



GREENPANEL®

Brand Greenpanel

Performance in Q1 FY2023

Disclaimer

Certain statements in this communication may be ‘forward looking statements’ within the meaning of applicable laws and regulations. These forward-looking statements involve number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Important developments that could affect the Company’s operations include changes in the industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, litigation and labour relations.

Greenpanel Industries Limited (GPL) will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

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A snapshot of our company

● 1

Brand vision: We envision to maintain our Leadership Position in the Panel Industry and supply best quality Panel products to our customers. To be referred as “*Pride of India, Panel of India*”

● 2

About us: Greenpanel is a prominent wood panel player in India with a national leadership in Medium Density Fibreboard (MDF).

● 3

Management: Greenpanel is led by Mr. Shiv Prakash Mittal, Executive Chairman, and Mr. Shobhan Mittal, Managing Director and CEO, supported by experienced professionals and workforce (1910 as on March 31 2022).

● 4

Listing: The Company was listed on October 23 2019 and enjoyed a market capitalisation of ₹ 7,179 crores as on March 31 2022 (NSE closing price of ₹ 585.45).

● 5

Locations: The Company is headquartered in Kolkata (West Bengal), supporting offices in Gurgaon and Singapore and state-of-the-art manufacturing facilities in Rudrapur (Uttarakhand) and Srikalahasti (Andhra Pradesh); the latter is arguably the largest MDF plant in Asia.



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Part one _____
**Our performance,
Q1 FY2023**

Performance Highlights

1

Excellent Performance in a traditionally weak quarter

2

Sustained growth (YoY):
Revenue 54%
EBITDA 100%
PAT 161%

3

Maintained Domestic Realisations

4

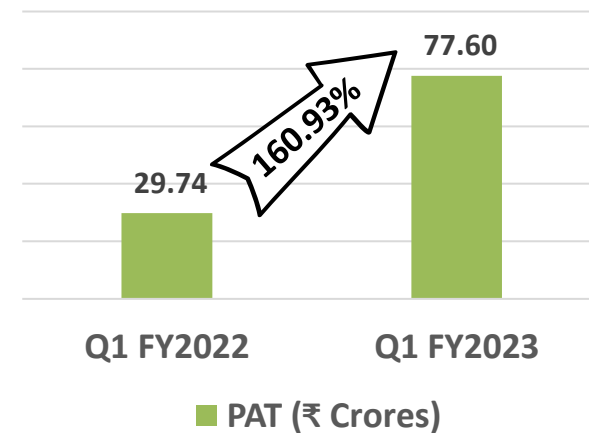
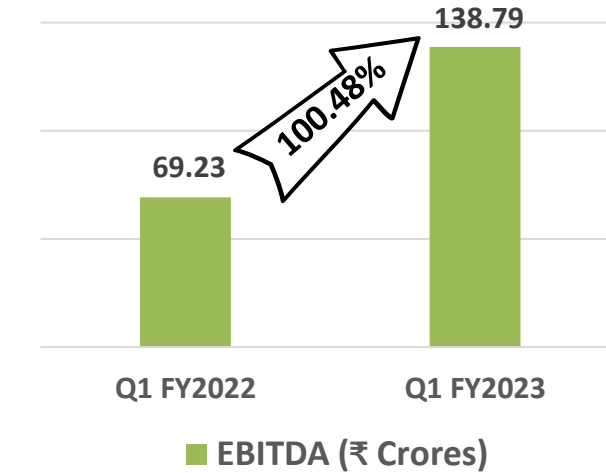
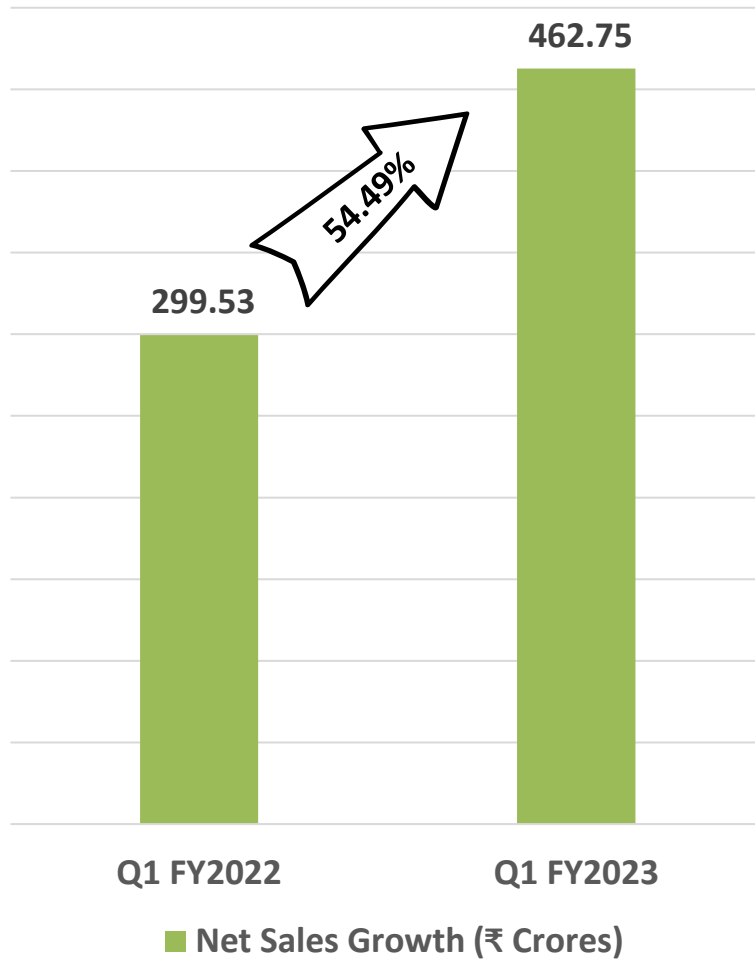
Improved Export Realisations

5

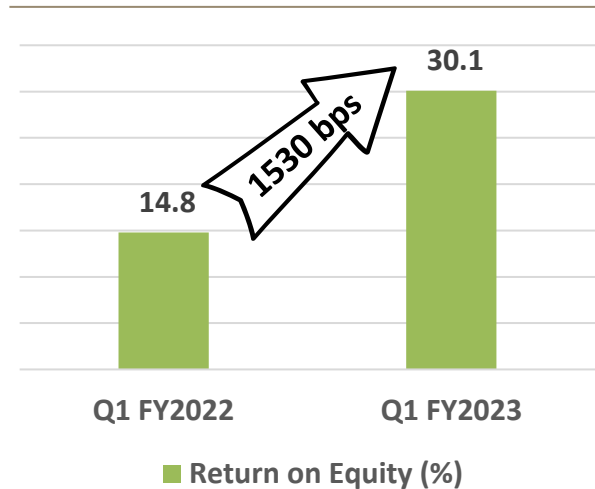
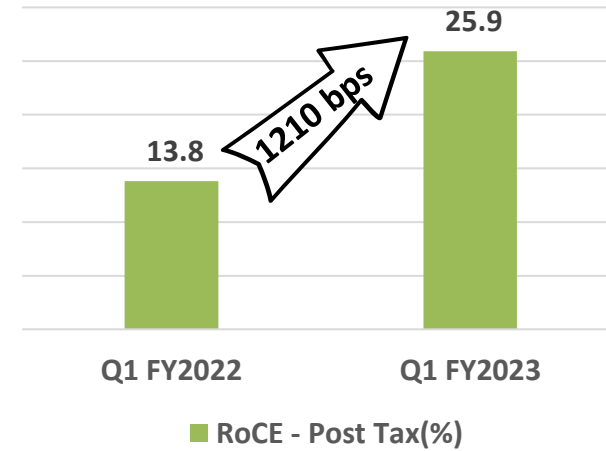
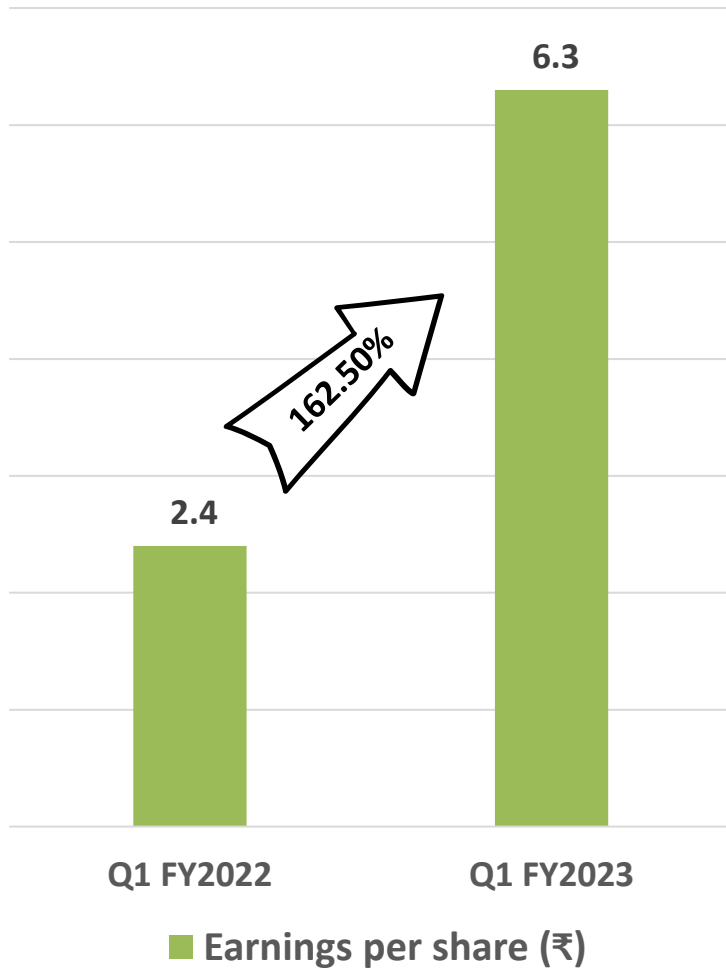
Superior working capital hygiene
& a Stronger Net Debt Free
Balance Sheet

6

Our financial performance in brief



Our financial performance in brief



Financial Highlights

Q1 FY2023 v/s Q1 FY2022

Key Ratios (%)	Q1 FY2023	Q1 FY2022
Gross Margin	61.60	56.20
EBITDA Margin	30.00	23.10
EBIT Margin	26.10	17.40
Net Margin	16.80	9.90
Sales Promotion / Net Sales	1.30	1.00
Employee Expenses / Net Sales	7.90	9.40
Logistics Costs / Net Sales	4.60	5.10
EPS (₹)	6.33	2.43

Segment Performance - MDF

Particulars	Q1 FY2023	Q1 FY2022	Growth
Net Sales (₹ Crores)	391.90	254.26	54.10%
EBITDA Margin	33.30%	25.30%	
EBIT Margin	28.90%	19.00%	
Annual Capacity (CBM)	6,60,000	5,40,000	
Production (CBM)	1,33,224	1,22,448	8.80%
Sales Volume (CBM)	1,25,029	1,12,735	10.90%
Capacity Utilisation	81%	91%	
Blended Realisation (₹/CBM)	31,345	22,528	39.10%
Domestic Realisation (₹/CBM)	33,346	25,571	30.40%
Export Realisation (₹/CBM)	23,941	15,617	53.30%

Segment Performance - MDF

Particulars	FY2022	FY2021	Growth
Net Sales (₹ Crores)	1,329.80	783.89	69.60%
EBITDA Margin	30.90%	22.90%	
EBIT Margin	25.80%	15.60%	
Annual Capacity (CBM)	5,63,000	5,40,000	
Production (CBM)	4,89,335	3,71,347	31.80%
Sales Volume (CBM)	4,95,041	3,80,431	30.10%
Capacity Utilisation	87%	69%	
Blended Realisation (₹/CBM)	26,850	20,585	30.40%
Domestic Realisation (₹/CBM)	29,451	22,304	32.00%
Export Realisation (₹/CBM)	18,941	14,431	31.30%

Segment Performance - Plywood

Particulars	Q1 FY2023	Q1 FY2022	Growth
Net Sales (₹ Crores)	70.85	45.27	56.50%
EBITDA Margin	11.50%	11.00%	
EBIT Margin	10.0%	8.10%	
Annual Capacity (Mn Sqm)	10.50	10.50	
Production (Mn Sqm)	2.35	1.61	46.00%
Sales Volume (Sqm)	2.51	1.75	43.40%
Capacity Utilisation	90%	61%	
Average Realisation (₹/Sqm)	282	259	8.90%

Segment Performance - Plywood

Particulars	FY2022	FY2021	Growth
Net Sales (₹ Crores)	255.94	217.10	17.90%
EBITDA Margin	11.00%	12.40%	
EBIT Margin	9.00%	9.70%	
Annual Capacity (Mn Sqm)	10.50	10.50	
Production (Mn Sqm)	8.48	7.48	13.40%
Sales Volume (Mn Sqm)	9.30	8.48	9.70%
Capacity Utilisation	81%	71%	
Average Realisation (₹/Sqm)	275	256	7.40%

Overview by MD & CEO

“Excellent performance on all fronts in a traditionally weak quarter. We have achieved our target of becoming net debt free by 30th June 2022.”

Overview by MD & CEO

“MDF sales volumes grew by 10.90% YoY; operating margin improved by 800 basis points to 33.30%.”

“Plywood sales volumes grew by 43.4% YoY; operating margins improved by 50 basis points to 11.50% due to price improvement.”

“Consolidated operating margins increased by 688 basis points to 30.0% due to superior product mix, price improvement, cost optimization and operational leverage.”

“Working capital investment reduced by 18 days YoY to 16 days as on 30th June 2022.”

“Net debt reduced by ₹ 77 crores during Q1 and closing net debt was (-) ₹ 17 crores as on 30th June 2022.”

“Widening distribution reach and focus on small urban clusters is supporting sustained volume growth and reduced working capital outlay.”

“We are optimistic of sustainable growth in coming quarters.”

Shobhan Mittal

Managing Director & CEO
Greenpanel Industries Limited



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Part two

Greenpanel Brand's Financial Health

Brand acceptance has supported
sustained growth

We strengthened realisations across both product lines

MDF

31,345

₹ / cubic meter,
Average realization,
Q1 FY2023

39.1

%, Growth in
average MDF
realisations

22,528

₹ / cubic meter,
Average realization,
Q1 FY2022

8.9

%, Growth in
average
Plywood
realisations



Plywood

282

₹ / square meter,
Average realization,
Q1 FY2023

259

₹ / square meter,
Average realization,
Q1 FY2022

We widened our margins by building a stronger business

We widened our margins by building a stronger business

30.0

% EBITDA margin,
Q1 FY2023

30.7

% EBITDA margin,
Q4 FY2022

23.1

% EBITDA margin,
Q1 FY2022

688 bps

YoY growth in
EBITDA margin
over Q1 FY2022.

We continued to remain principally an MDF-driven company

85

% of revenues drive
from MDF, Q1 FY2023

85

% of revenues drive
from MDF, Q1 FY2022

*Note: We are considered
the most attractive listed
MDF proxy in India*

We strengthened our working capital hygiene

Working capital cycle

16

Days, working capital cycle from resource purchase to sales receipt, Q1 FY2023

34

Days, working capital cycle from resource purchase to sales receipt, Q1 FY2022

Working capital productivity

6.2

Revenue generated from every rupee of working capital deployed, Q1 FY2023

2.7

Revenue generated from every rupee of working capital deployed, Q1 FY2022

Inventory

36

Days, Total Inventory expressed in days of turnover equivalent, Q1 FY2023

52

Days, Total Inventory expressed in days of turnover equivalent, Q1 FY2022

Receivables

8

Days, receivables
expressed in days of
turnover equivalent,
Q1 FY2023

21

Days, receivables
expressed in days of
turnover equivalent,
Q1 FY2022

Payables

28

Days, payables
expressed in days of
turnover equivalent,
Q1 FY2023

39

Days, payables
expressed in days of
turnover equivalent,
Q1 FY2022

**We utilized our
superior
performance to
draw debt down**

208

₹ crores, consolidated
gross debt, end of Q1
FY2023

411

₹ crores, consolidated
gross debt, end of Q1
FY2022



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How we strengthened our liquidity

45.9

Times or x, interest cover, Q1 FY2023

4.9

Times or x, interest cover, Q1 FY2022

MDF capacity utilization

MDF
81%

MDF capacity utilisation, Q1 FY2023 on enhanced capacity

91%

MDF capacity utilisation, Q1 FY2022

Plywood capacity utilization

PLYWOOD
90%

Plywood capacity utilisation, Q1 FY2023

61%

Plywood capacity utilisation, Q1 FY2022



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**Our
segment-wise
financial growth**

43.4%

YoY growth in plywood
volumes, Q1 FY2023

10.9%

YoY growth in MDF
volumes, Q1 FY2022

**We enhanced the
value-added
proportion of our
business**

Superior realisations

239

₹ per sq m, Average
realization for normal
plywood variety

602

₹ per sq m, Average
realization for decorative
veneer plywood variety

**We enhanced the
value-added
proportion of our
business**

Superior product mix

12%

of revenues derived from
decorative veneers
(plywood business),
Q1 FY2023

8%

of revenues derived from
decorative veneers
(plywood business),
Q1 FY2022



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Part three _____

Brand Greenpanel: The Journey So Far



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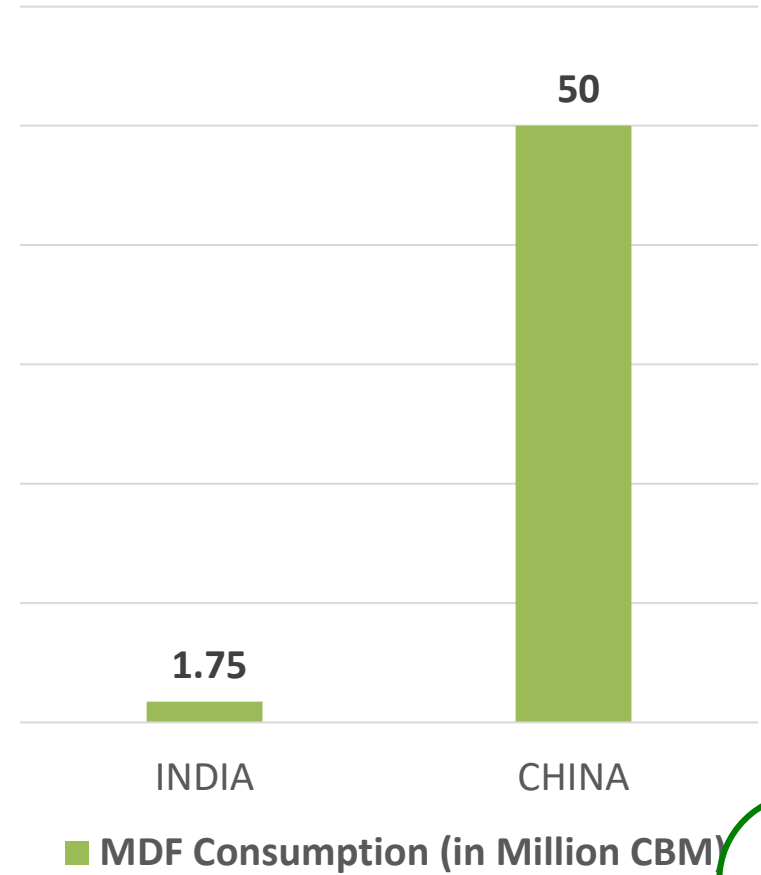
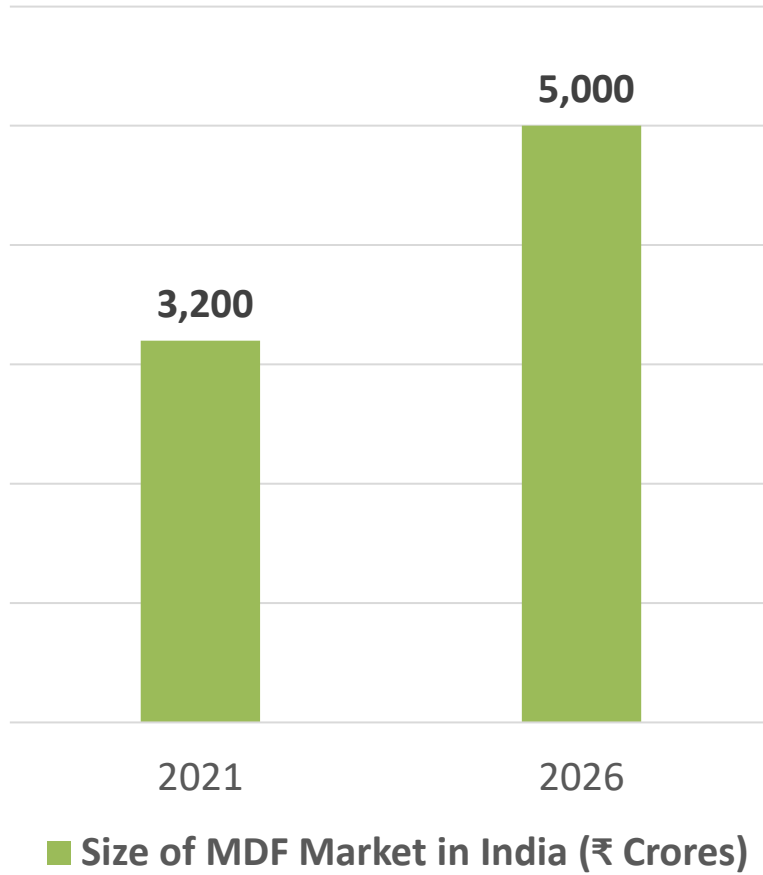


Financial and Business Review



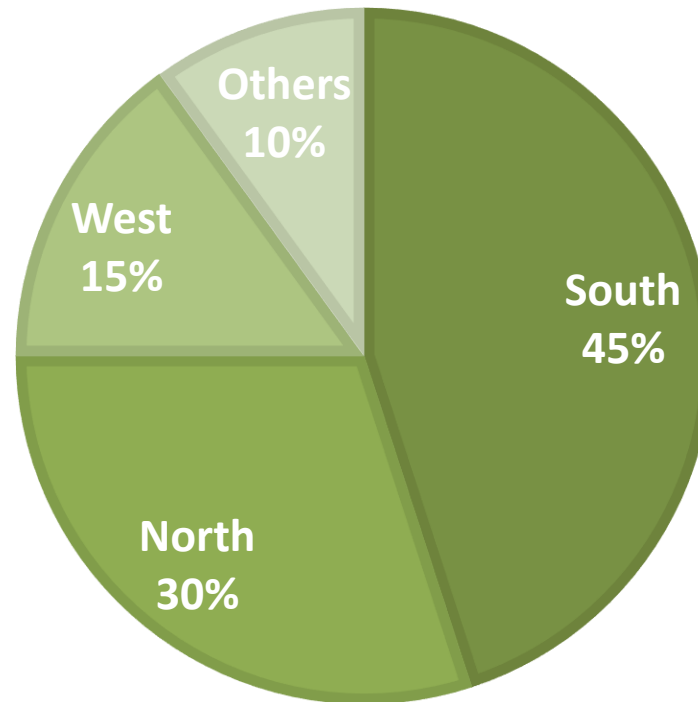
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Industry Overview

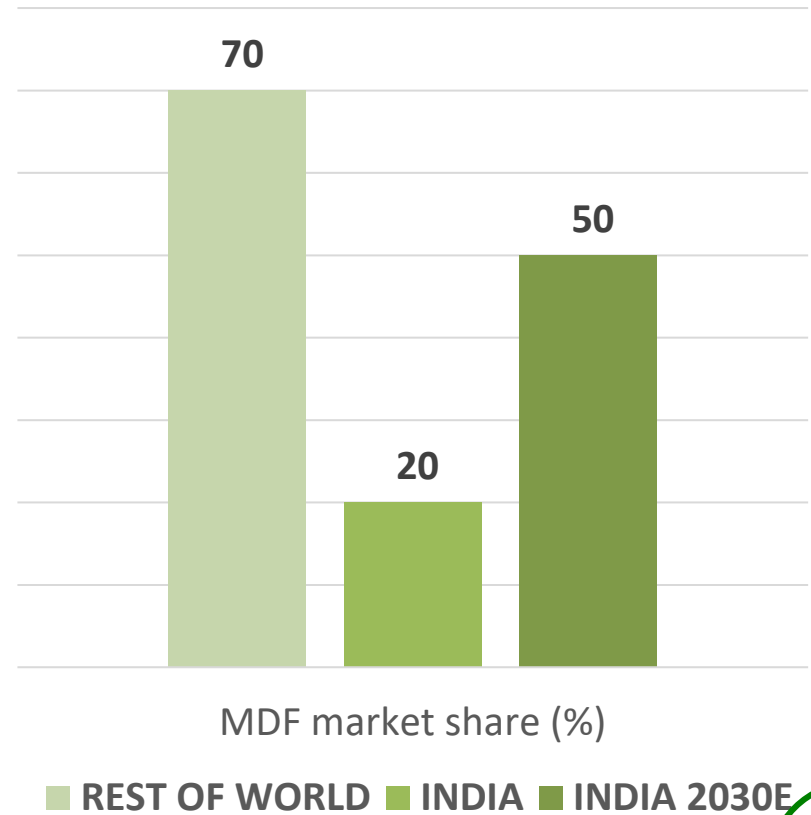
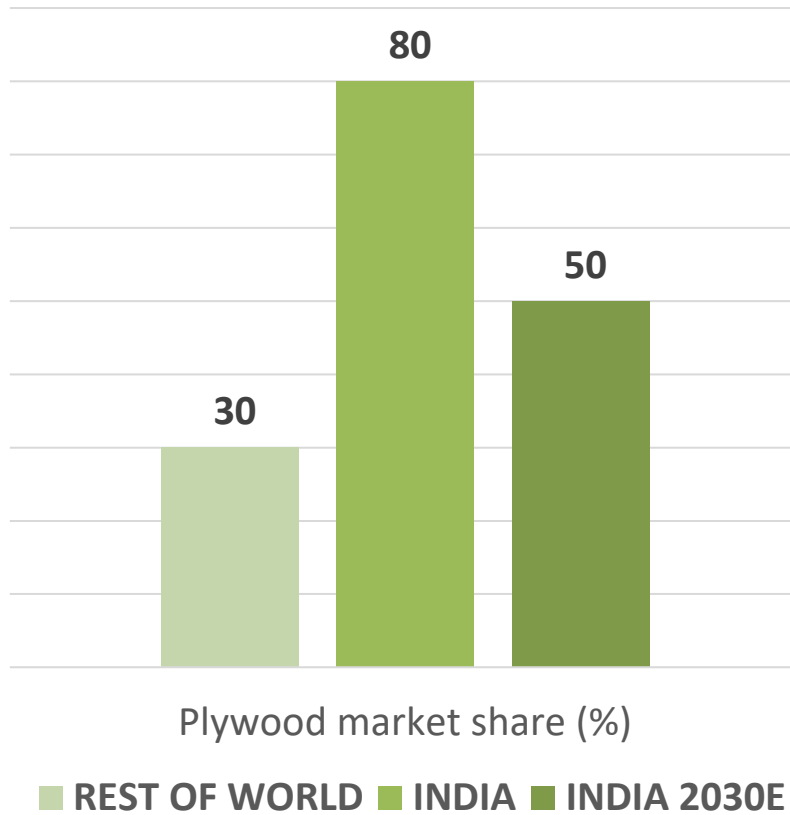


Industry Overview

REGIONAL DEMAND FOR MDF IN INDIA

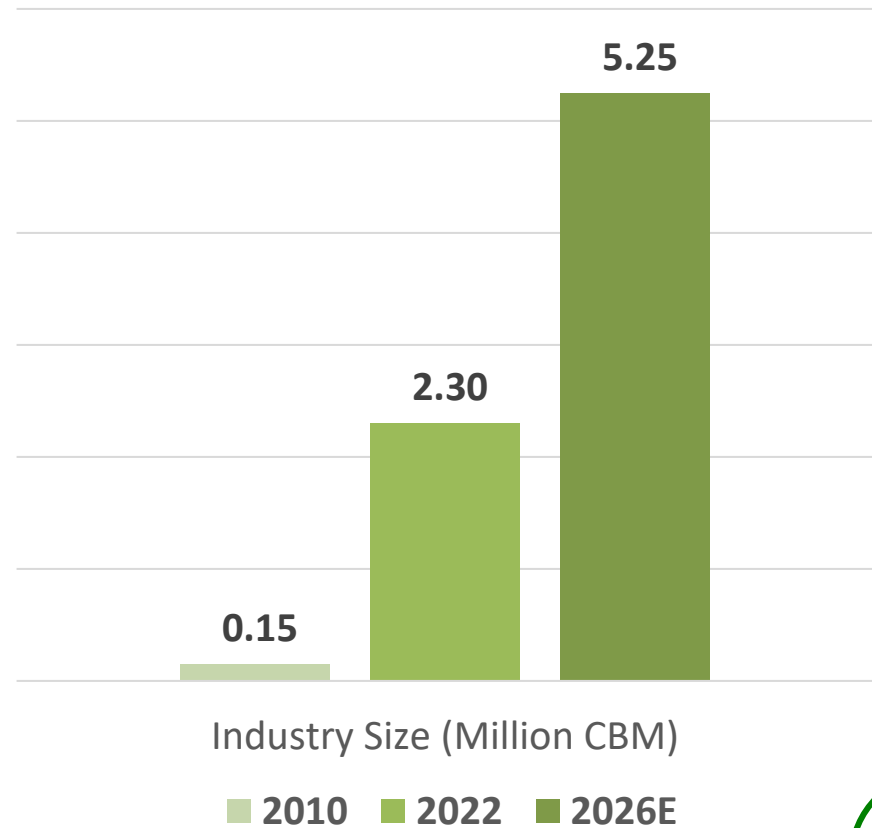


Industry Overview

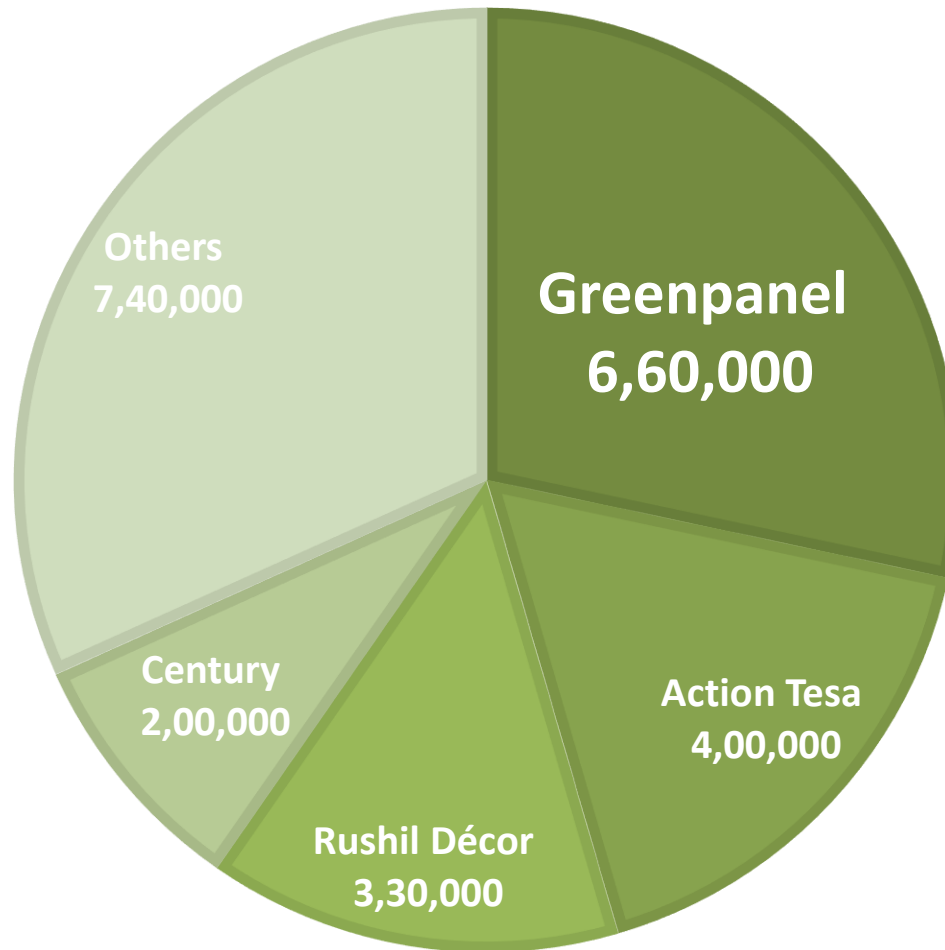


Industry Overview

In India, MDF has penetrated all the regions in terms of market presence and is rapidly advancing in terms of both consumer demand as well as production capacity. **The production capacity has grown by more than 15x from 0.15 million CBM in 2010 to 2.30 million CBM in 2022.** Further, it is expected to witness a **CAGR of 20-25% in the period 2021-2026.**

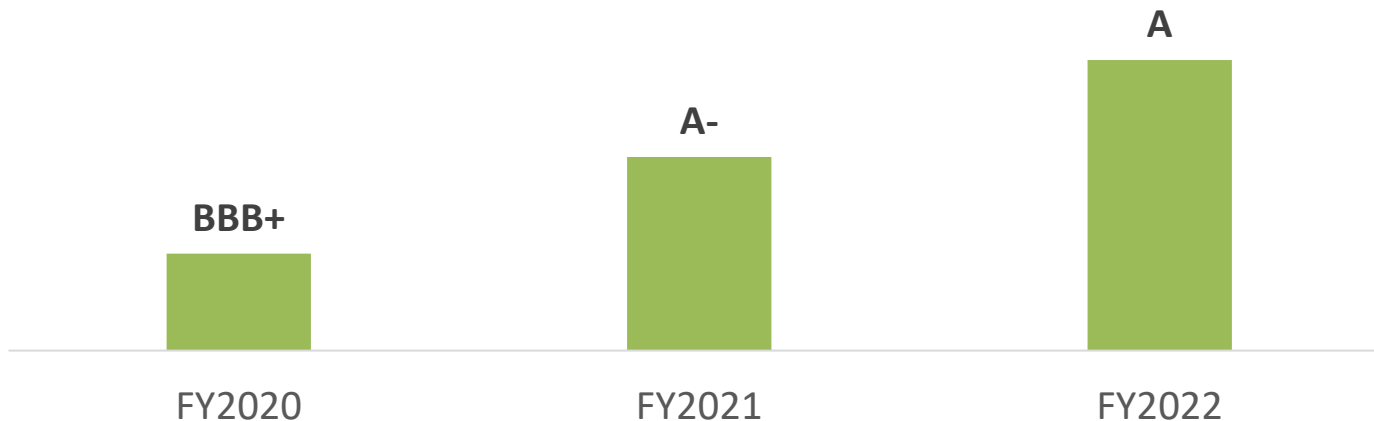


Where do we stand...



Where do we stand...

- ☑ We are now among the **top 500** listed companies on NSE based on market capitalisation
 - Rank as on 31 March 2022 is **396**
 - Rank as on 31 March 2021 was 573
- ☑ Credit ratings for “long term credit facilities” have consistently improved



Areas Highlighted

- ☒ Financial Evolution
- ☒ Capital Structure
- ☒ MDF Business
- ☒ Ply Business



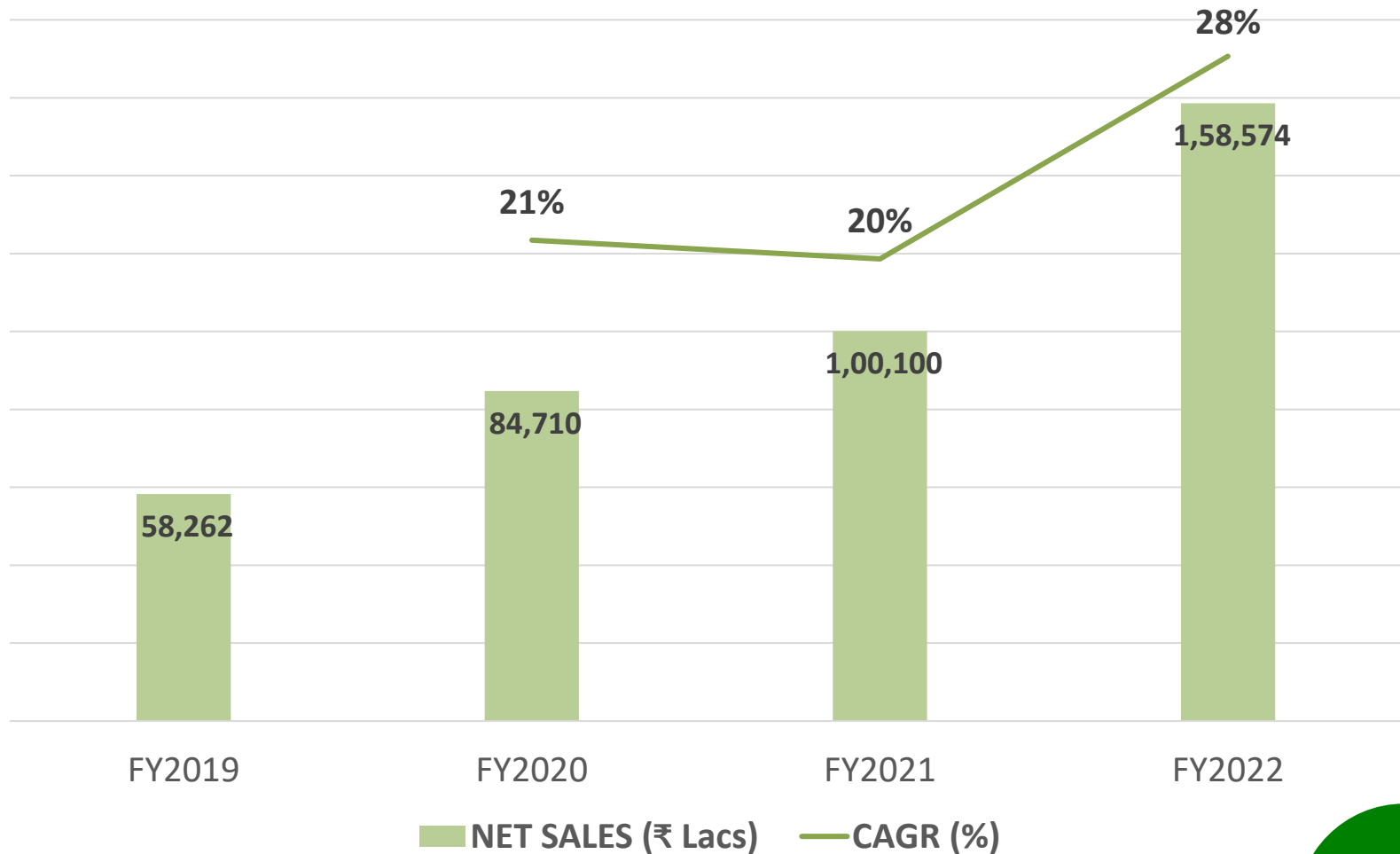
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FINANCIAL EVOLUTION

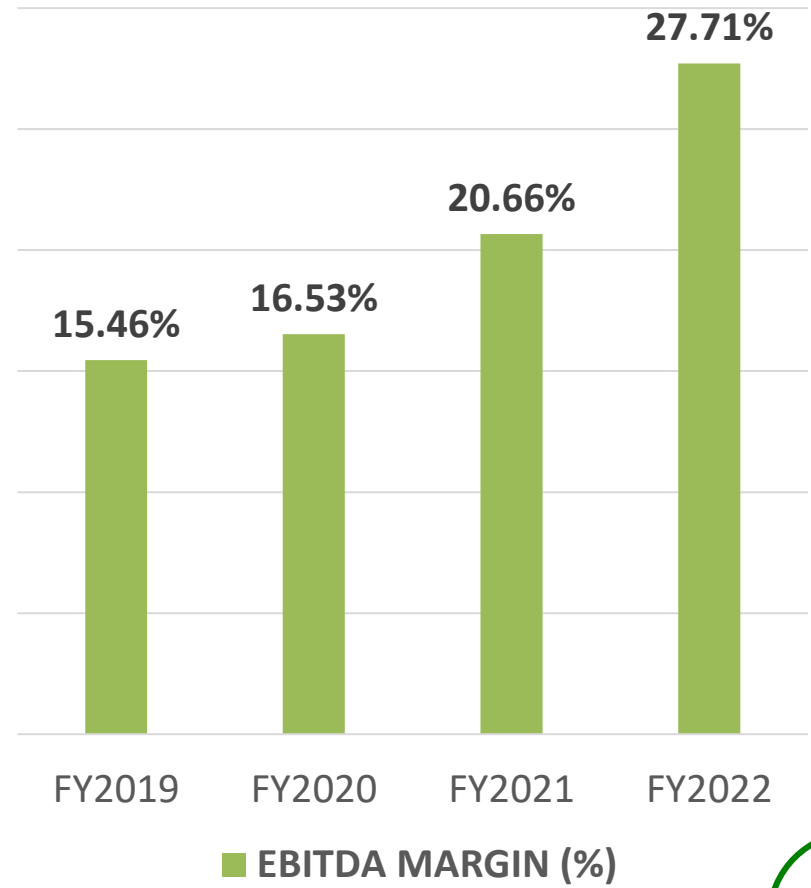
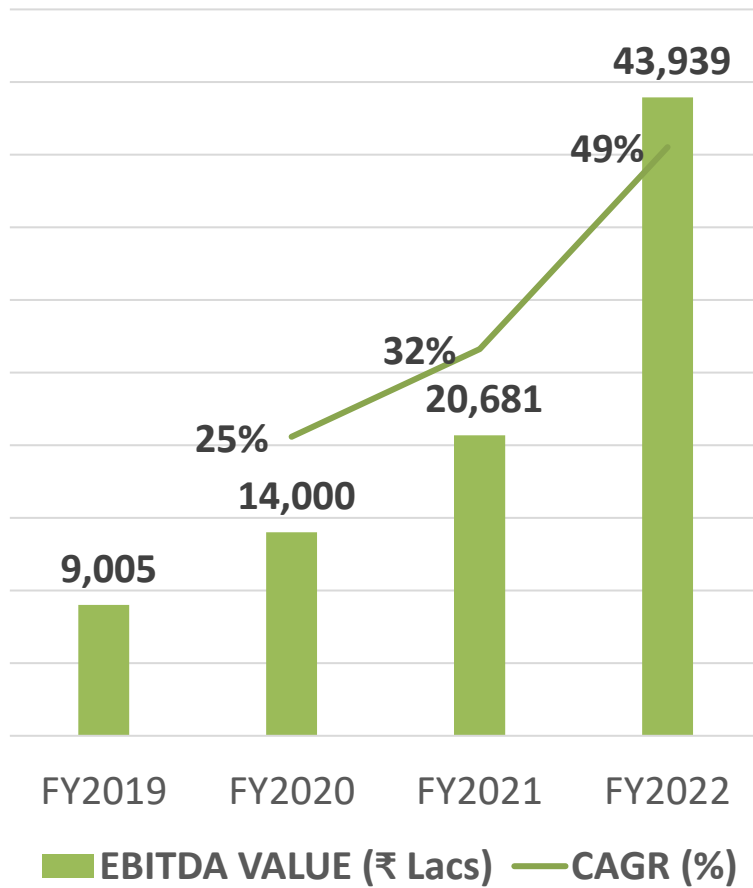


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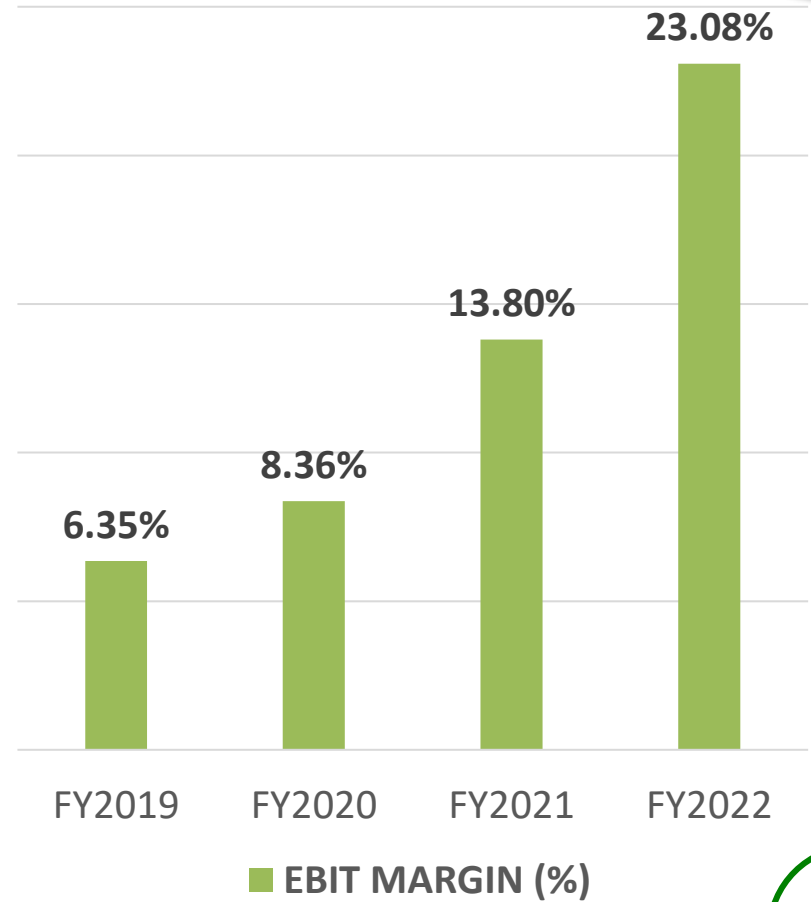
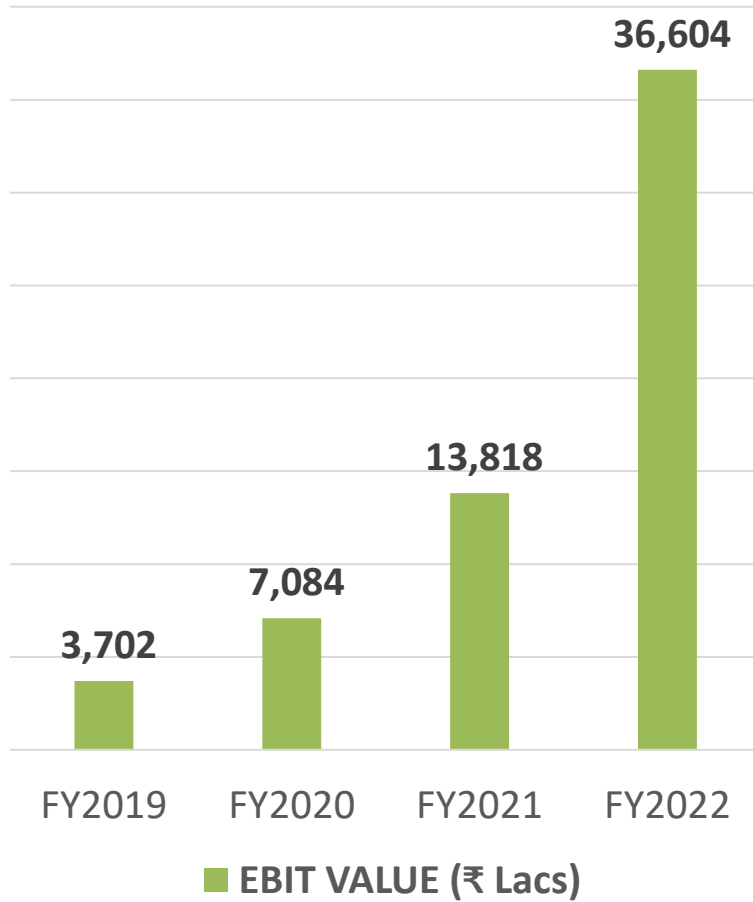
Financial Evolution



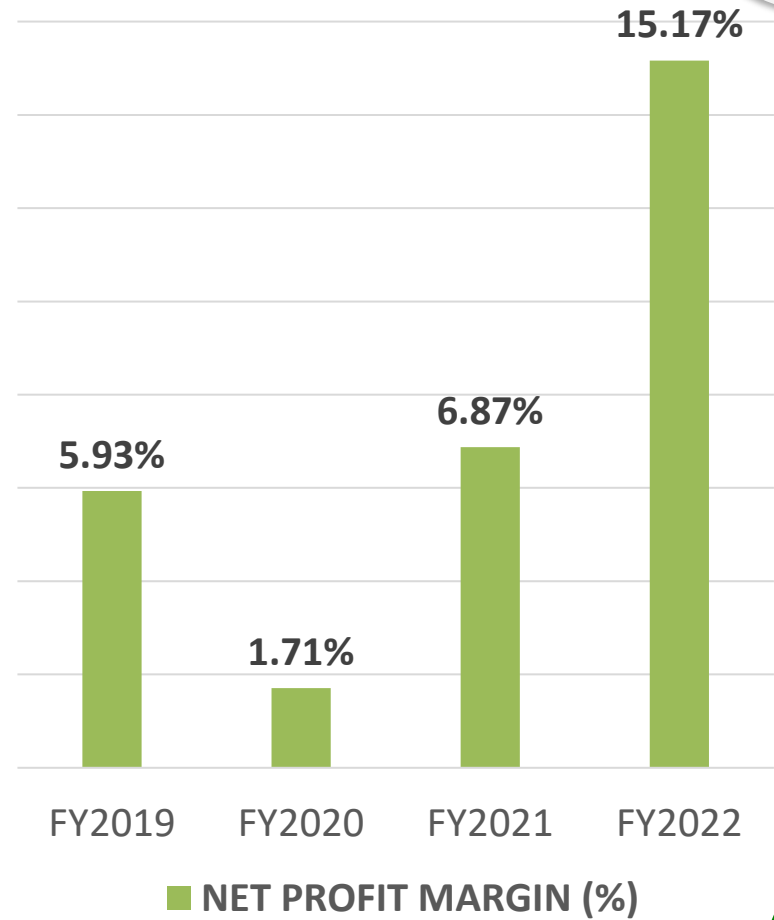
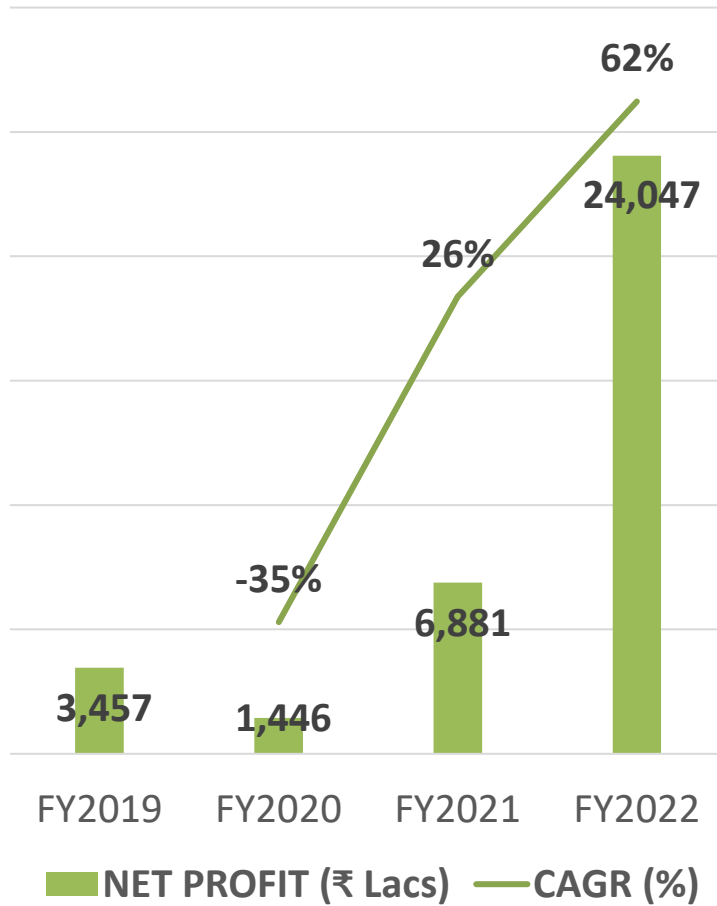
Financial Evolution



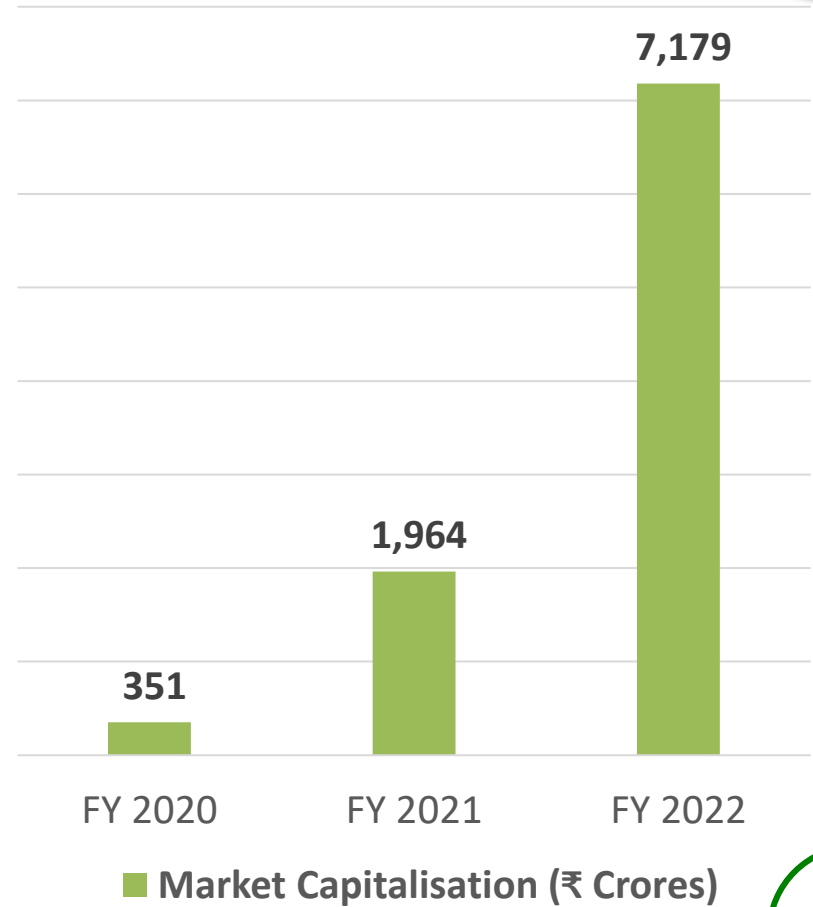
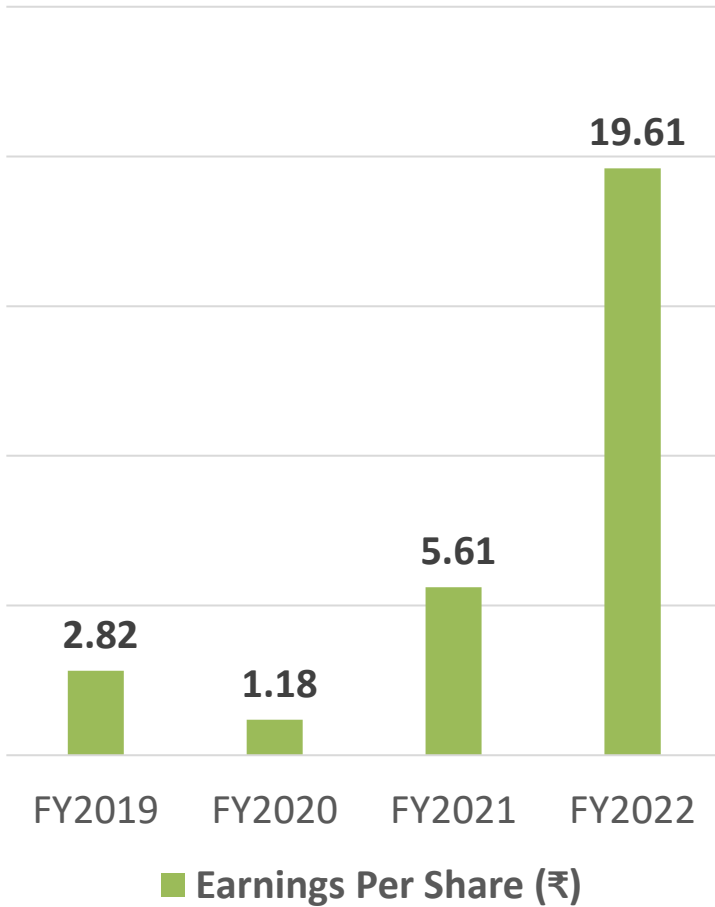
Financial Evolution



Financial Evolution



Financial Evolution





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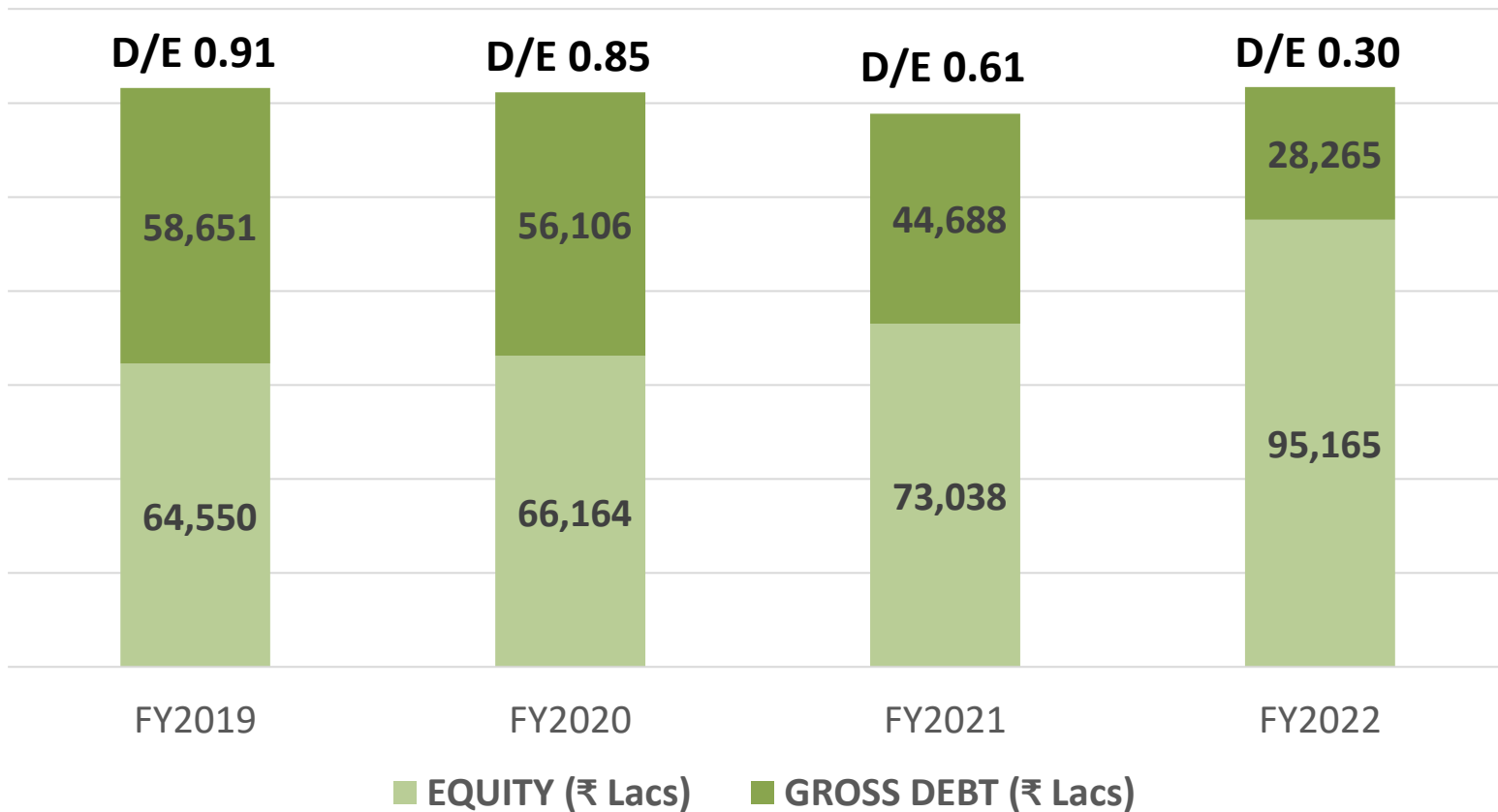
CAPITAL STRUCTURE

Capital Structure



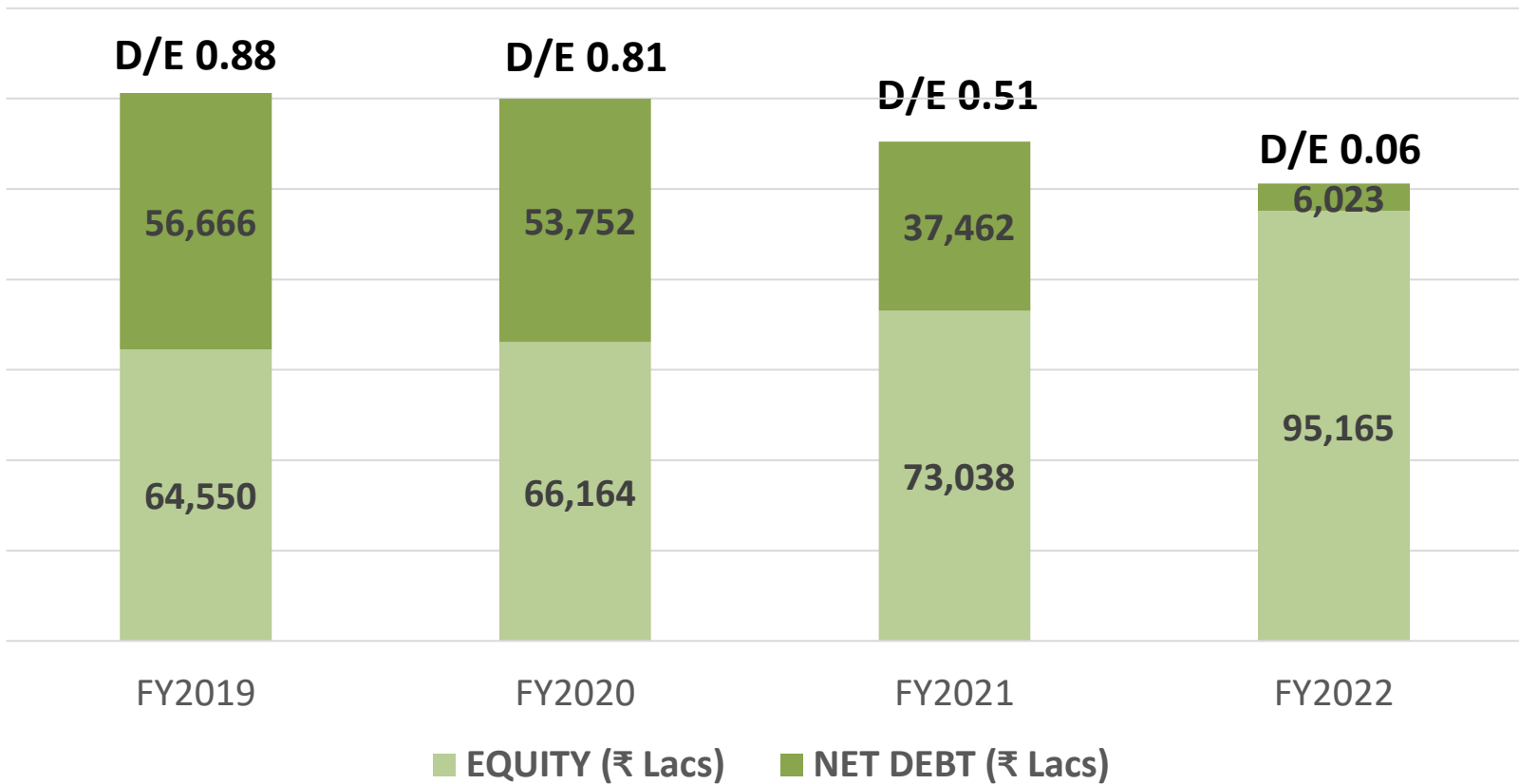
Capital Structure

GROSS DEBT EQUITY



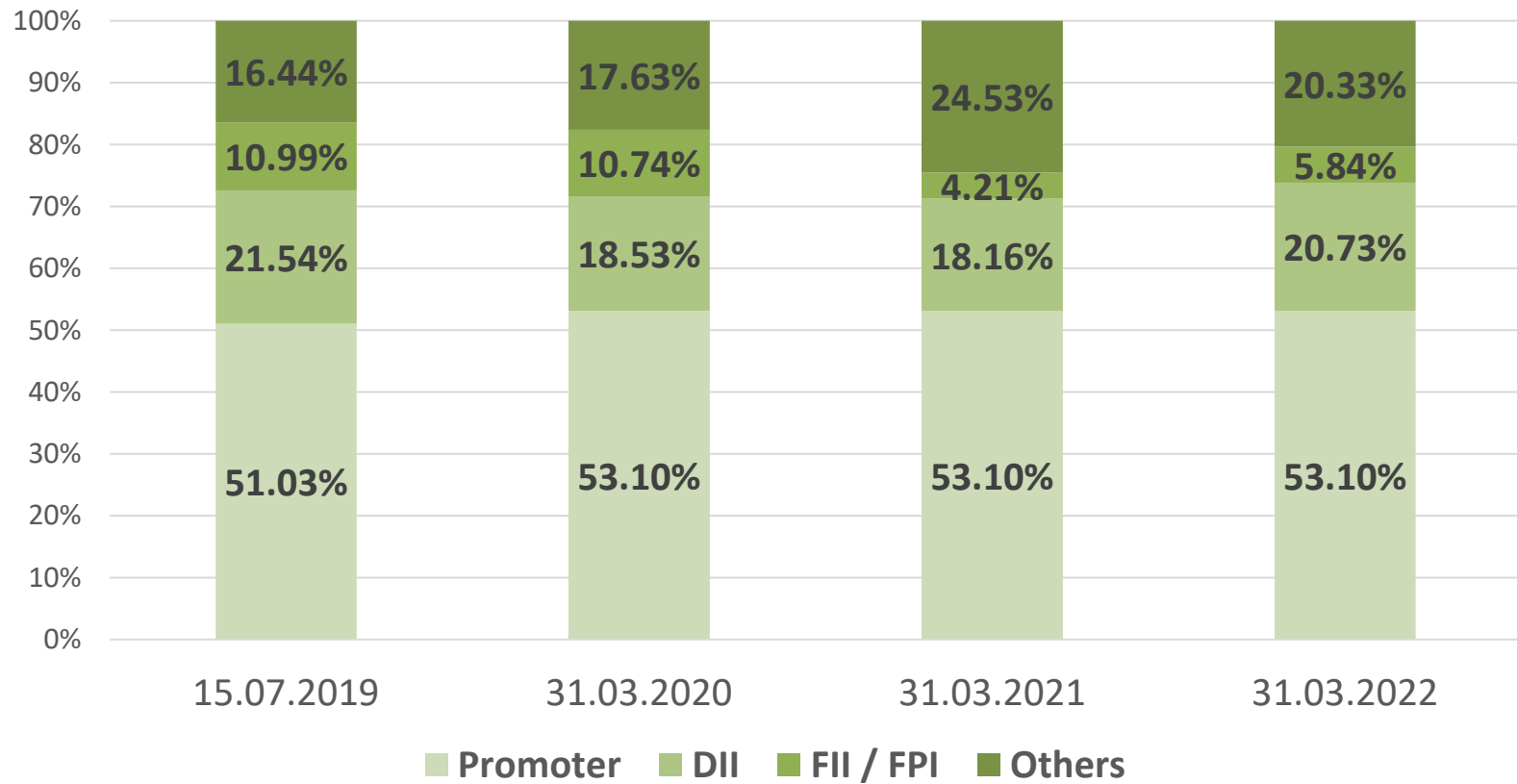
Capital Structure

NET DEBT EQUITY

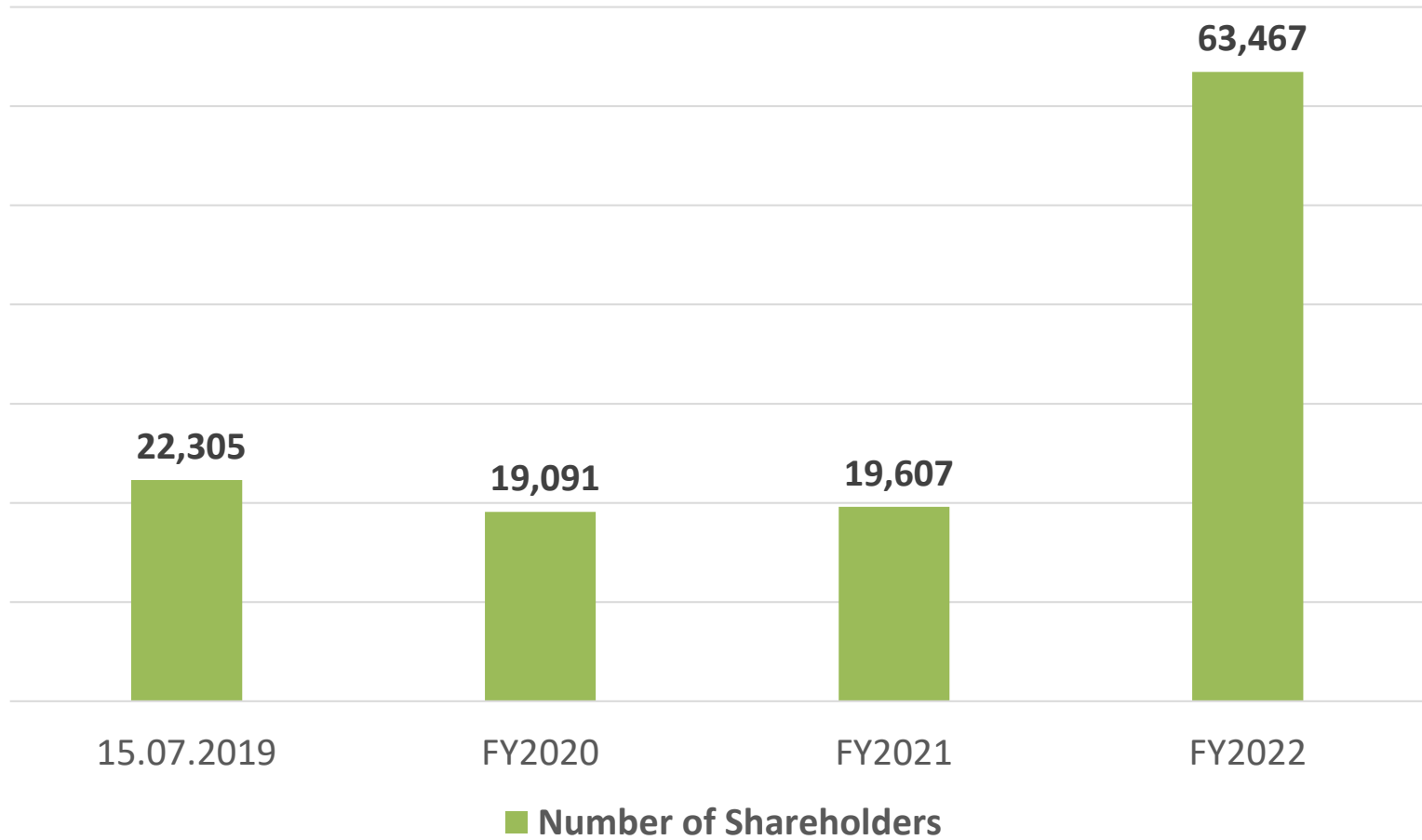


Shareholding Pattern

Shareholding structure (%)



Shareholding





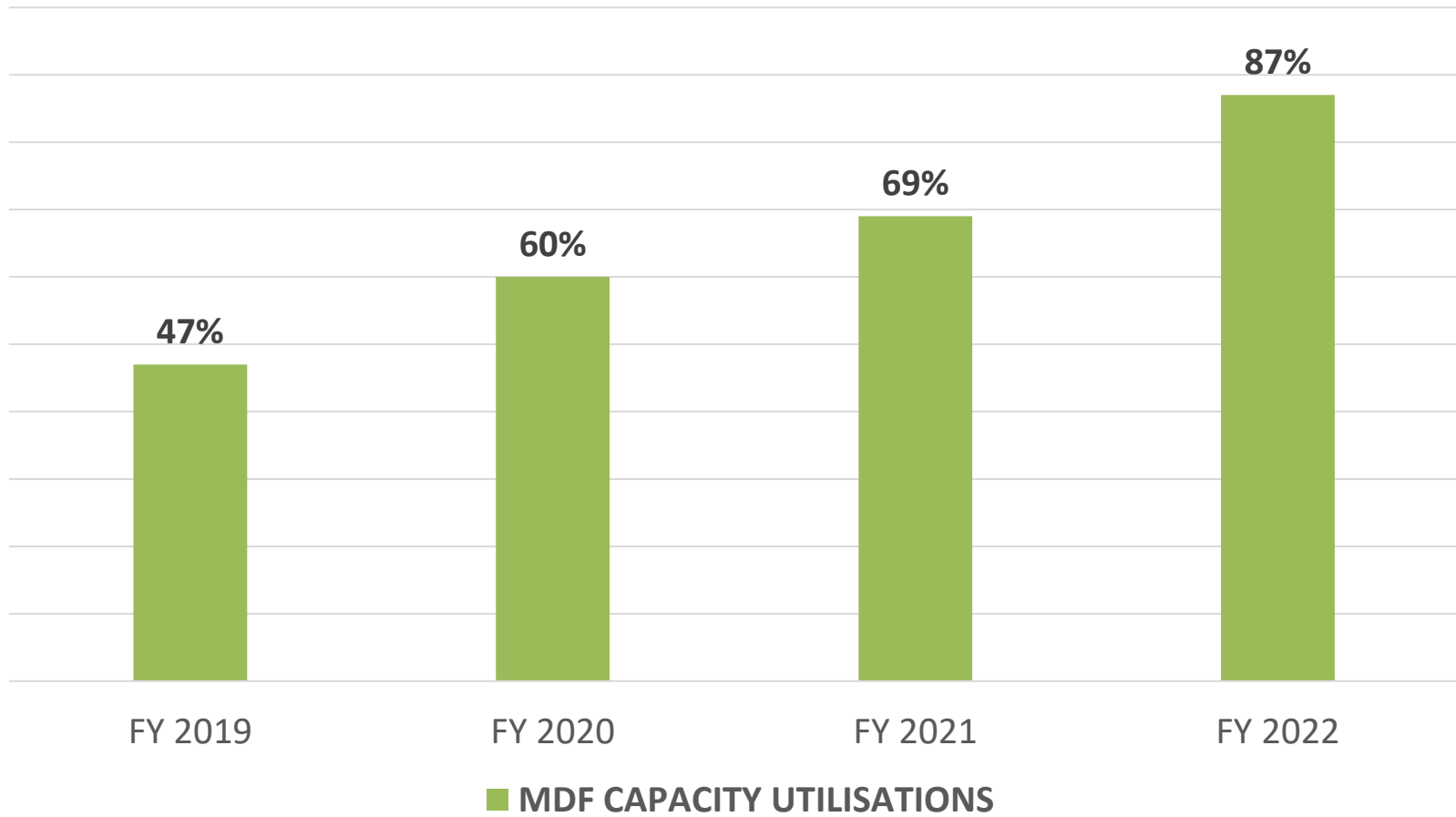
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MDF Business

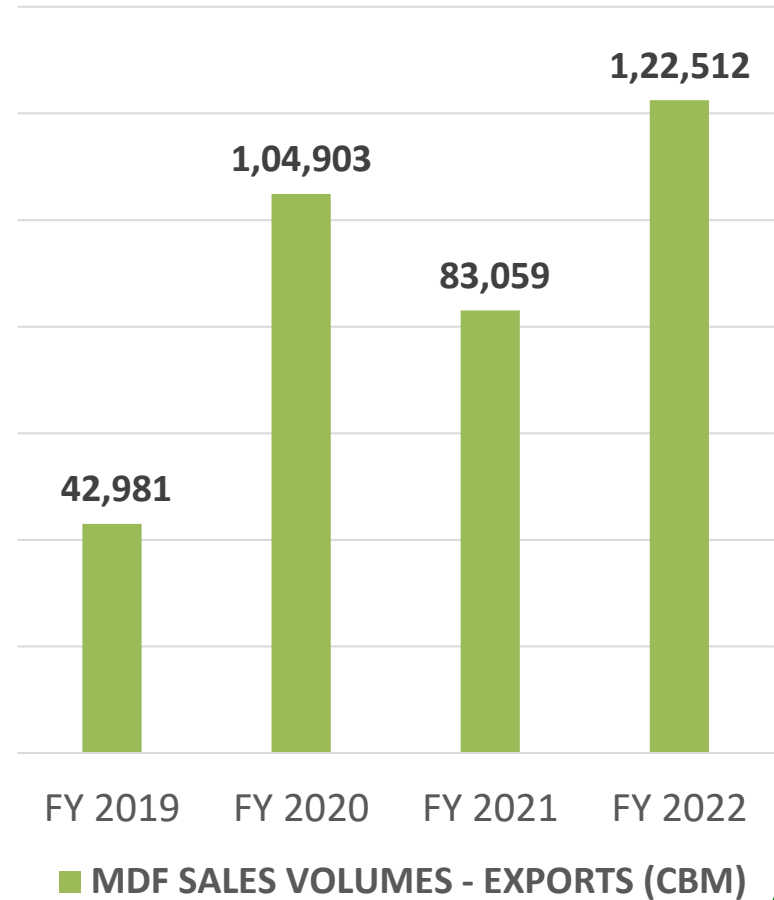
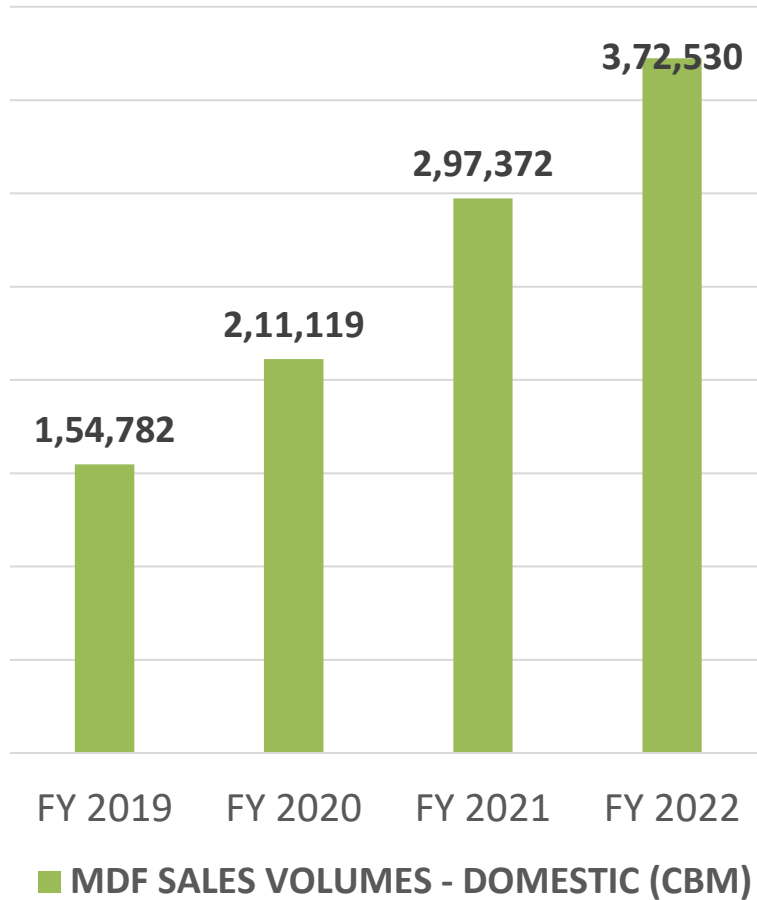


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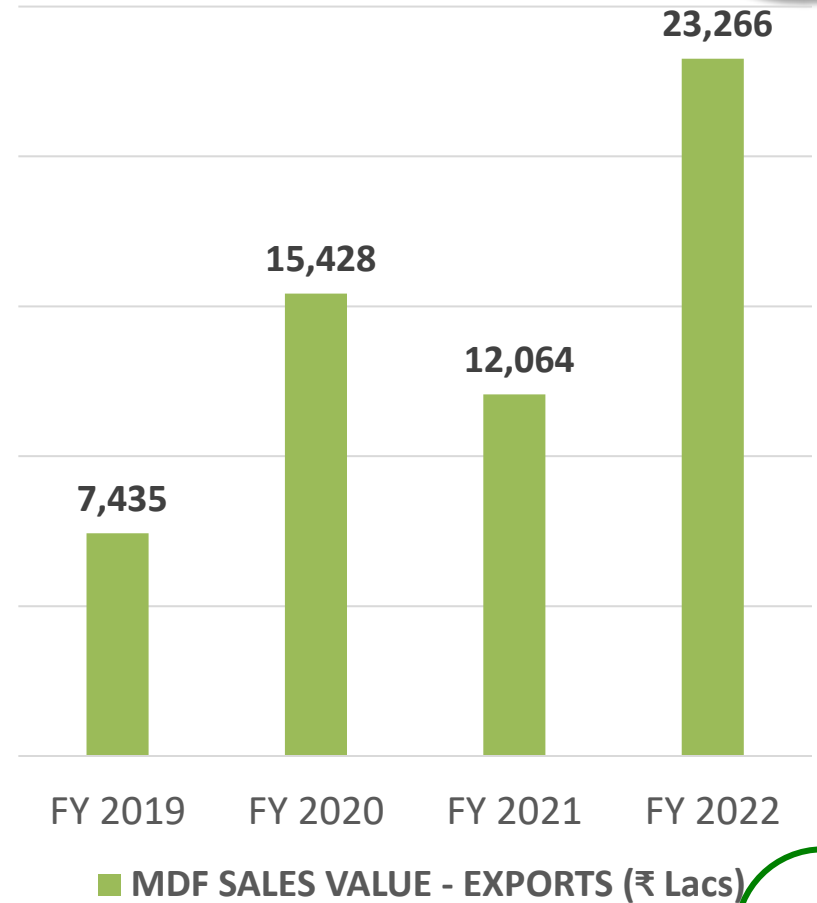
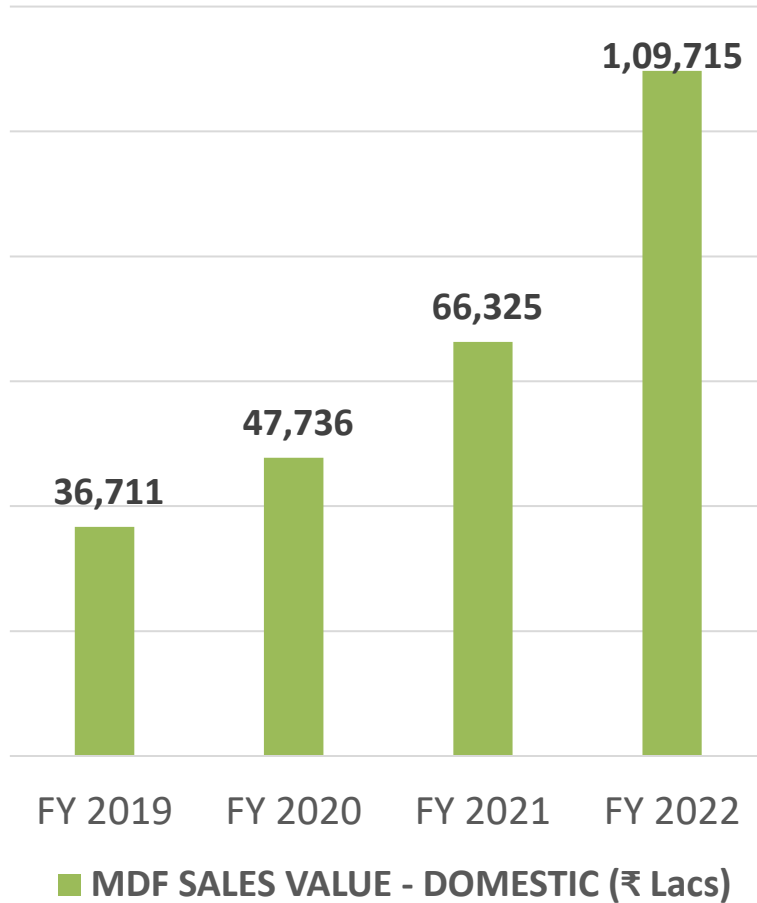
MDF Business



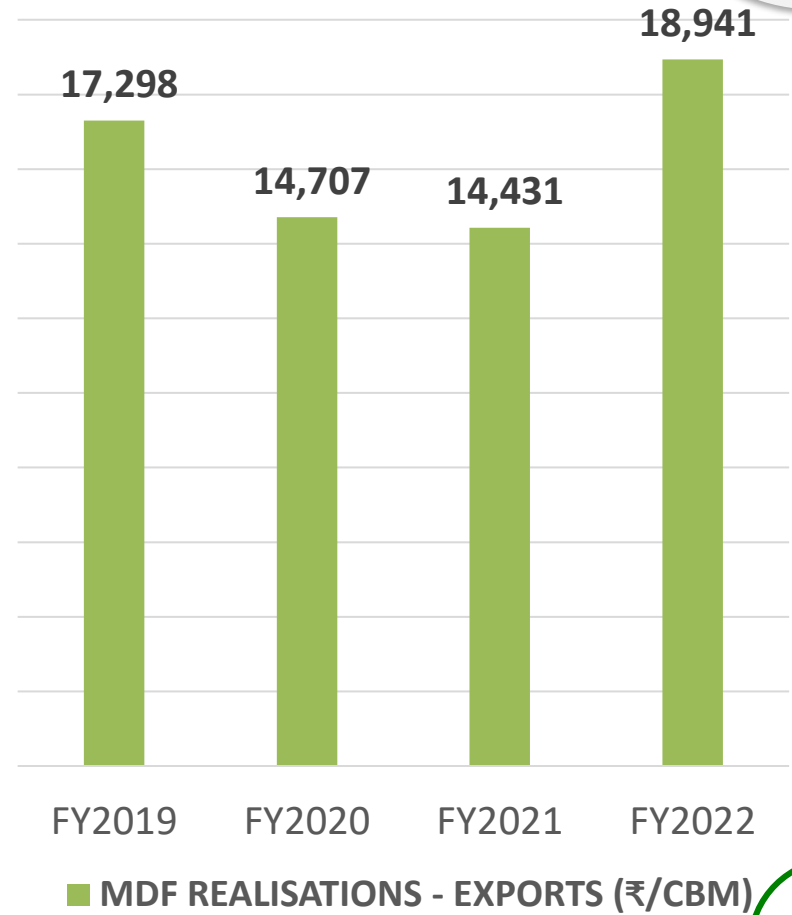
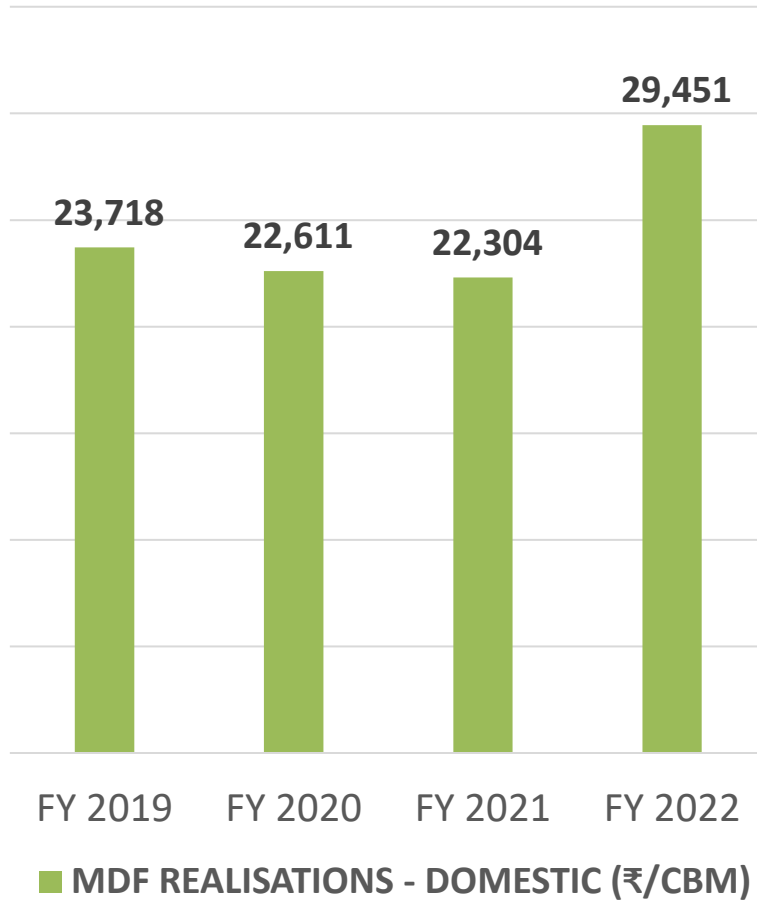
MDF Business



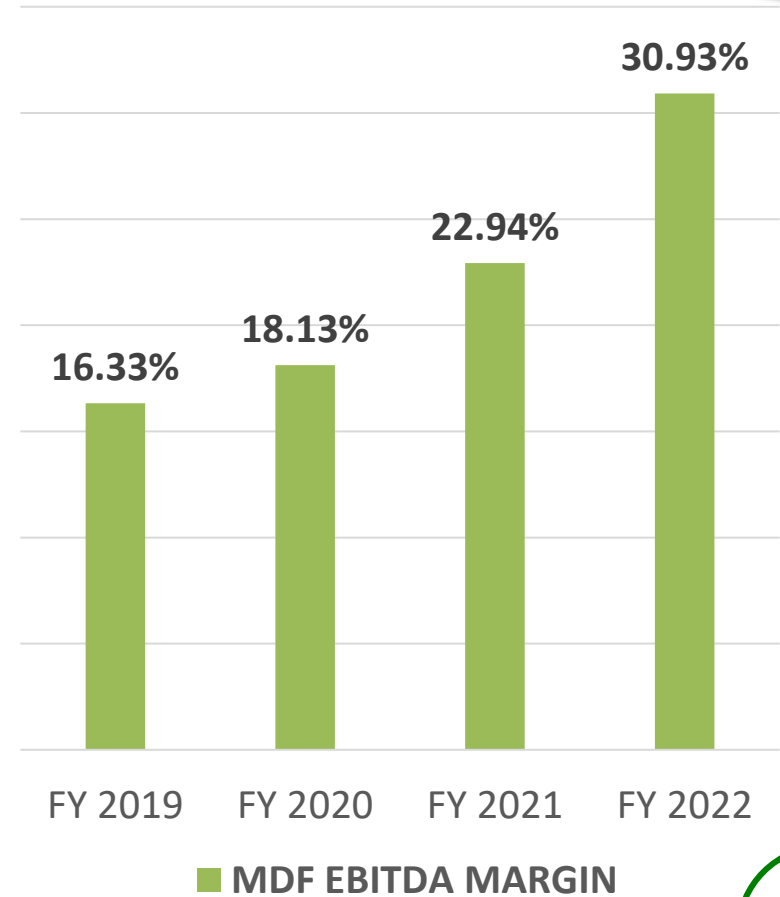
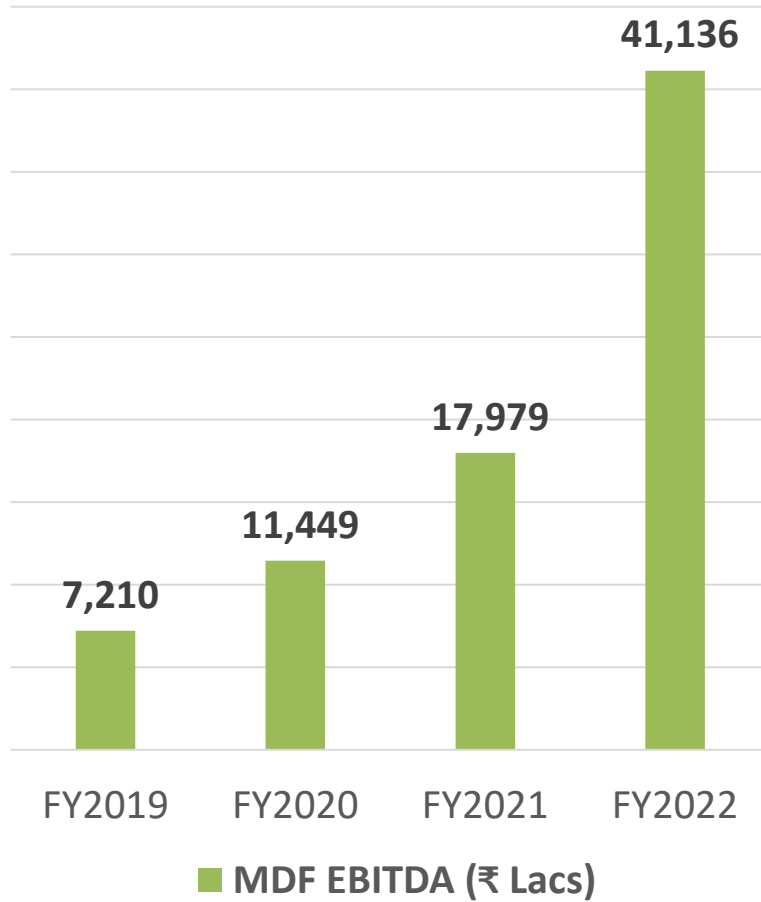
MDF Business



MDF Business



MDF Business

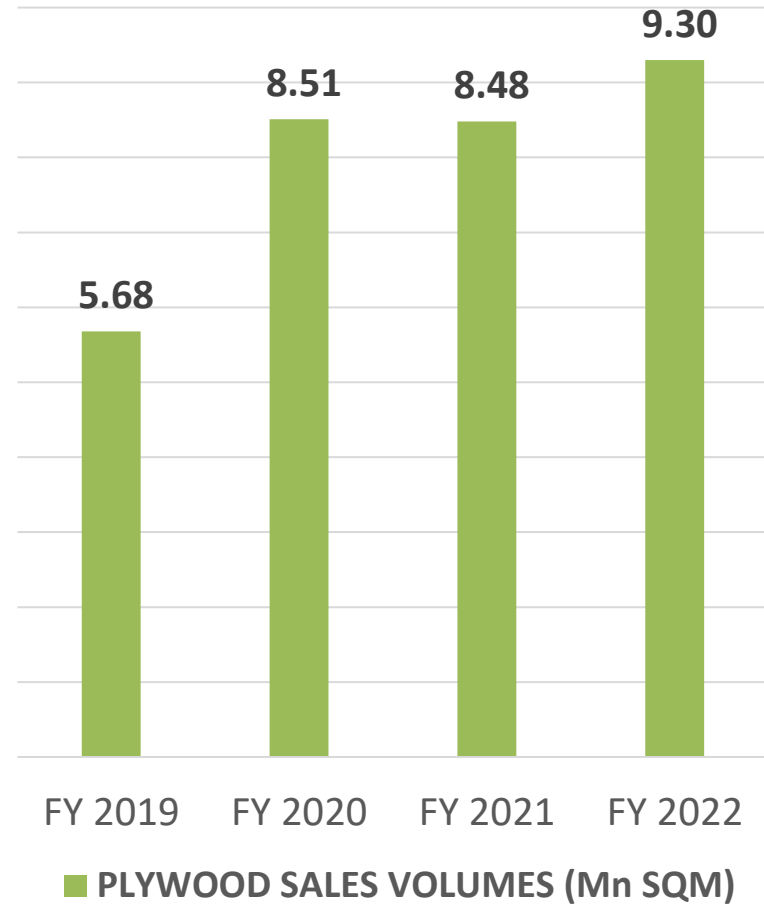
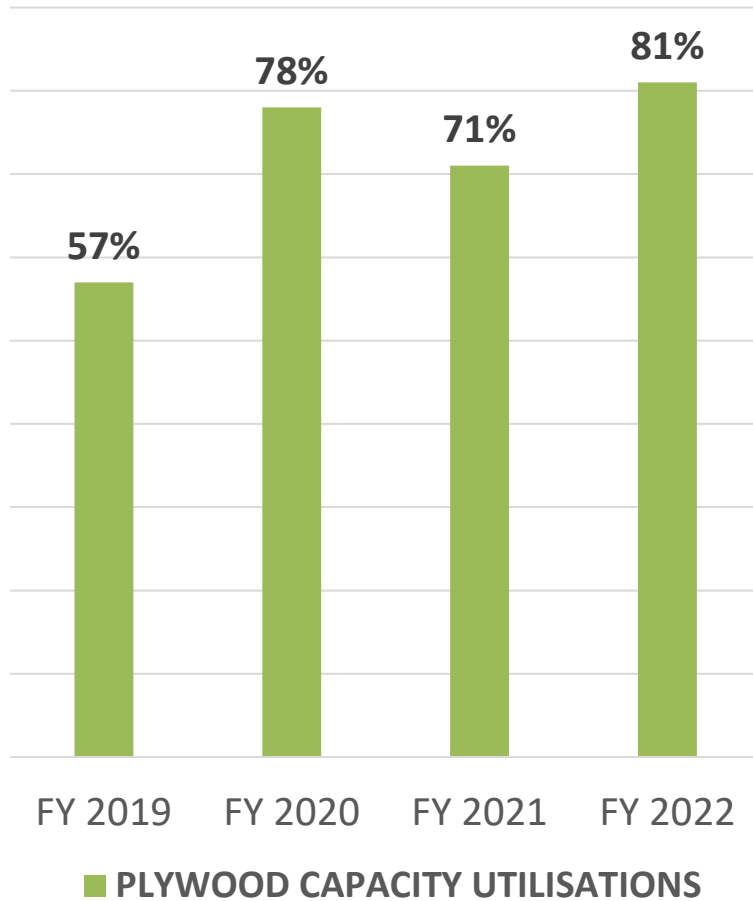




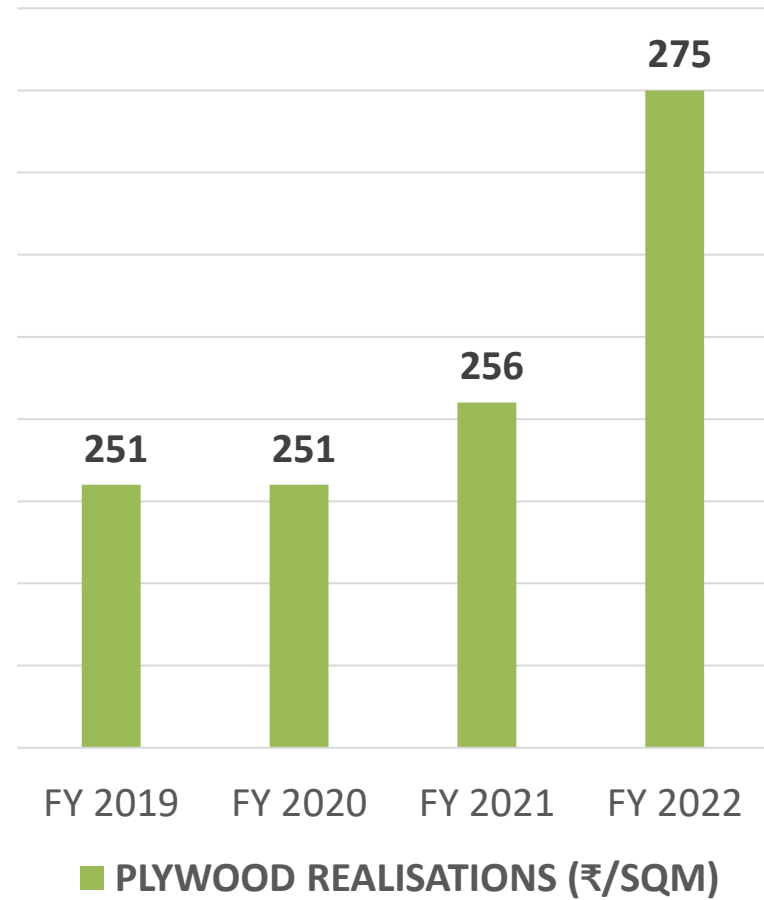
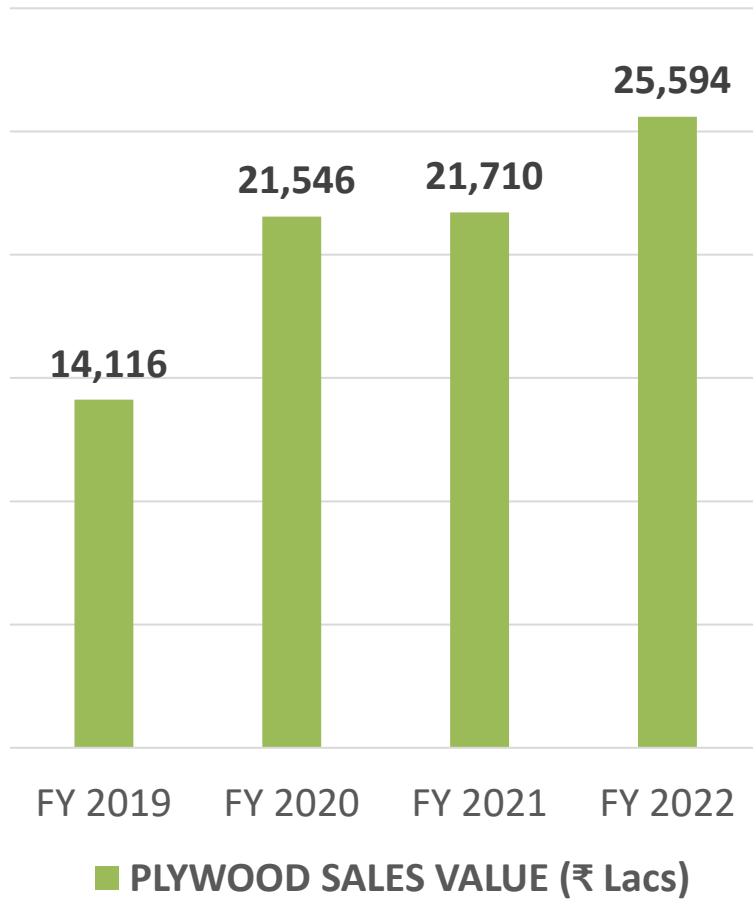
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Ply Business

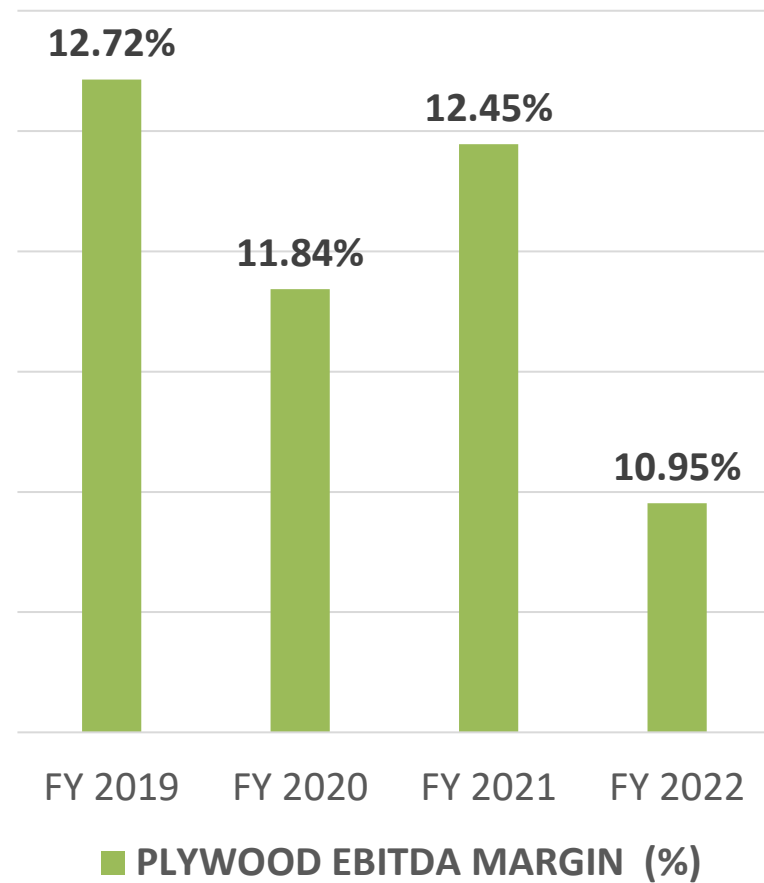
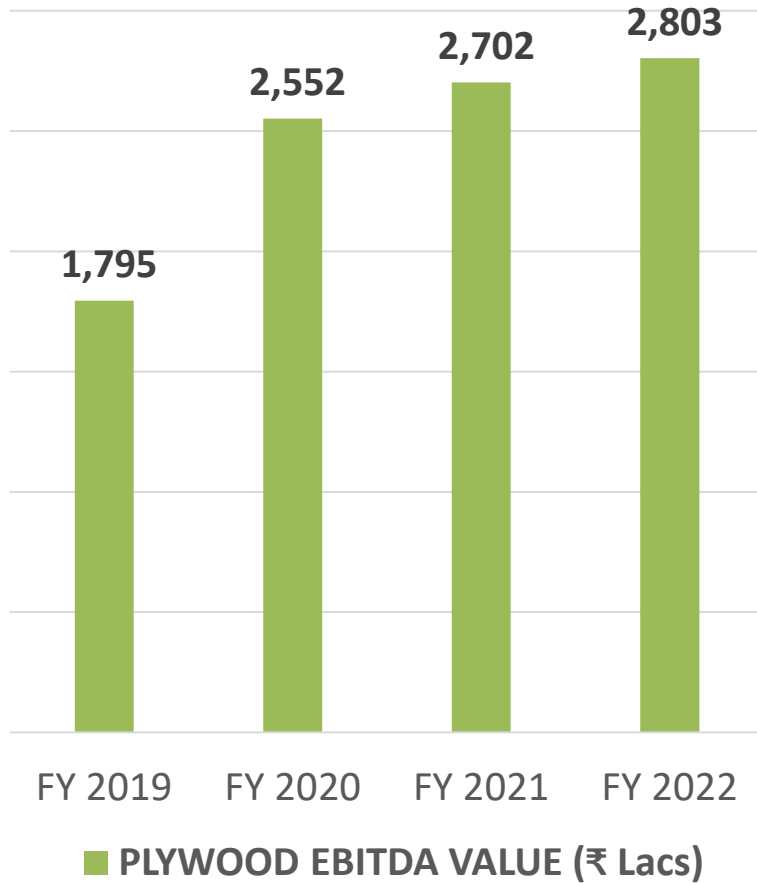
Ply Business



Ply Business



Ply Business



Achieved so far...

- ☑ Annual **capacity of MDF increased** from 540,000 CBM to 660,000 CBM in FY2022 by installation of MAT pre-heating systems
- ☑ **Wax emulsion system installed** during the year to reduce Wax consumption in MDF production to the tune of 30%
- ☑ Term loan from LBBW prepaid to the extent of EUR 9 million in FY2022 that substantially **brought down the debt exposure** and foreign currency exposure
- ☑ Greenpanel is the **largest exporter of MDF** from India and has presence in 16 countries globally



GREENPANEL

Our widened distribution network

2,535

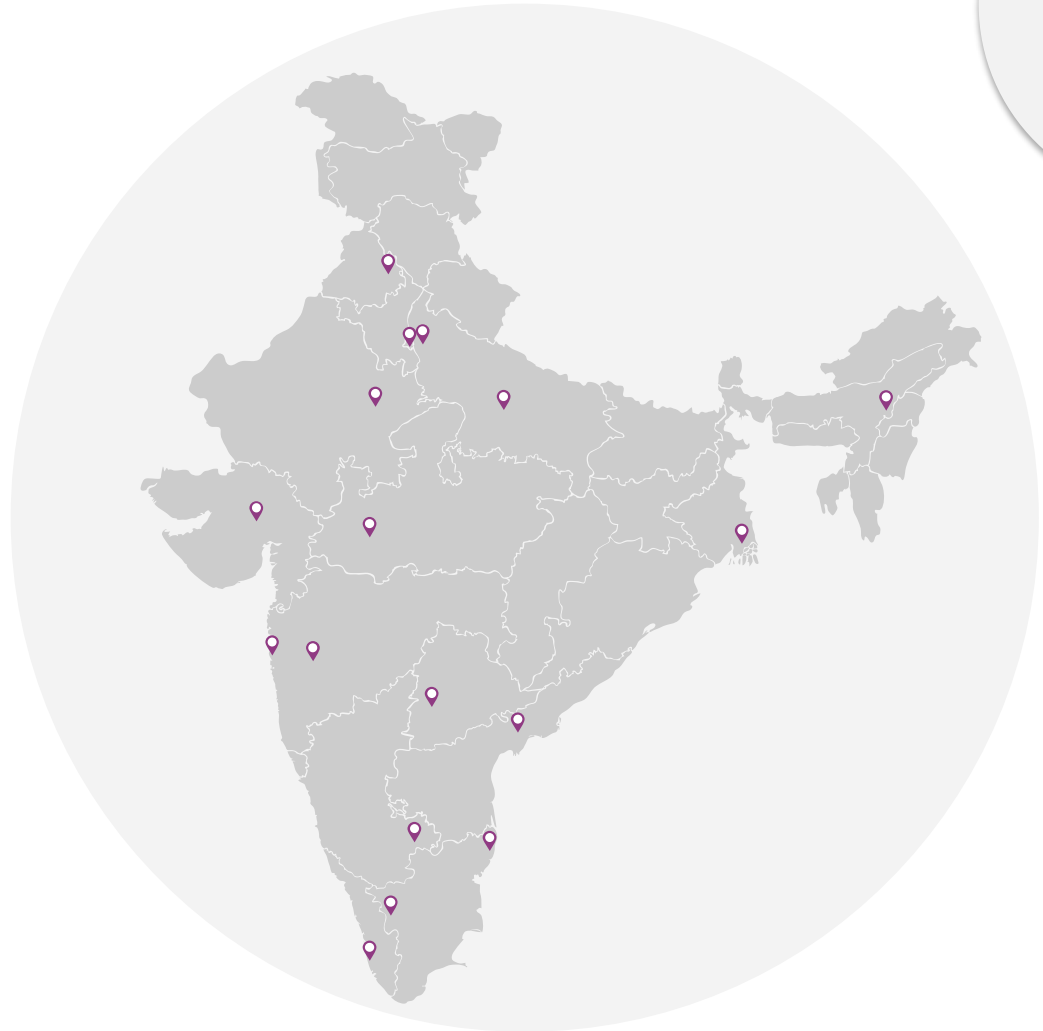
Number of dealers as on
31st March 2022

12,500+

Number of retailers as on
31st March 2022

17

Branches pan-India



Name of physical branches

West & Central: Mumbai, Pune, Indore, Ahmedabad

South: Bangalore, Hyderabad, Kochi, Coimbatore, Chennai, Vijayawada

North: Jaipur, Chandigarh, Lucknow, Ghaziabad, Delhi

East: Kolkata, Guwahati



Thank you

Mr. V. Venkatramani

Chief Financial Officer

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