

GPIL/2021-2022  
January 24, 2022

**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,

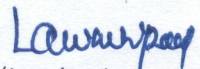
**Sub: Investor Presentation**

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 nine months ended on December 31, 2021.

Kindly take the above on record.

Thanking You

Yours faithfully  
For **GREENPANEL INDUSTRIES LIMITED**

  
(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,  
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Tel No.: +91 124 4784600  
F : +91 124 4784699  
Email: info@greenpanel.com

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



GREENPANEL™

# Brand Greenpanel

We outperformed,  
**in Q3 FY 2022**

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:** 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 (1816 as on March 31, 2021).

● 4

**Listing:** The Company was listed on October 23, 2019 and enjoyed a market capitalisation of Rs. 5,148 crores as on December 31, 2021 (NSE closing price of Rs. 419.80).

● 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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# Our Products



- 1 MDF
- 2 Flooring
- 3 Plywood
- 4 Veneers
- 5 Doors



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Part one \_\_\_\_\_  
**Our performance,  
Q3 FY 2022**

# 5

Performance Highlights  
Q3 FY 2022

1

Excellent quarter, inspite of the MDF unit at Uttarakhand being inoperative for nearly half the quarter

2

Sustained growth:  
Revenue 34%  
EBITDA 65%  
PAT 107%



3

Steep increase in MDF realisation  
44.1% YOY and 18.7% QOQ

4

Superior working capital hygiene

5

Stronger Balance Sheet



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# Our financial performance in brief

## Revenue growth

**417.44**

Rs crores, Net Sales,  
Q3 FY 2022

**311.87**

Rs crores, Net Sales,  
Q3 FY 2021

**33.84%** ↑

## Profitability growth

EBITDA

**113.37**

Rs crores, Earnings before  
interest, depreciation, taxes and  
amortization, Q3 FY 2022

**68.81**

Rs crores, Earnings before  
interest, depreciation, taxes and  
amortization, Q3 FY 2021

**64.76%** ↑

Profit after tax

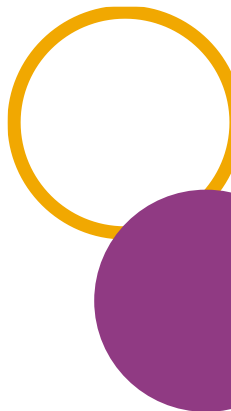
**63.07**

Rs crores, Profit after tax,  
Q3 FY 2022

**30.45**

Rs crores, Profit after tax,  
Q3 FY 2021

**107.13%** ↑







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# Our financial performance in brief

## Shareholders value proposition

Earnings per Share

**5.14**

Rs, Earnings per share,  
Q3 FY 2022

**2.48**

Rs, Earnings per share,  
Q3 FY 2021

**107.26%** ↑

RoCE-Post Tax %

**22.0**

% Return on capital  
employed, Q3 FY 2022

**15.3**

% Return on capital  
employed, Q3 FY 2021

**670 bps** ↑

Return on Equity

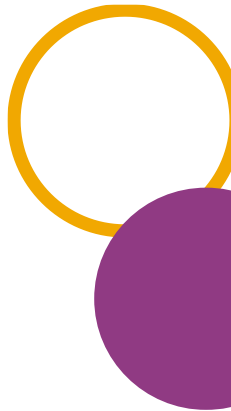
**28.3**

% Return on equity,  
Q3 FY 2022

**18.1**

% Return on equity,  
Q3 FY 2021

**1020 bps** ↑



# Financial Highlights

## Q3 FY 2022 vs Q3 FY 2021

Key Ratios (%)	Q3 FY 2022	Q3 FY 2021
Gross Margin	57.0	54.8
EBITDA Margin	27.2	22.1
EBIT Margin	22.7	16.5
Net Margin	15.1	9.8
Sales Promotion / Net Sales	1.2	1.3
Employee Expenses / Net Sales	7.9	8.1
Logistics Costs / Net Sales	5.7	5.7
EPS (Rs.)	5.14	2.48

# Segment Performance - MDF

Particulars	Q3 FY 22	Q3 FY 21	Var (%)	9M FY 22	9M FY 21	Var (%)
Net Sales (Rs. Crores)	<b>350.40</b>	249.88	40.2%	<b>940.00</b>	482.28	94.9%
EBITDA Margin	<b>30.5%</b>	23.9%		<b>29.4%</b>	19.4%	
EBIT Margin	<b>25.6%</b>	17.5%		<b>24.0%</b>	9.6%	
Annual Capacity (CBM)	<b>540,000</b>	540,000		<b>540,000</b>	540,000	
Production (CBM)	<b>115,652</b>	124,952	(7.4)%	<b>366,617</b>	233,267	57.2%
Sales Volume (CBM)	<b>120,724</b>	123,723	(2.4)%	<b>370,503</b>	240,941	53.8%
Capacity Utilisation	<b>86%</b>	93%		<b>90%</b>	57%	
Blended Realisation / CBM	<b>29,025</b>	20,138	44.1%	<b>25,355</b>	19,922	27.3%
Domestic Realisation / CBM	<b>30,651</b>	21,496	42.6%	<b>27,996</b>	21,990	27.3%
Export Realisation / CBM	<b>21,051</b>	14,132	49.0%	<b>18,191</b>	14,344	26.8%

# Segment Performance - Plywood

Particulars	Q3 FY 22	Q3 FY 21	Var (%)	9M FY 22	9M FY 21	Var (%)
Net Sales (Rs. Crores)	<b>67.04</b>	62.00	8.1%	<b>185.48</b>	134.36	38.0%
EBITDA Margin	<b>9.9%</b>	14.7%		<b>11.6%</b>	10.6%	
EBIT Margin	<b>8.0%</b>	12.4%		<b>9.5%</b>	7.2%	
Annual Capacity (Mn Sqm)	<b>10.50</b>	10.50		<b>10.50</b>	10.50	
Production (Mn Sqm)	<b>2.33</b>	2.29	1.7%	<b>6.36</b>	4.92	29.3%
Sales Volume (Sqm)	<b>2.47</b>	2.52	(2.0)%	<b>6.83</b>	5.43	25.8%
Capacity Utilisation	<b>89%</b>	87%		<b>80%</b>	62%	
Average Realisation / Sqm	<b>272</b>	244	11.5%	<b>271</b>	246	10.2%





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Overview by MD & CEO

**“Business environment improved during the period. However, our MDF unit at Uttarakhand remained inoperative for nearly half the quarter impacting MDF volumes.”**



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## Overview by MD & CEO

“**MDF sales** volumes de-grew by 2.4% YoY; operating margins improved 657 basis points to 30.5%.”

“**Plywood** volumes de-grew by 2% YoY; operating margins fell 480 basis points to 9.9% due to increased raw material costs.”

“**Consolidated** operating margins increased 510 basis points to 27.2% due to our superior product mix, cost optimization and operational leverage.”

“**Working** capital investment reduced by 20 days YoY to 13 days as on 31st December 2021.”

“**Net debt** reduced by Rs. 85 crores during Q3 to Rs. 144 crores as on 31st December 2021. We prepaid four instalments of German Bank loan amounting to Euro 8.91 Mn (Rs. 78 crores) in October 2021.

**We are targeting to be net debt-free for our existing business by September 2022.**”

“**Widening** of our 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



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# We strengthened realisations across both product lines

## MDF

**29,025**

Rs / cubic meter,  
Average realization,  
Q3 FY 2022

**44**

%, Growth in  
average MDF  
realisations

**20,138**

Rs / cubic meter,  
Average realization,  
Q3 FY 2021

**11.5**

%, Growth in  
average  
Plywood  
realisations







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# We widened our margins by building a stronger business

We widened our margins by building a stronger business

**27.2**

% EBITDA margin, Q3 FY 2022

**22.1**

% EBITDA margin, Q3 FY 2021

**28.2**

% EBITDA margin, Q2 FY 2022

**510** bps

YoY growth in EBITDA margin over Q3 FY 2021.

We continued to remain principally an MDF-driven company

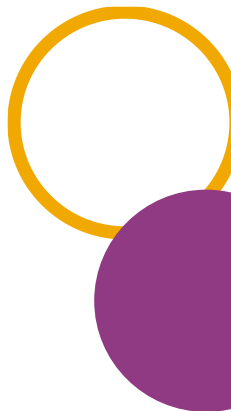
**84**

% of revenues drive from MDF, Q3 FY 2022

**80**

% of revenues drive from MDF, Q3 FY 2021

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





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# We strengthened our working capital hygiene

## Working capital cycle

**13**

Days, working capital cycle from resource purchase to sales receipt, Q3, FY 2022

**33**

Days, working capital cycle from resource purchase to sales receipt, Q3, FY 2021

## Working capital productivity

**7.57**

Revenue generated from every rupee of working capital deployed, Q3, FY 2022

**4.15**

Revenue generated from every rupee of working capital deployed, Q3, FY 2021

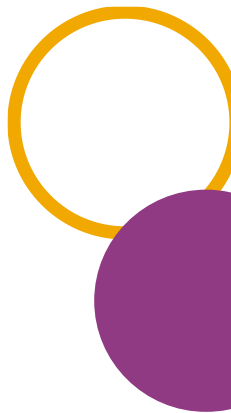
## Inventory

**35**

Days, Total Inventory expressed in days of turnover equivalent, Q3, FY 2022

**60**

Days, Total Inventory expressed in days of turnover equivalent, Q3, FY 2021





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## Receivables

**8**

Days, receivables expressed in days of turnover equivalent, Q3, FY 2022

**25**

Days, receivables expressed in days of turnover equivalent, Q3, FY 2021

## Payables

**30**

Days, payables expressed in days of turnover equivalent, Q3, FY 2022

**52**

Days, payables expressed in days of turnover equivalent, Q3, FY 2021

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

**248**

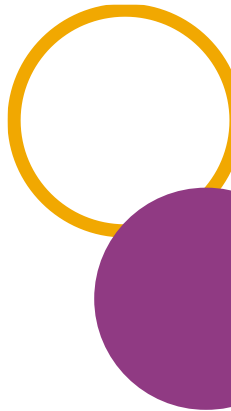
Rs crores, consolidated debt, end of Q3, FY 2022

**344**

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

**496**

Rs crores, consolidated debt, end of Q3, FY 2021





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## How we strengthened our liquidity

**71.42**

Times or x, interest cover, Q3, FY 2022

**3.62**

Times or x, interest cover, Q3, FY 2021

## We strengthened our capacity utilization

MDF

**86%**

MDF capacity utilisation, Q3 FY 2022

(Note: Uttarakhand MDF plant was inoperative for 43 days during the quarter)

**93%**

MDF capacity utilisation, Q3 FY 2021

## We strengthened our capacity utilization

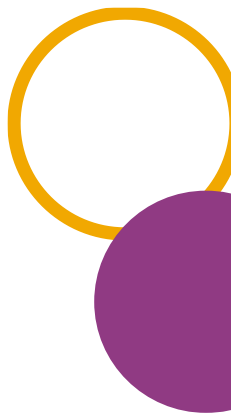
PLYWOOD

**89%**

Plywood capacity utilisation, Q3 FY 2022

**87%**

Plywood capacity utilisation, Q3 FY 2021







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### Our segment-wise financial growth

**26%**

YoY growth in plywood volumes, 9M FY 2022

**54%**

YoY growth in MDF volumes, 9M FY 2022

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

#### Superior realisations

**227**

Rs per sq m, Average realization for normal plywood variety

**592**

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

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

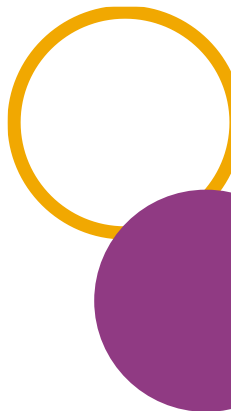
#### Superior product mix

**12%**

of revenues derived from decorative veneers (plywood business), Q3 FY 2022

**7%**

of revenues derived from decorative veneers (plywood business), Q3 FY 2021





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Part three \_\_\_\_\_

## **Brand Greenpanel: Strengths and attributes**

# Brand credentials



**Unprecedented Success** – Scaled to leadership in just three years

**Fastest** growing brand in India's interior infrastructure sector

**Pioneered** the segment by being ahead of the curve always

**Demonstrated foresight** – to invest in best manufacturing technologies

**Invested** in the largest MDF single location capacity in Asia

**Positioned** itself as the only Indian MDF brand operating Globally

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*



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### Pureplay brand positioning

# 84

Per cent of revenues derived from MDF, Q3 FY 22

# 80

Per cent of revenues derived from MDF, Q3 FY 21

*Note:*

*Distinctive personality;*

*Globally recognized MDF proxy of India;*

*Best positioned to capitalize on MDF upside*

### Large addressable market

# 22

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

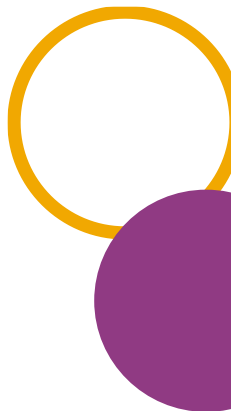
*(Source: PRNewsWire)*

# 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)







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## Our widened distribution network

# 2,084

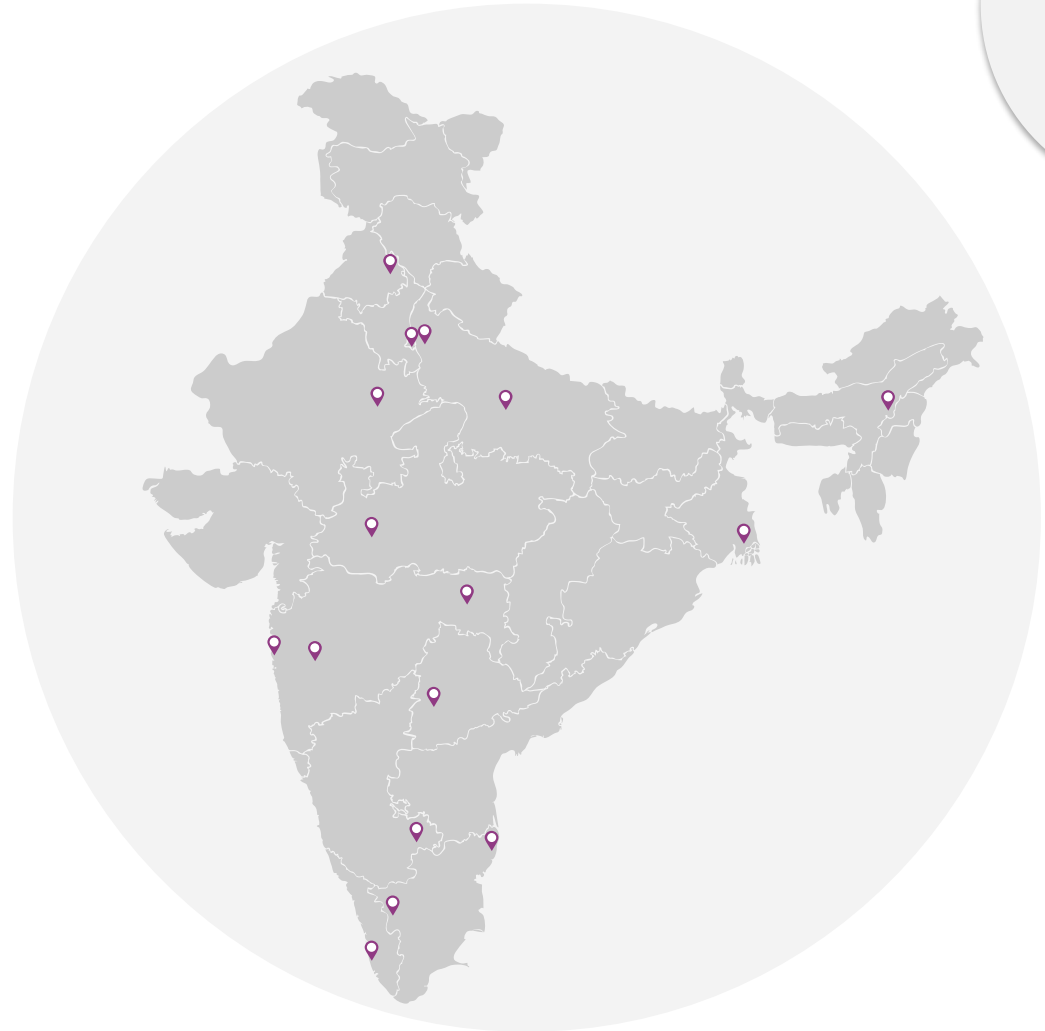
Number of dealers as on  
31<sup>st</sup> March 2021

# 10,000+

Number of retailers as on  
31<sup>st</sup> March 2021

# 16

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



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# 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)*



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130,000

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

**5S: The** Company implemented 5S and trained employees

**Zero Waste: The** Company supplied fly ash (generated from energy plant) to brick manufacturers, ensuring no wastage

**Green Belt: The** Company developed green belt at various locations

**Energy Optimisation: The** Company tracks energy consumption through meters for optimisation

**Environment Friendly: The** Company replaced CFLs with LED lights, reducing power consumption



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## 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 Q3 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 best in class value proposition





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We grew  
revenues faster  
than the growth  
of the Indian  
economy

**6.6**

% (estimated), growth of  
the Indian economy in  
Q3, FY 2022.

*Source: Financial  
Express / RBI*

**34**

%, YoY growth of  
Greenpanel  
revenues in  
Q3, FY 2022.



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## 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



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Part four \_\_\_\_\_

## 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 are enhancing our manufacturing capacity from 540,000 cubic m to 660,000 cubic m in Q3/Q4 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 by September 2022



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Part five \_\_\_\_\_

## What stakeholders can expect



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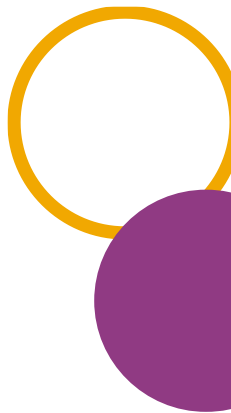
# What stakeholders can expect

## 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 reduction for existing operations
- Accruals-driven capacity growth
- Growing capacity at a capital cost per unit lower than greenfield costs



A circular inset image showing a modern interior space with a dark wood-paneled wall, a light-colored sofa, and several wooden stools. The text 'Thank you' is overlaid in large white letters.

Thank  
you

**Mr. V. Venkatramani**

Chief Financial Officer

Greenpanel Industries Limited

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