic expansions, which are an integral part of the core business model. It operates in 19 production facilities across nine countries with approximately 90% of revenue coming from high-growth emerging markets in Southeast Asia and Africa.

Indovida holds the number one or number two position in most of its key markets, including Thailand, Vietnam, Philippines, Egypt, Nigeria and Ghana. The merger is much more than the sum of two organizations, and we expect it to be highly synergistic for both EPL and Indovida.

Together, we are creating a diversified multiformat packaging platform that doubles our combined revenue to INR8,300 crores and EBITDA to approximately INR1,750 crores. The combined platform will be an emerging market leader with 75% of revenue coming from emerging markets in Asia, Africa and Latin America, which are growth oriented in nature. The geographic footprint for EPL and Indovida is deeply complementary, giving us the ability to cross leverage each other's leading market positions across large emerging markets.

Our partnership with IVL Group in Thailand over the past year is a strong proof point where EPL was able to enter the market in less than 9 months, our shortest time of entry in any new markets. The low product overlap between the businesses means we immediately diversify our portfolio with a complementary mix of rigid and flexible packaging with no cannibalization.

The merger with Indovida is EBIT margin, EPS and ROCE accretive to EPL. We've identified synergies of ~\$35 million to \$50 million across geographical footprint, product capabilities and costs, which will drive an EBITDA upside over the next few years. Both companies are recognized in sustainable business practices, creating significant potential for cross learning and sharing of best practices. Indovida is a net cash company and along with EPL's strong balance sheet, this will create a significant war chest that we can deploy for organic growth and M&A.

Let me talk through the transaction details now. This is a share swap merger, entirely cash neutral for EPL, with EPL continuing as the listed entity. The Board approved this transaction on 29th of March 2026. EPL was valued at INR339 per share, ~70% premium to Friday's closing price. EPL's transaction multiple represents a 55% premium relative to Indovida.

The attractive relative valuation makes the merger hugely accretive to EPL shareholders. The swap ratio is based on joint recommendations by two reputed valuers, BDO and Duff & Phelps, with a fairness opinion issued by Ernst & Young. Completion of merger process is subject to regulatory approvals and is expected to take approximately 12 months.

This transaction is well aligned with IVL's long-term strategy to expand and deepen its participation in India. And through the merger, they've increased their stake in a business they deeply believe in. Post-merger, IVL will hold 51.8% of MergeCo and will be promoter of EPL.

Blackstone has been an integral part of EPL's journey. Post-merger, Blackstone will hold 16.6% of MergeCo and will remain a promoter.

In summary, what we are announcing today is a historic milestone, one where the scale of EPL doubles and sets us up to become the leading packaging player focused on emerging markets. We have the foundation. We have the vision. We have the right partners, and now we have the platform to drive higher growth. I'm really excited about leading this fantastic company into the future. The EPL team and I remain deeply grateful for your continued confidence in EPL.

With that, I'm happy to open the floor to questions. Thank you.

Moderator: The first question is from the line of Sanjesh Jain from ICICI Securities. Please go ahead.

Sanjesh Jain: I have a couple of questions. First on the Board composition with IVL becoming the promoter, what are the changes in the Board composition that is expected or agreed upon? That's number one.

Number two, now that this company will generate a lot more cash flow than what we were generating and from a net debt-to-EBITDA situation will be significantly better for EPL post the acquisition, what will be the capital allocation and dividend distribution policy? That's the second one.

Just on the operation itself, post the merger, how do we plan to leverage? Because geographically, both EPL and Indovida have a very different geographical presence and transportation really doesn't work so well in this business. How do we look at leveraging it? This means that will EPL and Indorama will start manufacturing in their respective plant, both rigid as well as the flexible packaging? These are my initial questions. Thank you.

Hemant Bakshi: Yes, so thank you very much for those questions. I think firstly, on the Board composition, this obviously has to wait for the regulatory approval, but what's been agreed is that Indorama will have at least three Board seats. Blackstone will retain a single Board seat and rest of the independent directors, etc, will be based on the regulations and the laws of the country. So that's how the Board will be set up.

I think your second question is on the balance sheet and the ability for us to really leverage it. I think firstly, what is really, really positive is that Indovida is a net cash positive organization. As a result of this merger, our debt-to-EBITDA ratio will come down to 0.25, and therefore we will have significant investment ability.

And one of the things we've talked about in the past is that inorganic opportunities will remain an important part of our strategy. We've set very clear criteria on how we will approach this. The first is that we want to leverage any opportunity which gets us into a new geography or helps us build a new capability in a new format. And of course, it must be margin accretive.

Interestingly, if you really look at the merger today, all those three criteria are fully met. But we will look at similar opportunities in the future as well. And capital allocation is something which will be determined by the Board. As you've seen, we've been very disciplined about in the past,

but we will remain disciplined, but we will also seek opportunities for growth, which are in line with our ambition to become a leader in the emerging markets business.

I think the third was on footprint synergies. So I want to firstly step back and share with you what we've already done. Last year, as we've shared, we entered Thailand and we leveraged the Indorama infrastructure to do so. From the time we conceived of the idea to the time we were able to commercialize this in the market, it took us just nine months. Normally we would take much longer. This is the shortest lead time we've ever had. Obviously, this was done at arm's length basis and so on.

Now the same opportunity will become more accessible to us in markets where Indovida exists today. For example, Vietnam in Southeast Asia, big growing market. Indovida has a strong presence. EPL is not present there. It's an attractive market for us. Also, if you look at Africa, Nigeria is one of the large markets in Africa. It's a challenging market to operate in, but Indovida has been there for a long time. And therefore, for us, it becomes easier to access this market and other markets in Africa, which without this merger may not have been something we would have sought.

Equally, let's look at it in another way. For Indovida, there are markets in which EPL is present, like India, China, Latin America, and they can enter these markets by leveraging our presence here. There's another way of looking at it, which is really the third opportunity. Look at a market where neither of us are present like Indonesia.

While we could have entered this on our own, with the scale we now have of two companies, entering this market, especially if we were to use inorganic route becomes even easier. So therefore, as you can see, there are lots of synergies in the footprint, which we will leverage post the approval of the merger.

Sanjesh Jain:

No, that's clear. Quite helpful. One particularly on India, interesting, while the flexi packaging is highly consolidated market, rigid packaging is highly fragmented market and the presence of Indovida is really not that material in this market. How do we plan to develop India market? That's number one. Number two, is the synergy of parent for the sourcing of the raw material, that is IVL has a strong petrochemical footprint. What percentage of raw material today Indovida buys it from the parent entity?

Hemant Bakshi:

So I think firstly, let's talk about the India market. I think the India opportunity is very significant. India is probably the most attractive consumer market in the world today. And we do believe that this attraction will continue for the foreseeable future. For Indovida, it is not present in India today. And therefore there will be an opportunity to do so in the future.

How we approach the market, the entry strategy and so on is something which we will have to build. And that is something which we will work on in the future post the merger. But India will be an attractive opportunity for us.

As far as the Indorama sourcing is concerned, I think firstly what's important is to keep in mind that this is done at a very arm's length basis in a very fair and transparent manner. But the access, the preferential access that Indovida has to IVL being one of the large petrochemical companies

is of enormous value to us. We've also agreed transition service agreements to ensure that access will remain available to us as we go into the future. And obviously I just want to clarify, while this is an option available to the business, there is no obligation to do so.

Sanjesh Jain: That's fair enough. Thanks, Hemant, for all those answers and very helpful. Best of luck.

Hemant Bakshi: Thank you so much.

Moderator: Thank you. The next question is from the line of Mihir Shah from Nomura. Please go ahead.

Mihir Shah: Hi, sir. Thank you for taking my question. Congrats on the merger. It seems to be an interesting one. First question is on, can you talk a bit more on the current preform business of Indo and the moats around it, what are the USPs, the competitive intensity in that space, the market, the market shares? And secondly, I believe you highlighted some potential entry into new product categories. So in continuation of that, what are the other new product categories that you're thinking about? So that's my first question.

Hemant Bakshi: Yes, thank you very much, Mihir, for your questions. Yes, sorry for the interruption, Mihir. To continue with your question on Indovida's business, firstly they operate in rigid plastics. Within that they have three sub-segments. Preform is 75% of their business, bottles and caps and closures are the balance 25% equally divided across the two of them. So that's the formats they are in.

They are in nine key countries: Thailand, Vietnam, Philippines, Egypt, Nigeria, Ghana, Tanzania and Myanmar. And in each of these countries they are either number one or number two supplier. And they work with really blue-chip global as well as local customers. Their big customers are Coca-Cola, Pepsi, Nestle, ThaiBev, Masan, Unilever, Danone, P&G, L'Oreal, Guinness and Northern Islands. So therefore a really marquee set of customers which they work with and with very strong positions across all their markets. Their business size is INR3,800 crores last year and 21.3% EBITDA.

Mihir Shah: Hemant, any insights if you can share on what are their moats, their USPs, what is the competitive intensity in that category of preforms given it's 75% of your sales and the potential new subcategories that you've highlighted in subsequent slides that you can probably enter into rigids. So something on that.

Hemant Bakshi: Yes, so I think firstly let's talk about Indovida's USPs. I think firstly, they have really set up a strong customer relationships based on superior service. So, they are known for high-class service to their customers. Secondly, they work very, very efficiently with a high-quality management team which works at a low operating cost. The other valuable thing is that they have access to raw material and they built the ability to operate in difficult frontier markets.

So, I think those are the multiple USPs the business has. When you really look at their business, this opportunity, this USP can be leveraged into many other new markets which are available to them. And I think one of the interesting things for them is that very often the leading customers they work with like Coca-Cola and Pepsi invite them to come into markets where they find that other people are not able to operate.

And this is something they have leveraged in the past. And they have identified new geographies which they will enter. They have just entered Tanzania. They are looking at an opportunity of entering Morocco and Algeria. And this is the business model they have had for some time. Very often at the behest of their key customers, they enter new markets. I think you also have a question of what new formats we can go into.

We have been looking at additional formats which could be of interest to us. Obviously one format which we both play in is closures. We do closures for tubes, they do closures for bottles. There is an opportunity to move to specialty caps and closures. We will leverage the technology and capabilities they have built both for bottles as well as tubes. So that is an interesting area for us.

The other area which we are very interested in and so are they is really rigid custom containers. This is a capability which we will access and we will seek both organic and inorganic ways in which we can get into these formats.

Mihir Shah:

Understood. That is clear. Thank you for that. Secondly, if you can elaborate more on the synergy benefits that you highlighted that you can leverage on customer or on geography level and any duplication of department staff, manufacturing etc., that you have been able to identify.

The \$35 million to \$50 million synergy benefit seems to be large. So, this is across how many years and how should one think on the margins with these synergy benefits should kick in? Yes, I mean that is the other one?

Hemant Bakshi:

Yes, so Mihir, we have identified synergies of \$35 million to \$50 million. These fall into three main areas. The first is footprint. I spoke a bit about it, but we do believe that we will be able to expand geographically into new markets as a result of this. As I was mentioning, there are markets like Vietnam, Nigeria, which are very attractive for us. Indonesia is present there. EPL can leverage their infrastructure to go into those markets.

Equally, they can come into markets where we have infrastructure available like India, China, Latin America, but we can also go into completely new markets where together we will have the scale to enter, especially if we were to do it inorganically like Indonesia. So, footprint synergies are quite significant and we are very excited about that. The second is product and portfolio diversification.

Firstly, rigid and flexible are quite complementary. But we also have areas in which we can move together like closures and other rigid plastic formats which we spoke about. So that is really in portfolio diversification. We have also looked at cost synergies. We think there will be significant opportunity in sourcing benefit. So, procurement is one area, but also network optimization on supply chain and logistics will be quite valuable.

And there are other things which we will review as we go along. So that is really our view on synergies. The other thing is that they are a net cash company. After the merger, our debt-to-EBITDA ratio will fall to 0.25 from 0.65 right now. This gives us significant and strong free cash flow which we will leverage for growth and M&A opportunities. I spoke about M&A earlier. We seek geographical opportunities. We will seek new capabilities.

So, therefore there is a strong balance sheet which we can leverage. But also, there is a significant advantage because if you look at Indorama Ventures, they have a track record of 15 plus successful integrations in the last few years. And therefore, that capability is also very important. We lean on that and leverage the balance sheet to be able to move fast towards our vision using inorganic opportunities as well.

Mihir Shah: Understood. Just lastly if I can squeeze in just one more to just understand the nuances. In B2B businesses most times the vendor onboarding approvals are required. With Indovida merging with EPL, any new approvals will be required for the current existing supplies that they are doing and any impact of this is expected on the back of that? Also are there any customer overlaps currently where both the companies are supplying to the similar customer separate products that they have? Yes, that is the last one from my side?

Hemant Bakshi: Yes, on the first one which is to seek any revalidation from customers, we should not have any need to do so. Since this merger this morning, we have now been in touch with all our customers. We have communicated with them. And I am very happy to say that most of them have welcomed and have given us really kudos for building, doing this transaction with such scale.

So, I can assure you that our customers are really happy with this move. We do have some common customers. Unilever, L'Oreal are common customers both and P&G. Both Indovida and EPL serve these customers. But on the customer side, I think there is a lot of positive response we are getting.

Mihir Shah: Got it. Wishing you all the very best. Thank you. And that is all from my side.

Hemant Bakshi: Thank you.

Moderator: Thank you. The next question is from the line of Kirthi K. Jain from Bandhan AMC. Please go ahead.

Kirthi K. Jain: Good morning, sir, and congratulations for the deal. Sir, my question -- firstly was with regard to the proforma profits of the Indovida Limited. What is the proforma PAT for the company?

Hemant Bakshi: Yes, Kirthi, just give me a second. I will hand over to Deepak Goyal, our CFO, to respond to the specific numbers for you.

Deepak Goyal: Yes, so Indovida generates, as Hemant mentioned, a revenue of INR3,800 crores and EBITDA margin of 21.3%. So, their EBITDA is INR800 crores plus. If you look at the combined entity, in the last 12 months, EPL has delivered a profit of or EBITDA of about INR940 crores. So combined entity will have an EBITDA of about INR1,750 crores.

Kirthi K. Jain: And what about PAT, sir?

Deepak Goyal: Just one second, give me a minute. Kirthi, if you have another question, just go ahead with that and I will come back to this one.

Kirthi K. Jain:

And my second question was with regard to revenue synergies. Given these businesses operate in a mature category and in mature markets. So, what sort of revenue growth we should expect organically in the merged entity over 3 to 5 years period, sir?

Hemant Bakshi:

So Kirthi, firstly I would say we do not operate in mature markets, we operate in emerging markets and therefore there is a significant growth opportunity for us in these markets. These markets tend to be underpenetrated and normally grow at twice the rate at which developed markets grow. So, there is a significant growth opportunity. But let us look at our track record firstly.

We have delivered double-digit revenue growth consecutively for the last three quarters. And if you look at Indovida, they have an 8% volume CAGR in the last 5 years, including acquisitions. So, both these companies have a very strong track record of revenue growth. We now have an exposure to even more emerging markets. 90% of our business will come from emerging markets. And I feel very strongly about the growth prospects of the combined company. Our guidance on EPL remains unchanged of double-digit revenue growth in the future.

Deepak Goyal:

Yes. And let me get back on the PAT number. So Indovida generates a PAT of 10.6% or INR410 crores. This is almost equal to what EPL generates and hence our combined entity will deliver a PAT of INR815-odd crores.

Kirthi K. Jain:

Sure, sir. Sir, given the crude-related inflation which has happened in the last 2 months, sir, with that background do you think this 20% plus margin should be sustainable for the entity or EBITDA per kg whatever we call out, should we -- can we sustain this, sir, through our agreements in both entity?

Hemant Bakshi:

Yes. So I will give you an overall answer and then I will also request Mr. Ram our COO to give more color to this. So firstly, the Middle East crisis is a significant event for us. We are absolutely focused all hands on the deck to make sure that this crisis we come out even stronger after it. There are two priorities for us right now.

One is to secure supply for our customers. Our customers are absolutely keen that we do not have any supply dislocation and at this point in time that is what we are focused on. The second is there is a price increase. Our raw material costs are going up. But our model is very clear. Our cost inflation is passed through to our customers and that is something which we are already discussing with them. But just to give you a little more detail, I will request Ram to add to this.

M.R. Ramasamy:

It is a fact that geopolitical things are disrupting the supply chain. We have day-to-day management of supplies. See, better fact is both suppliers as well as customers acknowledges the crisis everyone is in. So that is the best thing. It is not one-sided story. Everyone has the same similar kind of an issue. So, our first priority as Hemant was saying is to ensure supplies. We have a certain level of inventories.

From March 1st we started accelerating our inventory levels to the level that we can hold and we have approached customers to have an immediate relief in terms of pricing. Some of them have given, some of them we are discussing, some of them are contractually obligated to give in the next quarter. So, we do not see a big disruption either in supplies, big disruption either in the

margin. Probably if you look at the overall period of 4-5 months that we should be doing well, really well. There is no risk on the margin.

Hemant Bakshi:

Yes, I also feel if I was to add to it that in a situation like this, large companies which have scale and we do have scale, but we also have long-standing relationships with some of our big suppliers. This will ensure that our position is stronger than some of the other people who may not have the scale or the relationships. We are very, very certain that we have to be agile and adaptable during this period and we will come out stronger at the end of it than where we were earlier. So, we feel confident that we can cope with this crisis.

Kirthi Jain:

Sure, sir. Thanks. These were my two questions.

Moderator:

Thank you. The next question is from the line of Bhavya Gandhi from Bajaj Alternate Investment Management Limited. Please go ahead.

Bhavya Gandhi:

Yes. Thanks for the opportunity. I just joined the call a bit late. What is the combined EV post-merger if you can share that number and also the total number of shares post the merger for the combined entity?

Deepak Goyal:

So, the total valuation of the combined entity is about \$2 billion. In this transaction EPL is being valued at 12.5x EBITDA and Indovida is being valued at 8.1x EBITDA. EPL pricing as per the valuation is at about INR339 per share, which is about 70% premium to the current pricing.

Bhavya Gandhi:

And the number of shares.

Deepak Goyal:

And the number of shares, we currently have INR32.5 crores shares. As part of the transactions, we will issue INR18.5 crores additional shares and hence the total number of shares would be around INR51 crores.

Bhavya Gandhi:

Any reason for valuing Indovida at a lower multiple compared to EPL?

Hemant Bakshi:

Yes, let me respond to that by saying that EPL is at a 55% premium to Indovida. And firstly, just to clarify, this valuation has been done by independent experts and the fairness opinion has been given by EY. So, I feel that in some ways this acknowledges the strong position that the EPL business is in. We spoke about our track record. We have delivered double-digit growth for the last three quarters. We have improved EBITDA by 310 basis points in the last three years.

So, a strong foundation. But equally, we have made a pivot to beauty and cosmetic recently. And if you start seeing the numbers we are delivering, we delivered 20% growth in the last quarter. And we are seeing significant gains in a category which is growing fast, which has high average selling price and also where innovation is necessary.

So, our B&C pivot is working. We have also entered new markets like Brazil where the results are absolutely stunning, but we are also leveraging on that and entering Thailand which gives us access to Southeast Asia. We are clearly seen as leaders in sustainability and innovation. In some ways the premium we are getting acknowledges the strength and the long-term potential of the

EPL business and we feel very excited and proud about where we are. And therefore, this transaction would also deliver significant value creation for all stakeholders.

Bhavya Gandhi: And just one if I can squeeze in, what would be the total ...

Moderator: I am sorry to interrupt, Mr. Gandhi, please rejoin the queue for more questions.

Bhavya Gandhi: Sure.

Moderator: Thank you. The next question is from the line of Sameer Gupta from IIFL Capital. Please go ahead.

Sameer Gupta: Hi, good morning, sir and congratulations on the merger. I will just take it up from the last participant and I have one more question of my own. So let me look at it this way. Fair, EPL deserves the premium, but let's look at Indovida's valuation. It is a higher margin, better ROCE, net cash company and PET rigid is an attractive category. Emerging market portfolio is larger than EPL. So just wondering why such a low valuation which is being given or attributed to Indovida? Is it like the historic track record of growth if you strip out acquisitions is not that great? Any nuances which we are missing?

Hemant Bakshi: Yes, I think Sameer the valuation has been done based on the past track record as well as what they foresee as the future opportunities this business has. Obviously, I think the valuation and the way the experts have looked at it is premium on account of very good performance of EPL and a significantly higher potential.

I think our move into B&C has really helped us get that premium. At this point in time, the Indovida business is focused on beverages. I am sure there are opportunities beyond that. And maybe the valuers thought that the potential we had in B&C is much higher than the formats they could go into.

Sameer Gupta: Got it, sir. Second question, more like a clarification. So just to confirm, the transaction does it require a majority of minority shareholder approval and an open offer to minority shareholders of EPL by Indorama? And on the Indorama side, since there also business is being sold, would they require a majority of minority shareholder approval? And just your thoughts or clarification on these two aspects?

Deepak Goyal: Yes. So, Sameer this transaction is being done through a share swap and a scheme of amalgamation and hence there would not be an open offer. On the shareholder approval, this will go through multiple levels of approval. It will go into SEBI approval, then NCLT and then it will also go through the shareholder approval process.

Sameer Gupta: Yes, but on shareholder approval just wanted to know would there be majority of minority shareholder approval?

Hemant Bakshi: Yes, majority of minority. I mean we will need to get that approval.

Sameer Gupta: So, majority of minority is required on your end as well as Indorama's end?

- Hemant Bakshi:** It is required on our end for sure.
- Sameer Gupta:** Got it. And last question if I may.
- Moderator:** I am sorry to interrupt, Mr. Gupta, please rejoin the queue for more questions.
- Sameer Gupta:** Sure. No worries. Thanks.
- Moderator:** Thank you, sir. The next question is from the line of Mayank Maheshwari from Morgan Stanley. Please go ahead.
- Mayank Maheshwari:** Hello sir, thank you for the call. A question from my end was in terms of the long-term free cash flow of the business now as EPL, as you highlighted earlier point that IVL has been acquisitive. So, does this make EPL now a lot more acquisitive in terms of growth now going forward? And how do you think about on a \$100 million kind of a profit base in terms of your free cash flow generation, including growth capex?
- Hemant Bakshi:** So, let me try and respond to the question on inorganic growth or acquisition, and then I will request Deepak to talk about the free cash flow. So, as we mentioned earlier, we have set clear guidelines on how we will approach inorganic opportunities. We want to look at opportunities which will take us into new geographies or help us build new capabilities in new formats. So those are the two criteria we'll use. In addition to that, anything new we do must be margin accretive to the business.
- As you can see, this merger meets all three of those criteria. But we will keep looking at that in the future as well. And you are right, inorganic opportunities will play a significant part of our growth strategy as we go forward. On free cash flow, I'm going to request Deepak to share the numbers which you've asked for.
- Deepak Goyal:** Yes. So the combined business, Mayank, would generate about \$200 million of EBITDA. Both companies, EPL as well as Indovida, have a very healthy cash to EBITDA conversion ratio with about 60% to 65% of EBITDA getting converted into cash. This obviously provides us a lot of firepower to look at growth opportunities.
- But as Hemant mentioned, we have always been disciplined about what we look for. We have very specific criteria of acquisitions and hence we'll be very careful on what we go for, but it will remain an important growth driver for us going forward.
- Moderator:** The next question is from the line of Pratham Kankariya from Quantum AMC.
- Pratham Kankariya:** Sir, just one thing. So now our promoter changing to Indorama and the parent is still debt heavy. So how do you think about this? So like will there be increase in dividends to service that debt because still they're looking at multiple credit lines for liquidity and all those things. So what is the plan of action here?
- Hemant Bakshi:** Yes. So firstly I must say that Indovida, the business that's merging with EPL is net cash positive. So they are debt free. In fact, as a result of this merger, our debt-to-EBITDA ratio will fall from

0.65 to 0.25. So therefore we feel strongly about the fact that the balance sheet will become even healthier than it was earlier.

As far as the dividend policy is concerned, we have been a dividend paying stock in the past, as you are well aware of. Any future dividend policy will be decided by the Board of the combined company post the merger is completed. So that's something which the Board will take a call on.

Pratham Kankariya: Sir, I'm talking about the debt on the promoter side, Indorama Ventures, Thailand entity. They are having a lot of debt on them and they're focused on structurally deleveraging the balance sheet. So now with EPL being a subsidiary for them, so what are your thoughts on this?

Deepak Goyal: So Pratham, if you look at it, Indovida today is also IVL subsidiary and it still manages net cash position and it's not leveraged. In fact, the balance sheet and ROCE of Indovida is stronger than EPL's. And hence on the combined entity also, we do not expect to take incremental debt and pay a lot of dividends. We will continue with our dividend policy as we are doing now and it will be decided by the Board of the new entity.

Pratham Kankariya: Okay, sure. And whatever the \$35 million to \$50 million synergies we are planning, so in how many times would it be realized post-merger?

Hemant Bakshi: So we'll try and move as quickly as possible after the approvals come through and we will try and realize these synergies at the earliest. However, as you would have seen, our synergies will come through geographical expansion and format expansion. These things do take time, entering new countries, but I can assure you that we will move the fastest we can.

Pratham Kankariya: This would be a cumulative number, sir. Just a follow-up. This would be a cumulative number?

Hemant Bakshi: Annual number, this is an annual number.

Moderator: The next question is from the line of Kashyap Javeri from Emkay Investment Managers Limited.

Kashyap Javeri: My two questions, sir. If I look at Indovida's numbers for last let's say three years, in at least Thai Baht terms they have been declining including the production there which used to be about 0.33 million tons coming down to about 0.3 million tons. And secondly, when we look at the EBIT or EBITDA of that company today, what kind of growth then we would be assuming in the valuations?

And connected question is also that if I look at THB2.9 billion kind of EBITDA there, I mean the number of INR813 in INR terms is actually based on the closing of exchange rate. But if I look at overall exchange rate, then it would be significantly lower. So if you can provide clarification on these two questions?

Deepak Goyal: So first of all the EBITDA conversion. So we don't expect the FX exchange rate to kind of move dramatically and it's calculated and we represented of exchange rate. And the INR813 crores is the representative number. From a growth point of view, Indovida has grown at about 8% CAGR over the last five years. It includes both the organic and inorganic growth opportunities which is part of the core model.

The growth opportunities even going forward continue to be very attractive given their market footprint is emerging market focus. On top of that, Indovida is planning to enter new markets as well. They recently entered Tanzania and now they are planning to enter Morocco and Algeria as well.

So the growth prospects for Indovida are as attractive. EPL, as you know, we have been talking about double-digit revenue growth. In the last three quarters, we have delivered double-digit revenue growth already. And as a combined entity, we believe we are creating a company which is growth oriented.

Moderator: The next question is from the line of Manav Saraf from Guardian Partners LLP.

Manav Saraf: My questions have actually been answered, but congratulations on your role and congratulations on the transaction. My questions were with regards to the open offer potential and the valuation which have been answered?

Moderator: The next question is from the line of Jaymin from ARDEKO Asset Management.

Jaymin: So one was the specific thing we wanted to understand is that what was the reason for the weaker numbers year-on-year for Indovida on CY25 over CY24? Has there been any client loss and what led to the impact on their growth and margin in CY25? Also on this front only, Indorama Ventures was preparing Indovida for a standalone IPO, but today it is being merged into EPL. So what drove that choice for them?

Hemant Bakshi: Yes. So I think we've spent some time trying to understand the Indovida business. And '25 was quite a distinct unique year in Southeast Asia because of the weather pattern and it's also linked to the previous year 2024 which had a very high tourism boom in Thailand. So there were two factors which impacted the business. One was the base was high because of a higher degree of tourism.

And then again '25 the weather patterns were not very strong. Equally in Vietnam there was a significant change in the tax policy which led to almost 8,000 stores shutting down during that period which had an impact. So there are multiple operational reasons across different markets which have impacted the 2025 performance. But I think what's important to look at this business is to look at a long-term CAGR rather than just look at a couple of quarters.

In the long term, and this is data which you can access, the volume CAGR of Indovida is 8%, including both organic and inorganic growth, and that's really positive in this business. But I think also we should consider what the future prospects of this business are. As we were saying, they just entered Tanzania, which is a good market for them. They're entering Morocco and Algeria. But as we speak, there are other markets, both in Africa and Central Asia, which are opportunities for Indovida. As you can imagine, there are many countries where entry of a business like this could be required. But the way this model works is that because they have strong relationships with Coca-Cola and Pepsi, very often they are invited by these companies to come and set up operations in markets which otherwise are not easy to operate in.

And over a period of time, Indovida has built a track record of working in frontier markets and being very successful. So overall, keeping everything in mind, we think the opportunity for growth is significant.

Jaymin: Sure, sir. And so just the question that we had also spoken of that they were preparing Indorama for a standalone IPO and now it is being merged into EPL, what drove that choice?

Hemant Bakshi: So, I think from what I do know, the IVL Group values the EPL business enormously. They've made an investment in the past and what they've seen in this business, they find really, really attractive. And I think our past track record shows that this merger will be more value creating for them than to do anything else. That is just a vote in favour and of confidence in the EPL business, our track record and our future potential for growth.

Jaymin: Okay. And then the final question just on the...

Moderator: I'm sorry to interrupt, Jaymin, please rejoin the queue for more questions. Yes, thank you. The next question is from the line of Sagar Jethwani from PhillipCapital India PMS. Please go ahead.

Sagar Jethwani: Hello.

Moderator: Yes, you are audible.

Sagar Jethwani: Yes, congratulations on the positive development. You talked a lot about the synergy benefits. I just have one follow-up on the same. In the first year or after the merger completion, what kind of synergy benefits can we foresee and what would be your top priorities in the first year?

Hemant Bakshi: So, I think our opportunity post the merger getting approved will be on leveraging the synergies. We feel the geographical synergy is really very, very significant. We will work towards that and see how much of it can be realized immediately. You can imagine entering a new country is not straightforward, but we'll start working on it, both from an EPL's perspective, but also from an Indovida's perspective.

So that's something which we will look towards. But we are also very focused on doing a very robust and rigorous post-merger integration to ensure that our businesses hit the ground running and we can realize synergies as soon as possible.

Sagar Jethwani: And lastly, how many number of new clients we will be adding with this merger?

Hemant Bakshi: The number of new customers will be very significant because the entire beverage category is new for us. So therefore, businesses like Coca-Cola, Pepsi, ThaiBev, Masan, Guinness are all new customers for us. So therefore, a significant increase in our repertoire, but also by Indovida, a number of new customers again. So therefore, I think we work with the best companies in the world. We have marquee customers and we are very excited that that number will grow at this merger.

Sagar Jethwani: Can you provide the number or range?

- Hemant Bakshi:** The number of customers per se, let me see if we can access the data and provide to you. It's not readily available right now, but we'll get it to you.
- Sagar Jethwani:** Sure.
- Moderator:** Thank you. The next question is from the line of Majid Ahamed from PinpointX Capital. Please go ahead.
- Majid Ahamed:** Am I audible sir?
- Hemant Bakshi:** Yes.
- Majid Ahamed:** Thank you for the opportunity. Sir, my question is regarding Indovida's working capital and the FCF to EBITDA conversion. Like, how much is it, sir, if you can give a number?
- Hemant Bakshi:** Yes, just give us a minute, we'll pull out the data.
- Deepak Goyal:** Working capital of Indovida?
- Majid Ahamed:** Working capital and cash flow conversion.
- Deepak Goyal:** So, cash flow as I said, Indovida generates about 60% of its EBITDA as free cash flow.
- Majid Ahamed:** Operating cash flow, how much operating?
- Deepak Goyal:** I'm sorry.
- Majid Ahamed:** EBITDA to operating cash flow, not free cash flow.
- Hemant Bakshi:** So, we are just pulling out the data and we'll share with you. In the meanwhile, if you have any other questions, you can go ahead with that.
- Majid Ahamed:** Sure, sir. So, secondly, sir, so now Blackstone stake is getting reduced. So, is it Blackstone going to be a partner or eventually it will be succession where Indorama takes over EPL? Any colour on that?
- Hemant Bakshi:** So firstly, I must say that Blackstone has been a very valued partner for us and they've been pivotal in our journey. We've benefited a lot from the thought leadership and the extensive network which becomes accessible to us. So I think firstly we must acknowledge that. Also they remain highly engaged and active participants on our Board and that is again of great value to us.
- In the next 12 months nothing changes till the approvals come through. Post the approval, while they'll be diluted to 16.6% of shareholding, they will remain a joint promoter on the Board of the merged EPL business. I think we have the data for you for cash as well now.
- Deepak Goyal:** So, the working capital for Indovida business is 50 days and the operating cash flow, so the working capital investments are limited in line with the revenue investments, about 90% of EBITDA is the operating cash flow.

- Majid Ahamed:** Okay, sir. Okay. Thank you so much and all the best.
- Moderator:** Thank you. The next question is from the line of Aman Gupta from Guardian Capital Partners. Please go ahead.
- Aman Gupta:** Hi. Thanks for the opportunity. I just wanted to understand that given the current geopolitical conflict and everything, is EPL business in the laminated packaging part more susceptible to the commodity inflation or the rigid packaging one on the Indovida's side? And can we quantify the impact to some extent for foreseeable future?
- Hemant Bakshi:** Yes. So, I think as far as the EPL business is concerned, clearly this is a significant event and we have to manage it very sensitively and have to be agile and adaptable. As far as our model is concerned, we've been working with our customers and the first priority for us is to make sure we can secure supply. We have long-standing relationships with our petrochemical suppliers and we are working closely with them to make sure that supply is ensured and our scale really helps us in this situation.
- I think the second is there is cost inflation which is obvious. Our model is clearly one of pass-through. So therefore we would recover the cost through our customers. In some cases it's contractual in the form of a model which we have. In others we have been having discussions with our customers. So therefore we will recover the cost from our customers and that's something which is built into our model.
- As far as the Indovida business is concerned, they also have the advantage of being part of Indorama which is a supplier, in some ways is a supplier to their business. They operate in an arm's length business, but it does give you preferential access, so they are also protected from that point of view. Overall, both businesses are managing the situation to ensure we remain resilient and come out of it stronger than where we were earlier.
- Aman Gupta:** Got it. Thank you.
- Moderator:** Thank you. We will take our last question from the line of Bhavya Gandhi from Bajaj Alternate Investment. Please go ahead.
- Bhavya Gandhi:** Yes. Hi. Thanks for the opportunity. Just wanted to understand, I mean, instead of paying dividends, any thoughts on buyback since EPL is being valued at almost \$1.2 billion versus current market price? So any thoughts over there? And what would be the size of RPD business in the merged entity?
- Deepak Goyal:** On the buyback, it's about the capital allocation, Bhavya. We believe that we have very exciting opportunities to invest this money in growth. Also as part of the merged entity, what we are creating is a growth-oriented company. So far the management and Board have been pro-growth and that's where our investments are growing. However, if we realize that there is a better opportunity in buyback, we will consider that.

Bhavya Gandhi:

In terms of, so I was asking, say, instead of dividends, why don't we do buyback because the valuation that we are baking in, it's much higher. It makes logical sense to go for buyback versus paying dividends?

Deepak Goyal:

Sure, Bhavya. We will look at that.

Hemant Bakshi:

Since we are running out of time, I just want to put this. This is a historic day for us. We are taking a foundational step towards our vision, which is to become an emerging market consumer packaging leader. And as you can see, we are all very, very excited with where we are.

We think the future is even brighter and we are very optimistic and excited. I also know that there are about 10 people who are still in the queue. So please do reach out to us and we will suitably respond to your questions from tomorrow onwards. And once again, thank you very much for the time and thank you for your continued support.

Moderator:

Thank you very much. On behalf of Systematix Shares & Stocks India Limited, that concludes this conference. Thank you all for joining us today and you may now disconnect your lines.