

Greenply/2019-20
November 27, 2019

The Manager

BSE Limited
Department of Corporate Services
Floor 25, P. J. Towers, Dalal Street
Mumbai - 400 001
Security Code: 526797

The Manager

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (E)
Mumbai - 400 051
Symbol - GREENPLY

Dear Sir/Madam,

Sub: Submission of Investor/Analyst Meet presentation.

With reference to our earlier letter dated November 15, 2019 in respect of schedule of Investor and Analyst Meet on 27.11.2019, please find enclosed Investor/Analyst Meet presentation for your information and record.

The same is also available on the website of the Company viz. www.greenply.com/investors

Thanking you,

Yours faithfully,

For GREENPLY INDUSTRIES LIMITED

**KAUSHAL KUMAR AGARWAL
COMPANY SECRETARY &
VICE PRESIDENT-LEGAL**

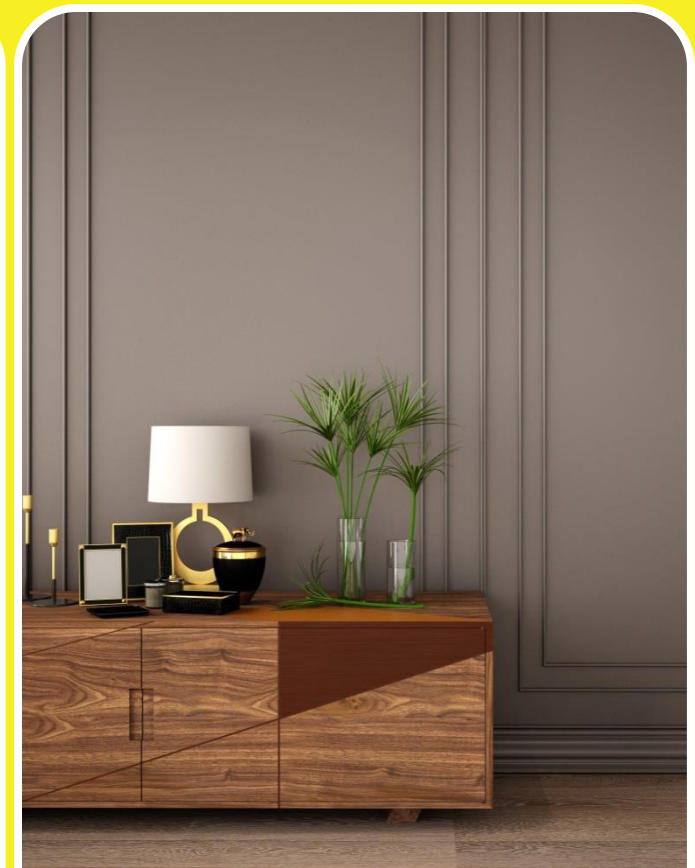
Encl.: As above

Greenply Industries Limited

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E : sales.ply@greenply.com Web : www.greenplyplywood.com | www.greenply.com | www.askgreenply.com
Registered Office : Makum Road, Tinsukia - 786125, Assam, India | Corporate Identity Number : L20211AS1990PLC003484

ANALYST MEET PRESENTATION

(November 2019)

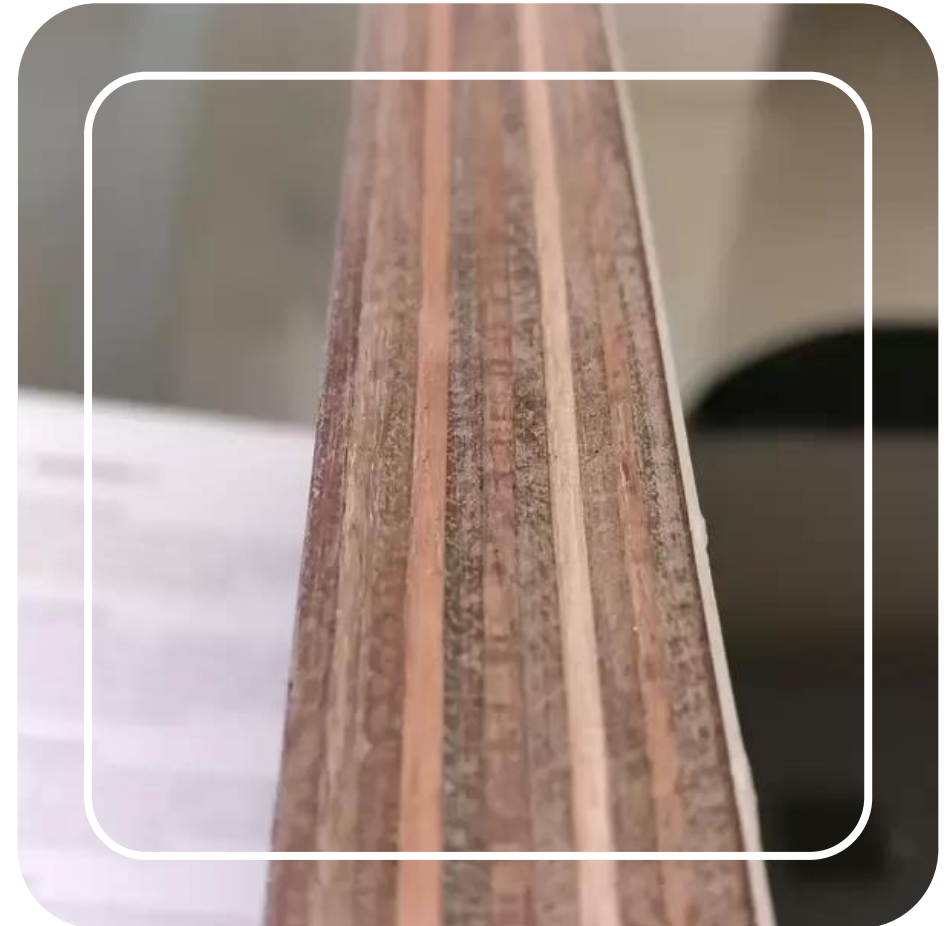


Disclaimer

Certain statements in this communication may be 'forward looking statements' within the meaning of applicable laws and regulations. These forward-looking statements involve a 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.

All industry data has been collated from various industry sources and market reports. The said data is believed to have a reasonable level of accuracy.

Greenply Industries Limited (GIL) 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.



Contents

Industry/Plywood Overview

Company Overview

Subsidiary Operations

Financial Performance

Our Branding / Marketing

Shareholding, Directors and Top Management

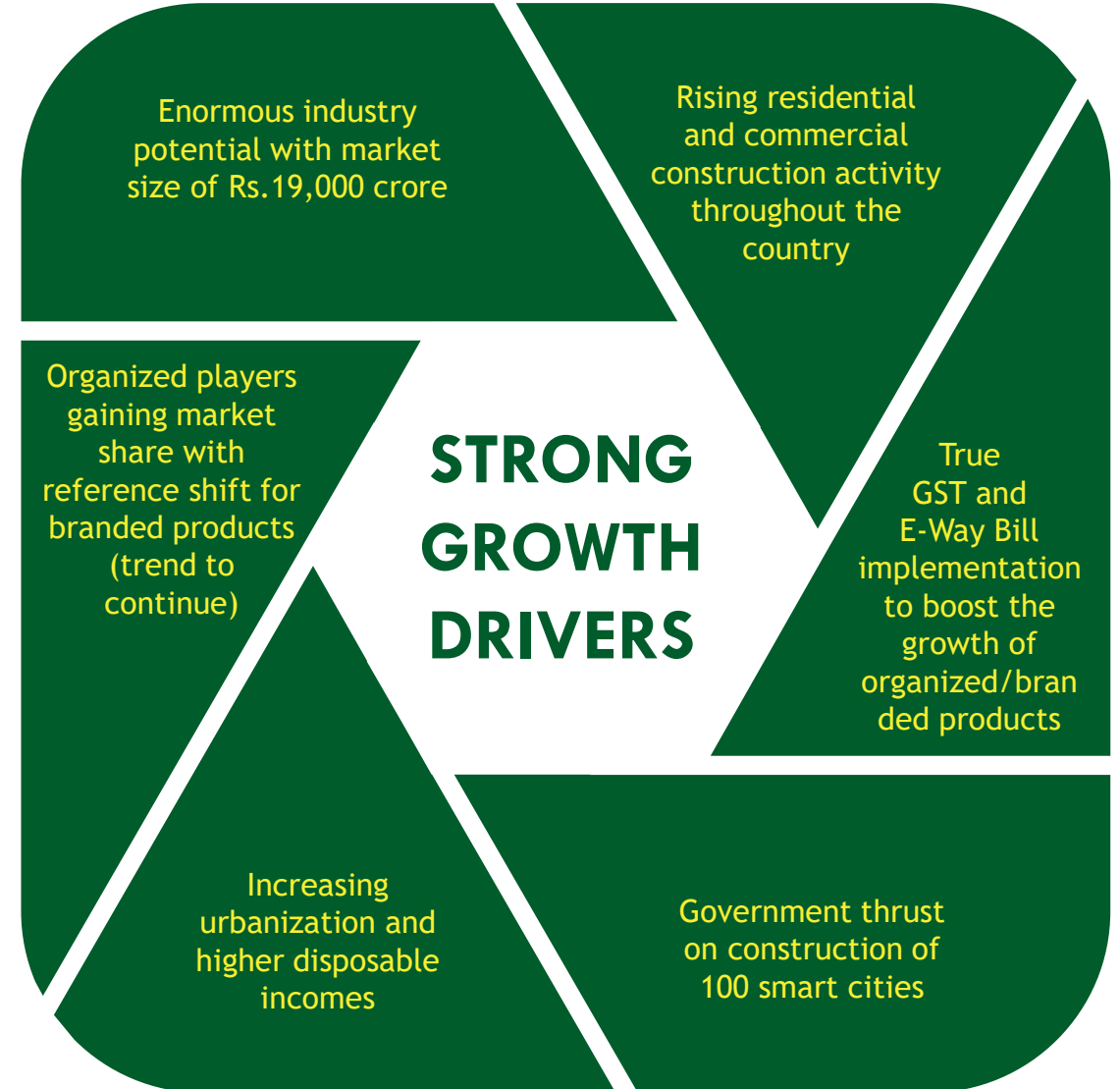
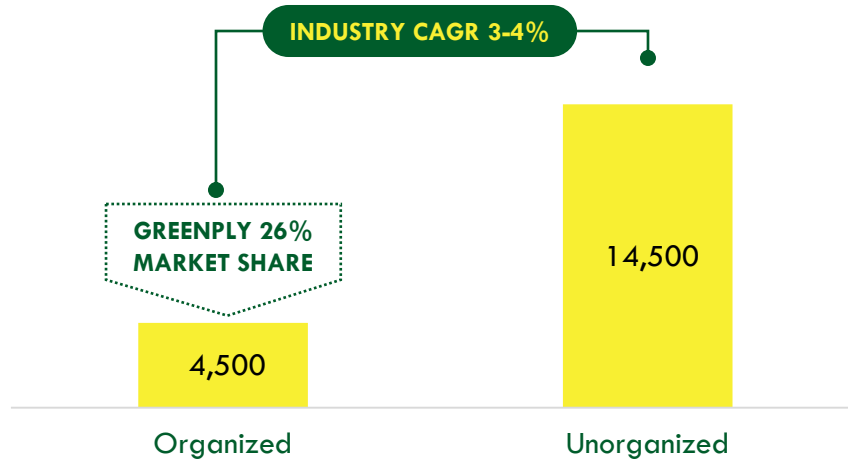
Annexure



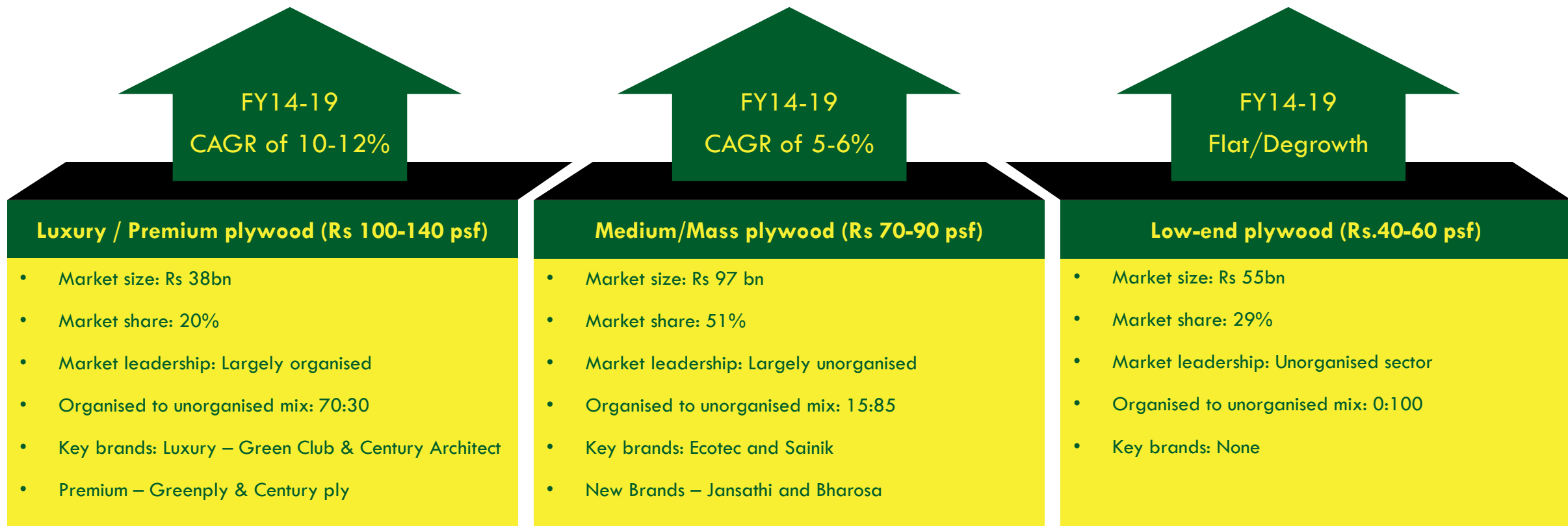
Industry/Plywood Overview



Organized vs Unorganized (Rs. Crore)



Plywood industry value chain - Price-wise (taking 19mm thickness as base)



Luxury/premium plywood market space: Key highlights, demand drivers and opportunities for tier-I brands

Tier I brands
Market size: Rs 17 bn

Key highlights:

- Premium brands, Greenply & Centuryply are estimated to account for more than 51% of the organised market
- Tier II brands account for the remainder of the market
- Luxury and Premium segment plywood have grown at a CAGR of 10-12% over the last 5 years
- Luxury segment is largely dominated by Tier I brands in particular

Tier II brands
Market size: Rs 11 bn

Demand drivers:

- GST Implementation
- E-Way Bill Implementation
- Creation of smart cities
- Increasing discretionary spends/aspirations resulting in upgrading
- Higher A&P spends by corporate creating mind recall
- Increasing quality consciousness

Tier III brands
Market size: Rs10 bn

Current growth status:

- Sustained slowdown in metros and Tier I cities have led to steep growth deceleration over the last two years

Segment opportunity for Tier I brands going forward:

- Gaining market share from Tier II brands as well as unorganised sector
- Creating markets for niche value add categories through constant innovation

Mid/mass market plywood space – Key highlights, demand drivers and opportunities

Tier I brands
Market size: Rs 6 bn

Key highlights:

- Tier II brands account for 10% while the unorganised sector controls around 85% of the market
- This category has grown at a 5-6% CAGR over the last five years
- Tier I brands have been growing much faster than rest of the market over the last five years

Tier II brands
Market size: Rs 10 bn

Demand drivers:

- Policy reform – Housing for All / focus on affordable housing
- Consistent shift from unbranded to branded products playing out with increasing quality consciousness

Unorganised sector
Market size: Rs 81bn

Current growth status:

- Tier I brands have started to accelerate with GST and E-Way Bill Implementation

Segment opportunity for Tier I brands going forward:

- Gaining market share from Tier II brands and unorganised sector is expected to be a huge opportunity for Tier I brands
- Tapping huge outsourcing opportunity in the category; which would be RoCE accretive

Low-end plywood market – Key highlights and challenges

**Unorganised sector Market
size: Rs 55 billion
Unorganised**

Key highlights:

- Unorganised sector controls the entire low-end plywood market segment
- Tier I and II brands have no presence in this category
- This category is either not growing or declining over the last five years
- The category will continue to face growth challenges due to:
 - Increasing shift happening from cheap plywood to MDF and other product due to better durability and declining price differential between the two
 - Increase in face veneer prices post the Myanmar ban
 - Higher working capital requirements
 - Implementation of GST & E-way bill

Contents

Industry/Plywood Overview

Company Overview

Subsidiary Operations

Financial Performance

Our Branding / Marketing

Shareholding, Directors and Top Management

Annexure



Company Overview



Business Segments

- Wood based products - Plywood and allied products, Face Veneer

30 Years Strong Brand

- Largest pan-India player with 26% share of organized plywood market
- Large investments in advertisements and promotional activities over the years

Strong Industry Potential

- Plywood industry size – Rs. 190 billion
- Strong demand drivers – rising residential/ commercial construction
- Increasing urbanization, high disposable incomes, GST Implementation and Government announcement regarding construction of 100 smart cities

Well Entrenched Distribution Network

- Distributors/ stockiest - 1,870
- Retailers - 6,000
- Serviced by 25 branches

Manufacturing Facilities

- 3 state-of-the-art manufacturing facilities of Plywood & allied products in India
- One overseas manufacturing facility of face veneer through wholly owned subsidiary in Gabon
- One overseas manufacturing facility of face veneer through JV in Myanmar

Capacity Utilization

- Plywood 139% utilization in FY19; optimum capacity utilization expected to be around 155% through outsourcing of MATT plywood
- Incremental demand for mid-segment and low-segment plywood to be catered through 100% outsourcing

Raw Material Sustainability

- Plantation of fast growing and improved species to improve quality of wood availability and plywood manufactured; actively involved in distribution of saplings to promote plantation in the vicinity of our manufacturing units.
- Set up of subsidiary in Gabon (West Africa) for production of face veneers – capacity expanded to 96000 CBM for peeling of logs annually.

FY19 consolidated Return Ratios

- Pre-tax ROCE of 22.2% and Post-tax ROCE and ROE of 16.8% and 23.8% in FY2019

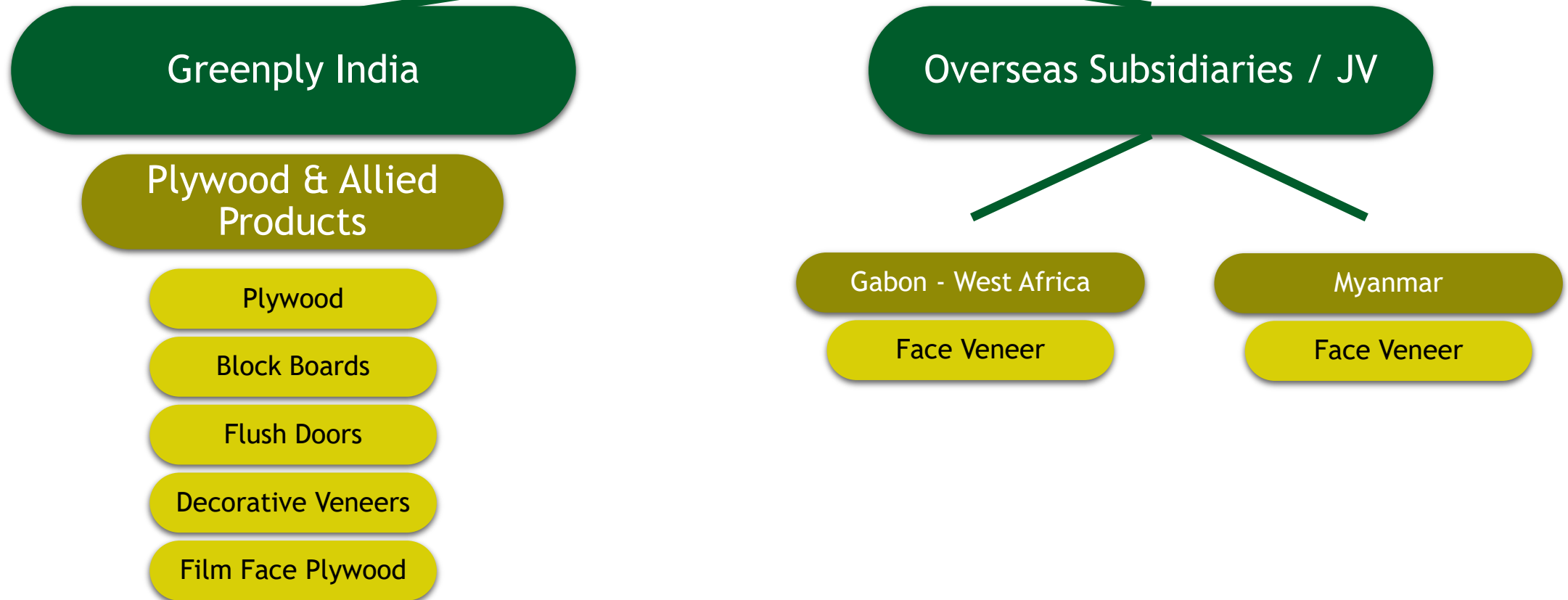
Production Model

- Plywood (premium variants) – 72% in-house, moving towards an asset light set-up by increasing proportion of outsourcing of MATT plywood



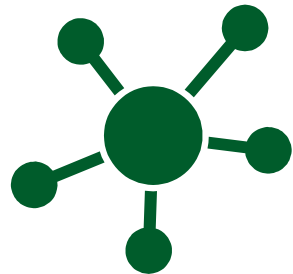
Our Global Business

GREENPLY



Well-entrenched Distribution Network

PLYWOOD



DISTRIBUTORS / STOCKISTS

1,870



RETAILERS

6,000



BRANCHES

25

Company Overview



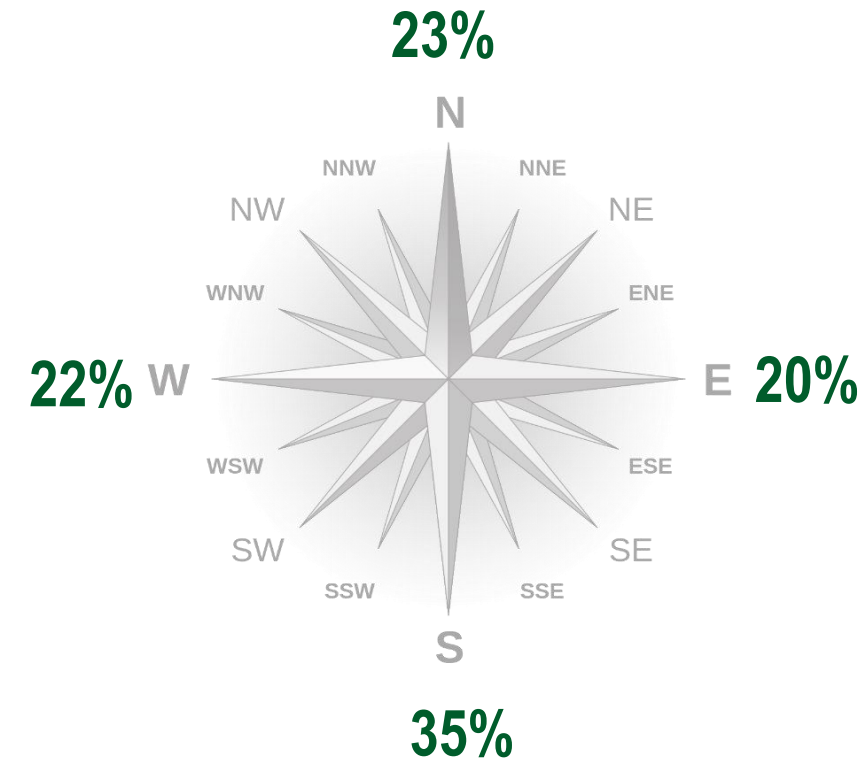
FACILITIES

Location	Capacity (mn sqm.)
Tizit, Nagaland	4.50
Kripampur, West Bengal	6.00
Bamanbore, Gujarat	14.40
Total Capacity	24.90

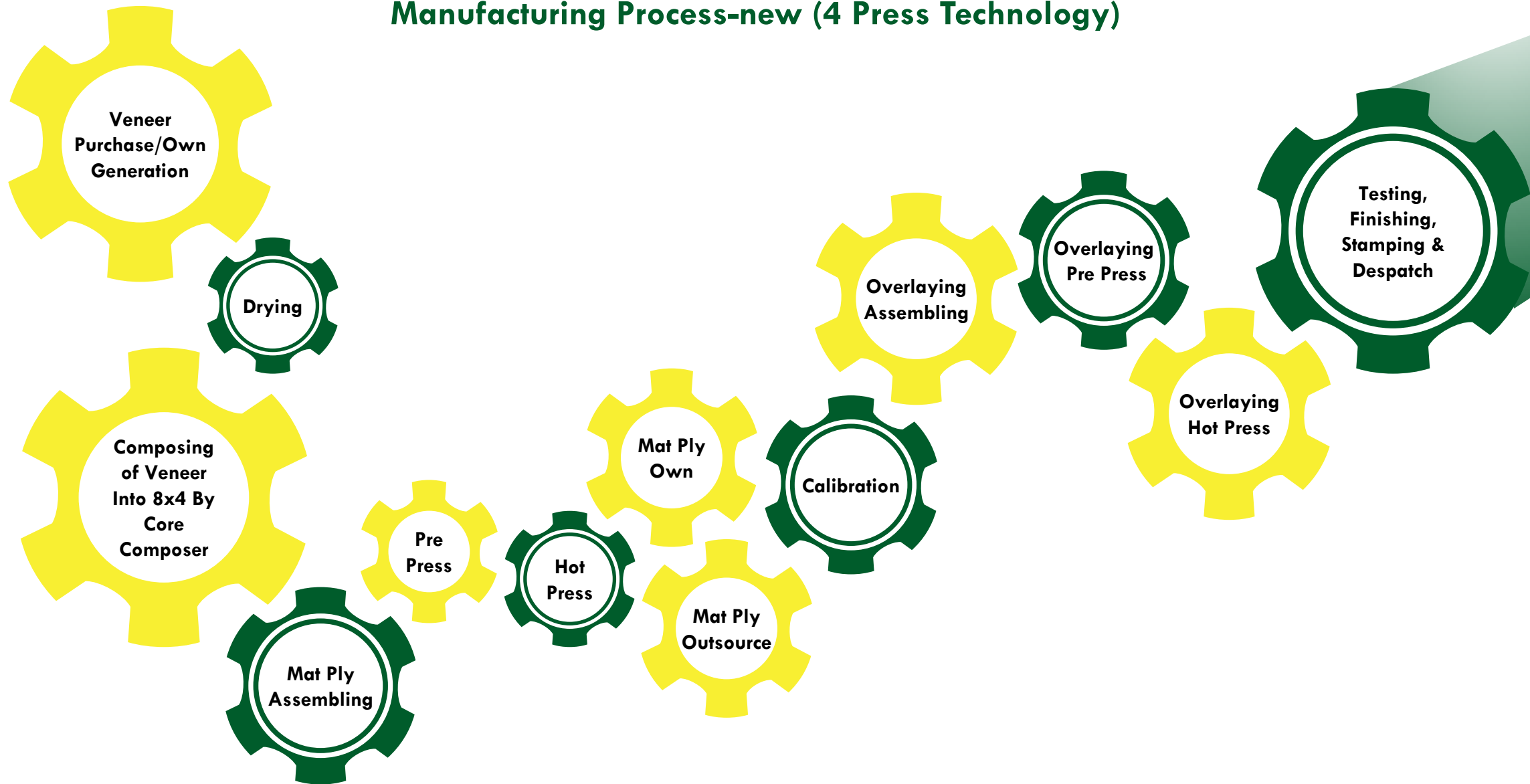
BUSINESS MODEL

- **64% PREMIUM PRODUCTS AND 36% MID & LOW END PRODUCTS IN VOLUME TERMS**
- **72% PREMIUM PRODUCTS AND 28% MID & LOW END PRODUCTS IN VALUE TERMS**
- **45 % IN-HOUSE, 55 % OUTSOURCED IN VOLUME TERMS (INCLUDING MATT PLYWOOD, MID & LOW SEGMENT PLYWOOD)**
- **50 % IN-HOUSE, 50 % OUTSOURCED IN VALUE TERMS (INCLUDING MATT PLYWOOD, MID & LOW SEGMENT PLYWOOD)**
- **TO INCREASE PROPORTION OF OUTSOURCING TO MORE THAN 60% OVER NEXT 3 YEARS IN VALUE TERMS**
 - Some of the allied products to be outsourced freeing existing capacities for premium variant
 - Quality Team on vendor's site to monitor quality of inputs and ensure consistent quality of finished product

REGIONAL PLYWOOD MIX



Manufacturing Process-new (4 Press Technology)



Company Overview



Milestones

1984	PROMOTERS START OPERATIONS WITH A SAW MILL	2006	LAUNCH OF ECOTEC BRAND
1988	SETTING UP OF 1 ST PLYWOOD UNIT IN TIZIT, NAGALAND	2007	ACQUISITION OF TWO PLYWOOD UNITS IN GUJARAT, NOW BAMANBORE FACTORY
1990	INCORPORATED AS COMPANY UNDER THE NAME MITTAL LAMINATES PVT LTD	2008	IMPLEMENTATION OF SAP AND LAUNCH OF OPTIMA RED BRAND & FLUSH DOORS
1994	TRANSFORMED INTO PUBLIC LIMITED COMPANY – MITTAL LAMINATED LIMITED	2010	LAUNCH OF GREEN CLUB PLUS BRAND (LOW EMISSION PLYWOOD)
1996	NAME CHANGED TO GREENPLY INDUSTRIES LIMITED	2015	DEMERGER OF DECORATIVE BUSINESS COMPRISING OF LAMINATES AND ALLIED PRODUCTS INTO GREENLAM
1997	LAUNCH OF GREENPLY BRAND (FLAGSHIP PREMIUM BRAND)	2017	FACE VENEER PLANT WITH PEELING CAPACITY OF 36000 CBM P.A. HAS COMMENCED PRODUCTION IN STEP-DOWN SUBSIDIARY AT GABON IN WEST AFRICA
2001	LAUNCH OF GREEN CLUB – SUPER PREMIUM GRADE PLYWOOD	2018	DECORATIVE VENEERS PLANT WITH CAPACITY OF 3.00 MN SQM HAS COMMENCED PRODUCTION AT BAMANBORE
2005	AMALGAMATION OF WORTHY PLYWOOD, NOW KRIPARAMPUR FACTORY	2019	DEMERGER OF MDF BUSINESS AND PANTNAGAR PLYWOOD UNIT INTO GREENPANEL

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Subsidiary Operations

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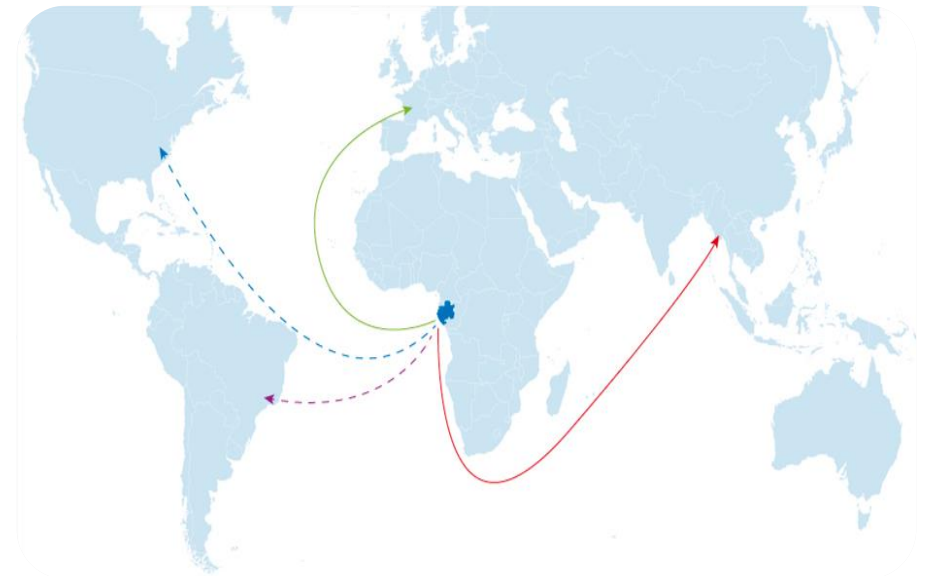
Annexure



Subsidiary Operations

Why Gabon?

- A favorable business environment with investor friendly policies and ease of operation through single window policy for documentation & approvals
- A special economic zone in close proximity to the port area, available with integrated services and attractive tax incentives and easy access to the natural resources of Gabon
- Political & social stability, wherein Gabon stands as a perfect example of peace in Africa
- A strategic positioning, wherein the country represents an exception for exports on the world platform
- A huge natural potential with 23 million hectares of rainforest, the second green lung of the world after Amazon.



Subsidiary Operations

Greenply in Gabon

- In July 2017, we expanded with a manufacturing facility at Gabon in West Africa.
- The facility is located at the NKOK - a special economic zone near the capital city of Gabon.
- We are the only company in the SEZ to be FSC COC certified
- The Greenply unit in Gabon also trades in the sawning grade of Okoume species and other hardwood species like Padouk and Tali
- With 2 plants in operation, the unit boasts of being the largest manufacturers of face veneers in Gabon
- Gabon is the perfect answer to solve issues with ecological imbalance via Sustainable Forest Management.



Subsidiary Operations

Face Veneer Facility – Gabon, West Africa

- Greenply through its wholly owned step-down subsidiary Greenply Gabon, SA has started commercial production of face veneer in the West Africa region in July 2017 with capacity for peeling 36,000 CBM p.a of Logs and capacity increased to 96,000 CBM p.a. in Nov 2019
- Gabon forests are operated under a sustainable forest Management system where in 25 year Management plan is drawn. Each and every tree is marked which are allowed to be cut. In one year only 4% of the total concession is allowed to be cut.
- We are having tie ups with Loggers in Gabon for supply of logs which is sufficient to cater to our existing plant and also our expanded capacity.
- We are under the process of acquiring our own Forest concessions and survey of the concessions is underway.
- The unit would help in securing future supply of face veneer for our India Plywood operations.



Subsidiary Operations

Face Veneer Facility – Gabon, West Africa

- Okoume is now accepted as the best available species for Face Veneer world over and has found wide spread acceptability in India.
- In the international market, countries like Malaysia, Indonesia which were exporters of Face Veneer are now importing Okoume Face Veneer.
- At present, we export Okoume Face Veneer to
 - India
 - South East Asia
 - China
 - Middle East
 - Europe
- Production from the new Capacity will be exported to European markets.



Contents

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Company Overview

Subsidiary Operations

Financial Performance

Our Branding / Marketing

Shareholding, Directors and Top Management

Annexure



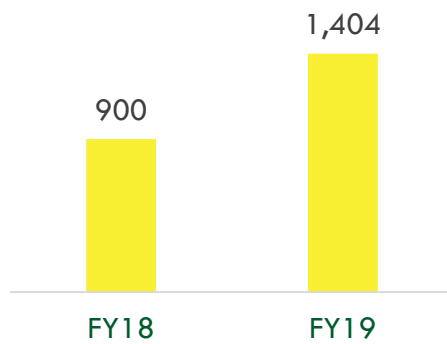
Financial Performance



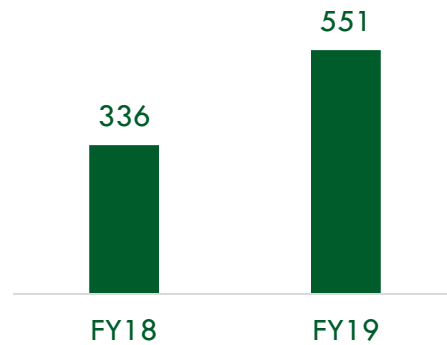
Strong Performance Track Record

Consolidated

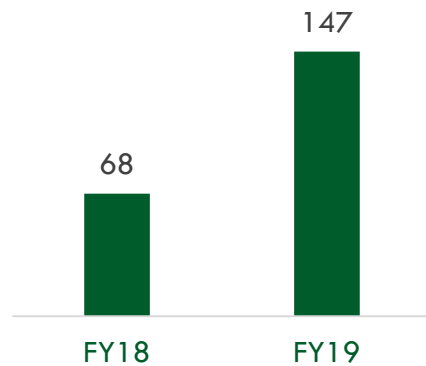
Net Sales



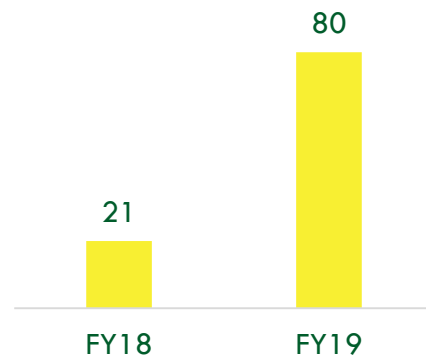
Gross Profit



EBIDTA

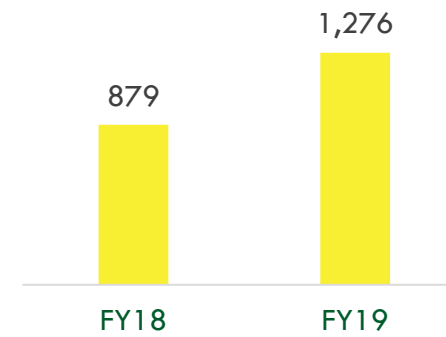


PAT

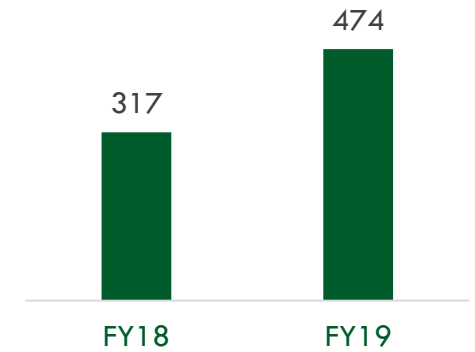


Standalone

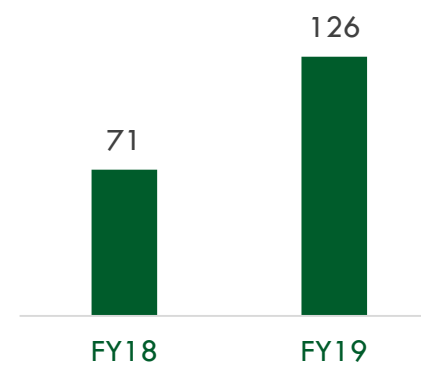
Net Sales



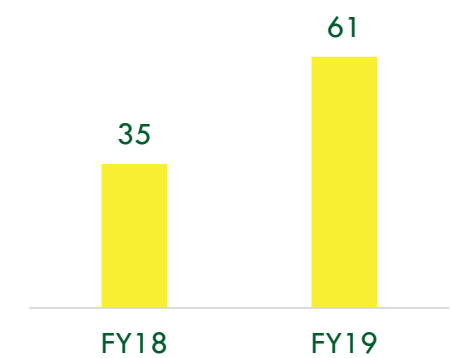
Gross Profit



EBIDTA



PAT



Note: All numbers are adjusted for post demerger data

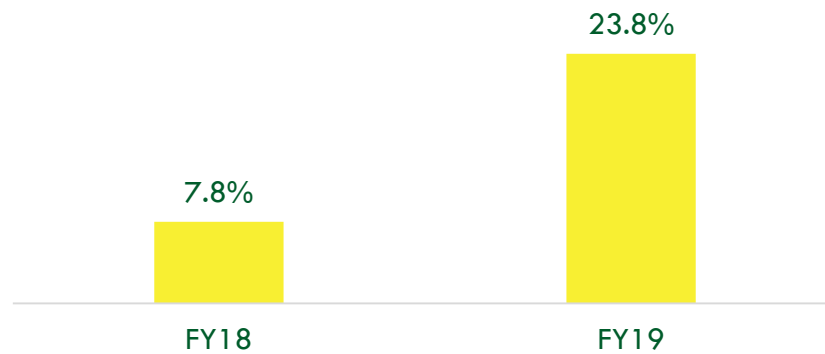
Financial Performance



Key Financials

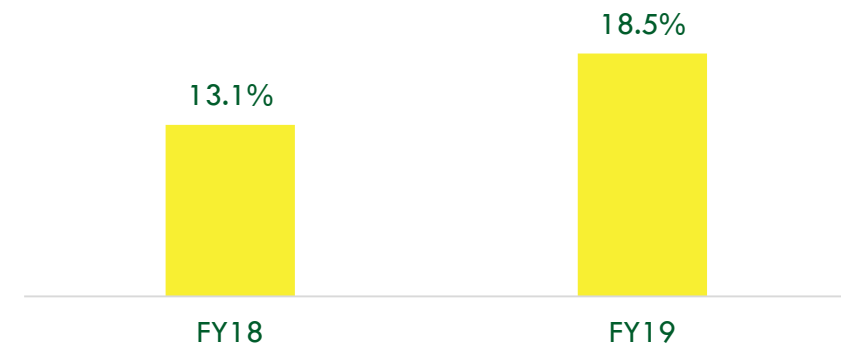
Consolidated

ROE



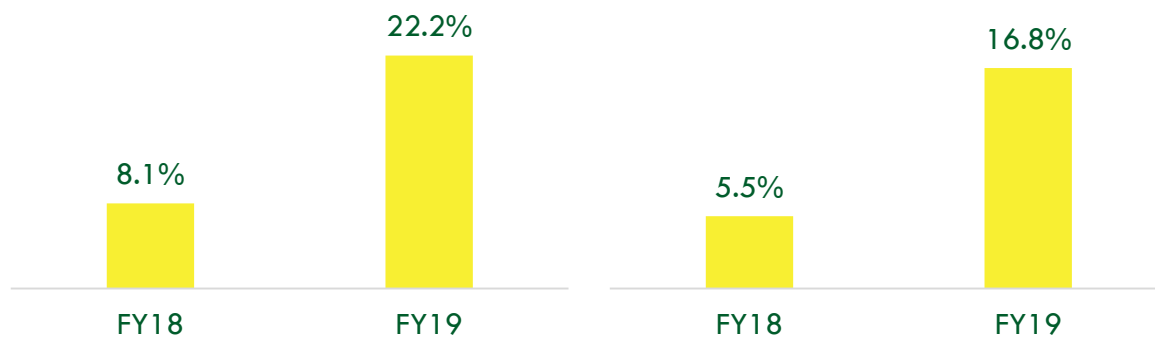
Standalone

ROE



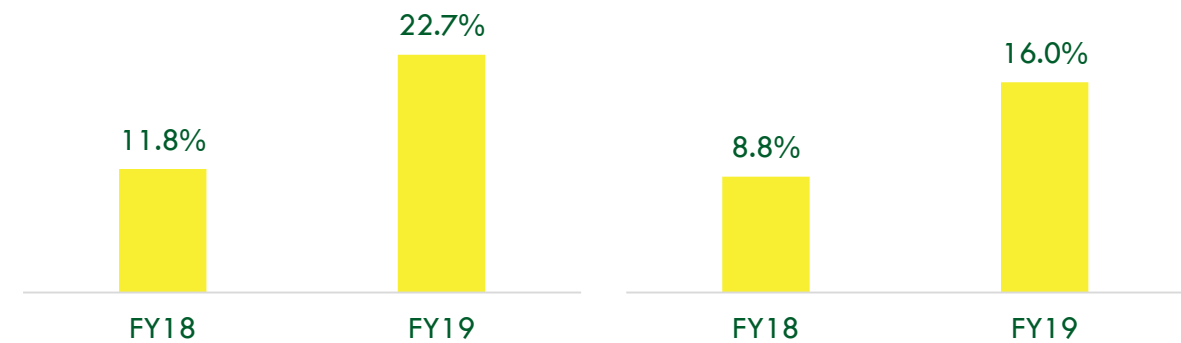
Pre - Tax ROCE

Post - Tax ROCE



Pre - Tax ROCE

Post - Tax ROCE

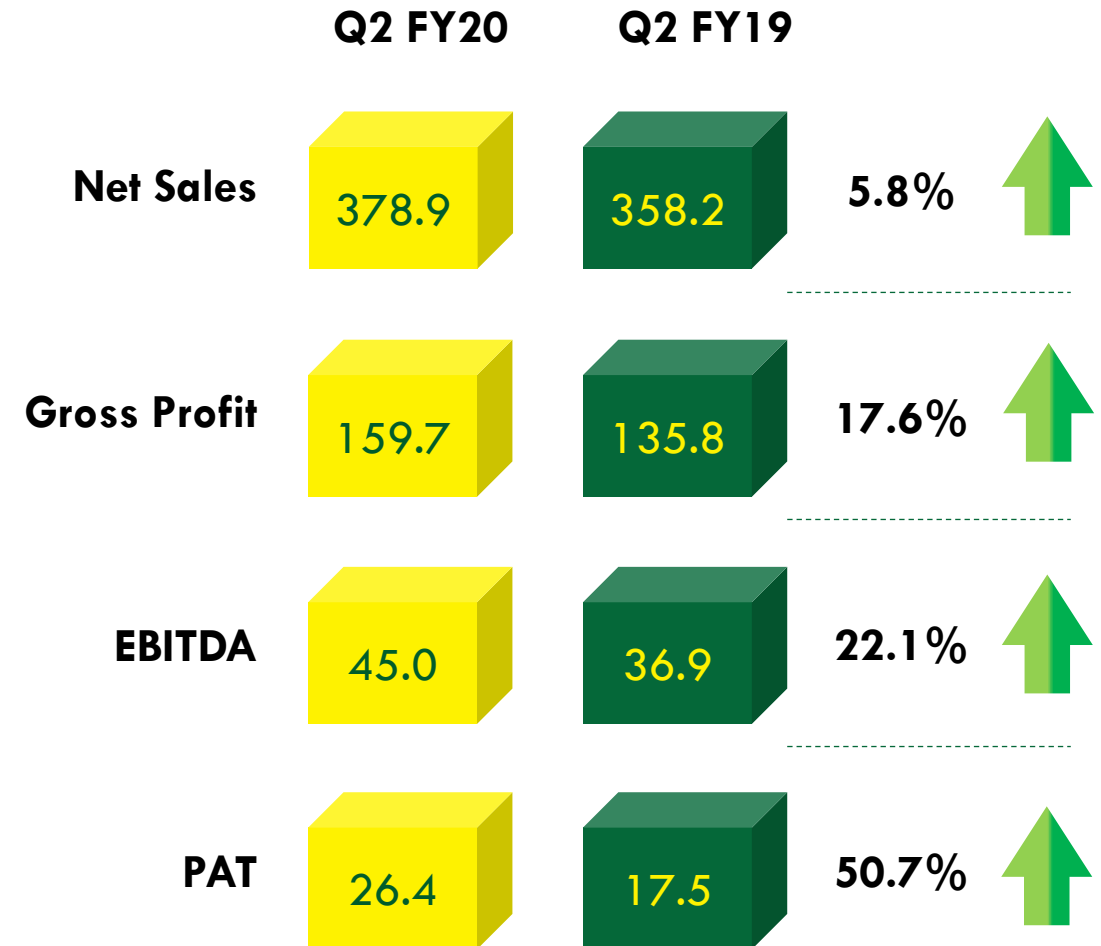


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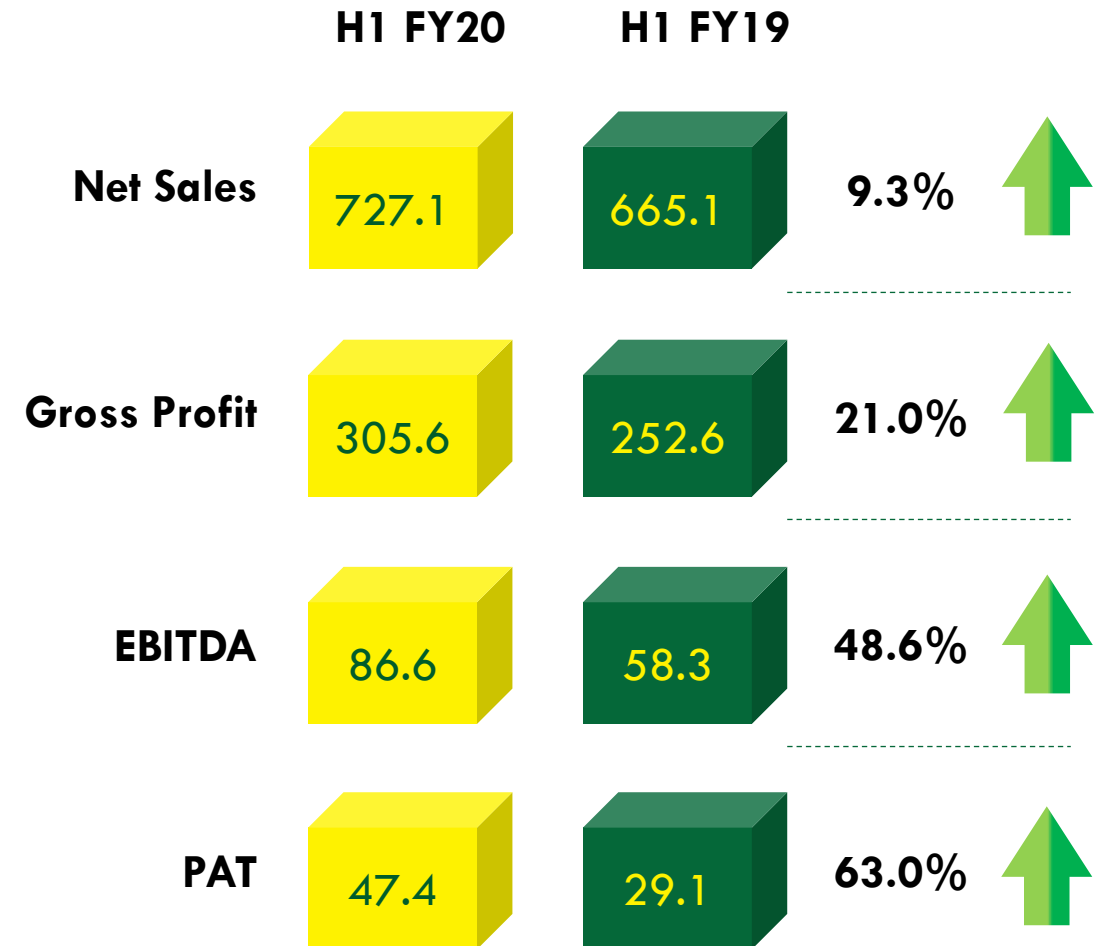
Consolidated Financial Highlights - Q2 FY 2020

Key Ratios (%)	Q2 FY20	Q2 FY19
Gross Margin	42.1	37.9
EBITDA Margin	11.9	10.3
EBIT Margin	10.2	8.7
Net Margin	7.0	4.9
Ad and promotions / Net Sales	3.2	5.6
Staff Cost / Net Sales	12.0	10.7
Logistics cost / Net Sales	4.6	4.6
EPS (Rs.)	2.15	1.43



Consolidated Financial Highlights - H1 FY 2020

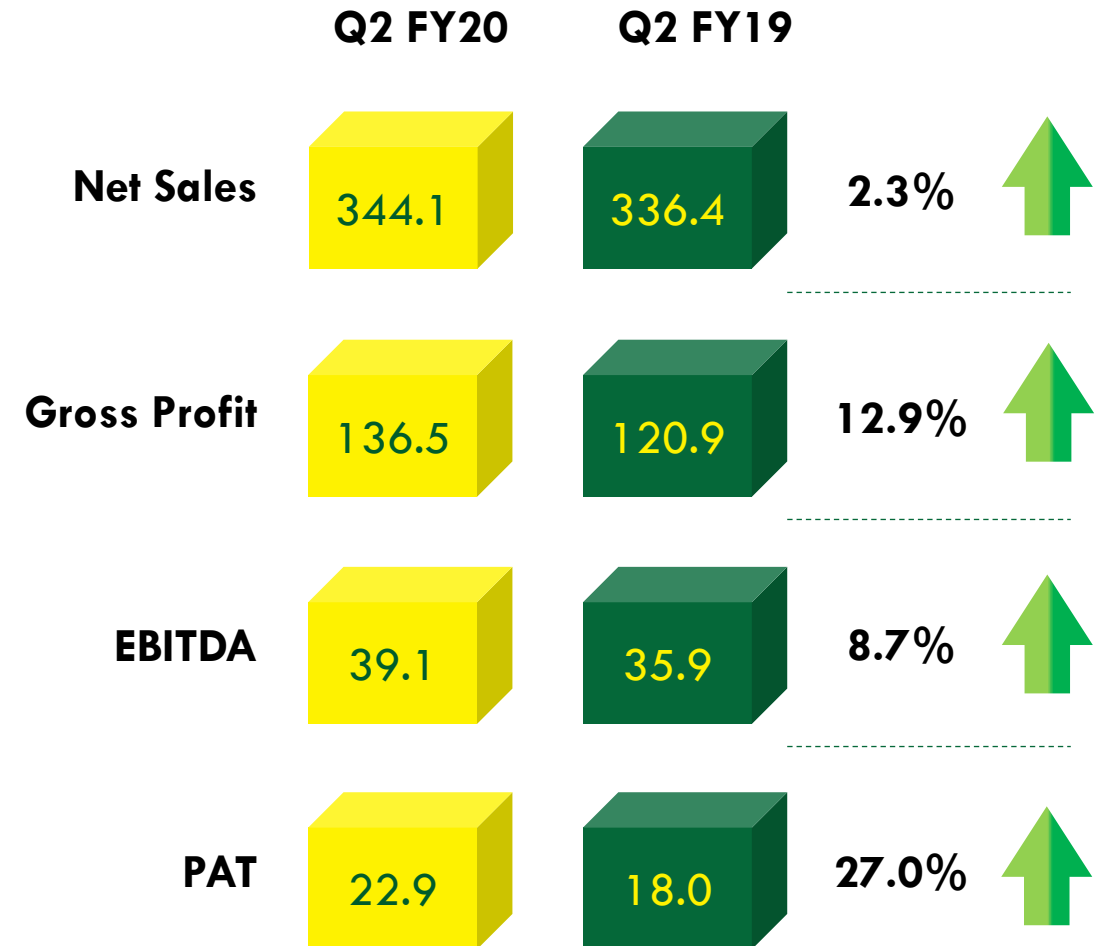
Key Ratios (%)	H1 FY20	H1 FY19
Gross Margin	42.0	38.0
EBITDA Margin	11.9	8.8
EBIT Margin	10.2	7.1
Net Margin	6.5	4.4
Ad and promotions / Net Sales	3.5	5.2
Staff Cost / Net Sales	11.5	11.3
Logistics cost / Net Sales	4.6	4.6
EPS (Rs.)	3.87	2.37





Standalone Financial Highlights - Q2 FY 2020

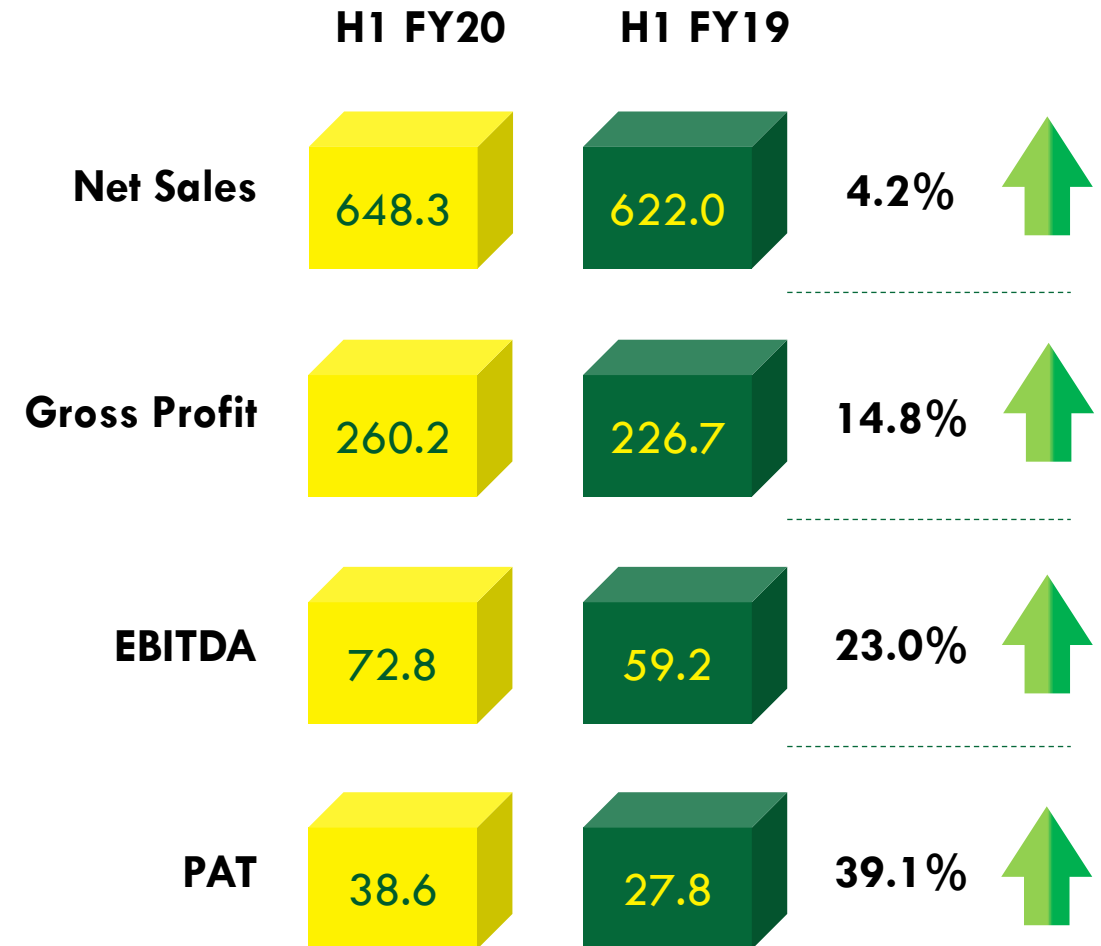
Key Ratios (%)	Q2 FY20	Q2 FY19
Gross Margin	39.7	35.9
EBITDA Margin	11.4	10.7
EBIT Margin	9.8	9.3
Net Margin	6.7	5.4
Ad and promotions / Net Sales	3.5	5.6
Staff Cost / Net Sales	12.0	10.5
Logistics cost / Net Sales	5.1	4.8
EPS (Rs.)	1.87	1.47





Standalone Financial Highlights - H1 FY 2020

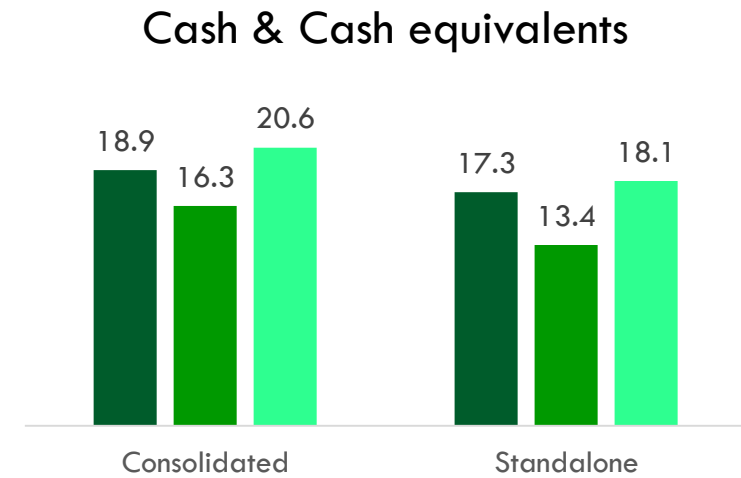
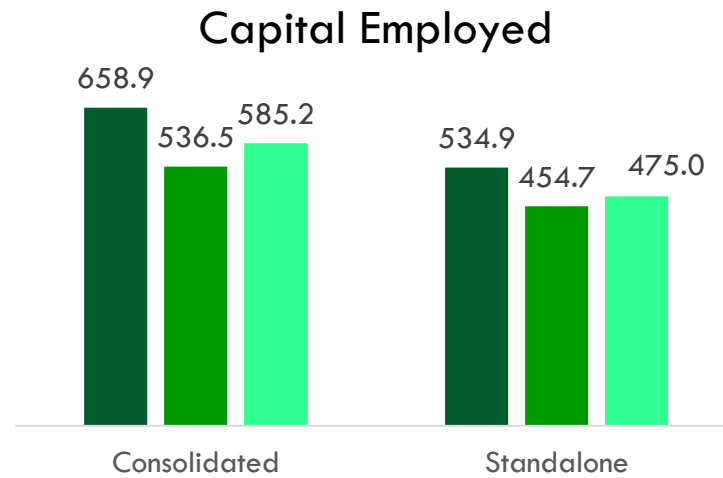
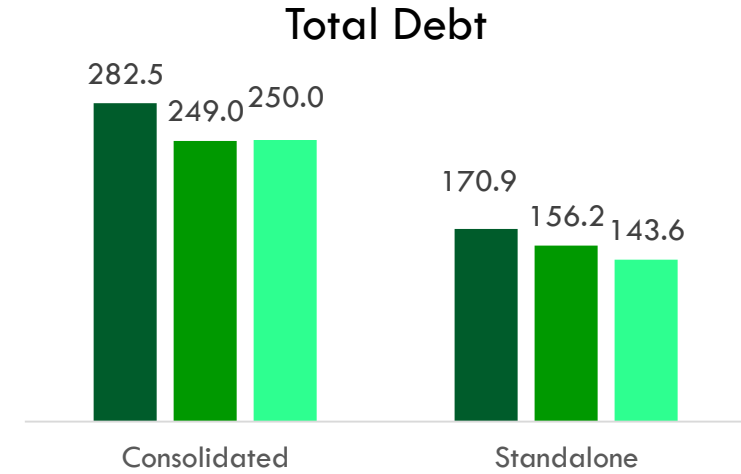
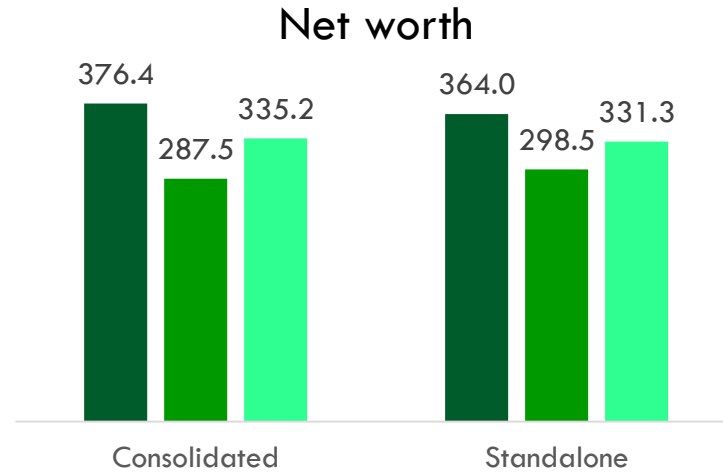
Key Ratios (%)	H1 FY20	H1 FY19
Gross Margin	40.1	36.5
EBITDA Margin	11.2	9.5
EBIT Margin	9.6	8.0
Net Margin	6.0	4.5
Ad and promotions / Net Sales	3.9	5.4
Staff Cost / Net Sales	11.8	11.1
Logistics cost / Net Sales	5.1	4.9
EPS (Rs.)	3.15	2.26





Financial Highlights -

Balance Sheet Perspective

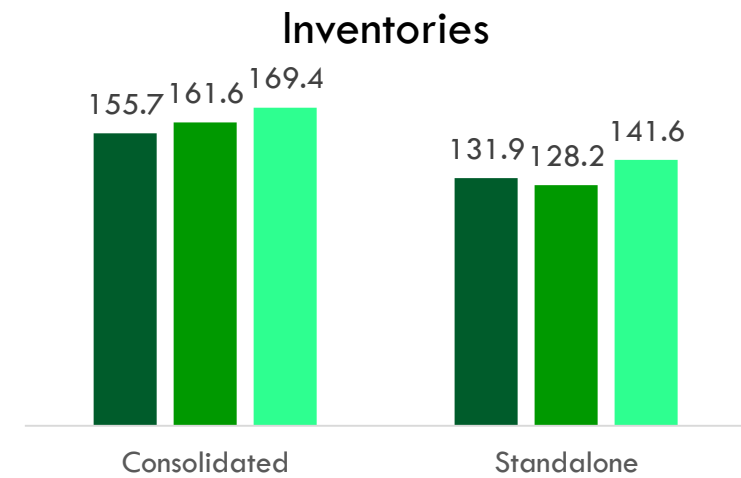
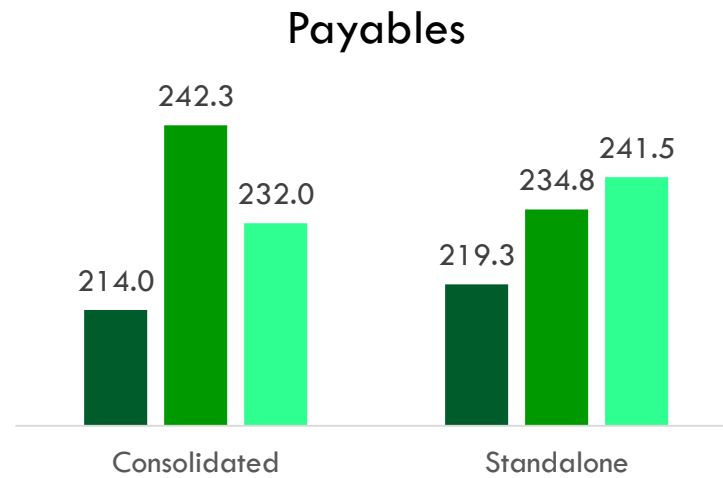
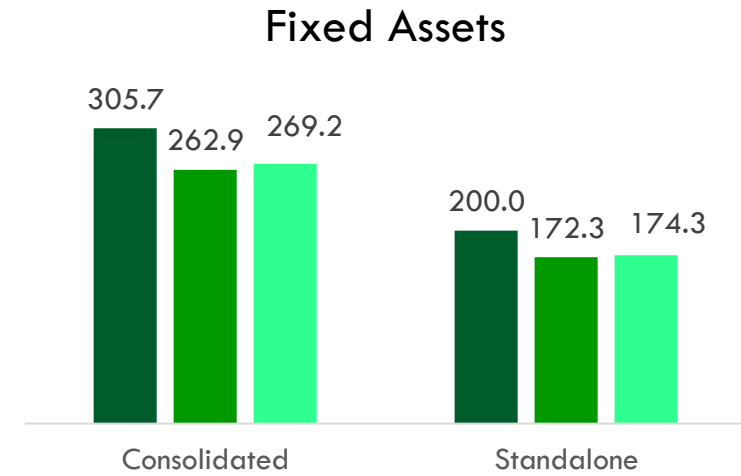
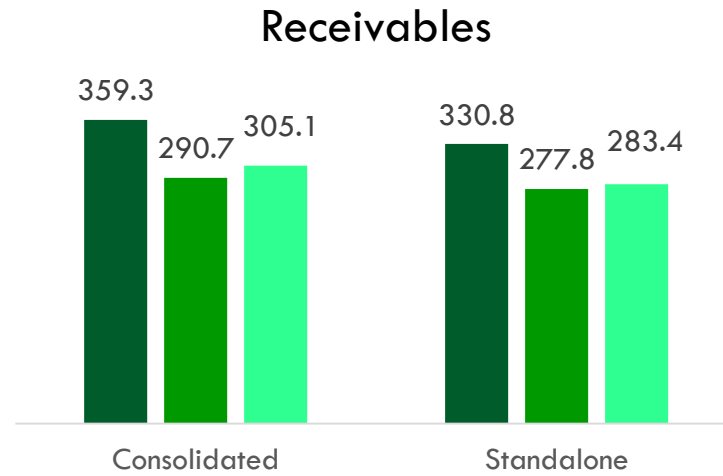


Sept'19
 Sept'18
 Mar'19



Financial Highlights -

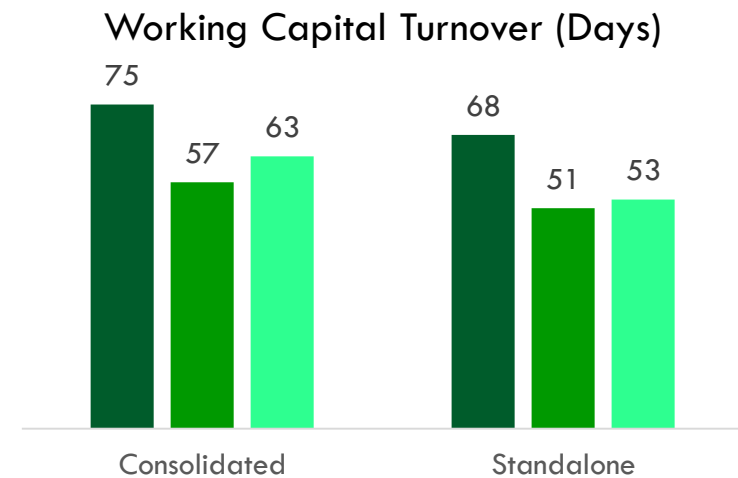
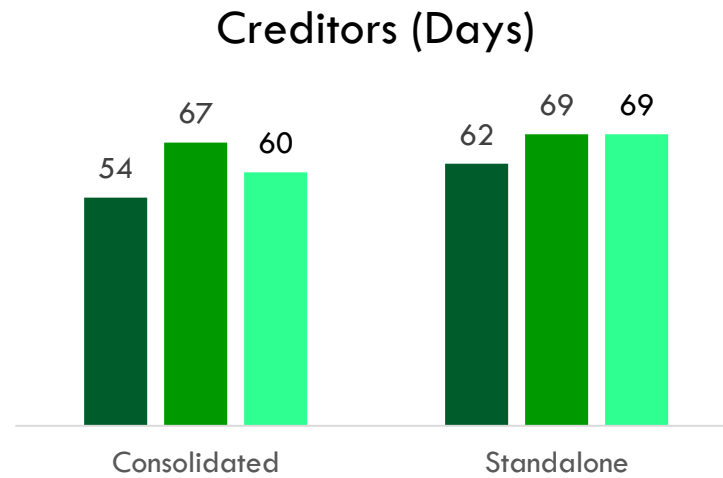
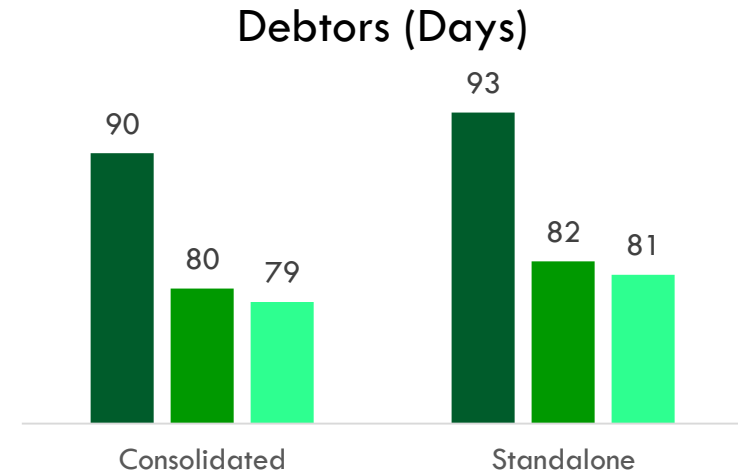
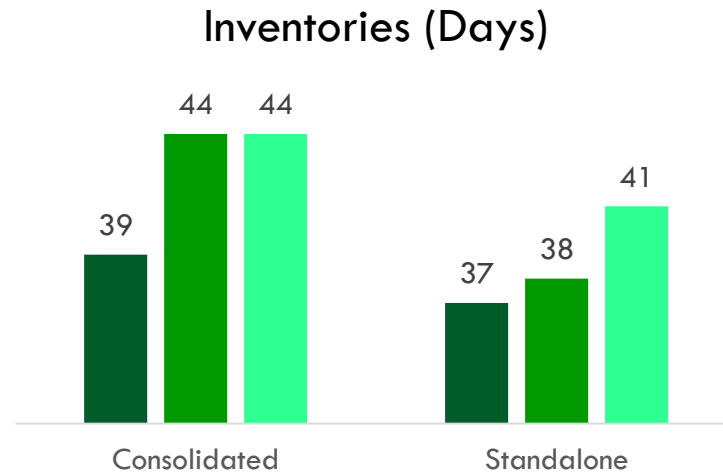
Balance Sheet Perspective



Sept'19
 Sept'18
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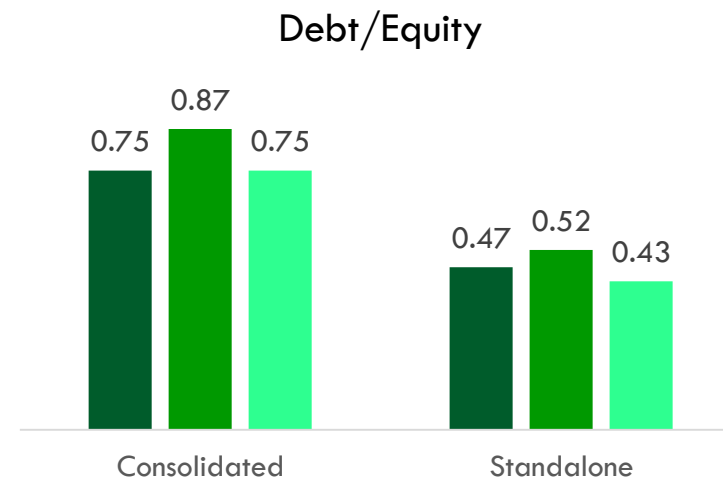
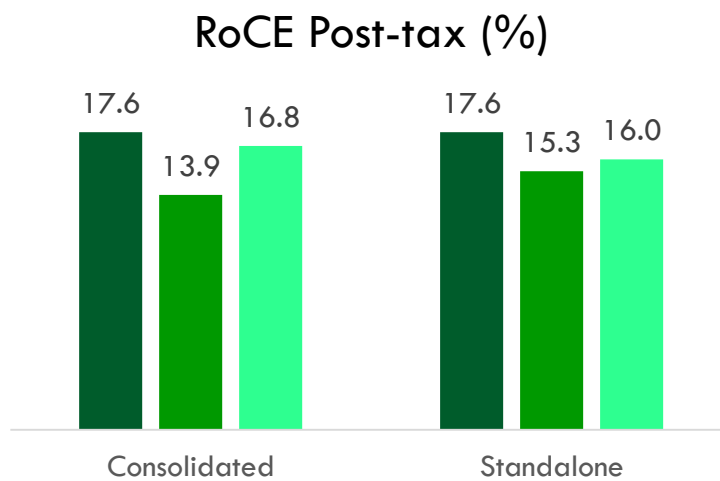
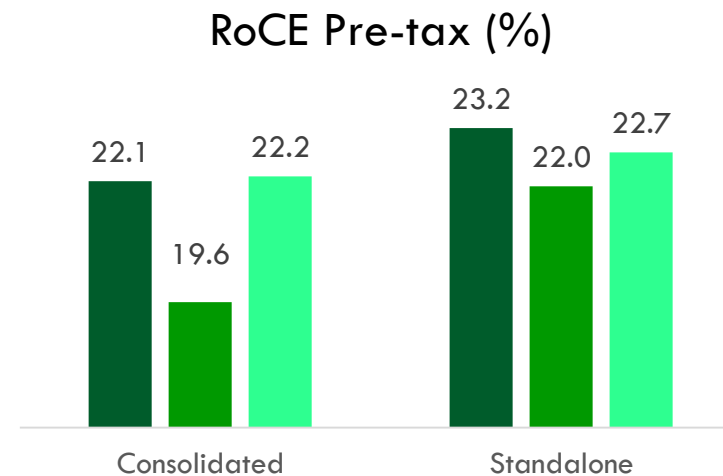
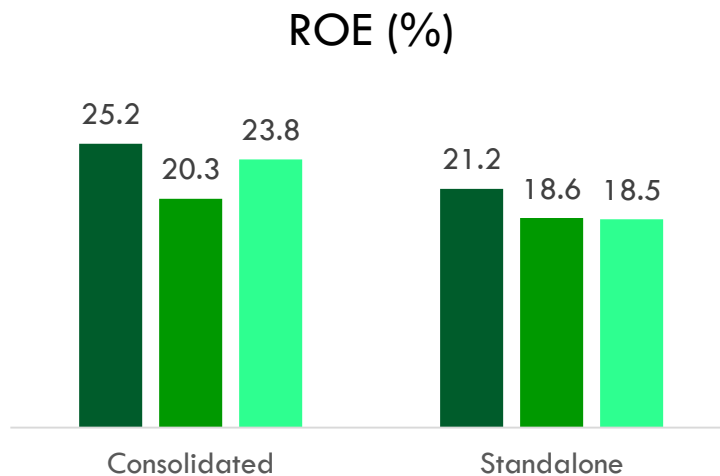
Financial Highlights - Ratios



Sept'19
 Sept'18
 Mar'19



Financial Highlights - Ratios

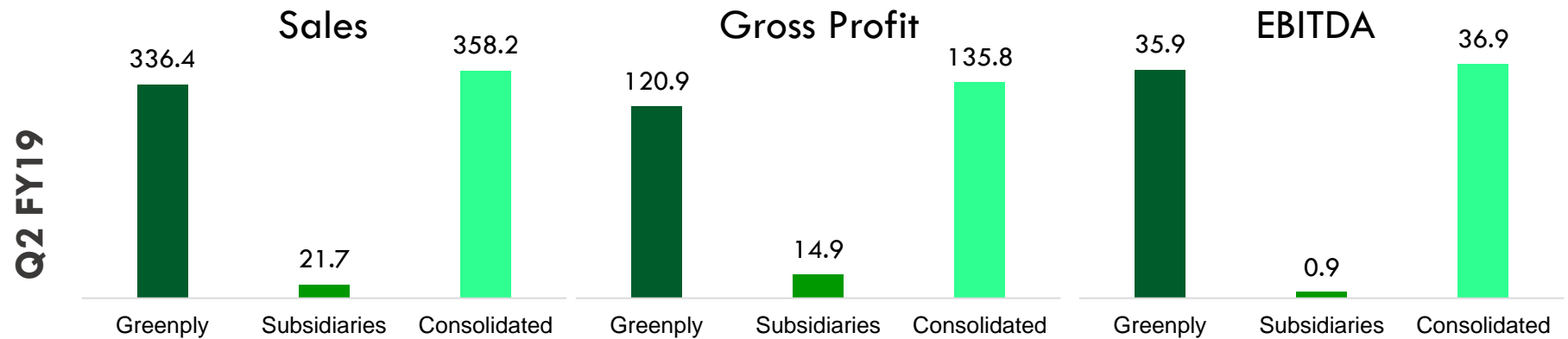
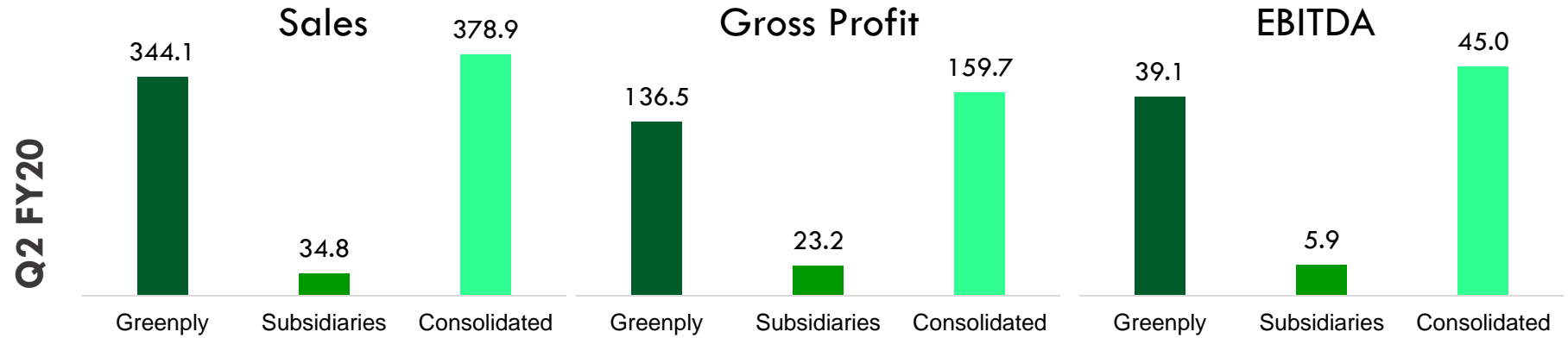


■ Sept'19
 ■ Sept'18
 ■ Mar'19



Consolidated Performance -

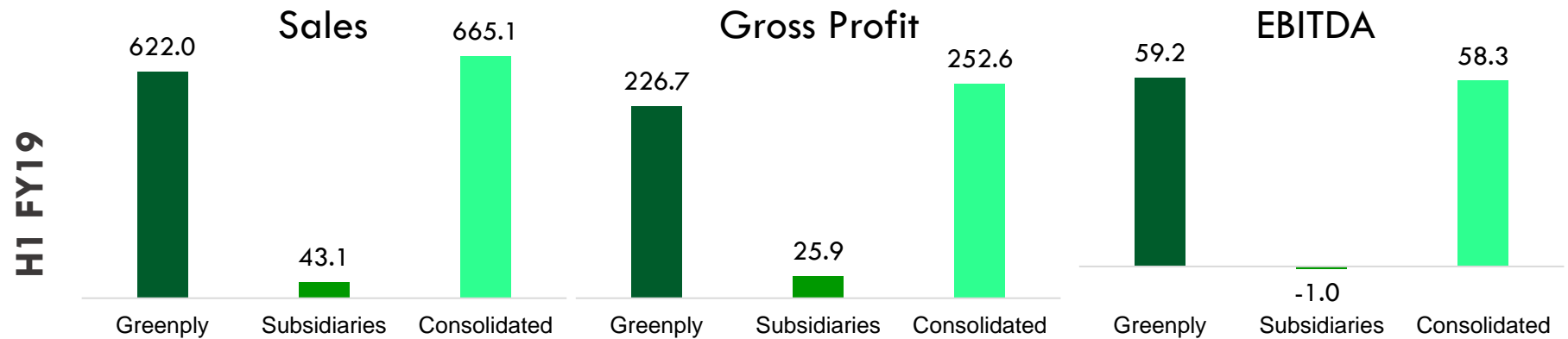
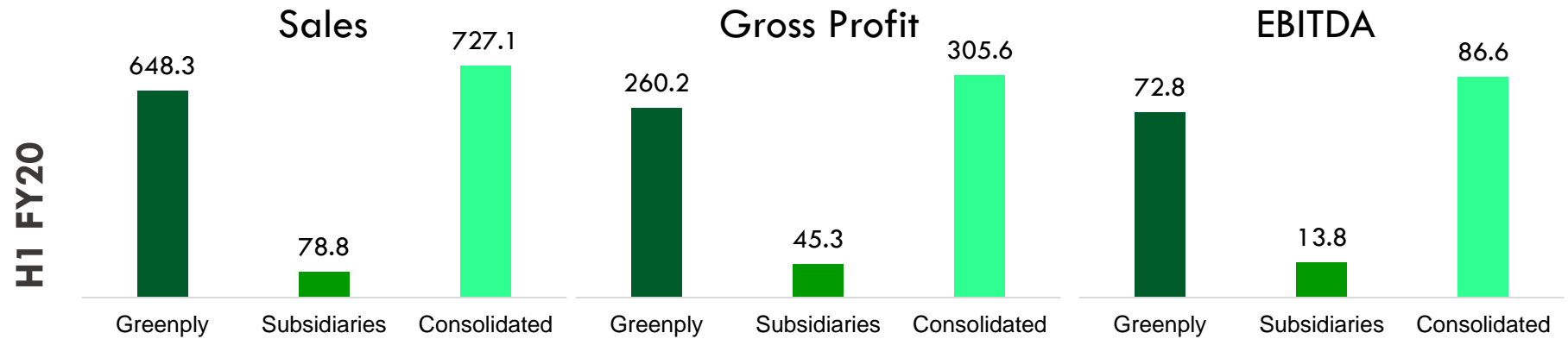
Q2 FY 2020 v/s
Q2 FY 2019





Consolidated Performance -

H1 FY 2020 v/s
H1 FY 2019





Greenply Standalone Performance

Particulars	H1 FY20	FY19	FY18
Net sales (Rs. crore)	648	1,276	879
EBITDA margin (%)	11.2	9.9	8.0
EBIT margin (%)	9.6	8.4	6.3
Annual capacity (million sqm.)	24.90	24.90	21.90
Production (million sqm.)	18.51	34.69	23.62
Sales volume (million sqm.)	28.73	57.13	40.95
Utilisation	149%	139%	108%
Average realisation (Rs./sqm.)	223.00	219.00	209.00

Contents

Industry/Plywood Overview

Company Overview

Subsidiary Operations

Financial Performance

Our Branding / Marketing

Shareholding, Directors and Top Management

Annexure



Our Branding / Marketing



Our Brands



Our Branding / Marketing

Marketing / Activation

- Influencers Program/Meet
 - Maanyata Milan (Carpenter Recognition Program)
 - Carpenter Meets
- Product Promotion – Road Show with product display
- Local Branding activity – Wall Paintings, GSB's etc.



Our Branding / Marketing

Product launch – Green Club 5 Hundred

The last word in plywood is here now.

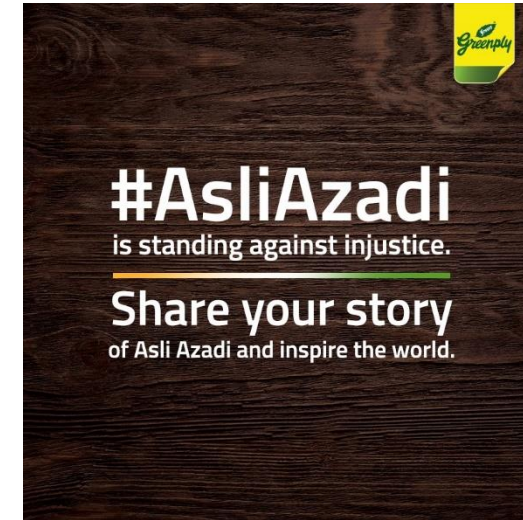
In keeping with our tradition of continuous innovation we launched Green Club 5 Hundred on 17th August 2019. As market leaders, our confidence in the product quality allows us to offer Green Club with a 500% Life time warranty. The product comes with an anti-bacterial coating that makes it safe for families and carpenters. It also has a thicker face veneer for added strength and quality. The Green Club sheets are passed through Penta (5) Tech for maximum precision, smooth surface and uniform thickness.



Our Branding / Marketing

Brand Activation– Digital

Digital media has been the key focus for us this year launching campaigns almost every quarter. Starting from IPL, World Cup to Independence Day & Pujo the brand has constantly engaged with high participation from the audience on topical content to maintain brand relevance.

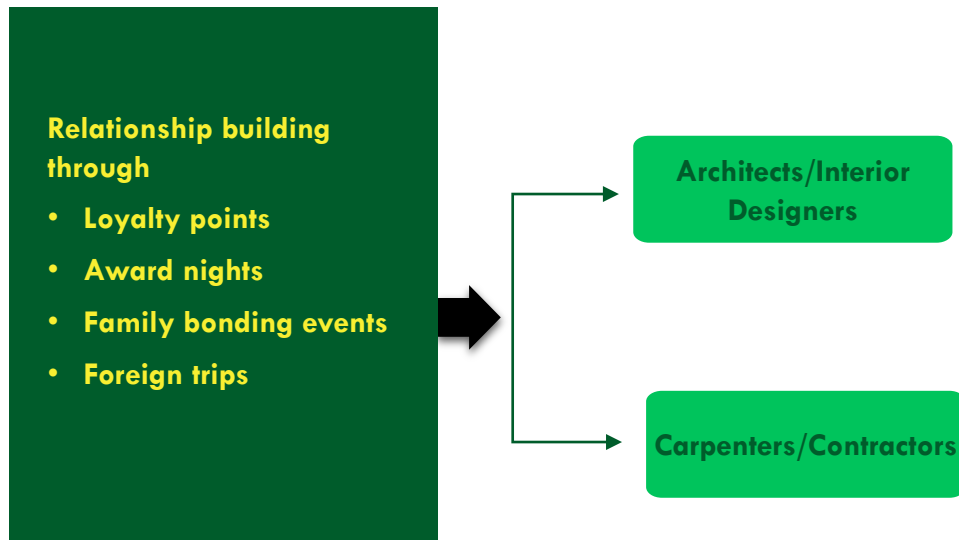


Our Branding / Marketing



- To leverage strong brand presence built over 30 years
 - India's leading plywood manufacturing company
 - To continue investing ~4% of net sales going forward towards ad expenditure with the aim of increasing brand visibility and recall

Mapping Key Influencers



Successful brand campaigns

- 'Sardar Kid' won the gold at Abby Awards 2006
- 'Forever New' features Arjun Rampal's unconventional take on the brand's core proposition of durability
- 'Always Hoyenga' relives Greenply's promise to last for generations
- Ask Greenply
- Sasta Nahi Sahi Ply Chuno

Contents

Industry/Plywood Overview

Company Overview

Subsidiary Operations

Financial Performance

Our Branding / Marketing

Shareholding, Directors and Top Management

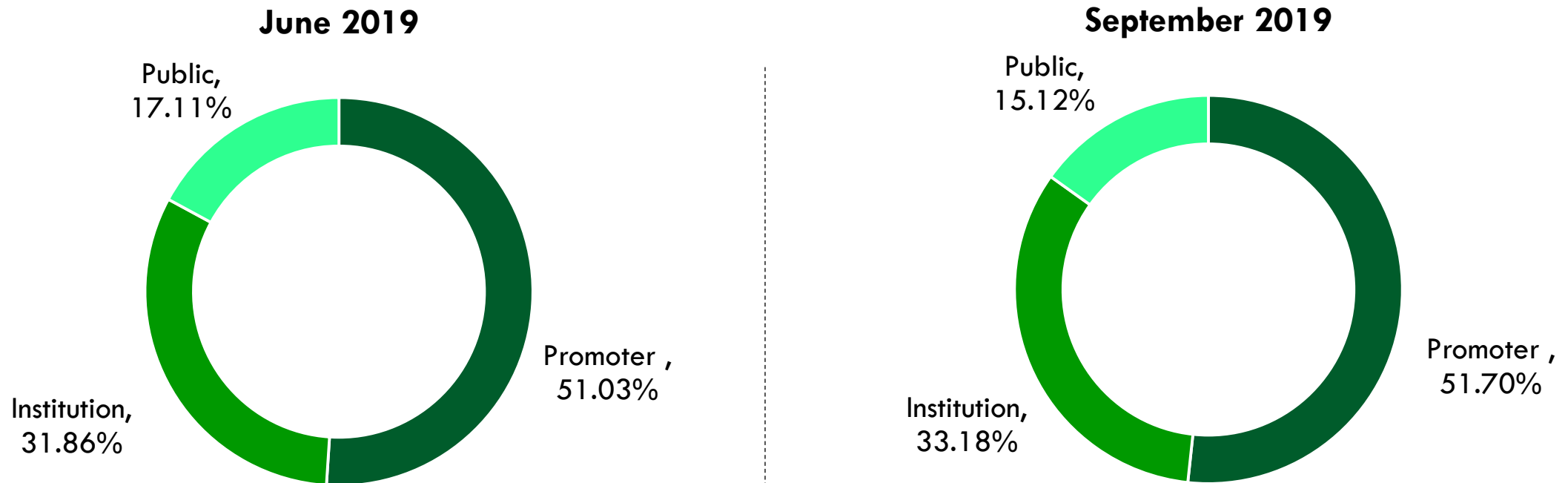
Annexure



Shareholding, Directors and Top Management



Shareholding Pattern



Promoter holding has increased 0.67% in Q2 FY20 – a reflection of Promoter’s confidence in the strength and prospects of the Company

Shareholding, Directors and Top Management



Board of Directors

RAJESH MITTAL
CHAIRMAN CUM
MANAGING DIRECTOR

Veteran in the industry with over
30 years of experience

SUSIL KUMAR PAL
NON-EXECUTIVE –
INDEPENDENT

Erstwhile GM, Allahabad bank

SANIDHYA MITTAL
JOINT MANAGING
DIRECTOR

More than 6 years of industry
experience

ANUPAM KUMAR MUKERJI
NON EXECUTIVE –
INDEPENDENT

Retired as the Director General of
forests

UPENDRA NATH CHALLU
NON EXECUTIVE -
INDEPENDENT

Erstwhile CGM, financial reporting,
compliance and taxation, SBI

SONALI BHAGWATI DALAL
NON EXECUTIVE –
INDEPENDENT

Architect with over 20 years
experience

VINOD KUMAR KOTHARI
NON EXECUTIVE -
INDEPENDENT

Qualified Chartered Accountant
and Company Secretary. Author,
Trainer and a consultant on
specialised financial subjects

Shareholding, Directors and Top Management



Top Management

MUKESH AGARWAL –
CHIEF FINANCIAL OFFICER

B. Com, FCA, DISA; Over 17 years of experience in finance, accounts and taxation

SUBIR PALIT –
COUNTRY HEAD – SALES & MARKETING

B. Sc, MBA; Over 30 years of experience in sales & marketing

ARABINDA SAHA –
SENIOR VICE PRESIDENT

B. Sc; Over 40 years of experience in factory operations

SUNIL LOHIA –
SENIOR VICE PRESIDENT

B. Com; 38 years of experience in operations and administration

BHOLA TRIVEDY –
VICE PRESIDENT

B. Sc, MBA; Over 35 years of experience in factory operations

MURARI LAL MALPANI –
GENERAL MANAGER

B. Com; Over 30 years of experience in factory operations

SUDEEP JAIN –
BUSINESS HEAD – GABON & DUBAI OPERATIONS

B. Com, FCA; Over 30 years of experience in wood based industry

Contents

Industry/Plywood Overview

Company Overview

Subsidiary Operations

Financial Performance

Our Branding / Marketing

Shareholding, Directors and Top Management

Annexure



Annexure

CSR Activity

Mission : Employ our strength to support our communities and enhance the way people live, learn & work

- Free eye check up camp and cataract operation for communities
- Blood donation camp: Human blood is an essential element of human life with no substitute
- Mobile Medical Van (MMV) to provide basic diagnostic, medicine, curative, referral and counselling services to the rural population
- Contribution towards Education: Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects



PRODUCT PROFILE

- To improve mix of plywood through increase in mix of value-added products like Green Defender, Green Gold Prima and Decorative Veneers

INDUSTRY DRIVERS

- Rising demand from the real estate sector
- Increasing urbanisation, higher disposable incomes and a growing middle class
- Rollout of GST to facilitate faster shift from unorganised to branded products in the plywood space

FINANCIAL PERFORMANCE

- 8-10% growth in Plywood in FY 2020
- Margin expected to improve with increase in sales of Gabon Face Veneers

ADVERTISING & PROMOTIONAL SPENDS

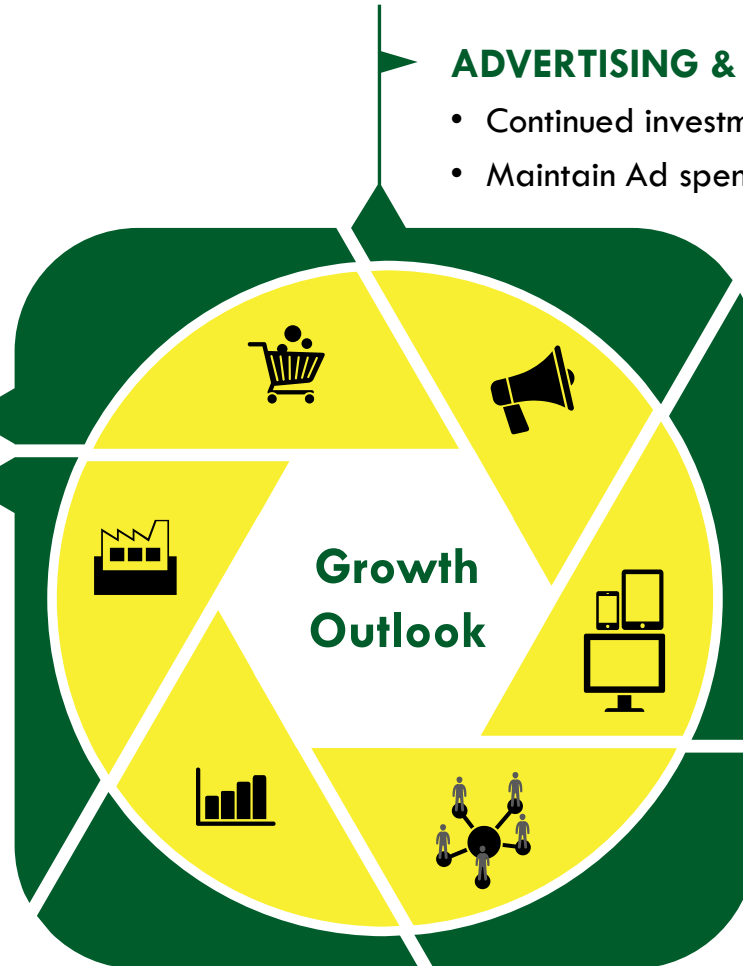
- Continued investments in increasing brand visibility pan-India
- Maintain Ad spends at around 4% of Net Sales

IT INITIATIVES

- Upgraded IT infrastructure – implemented SAP S4 Hana to strengthen overall supply chain
- Implemented Microsoft CRM Module

DISTRIBUTION NETWORK

- To increase the number of distributors and retailers going forward





About Greenply

Greenply Industries Limited (GIL) enjoys leadership position in plywood with more than 26 percent share of the organized plywood market in India.

GIL has three state-of-the-art manufacturing facilities for Plywood and allied products spread across the country producing world class interior products. The company has a presence in over 300 cities across 25 states serviced through a well-entrenched distribution network of 1,870 dealers and authorised stockists, a retail network exceeding 6,000 and about 25 branches pan-India.

GIL is the preferred partner of choice for a large number of office and home builders having a comprehensive product portfolio servicing clients at every point of the price spectrum under brand names of Green Club 5 Hundred, Green Club Plus, Optima G and Ecotec to name a few.

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