

ESTER**INDUSTRIES LTD.**

CIN : L24111UR1985PLC015063

Date: 23rd May 2024

BSE Limited (BSE) Department of Corporate services Phirojee Jeejeebhoy Towers Dalal Street, Mumbai – 400023	National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051
Scrip Code: 500136	Symbol: ESTER

Dear Sir/Madam,

Subject: Press Release on Audited Financial Results for the quarter and financial year ended on 31st March 2024

Please find enclosed herewith the press release on Audited Financial Results of the Company for the quarter and financial year ended on 31st March 2024.

Please take the same on your records.

Thanking you,

Yours faithfully,
For **Ester Industries Limited**

Poornima Gupta
Company Secretary & Compliance Officer

Encl: As above

Ester Industries Limited

Corporate Office : Block-A, Plot No. 11, Infocity-I, Sector-34, Gurgaon - 122001 Haryana, India
Phone : +91-124-2656100, 4572100 Fax : +91-124-4572199, 2656199 E-Mail : info@ester.in Website : www.esterindustries.com

Regd. Office & Works : Sohan Nagar, P. O. Charubeta, Khatima - 262308 Distt. Udham Singh Nagar, Uttarakhand
Phone : EPABX No. (05943) 250153-57 Fax No.: (05943) 250158



Ester Industries reports Q4 & FY24 Results

Gurugram, 23rd May 2024: Ester Industries Limited, India's leading manufacturer of Polyester Films and Specialty Polymers, announced its financial results for the quarter and year ended March 31, 2024.

Particulars – (Rs.cr)	Q4 FY24	Q4 FY23	%	FY24	FY23	%
Revenues	220.3	255.7	(13.9)	881.7	1,094.7	(19.5)
EBITDA (including Non-operating income)	8.8	18.9	(53.4)	22.8	117.2	(80.5)
Margins (%)	4.0	7.4	(340 bps)	2.6	10.7	(810 bps)
PAT	(9.2)	2.9	-	(43.3)	35.8	-
Margins (%)	-	1.1	-	-	3.3	-

Commenting on the performance, Mr. Arvind Singhania, Chairman, Ester Industries said:

"We are committed to achieving our objective of moving from commodity products to innovative & specialty products through the use of new technologies. Our partnership with Loop is aligned with this objective. Loop's patented technology to convert all types of Polyester waste into monomers namely rDMT and rMEG combined with Ester's decades of experience in Polymerization helps us achieve circularity in the true sense and a sustainable future as we move ahead.

Moving onto Specialty Polymers performance for the fiscal – we are now witnessing gradual pick-up in the business especially during the second half with volumes for some of our marquee products trending higher. We expect the momentum to continue during the new fiscal and expect the volume of sales to improve quarter after quarter amidst normalization of demand. This business has already started generating decent profits and we expect this momentum to continue. As I have been reiterating, this business is IP protected which in effect ensures margins and profit preservation. Our product pipeline remains steady, and we expect new products to contribute positively going forward.

As far as Film business is concerned, FY24 presented significant challenges, as anticipated due to temporary demand – supply imbalance. The introduction of new capacities resulted in oversupply, causing pressure on pricing / margins. While near-term challenges persist, we remain optimistic about the prospects of the Film SBU in medium to long term as the domestic demand for Polyester Film continues to grow at a healthy rate and further with Plastics Waste Management Rules (PWMR) mandating utilization of 10% recycled content in the flexible packaging laminate, coming into force from 1st April 2025 will further increase demand for Polyester Film with conversion taking place from other substrates to Polyester.

Looking ahead, we believe we are well positioned to create value for our shareholders as the fundamentals of both the businesses remains firmly intact. The JV with Loop is a game changing development which will charter a path of profitable growth for the Company for years to come."



Business Highlights

• Enters into a JV with Loop Industries Inc

- Entered into a JV with Loop Industries., Inc to produce a unique product offering of lower carbon footprint recycled dimethyl terephthalate (rDMT), recycled mono-ethylene glycol (rMEG) in India, using the Infinite Loop™ technology.
- The Infinite Loop™ India JV facility aims to annually produce 70,000 MTPA of rDMT and 23,000 MTPA of rMEG. Ester will then convert part of these quantities into various specialty polymer grades.
 - This facility can cut carbon emissions by up to 70% compared to virgin DMT and MEG from fossil fuels.
 - Provide chemical companies with a straightforward, circular alternative, aiding them in meeting sustainability targets.
- JV combines Loop's cutting-edge technology and access to global brands with Ester's 40 years of polymer expertise and operational prowess.
- Construction is expected to be completed by the end of 2026, with commercial operations commencing in early 2027.
- Project cost: US\$. 165 Mn

• Polyester Films – Heightened competitive intensity dents revenue growth and profitability

- Business environment remained challenging amidst heightened competition – Volumes improved marginally (on sequential basis), pricing pressure persists.
 - Share of Value-added products stood at 28% during Q4FY24.
- Pricing pressure more than outweighs volume growth – leading to sharp moderation in margins and profitability.
- While margins may remain under pressure in the short-term owing to commissioning of new capacities; medium to long term prospects of the business continue to remain favourable.

• Specialty Polymers – Witnessing early signs of recovery; expect good growth in FY25

- Witnessed good pick up in the business on a sequential basis – with revenues and profitability both higher compared to Q3FY24.
- Better product mix (higher share of MB03) resulted in better margins and profitability for the quarter (compared to Q3FY24)
- Witnessing recovery in the US markets and a result expect FY25 to be much better than FY24 in terms of sales, both in volumetric & value terms, and profitability



About Ester Industries:

Incorporated in 1985, Ester Industries Limited (EIL), a public limited company, is an ISO 9001:2008, ISO 22000:2005, TS16949:2002 certified. The company is promoted by the Singhania family. The company is one of India's leading producers of Polyester Films and Specialty Polymers having a track record of continually developing new and innovative products for customers across the globe. Ester Industries has state of the art manufacturing facilities in Khatima in Uttarakhand with the capacity of 67,000 TPA of Polyester Resin, 60,000 TPA of Polyester Film and 30,000 TPA of Specialty Polymers. Through Wholly Owned Subsidiary, Ester Filmtech Limited, it has set up state of the art manufacturing facility in Hyderabad, Telangana to produce 48,000 MT of Polyester Film. The company currently generates more than 30% of its revenue from exports of Polyester Films & Specialty Polymers with sales and distribution network in more than 56 countries across the world resulting in strong customer relationships.

Specialty Polymers are manufactured primarily for the European and US markets. Specialty Polymers business is driven by technology and innovation and the Company has been granted many patents and presently has quite a few patent applications pending for this business. With state-of-the-art manufacturing plant, skillfully managed operations and a committed work force Ester continuously strives to meet commitments towards total customer satisfaction.

For more information contact:

Pradeep Kumar Rustagi (Executive Director-Corporate Affairs)

Ester Industries Ltd.

Tel: +91 124 2656 100

Fax: +91 124 2656 199

E-mail: pradeep.rustagi@ester.in

Gavin Desa / Suraj Digawalekar

CDR India

Tel: +91 22 6645 1237 / 1219

Fax: +91 22 6645 1213

Email: gavin@cdr-india.com

suraj@cdr-india.com

CIN: L24111UR1985PLC015063

Regd. Office : Sohan Nagar, P.O. Charubeta, Khatima- 262308 Distt. Udham Singh Nagar, Uttarakhand

Phone: EPABX No. (05943) 250153-57; Fax No.: (05943) 250158;

Email: info@ester.in; Website: www.esterindustries.com

