

GPIL/2021-2022
October 27, 2021

The Manager
BSE Limited
Department of Corporate Services
Floor 25, P. J. Towers, Dalal Street
Mumbai-400001
Scrip Code: 542857

The Manager
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (E),
Mumbai - 400051
Symbol - GREENPANEL

Dear Sir/Madam,

Sub: Investor Presentation

Pursuant to applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Investor Presentation on the unaudited Standalone and Consolidated Financial Results of the Company for the quarter and half year ended on September 30, 2021.

Kindly take the above on record.

Thanking You

Yours faithfully
For **GREENPANEL INDUSTRIES LIMITED**

Lawkush Prasad

(Lawkush Prasad)

Company Secretary & AVP – Legal

ACS:18675



Encl.: As above

Greenpanel Industries Limited

Corporate Office: Thapar House,
2nd Floor, 163, S.P. Mukherjee Road,
Kolkata, West Bengal - 700026
Tel No : +91 33 4084 0600
F : +91 33 2464 5525

Business Office: 3rd Floor, Plot No. 68,
Sector-44, Gurugram-122003, Haryana,
Tel No.: +91 124 4784600
F : +91 124 4784699
Email: info@greenpanel.com

Registered Office:
Makum Road, Tinsukia 786125, Assam
CIN L20100AS2017PLC018272



Brand Greenpanel

How it outperformed
in Q2, FY 2021-22

A brief report for stakeholders

Greenpanel Industries Limited

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.



GREENPANEL

A snapshot of our company

● 1

Brand vision: Every organisation in the world, irrespective of its size and domain, strives towards building a prosperous future for itself. We believe in innovating products and satisfying our customers wants to achieve this target.

● 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 workers (1816 as on March 31, 2021).

● 4

Listing: The Company was listed on October 23, 2019 and enjoyed a market capitalisation of Rs. 3,797 crores as on September 30, 2021 (NSE closing price of Rs. 309.65).

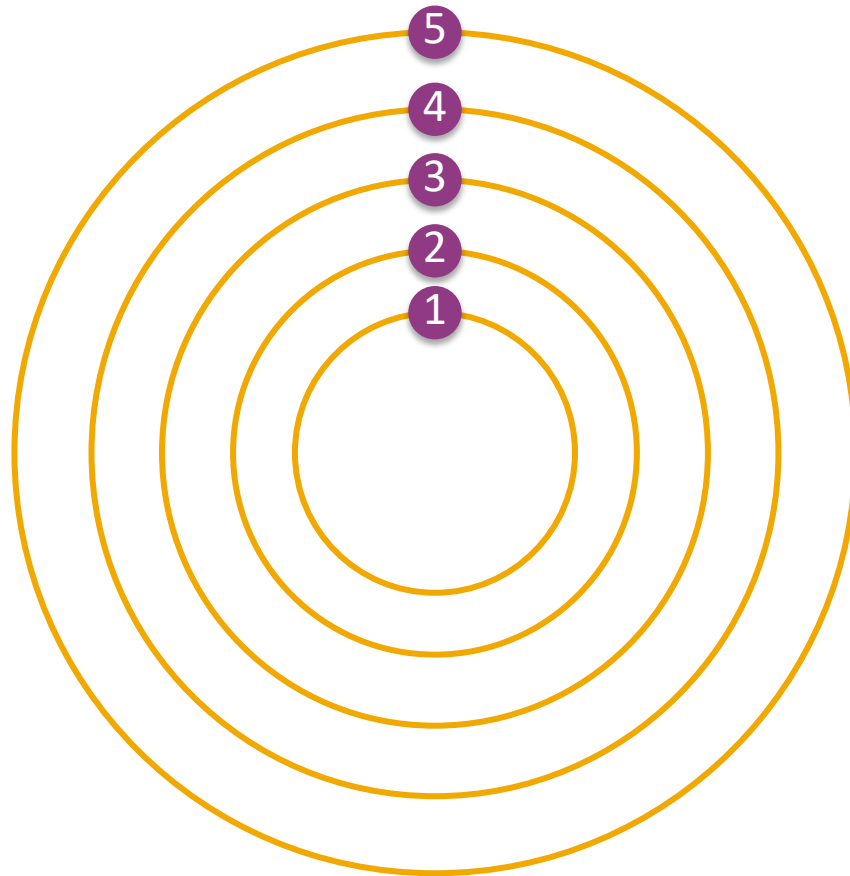
● 5

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.



GREENPANEL

Product offerings



- 1 Greenpanel MDF
- 2 Greenpanel wood floors
- 3 Greenpanel plywood
- 4 Greenpanel veneers
- 5 Greenpanel doors



GREENPANEL[®]

Part one _____

Our performance in Q2, FY 2022



GREENPANEL

5

highlights of Brand
Greenpanel's
performance, Q2 of
FY 2021-22

- 1 Best quarter in the company's existence
- 2 Profitable growth (265% profit growth > 87% revenue growth)
- 3 Sharp increase in capacity utilization, offtake and realisations
- 4 Superior working capital hygiene
- 5 Stronger Balance Sheet



GREENPANEL[®]

Overview by the **MD and CEO**

"**Our** business accelerated momentum in Q2 following increased vaccinations."

Continued.....

"Our business accelerated momentum in Q2 following increased vaccinations."

"**MDF** volumes grew 66.9% year-on-year; operating margins improved 860 basis points to 31.4%."

"**Plywood** volumes grew 22.4% although operating margins fell 275 basis points to 13.6% due to increased raw material costs."

"**Consolidated** operating margins increased 697 basis points to 28.2% due to our superior product mix, cost optimization and operational leverage."

"**Working** capital investment reduced 21 days year-on-year to 14 days as on 30th September 2021."

"**Net debt** reduced Rs 129 crores during Q2 to Rs 229 crores as on 30th September

2021. We prepaid four German Bank loan instalments amounting to Euro 8.91 Mn (INR 78 crores) in October 2021; we are targeting to be net debt-free for our existing business in FY 2023."

"**The widening** of our distribution reach and focus on small urban clusters is helping increase volumes and reduce working capital outlay."

"**We are optimistic** of sustainable growth in the coming quarters."

Shobhan Mittal

Managing Director and CEO,
Greenpanel Industries Limited

Our financial performance in brief

Our revenue growth

408.51

Rs crore, Net Sales,
Q2 FY 2021-22

218.50

Rs crore, Net Sales,
Q2 FY 2020-21

86.96% ↑

Our profit growth

EBITDA

115.29

Rs crore, Earnings before
interest, depreciation, taxes and
amortization, Q2 FY 2021-22

46.43

Rs crore, Earnings before
interest, depreciation, taxes and
amortization, Q2 FY 2020-21

148.31% ↑

Profit after tax

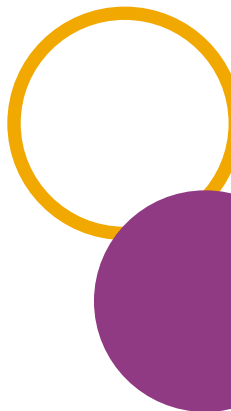
67.06

Rs crore, Profit after tax,
Q2 FY 2021-22

18.40

Rs crore, Profit after tax,
Q2 FY 2020-21

264.46% ↑



Our financial performance in brief

Our shareholder value growth

Earnings per share

5.47

Rs, Earnings per share,
Q2 FY 2021-22

1.50

Rs, Earnings per share,
Q2 FY 2020-21

264.67% ↑

RoCE (Post Tax) %

22.8

% Return on capital
employed, Q2 FY 2022

10.6

% Return on capital
employed, Q2 FY 2021

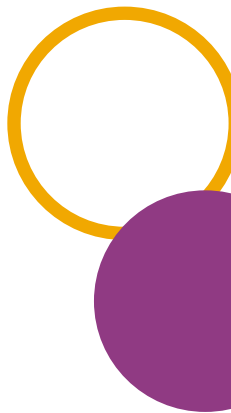
Return on equity (RoE)

32.4

% Return on equity,
Q2 FY 2022

11.4

% Return on equity,
Q2 FY 2021





GREENPANEL[®]

Part two _____

The Greenpanel Brand: Attributes



GREENPANEL

The Greenpanel Brand: Attributes

Evangelist: Championing the cause of MDF over cheap plywood

Value-enhancing: Enhancing ease of access, availability and affordability

Service-driven: Extending beyond product manufacture to superior customer service

Carpenter-friendly: Highlight functional; enhancing carpenter's ease of working

Stakeholder-driven: Committed to enhance overall stakeholder value

What Brand Greenpanel successfully demonstrated in Q2 FY 22

Resilience: Ability to absorb unexpected shocks (slowdown and lockdown)

Rebound: Ability to outperform during a sectorial rebound

Scale up: Energised; reported rapid strides from scratch

Strength: Ability to pass cost increases to customers, validating a superior value proposition

We grew
revenues faster
than the growth
of the Indian
economy

7.9

% (projected), growth of
the Indian economy in
Q2, FY 2022.

Source: Live Mint

87

%, YoY growth of
Greenpanel
revenues in
Q2, FY 2022.



The health of the real estate sector

59

%, YoY growth in residential real estate sales, Q2 FY 2022

(Source: Moneycontrol, Statista)

Sector performance and reforms

29

INR billion, Indian MDF market size, 2021

225

INR billion, Indian plywood market size, 2021

Regulatory and consumption triggers



Stricter GST
implementation



100 Smart Cities in the
pipeline



Engineering
exports of a record
USD 9.14 billion in July
2021 (42.5% growth YOY)

(Source: Business Standard)



GREENPANEL

MDF preference over plywood

1

Increased MDF resources: Grown on commercial plantations, enhancing quality and availability.

2

Safety from COVID-19: Consumer shift from traditional plywood to engineered wood readymade furniture

3

Competitive: MDF as good as plywood; better price-value proposition; upfront 40% saving and total 70% saving

4

Durable: MDF treated against borer and termites; enhanced durability

5

Robustness: No hollowness in MDF; consistent density and absence of air grain

6

Smoothness: MDF smoother than plywood



GREENPANEL[®]

Part three _____

Brand Greenpanel's health

How our brand acceptance has
helped create a stronger
company



GREENPANEL

We strengthened realisations across both product lines

MDF

24,446

Rs / cubic meter,
Average realization,
Q2, FY 2021-22

22

%, Growth in
average MDF
realisations

20,030

Rs / cubic meter,
Average realization,
Q2, FY 2020-21

13.4

%, Growth in
average
Plywood
realisations



Plywood

279

Rs / cubic meter,
Average realization,
Q2, FY 2021-22

246

Rs / cubic meter,
Average realization,
Q2, FY 2020-21

We widened our margins by building a stronger business

We widened our margins by building a stronger business

28.2

% EBITDA margin, Q2, FY 2021-22

21.3

% EBITDA margin, Q2, FY 2020-21

23.1

% EBITDA margin, Q1, FY 2021-22

697 bps

YoY growth in EBITDA margin over Q2 FY 2020-21.

Highest EBITDA margin in the company's existence

We continued to remain principally an MDF-driven company

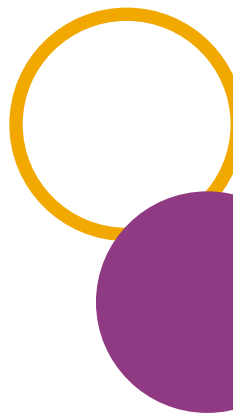
82

% of revenues drive from MDF, Q2 FY 2022

76

% of revenues drive from MDF, Q2 FY 2021

Note. We are considered to be the most attractive listed MDF proxy in India



We strengthened our working capital hygiene

Working capital cycle

14

Days, working capital cycle from resource purchase to sales receipt, Q2, FY 2022

35

Days, working capital cycle from resource purchase to sales receipt, Q2, FY 2021

Working capital productivity

6.44

Revenue generated from every rupee of working capital deployed, Q2, FY 2022

2.65

Revenue generated from every rupee of working capital deployed, Q2, FY 2021

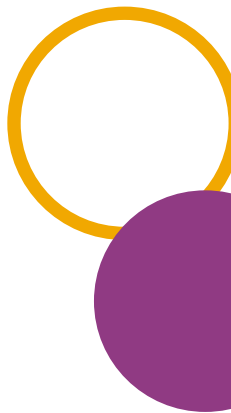
Inventory

36

Days, finished goods inventory expressed in days of turnover equivalent, Q2, FY 2022

61

Days, finished goods inventory expressed in days of turnover equivalent, Q2, FY 2021



Receivables

11

Days, receivables expressed in days of turnover equivalent, Q2, FY 2022

20

Days, receivables expressed in days of turnover equivalent, Q2, FY 2021

Payables

33

Days, payables expressed in days of turnover equivalent, Q2, FY 2022

46

Days, payables expressed in days of turnover equivalent, Q2, FY 2021

We utilized our superior performance to draw debt down

344

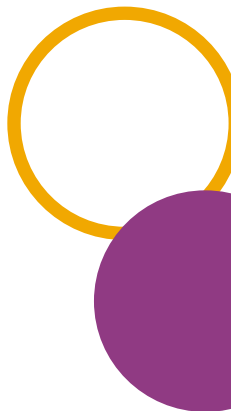
Rs crores, consolidated debt, end of Q2, FY 2022

405

Rs crores, consolidated debt, end of Q1, FY 2022

510

Rs crores, consolidated debt, end of Q2, FY 2021



How we strengthened our liquidity

54.95

Times or x, interest cover, Q2, FY 2022

2.29

Times or x, interest cover, Q2, FY 2021

We strengthened our capacity utilization

MDF

95%

MDF capacity utilisation, Q2 FY 2021-22

59%

MDF capacity utilisation, Q2 FY 2020-21

We strengthened our capacity utilization

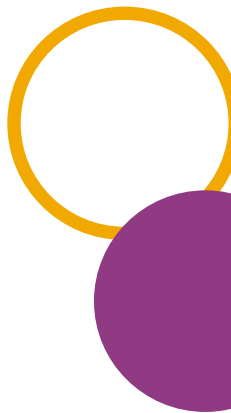
PLYWOOD

92%

Plywood capacity utilisation, Q2 FY 2021-22

78%

Plywood capacity utilisation, Q2 FY 2020-21



Our segment-wise financial growth

50%

YoY growth in plywood volumes, H1 FY 2021-22

113%

YoY growth in MDF volumes, H1 FY 2021-22

We enhanced the value-added proportion of our business

SUPERIOR REALISATIONS

240

Rs per sq m, Average realization for normal plywood variety

602

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

We enhanced the value-added proportion of our business

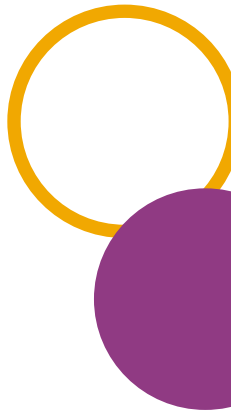
SUPERIOR PRODUCT MIX

11%

of revenues derived from decorative veneers (plywood business), Q2, FY 2022

8%

of revenues derived from decorative veneers (plywood business), Q2, FY 2021





GREENPANEL[®]

Part four _____

Brand Greenpanel: Strengths and attributes

Brand credentials



GREENPANEL

Scaled from scratch to leadership in just three years – unprecedented success

Arguably the fastest growing brand in India's interior infrastructure sector

Possessed the foresight to be present in a space marked by extensive over-capacity

Demonstrated a leap

of faith to invest in the best manufacturing technologies

Positioned itself as a global MDF brand operating out of India

Invested in the largest MDF single location capacity in Asia

Leveraged the Greenply brand (from which the company was spun off)

Largest Indian MDF brand by capacity

5,40,000

Cubic meters per annum, installed capacity as on 31 March 2021

14,80,500

Cubic meters per annum, installed capacity of India's organized sector as on 31 March 2021

Note: Capitalising on superior economies of scale, on-tap product availability and market visibility

Pureplay brand positioning

82

Per cent of revenues derived from MDF, Q2, FY 22

76

Per cent of revenues derived from MDF, Q2, FY 21

Note: Distinctive personality; recognized as the purest listed MDF proxy in India; positioned to capitalize on MDF upside

Large addressable market

22

USD billion, estimated size of India's interior design market, 2021

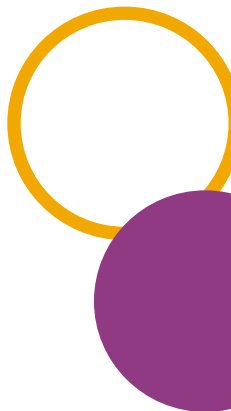
(Source: PRNewsWire)

783

Rs crores, MDF revenues reported by Greenpanel in FY 21

7.50

Number of times companies of Greenpanel's size can address the estimated market size based on available capacity (organised and unorganized)



**Our widened
distribution network**

2,084

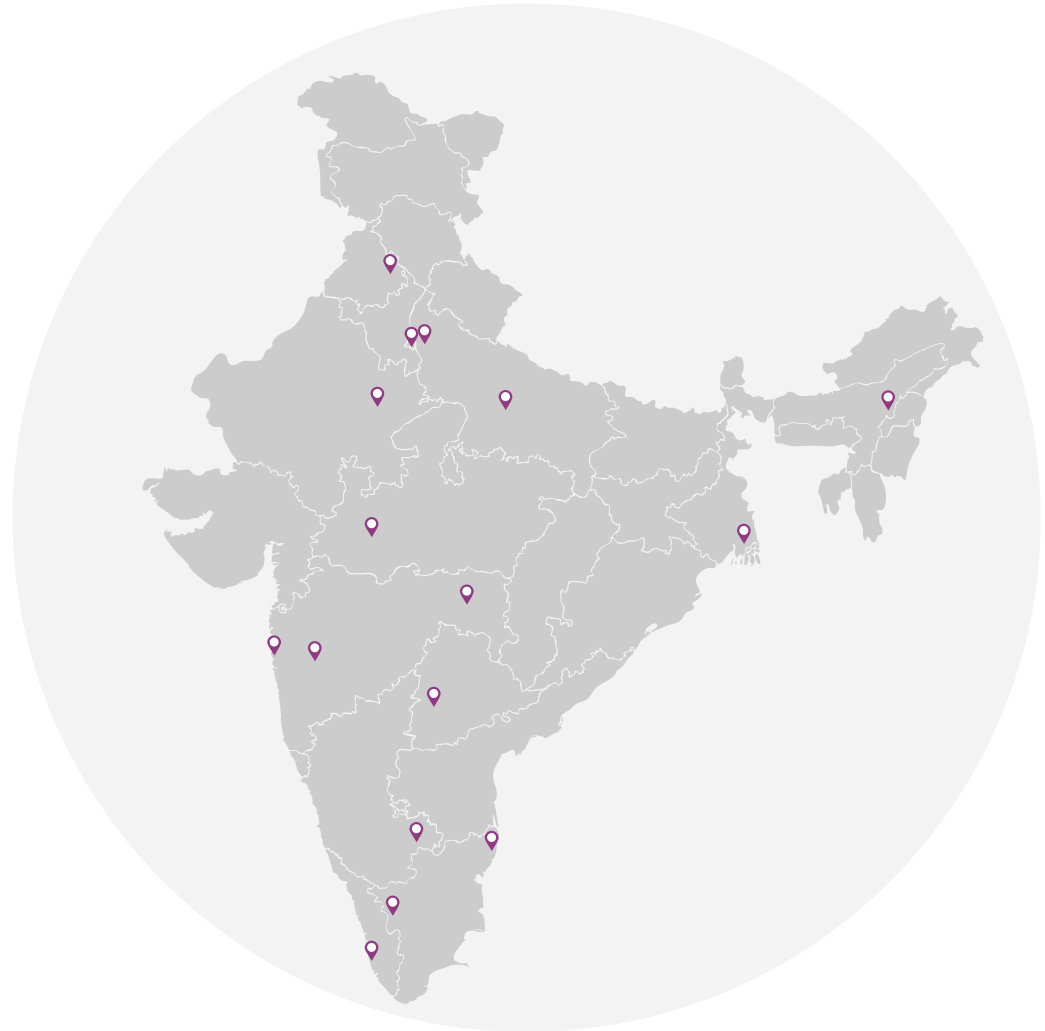
Number of dealers as on
31st March 2021

10,000+

Number of retailers as on
31st March 2021

15

Branches pan-India



Name of physical branches

West & Central: Mumbai, Nagpur, Pune, Indore

South: Bangalore, Hyderabad, Kochi, Coimbatore, Chennai

North: Jaipur, Chandigarh, Lucknow, Ghaziabad, Delhi

East: Kolkata, Guwahati

Addressing a penetration mismatch

20,762

million cubic meters, estimated
size of China's MDF market, 2019

(Source: Globenewswire)

105.16

million cubic meters, estimated
size of India's MDF market, 2020

(Source: Mordor Intelligence)



GREENPANEL

130,000

Cubic metres, Total
rainwater harvesting
capacity (Andhra
Pradesh plant)

The Company implemented 5S and trained employee in stronger house-keeping

The Company supplied fly ash (generated from the energy plant) to brick manufacturers

The Company developed a green belt at various locations.

The Company measured energy consumption through meters.

The Company replaced CFLs with LED lights, consuming lower power

4.6

Logistics cost as a %
of overall revenues,
Q2, FY 22

4.9

Logistics cost as a %
of overall revenues,
Q2, FY 21

*Note. Superior technology
resulting in lower resource
consumption and wastage;
driven by lower carbon
footprint*



GREENPANEL®

Part five _____
**How we intend
to grow Brand
Greenpanel**

● 1

Evangelise MDF

- Capitalise on the growing preference of MDF (over plywood)
- We are not merely marketing MDF; we are MDF evangelists
- We will continue to highlight MDF superiority over lower priced plywood

● 2

Expand our manufacturing capacity

- We intend to enhance our manufacturing capacity from 540,000 cubic m to 660,000 cu m in Q3, FY 22
- We expect to fund the expansion at a relatively low capital cost per cubic meter
- We expect to take a call on a major expansion by the end of FY 22

● 3

Leverage the SAP network

- We intend to leverage our existing SAP network
- The SAP network will be leveraged for informed decision making
- The SAP network will help leverage a scalable foundation without corresponding costs increase

● 4

Sustain advertising and promotional spends

- We will invest prudently in enhancing the recall for MDF and Greenpanel
- We expect to sustain consumer pull, protecting realisations

● 5

Reduce debt

- We intend to repay debt with accruals
- We intend to emerge net debt-free for existing scale in FY 23



GREENPANEL[®]

Part six _____

What stakeholders can expect

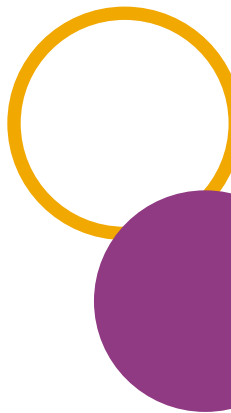
What stakeholders can expect

Real estate fit-outs to grow

- Sustained MDF traction based on a buying preference for engineered furniture products
- Protected realisations based on demand growth and lower imports
- Sustained or improved margins based on economies of scale
- Lower debt, protected terms of trade, stronger liquidity
- Greater propensity to fund business growth through accruals

Our value-creation journey

- Near-rated utilization of MDF capacity
- Increased brand-driven offtake of value-added products
- Aggressive debt draw-down for existing operations
- Accruals-driven capacity growth
- Growing capacity at a capital cost per unit lower than greenfield costs





Thank
you

Mr. V. Venkatramani

Chief Financial Officer

Greenpanel Industries Limited

Corporate Office: Thapar House, 2nd Floor,
163, S.P. Mukherjee Road, Kolkata - 700 026

Contact: (+91) 97484 00606 / (+91) 033 4084 0600

Email: v.venkat@greenpanel.com

Website: www.greenpanel.com

Mr. Gavin Desa / Mr. Rishab Barar

CDR India

Contact: (+91) 022 6645 1237 / 1235

Email: gavin@cdr-india.com / rishab@cdr-india.com