

Media Release

Cosmo Films Limited

Consolidated Results

Cosmo Films reports 53% increase in EBITDA and 69% in PAT on YOY basis

In Rs. Crores	Q1 FY21	Q4 FY20	Q1 FY20	FY20
Net Revenue	481	524	541	2,204
EBITDA	93	78	61	281
PBT	66	37	37	163
PAT	47	21	28	113
EPS (in Rs.)	24.8	10.9	14.5	59.2

New Delhi, August 19th, 2020: Cosmo Films Limited, a global leader in films for packaging, labeling, lamination and synthetic paper today declared its financial results for the quarter ended June 2020.

The Company posted an EBITDA of Rs.93 crores during Q1 FY21 on the back of higher speciality sales (up by 20%) and improved operating margins. Pent-up demand from previous quarter and supplies opening up in phased manner led to a favourable demand supply scenario and improved margins.

Covid-19 pandemic had marginal impact during the quarter. The Company expects that Covid-19 impact may remain only marginal in the following quarters too barring unforeseen conditions.

Commenting on performance of the company **Mr. Pankaj Poddar, CEO, Cosmo Films Ltd.** said, *“The Company shall continue to invest in R&D and grow its specialty film portfolio thereby improving margins. The company is also investing in several new initiatives including Artificial Intelligence (AI), Data Mining, Cloud Computing etc. which should help to achieve automated paperless processes, lower the operating costs and provide superior service to the customers and other stakeholders. The company’s 100% subsidiary is poised to start speciality masterbatches production in Q2’21 and chemicals in Q4’21.*

As a part of its sustainability drive, the Company has taken a target to be water positive at all its plant locations, increase in-house consumption of process waste (continuously being reduced) and also improve air quality by planting thousands of fruit bearing trees. The company is taking several other measures on the sustainability front to help customers & society at large and reduce costs.

The Company’s net debt now stands below 2 times of the EBIDTA and investment in new capacities is being evaluated to further strengthen the Company’s share of specialty films”.

Commenting on the Company’s foray into Pet Care business, Mr. Poddar said that the Company is going ahead with the pilot launch in NCR investing about 15 crores over next 18 months to ascertain the viability of the Pet Care business to launch it at a larger scale. The overall investment is expected to remain marginal vis-à-vis size of the existing business. Pet care business has been growing in India at 22% CAGR. With smaller families, rising income levels and

limited social lives (especially post Covid), pet adoption has increased and expected to grow many folds. The business scenario is highly fragmented and there are no organized players in India offering end to end comprehensive solution to the customers. Cosmo expects to fill up this void. Pet care is a low capex business while brand building will require some investments in the initial years. The Company believes the business will deliver high returns, high valuation and add significant value to shareholders.

About Cosmo Films Limited

Established in 1981, Cosmo Films is a global leader in speciality films for packaging, lamination, labeling and synthetic paper. With engineering of innovative products and sustainability solutions, Cosmo Films over the years has been partnering with worlds' leading F&B, personal care and tobacco brands and packaging & printing converters to enhance their consumer experience.

Company's film offerings include BOPP and CPP films. Today, the company is the largest exporter of BOPP films from India and also the largest producer of thermal lamination films in the world. Its customer base is spread in more than 100 countries with manufacturing units in India, Korea & Japan.

For more details, please contact -

Sukriti Mendiratta
E: sukriti.mendiratta@cosmofilms.com
M: 9811990121