



Emmbi Industries Limited

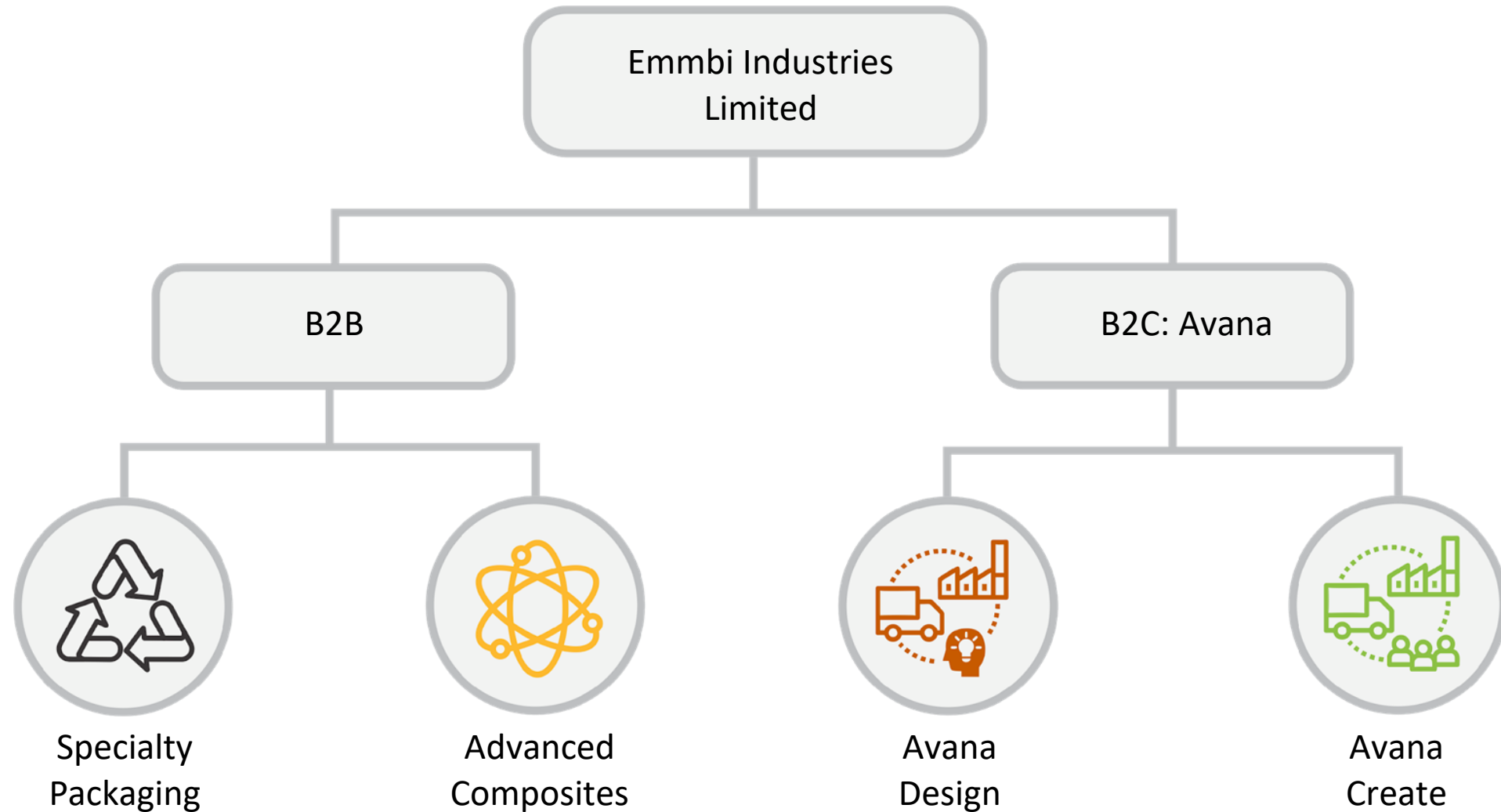
**Investor Presentation
Q4, 2019-2020**

Disclaimer

This is not an investment recommendation, and this presentation contains forward-looking statements, identified by words such as 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' and so on.

All statements that address expectations or projections about the future, but not limited to the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Since these are based on certain assumptions and expectations of future events, these are subject to extraneous, as well as other factors. You are required to do your own research prior to making any strategic or commercial decisions based on this presentation. Neither the Company or its Directors, Management and/or Employees can be held liable for decisions made by the readers.

Business Verticals



B2B: Specialty Packaging

- Estimated Global Market: US \$30 Billion
- The Specialty Packaging division caters to a wide array of industries, from food and pharma to chemicals, cement and more – to transport and store material



B2B: Advanced Composites

- Estimated Global Market: US \$36.5 Billion
- The Advanced Composites division focuses on creating high-tech solutions for specialized applications
- This division creates solutions for hazardous waste management, asbestos removal, fire-retardant applications, water conservation etc.

Avana Market Overview



54% of India faces high to extremely-high water stress



Water Conservation is being brought to the forefront of government policy

This is resulting in more funds for the creation of farm ponds, which are built by Avana under our brands Jalasanchay and Jalasanchay Super



India to double farmer income by 2022-23

This would put more money in the hands of the consumer and boost sales for agri-businesses

B2C: Avana Create

- Avana Create includes products and services where we design, manufacture and distribute products
- This range includes:
 - Jalasanchay (Pond Liner)
 - Jalasanchay Super (Pond Liner)
 - Kapila (Murghas Bags)
 - Bioflocking Tanks (for fish cultivation)
- While selecting products for this range, we ensure that our technical strength in manufacturing can be used to deliver a product that can command a market premium

B2C: Avana Design

- Avana Design includes products where we design and distribute products, that are made by partner manufacturers
- This range will include the following by Q1 of 2020-21:
 - Rakshak by Avana (Tarpaulin)
 - Leno Bags (for vegetables and onion transport)
- This range will also include the following by Q4 of 2020-21:
 - Fish Feed
 - Fish Seed
- Products in this range will help us grow in an asset-light manner, and let us focus investments on expanding our distribution network
- They will leverage on our current agri-distribution network, with 300+ retail touchpoints, more efficiently

Financial Highlights



Financial Highlights

40+

Products

15+

Patents

200+

Clients

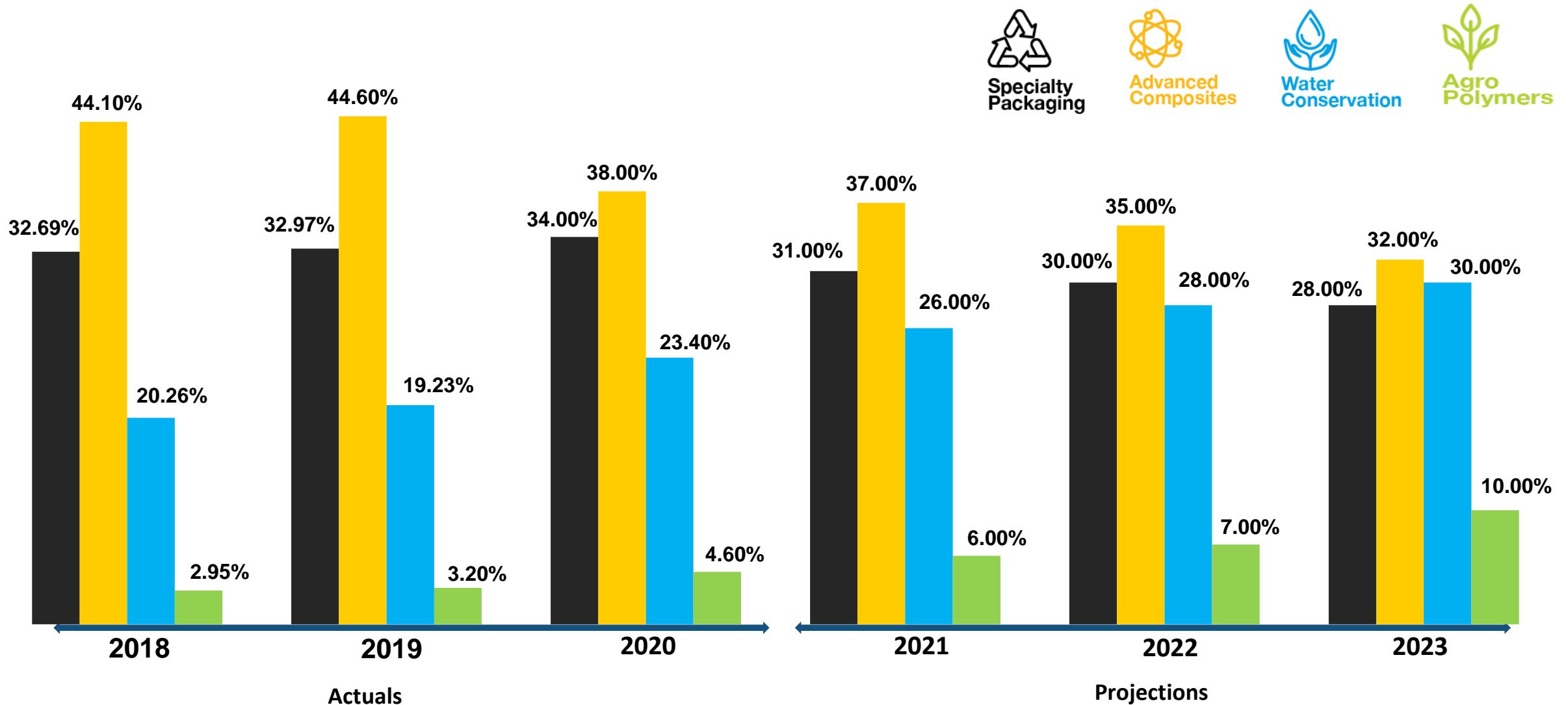
57+

Countries

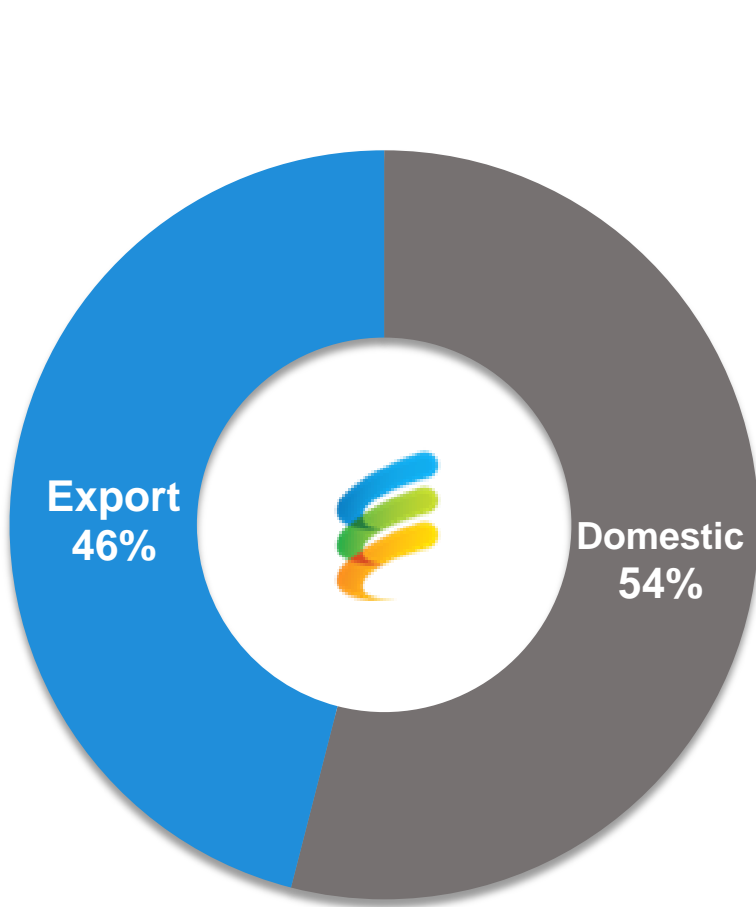
(₹ Millions)	2016	2017	2018	2019	2020
Revenues	2,177	2,410	2,790	3,148	3,331
EBIDTA	270	297	353	411	376
PAT	106	124	153	178	146
EPS	5.99	7.03	8.63	10.06	8.27
BV	41.24	47.74	55.53	64.99	72.57

Growth	2016	2017	2018	2019	2020
Revenue Growth %	12.83	10.72	15.77	12.85	5.81
EBIDTA %	12.97%	12.94%	13.87%	14.22%	12.36%
PAT Growth %	77.63	17.36	22.73	16.57	(17.78)

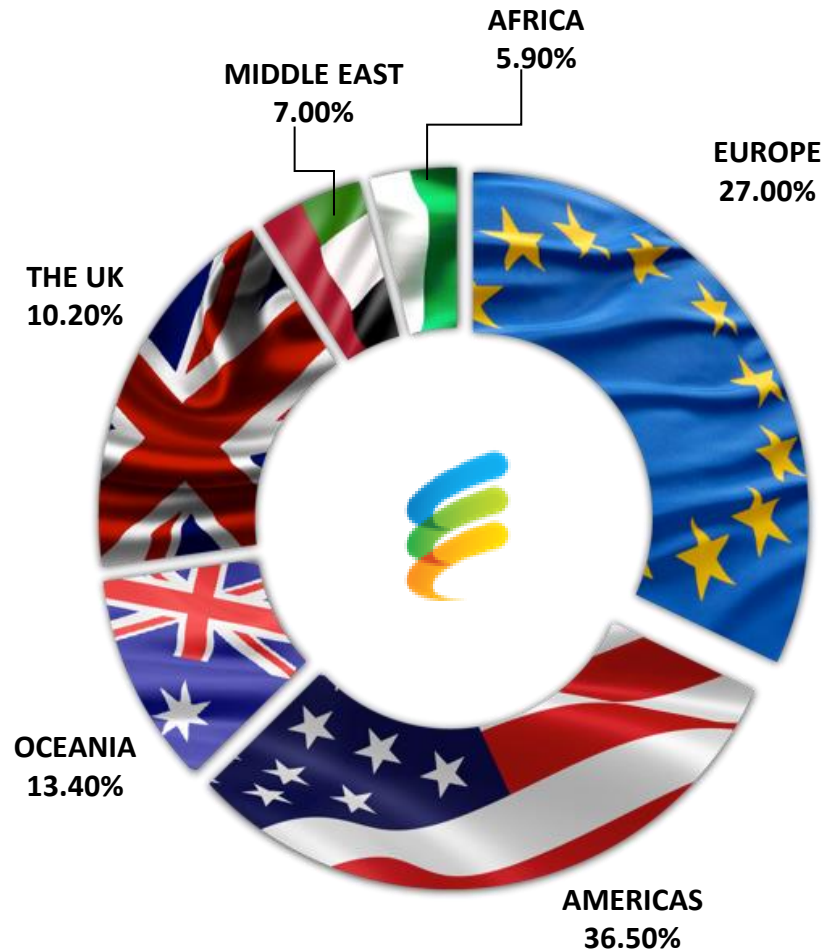
Vertical Wise Revenue



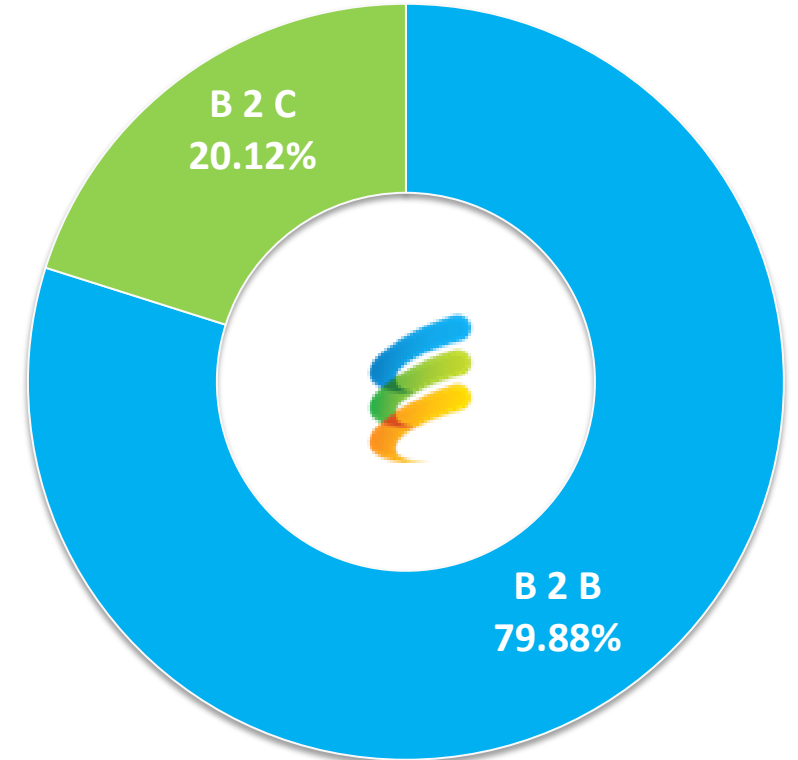
Revenue Breakdown



Markets



Export Geographies

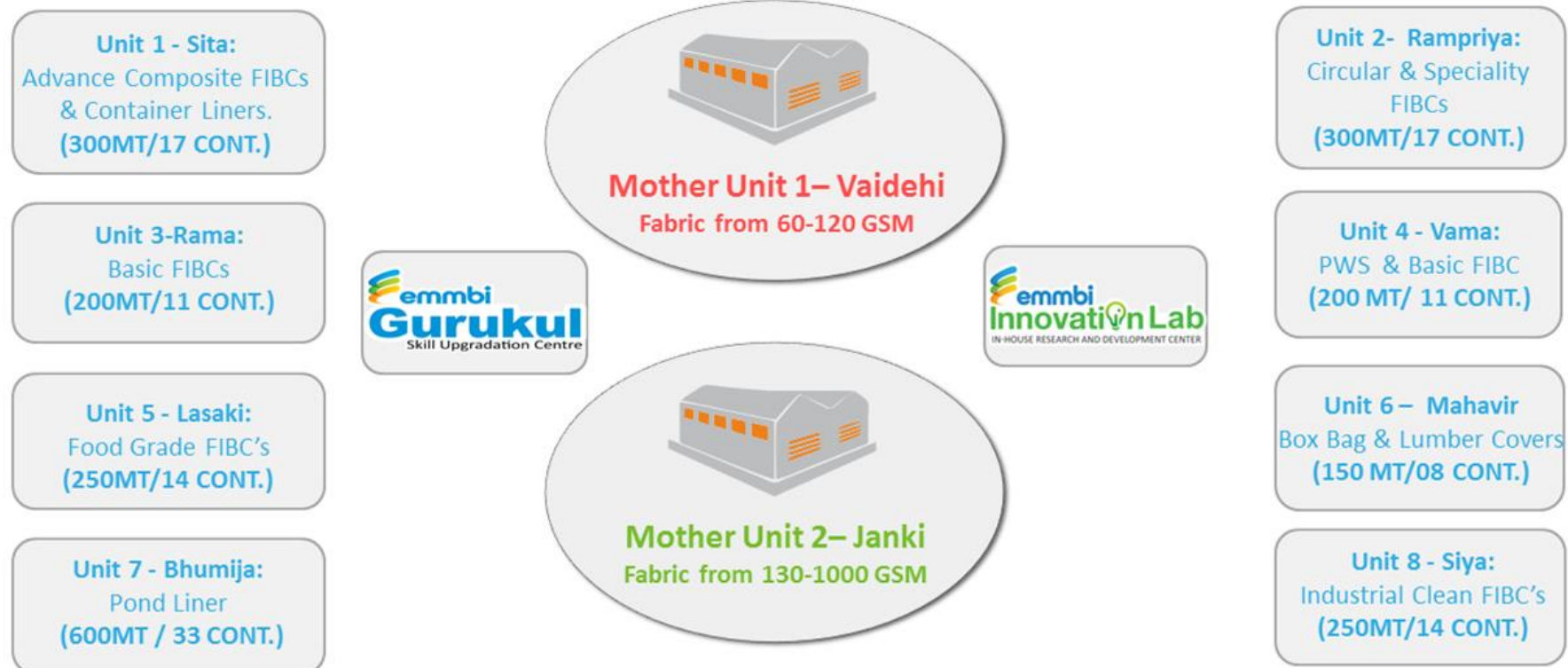


B2B vs B2C

* Figures as on 31st March 2020

Manufacturing Developments

- Creation of an automobile style manufacturing system
 - Different components are manufactured in different units
 - This would lead to improved unit efficiency, and in-turn, helping our profitability



Product Developments of the Quarter



Avana Rakshak Tarpaulin

- UV Resistant, water proof, improved strength
- Premium price, but still affordable for the rural market
- Q1 of FY 21 will see product pilot at scale in Pune and Solapur



Avana Kapila Murughas Bag

- Used for fodder fermentation
- Made of completely new fabric, which helps with nutritional safety of fodder
- Q1 of FY 21 will see product pilot at scale in Pune and Solapur

Long Term Growth Drivers



B2B Growth Drivers

Emmbi has identified that a long-term growth driver in polymer processing will be green polymers – substances that have the same functionality as current polymers, but a lower environmental impact.

With this in mind, we have designed

- Emmbi EcoSafe
 - See the next slide for complete details
- Emmbi Reclaim
 - 30% of the material used in the bag is industrially recycled
 - Improves recycling efficiency
 - Increasing demand in western markets, specifically United Kingdom
 - All products can be custom made with a Reclaim design

Emmbi EcoSafe

- Products made with a single homopolymer design
- Use only raffia grade polypropylene, as opposed to multiple polymers
- No separation required during recycling
- All products can be custom made with an EcoSafe design
- **Fully recyclable**

Spare parts	Conventional Process	Emmbi Way
Body Fabric	Polypropylene	Raffia Grade Polypropylene
Liner	Low Density Polyethylene	Raffia Grade Polypropylene
Stitching Thread	Polyester	Raffia Grade Polypropylene
B Lock	Nylon	Raffia Grade Polypropylene
Filler cord	Crimped Polypropylene	Raffia Grade Polypropylene
Document Pocket	Low-Density Polyethylene	Raffia Grade Polypropylene

Avana Growth Drivers

- Focus on distribution, design and marketing with partner manufacturers
 - Asset Light growth
 - Investment focused on increasing retail touchpoints
- Creation of a service-focused organization
 - USP within rural consumer durables sector, water conservation in particular
- Creating an ecosystem of products
 - For instance, selling fish feed and fish seeds to farmers who use Jalasanchay Super ponds

Emmbi's COVID response



Operation Dhronacharya

- Launch of special skill upgradation program named “**Operation Dhronacharya**” to mitigate the shortfall of migrant labourers and to minimize the disruptions in operations
- Hiring of unskilled labourers from the local areas in Silvassa
- Training of unskilled labourers to upgrade their skills
- After training the individuals are transferred to main manufacturing lines

Direct involvement of management in day-to-day production operations

- To mitigate the impact of disruptions the management is directly involved at all levels of operations on daily basis
- Direct interaction with the production team on daily basis to identify and resolve operational roadblocks arising due to disruptions
- Increase in production efficiency and boost in employee morale

Measures and steps taken to deal with COVID response

Sanitization & Safety Measures

- Mandatory Sanitization of all workers, employees, visitors, etc. at all entry and exit points. Thermal screening of individuals entering the factory premises.
- Sanitization of entire factory and machineries thrice every day.
- Sanitization of all vehicles and containers entering the factory premises.
- Free distribution of Ayurvedic Immunity Boosting Tablets to all the staff and workers of the Company.
- COVID insurance cover taken for all workers, employees and management.
- Till 18th June, 20 no Corona Positive cases detected in the Company across all units and offices.



Thank You

For more information,
please contact Emmbi
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