

Greenlam/2023-24

February 02, 2024

The Manager

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NSE Symbol: GREENLAM

Dear Sir/Madam,

Sub: Investor Presentation

Please find enclosed herewith the Investor Presentation on the Financial Results of the Company for the quarter and nine months ended December 31, 2023.

Kindly take the above information on records.

Thanking you,
Yours faithfully,

For **GREENLAM INDUSTRIES LIMITED**

PRAKASH KUMAR BISWAL
COMPANY SECRETARY &
VICE PRESIDENT – LEGAL

Encl. As above



Bettering

Culture of Execution Excellence



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Our Journey



Set up first laminate unit at Behror, and started commercial production and exports of Laminates

Setting up of overseas subsidiaries in Singapore and US

Setting up of subsidiary in UK

- Acquisition of Greenlam Decolan SA
- Incorporation of Greenlam South Limited (GSL)

1992-93

2002

2005-08

2009

2012

2014-16

2019

2016-21

Started commercial production of Decorative Veneer

Started commercial production of 2nd laminate unit at Nalagarh

- **Demerged** into separate entity and **listed on the exchanges**
- Commercial production of Engineered Wooden Flooring & Engineered Wooden Doors started at Behror

Multiple brownfield capacity expansion of laminates



Capex Announcement (Dec-21)

Greenfield expansion of Plywood at Tindivanam, Tamilnadu under HGIL which started commercial production w.e.f. 9th June 2023
Greenfield Laminate plant at Naidupeta, Andhra Pradesh which started commercial production w.e.f. 29th September 2023 (Under Greenlam South Ltd)
Greenfield particle board plant at Naidupeta, Andhra Pradesh (Under Greenlam South Ltd) which is under construction phase

First listed NCD issued (Feb-22)

Raised Rs. 99 crores via issuing first Non-Convertible Debentures

Acquisition of Laminate plant in Gujarat (June-22)

Acquired laminate manufacturing facility situated at Prantij, Gujarat and expanded production capacity to 5.4 Mn sheet in Q1FY24

Capital Raise via Preferential Issue (July-22)

Raised Rs. 195 crores at a price of Rs. 309 per share

Amalgamation of HG Industries Ltd and Greenlam Industries Limited (Nov-23)

HG Industries Ltd amalgamated into Greenlam Industries Limited w.e.f. Nov 09, 2023

Next Orbit – Larger, Stronger and more Profitable



Capacity Creation

Capacity creation ahead of the demand curve

Strong Balance Sheet

Growing the business through strong balance sheet and cash flows

Leadership Position

Leadership across existing businesses

One stop solution

From standalone surfacing products provider to an integrated (surface and substrate) solution provider



Laminate & Allied Products

Laminates

Commodity to
Premium products

Compact Panels

Standard Compact Panels
Lab Guardian
Restroom & Locker Solutions
Clads - Façade Panels
Stratus Kitchen Solutions

MFC

Melamine Faced Chip Board

Veneer & Allied Products

Decorative Veneer

Natural Veneer
Teak Veneer
Engineered Veneer

Mikasa Floor

Engineered Wood Floor &
matching accessories

Mikasa Door

Engineered Wood Door and
Doorsets (Door + Frames)

Plywood & Allied Products

Mikasa Ply

Plywood
Blockboard

Our Brands



Manufacturing Capabilities



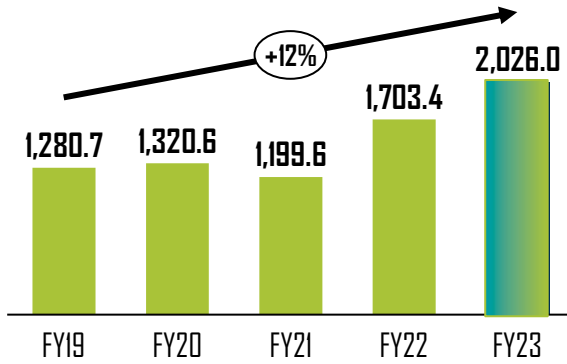
Products	UOM	Capacity	Location
Current Capacities			
High Pressure Laminate	Mn Sheets / Boards	24.52	Behror, Raj Nalagarh, HP Prantij, GJ Naidupeta, AP^
Decorative Veneer	Mn SQM	4.2	Behror, Raj
Engineered Wood Floor	Mn SQM	1.0	Behror, Raj
Engineered Doors	Units	120,000	Behror, Raj
Plywood*	Mn SQM	18.9	Tindivanam, TN
Upcoming Capacities			
Particle Board	CBM	231,000	Naidupeta, AP

Raj – Rajasthan, HP – Himachal Pradesh, GJ – Gujarat, TN – Tamil Nadu, AP – Andhra Pradesh,

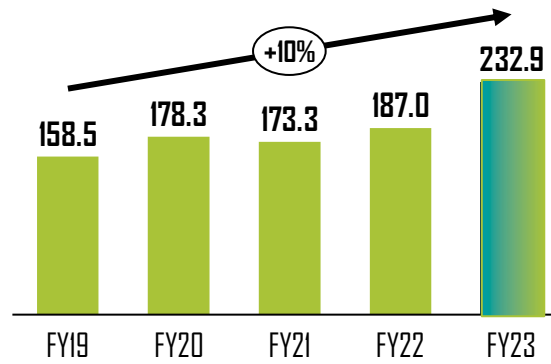
**Started commercial production w.e.f. 9th June 2023*

^Started commercial production w.e.f. 29th September 2023

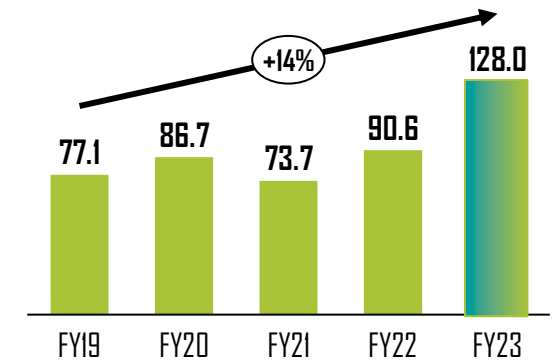
Financial Performance for last 5 years



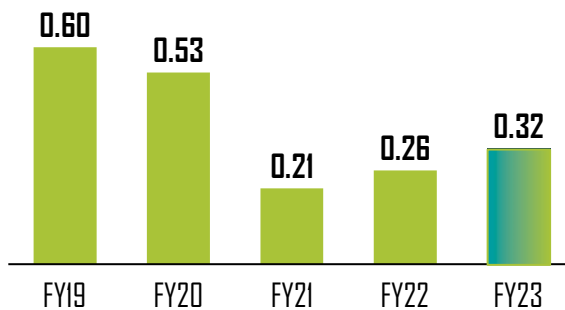
Revenue (Rs. Crs)



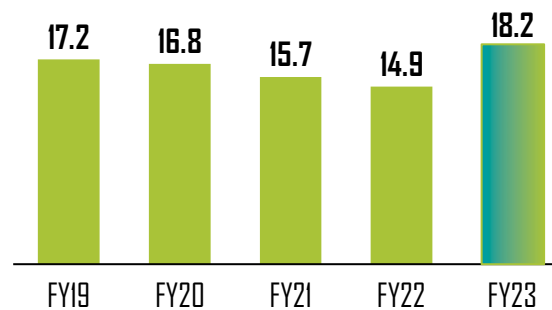
***EBITDA (Rs. Crs)**



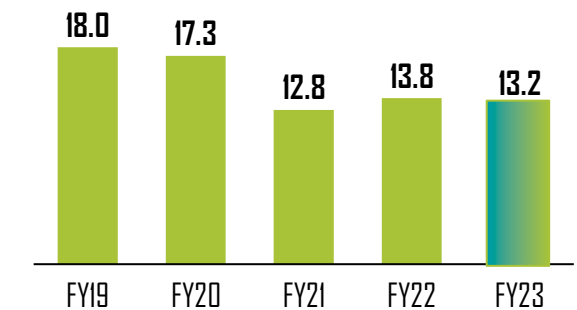
PAT (Rs. Crs)



Net Debt: Equity (x)



****ROCE (%)**

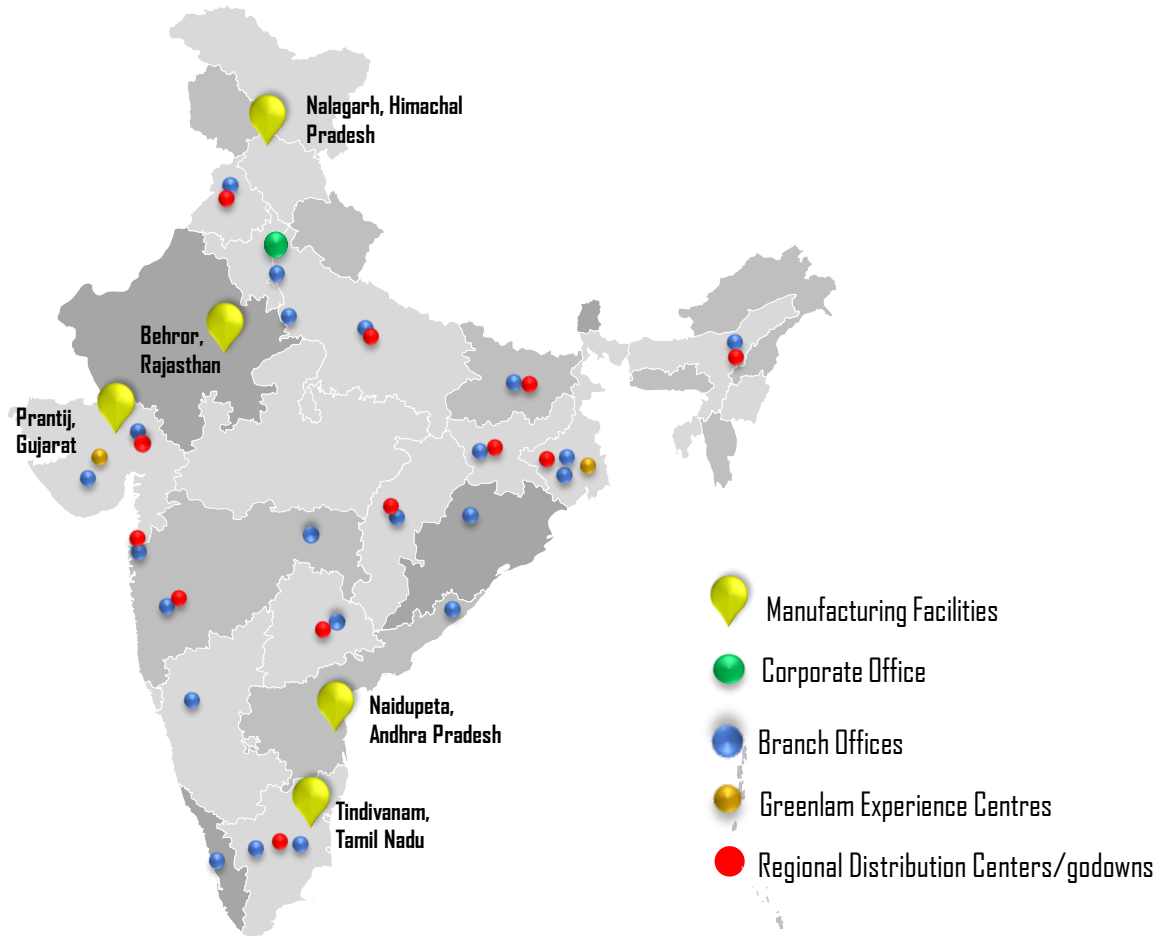


ROE (%)

*EBITDA is before exceptional items

**ROCE is before exceptional items & excluding capital employed for Projects

Domestic Footprints



DOMESTIC

5 State of the art Manufacturing Facilities

12 Company owned large Regional Distribution Centers/godowns

23,000+ Distributors, Dealers & Retailers

Over 6,500 Employee base

21 Branch Offices

Tindivanam, Tamil Nadu – Plywood plant started commercial production w.e.f. 9th June 2023

Naidupeta, Andhra Pradesh – Laminate plant started commercial production w.e.f. 29th September 2023

Naidupeta, Andhra Pradesh – Particle board plant is expected to be operational by HIFY25

The Maps provided are for pictorial representation only. Maps not to scale. All data, information, and maps are provided "as is" without warranty or any representation of accuracy, timeliness or completeness



INTERNATIONAL

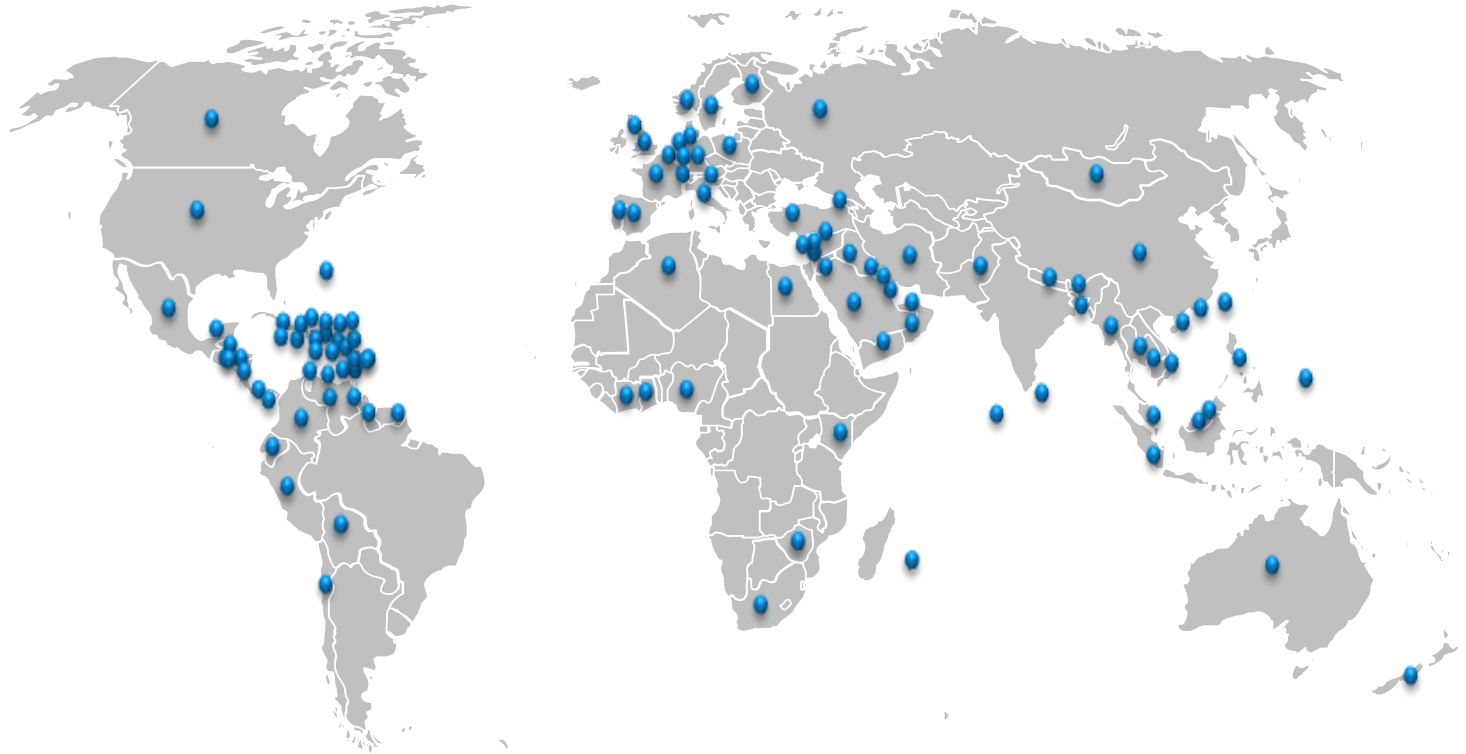
Present in **100+** Countries

4 Company Operated Distribution Centers

15 International Offices

8 Overseas Subsidiaries

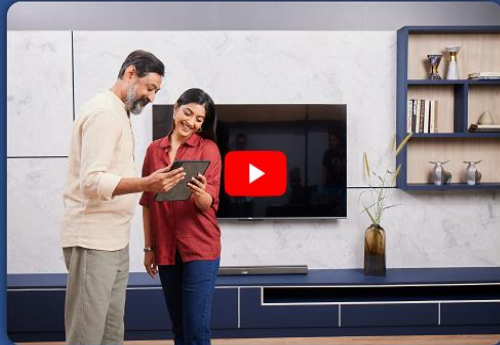
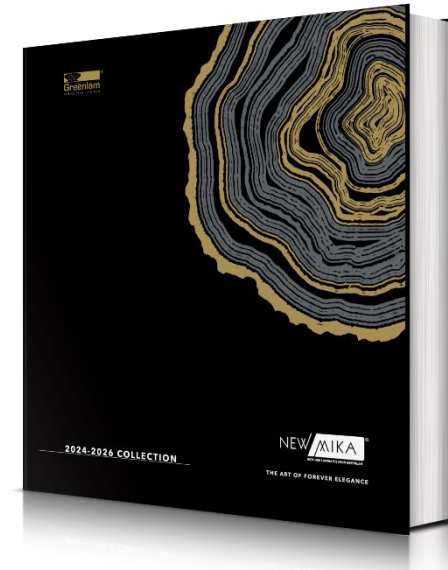
130+ Overseas Employees



Business Update - Q3FY24



- During the quarter, we broadened our product range by introducing 16 new decors for Exterior Compact Panel range under **NewMika FX** 2023-2024 range in November 2023. The new collection has introduced 16 new decors bringing total exclusive designs under the brand at 41.
- We also refreshed our **1.00 mm** collection under **NewMika**. This expansion involved the introduction of five new trends, 81 new decors, and three innovative textures, resulting in an impressive total collection of over 400 decors in NewMika 1mm laminate category.
- We also released a captivating TV commercial in this quarter, as part of our ongoing ad series "**Kuch Mera, Kuch Tumhara**", with a strategic placement during the World Cup 2023 finals on Hotstar. At Greenlam, our endeavour is always to understand the pulse of our consumers, keep up with the changing needs & trends to make the transformational journey of building a house more delightful for them. The campaign beautifully mirrored our consumers' behaviour while showcasing our range that equips them to fulfil their dreams.



Magic happens when two perspectives come together and create a shared dream.

Watch our new television commercial for Greenlam laminates.

AMAZING SPACES KE LIYE, GREENLAM LAMINATES

A Product Of
Greenlam
INDUSTRIES LIMITED

www.greenlam.com

SAPNE AAPKE
LAMINATE HAMARA

**कूछ मेरा
कूछ तुम्हारा**

Greenlam
LAMINATES

Business Update - Financial Highlights Q3FY24



- The laminate production for the quarter was highest at 5.0 mn sheets. This amounts to capacity utilization of 82% on the enhanced consolidated capacity of 24.52 mn sheets, amounting to growth of 15.4% on YoY basis and 1.0% of QoQ basis. The above production and capacity utilization includes production from Naidupeta laminate plant which commenced commercial production on Sept 29, 2023.
- Further, particle board plant at Naidupeta, Andhra Pradesh is expected to commence commercial production by Q2FY25.
- During the quarter, due to disturbances at the Red Sea, the sea movement of goods was affected. This resulted in delays in availability of containers, longer shipment time and significant increase in freight costs. The increase in freight costs has been passed to the customers as freight surcharge. Due to the disturbances, our export sales to the extent of INR 20 crs were not booked and accordingly the inventory was higher at the end of the quarter.
- The Gross Margin for the quarter improved by 650 bps to 54.8% primarily on account of stable raw material prices, better product mix and higher revenues on YoY basis.
- EBIDTA margin for the quarter improved to 12.6% on YoY basis. Currently the new business of plywood and laminate unit at Naidupeta are having EBIDTA losses, The existing businesses have delivered superior margins at operating level as compared to corresponding period last year.
- During the quarter, the engineered wooden flooring business has turned EBIDTA positive. The EBIDTA profit for flooring business stood at INR 0.32 crores as against a loss of INR 0.49 crores in Q3FY23 and EBIDTA loss of INR 1.6 crores in Q2FY24.
- In the current quarter working capital cycle increased by 12 days to 72 days as compared to 60 days in Q2FY24. This increase is due to higher inventory at plywood and Naidupeta laminate unit, lack of availability of containers, delays in sea shipping time and exports stock stuck at port at the end of the quarter,
- Net debt as on Dec 31, 2023, stood at INR 847.0 crores as against INR 670.0 crores as on Sept 30, 2023. The increase in debt is due to project debt availed for our Naidupeta Particle board project.

Consolidated Financial Performance



Profit and Loss Statement

INR Crores	Q3 FY24	Q3 FY23	YoY%	Q2 FY24	QoQ%	9MFY24	9MFY23	YoY%
Revenue	563.4	503.5	11.9%	603.6	-6.7%	1,682.3	1,492.1	12.7%
Raw Material	254.8	260.2		293.3		794.0	806.1	
Gross Profit	308.6	243.3	26.8%	310.3	-0.6%	888.2	686.1	29.5%
Gross Margin %	54.8%	48.3%	650 bps	51.4%	340 bps	52.8%	46.0%	680 bps
Employee Cost	108.5	79.8		107.7		312.3	228.3	
Other Expenses	128.9	108.7		127.1		364.8	299.0	
EBITDA	71.1	54.8	29.8%	75.6	-5.9%	211.1	158.8	32.9%
EBITDA Margin %	12.6%	10.9%	170 bps	12.5%	10 bps	12.6%	10.6%	200 bps
Other (Income)/Cost	(3.1)	(5.9)		(5.8)		(12.9)	(13.5)	
Interest	14.3	6.0		9.3		30.9	17.0	
Depreciation	24.5	16.2		19.5		61.3	46.4	
PBT	35.4	38.5	-7.9%	52.7	-32.7%	131.8	109.0	20.9%
PBT Margin %	6.3%	7.6%	(130) bps	8.7%	(240) bps	7.8%	7.3%	50 bps
Tax	10.2	9.9		13.7		34.6	26.5	
PAT	25.3	28.6	-11.8%	39.0	-35.2%	97.2	82.5	17.8%
PAT Margin %	4.5%	5.7%	(120) bps	6.5%	(200) bps	5.8%	5.5%	30 bps

*Previous year data has been regrouped and reclassified on account of merger of HG Industries Limited with Greenlam Industries Limited

Consolidated Financial Performance



Laminates & Allied Segment

INR Crores	Q3 FY24	Q3 FY23	YoY%	Q2 FY24	QoQ%	9M FY24	9M FY23	YoY%
Net Revenue from Operations	499.8	459.1	8.8%	531.2	-5.9%	1,502.9	1,360.7	10.5%
Gross Profit	277.7	224.4	23.8%	279.6	-0.7%	807.6	634.5	27.3%
Gross Margin %	55.6%	48.9%	670 bps	52.6%	300 bps	53.7%	46.6%	710 bps
EBIDTA	79.2	57.1	38.7%	87.1	-9.0%	236.3	166.6	41.8%
EBIDTA Margin %	15.9%	12.4%	350 bps	16.4%	(50) bps	15.7%	12.2%	350 bps
Capital Employed*	882[^]	564		778		882	564	

*Capital employed has been regrouped and reclassified as capital employed related to Projects have been classified under 'Unallocated' wherever applicable

[^]Includes capital employed for laminate unit at Naidupeta, Andhra Pradesh

Consolidated Financial Performance



Laminates & Allied Segment – Quantitative Details

Particulars	Q3 FY24	Q3 FY23	YoY%	Q2 FY24	QoQ%	9M FY24	9M FY23	YoY%
Annual Installed Capacity (Mn Sheets)	24.52	19.02		24.52		24.52	19.02	
Production (Mn Sheets)	5.00	4.34	15.4%	4.96*	1.0%	14.64	12.85	14.0%
Capacity Utilization (Annualized)	82%	91%		94%*		88%	99%	
Sales (Mn Sheets)	4.65	4.26	9.1%	4.93	-5.7%	13.75	12.38	11.0%
Average Realisation (INR / Sheet)	1,036	1,030	0.6%	1,034	0.3%	1,050	1,048	0.2%

**Laminate facility at Naidupeta, Andhra Pradesh started commercial production on Sept 29. Does not include any production and capacity utilization related to this unit*

Consolidated Financial Performance



Veneers & Allied Segment

INR Crores	Q3 FY24	Q3 FY23	YoY%	Q2 FY24	QoQ%	9M FY24	9M FY23	YoY%
Net Revenue from Operations	47.7	44.4	7.4%	57.5	-17.2%	147.7	131.5	12.3%
Gross Profit	22.8	19.0	20.3%	24.6	-7.3%	65.7	51.6	27.4%
Gross Margin %	47.9%	42.8%	510 bps	42.8%	510 bps	44.5%	39.2%	530 bps
EBIDTA	0.3	(1.6)		(1.4)		(2.7)	(7.1)	
EBIDTA Margin %	0.6%	-3.7%		-2.3%		-1.8%	-5.4%	
Capital Employed*	173	199		180		173	199	

*Capital employed has been regrouped and reclassified as capital employed related to Projects have been classified under 'Unallocated' wherever applicable



Decorative Veneers – Quantitative Details

Particulars	Q3 FY24	Q3 FY23	YoY%	Q2 FY24	QoQ%	9M FY24	9M FY23	YoY%
Annual Installed Capacity (Mn Sqmt)	4.20	4.20		4.20		4.20	4.20	
Production (Mn Sqmt)	0.32	0.27	19.9%	0.41	-20.8%	0.99	0.93	6.8%
Capacity Utilization (Annualized)	31%	26%		40%		31%	29%	
Sales (Mn Sqmt)	0.31	0.23	31.5%	0.39	-21.3%	0.98	0.92	6.2%
Average Realisation (INR / Sqmt)	868	1,042	-16.8%	917	-5.4%	901	862	4.5%

Consolidated Financial Performance



Plywood & Allied Segment

INR Crores	Q3 FY24	Q2 FY24	QoQ%	9M FY24
Net Revenue from Operations	16.0	14.9	6.9%	31.7
Gross Profit	8.0	6.1	31.5%	14.9
Gross Margin %	50.3%	40.9%	940 bps	47.1%
EBIDTA	-8.3	-10.1	-	-22.4
EBIDTA Margin %	-52.2%	-67.8%	-	-70.8%
Capital Employed	173	175		173

Quantitative Details	Q3 FY24	Q2 FY24	QoQ%	9M FY24
Annual Installed Capacity (Mn Sqmt)	18.90	18.90		18.90
Production (Mn Sqmt)	0.66	0.75	-11.3%	1.46
Capacity Utilization (Annualized)	14%	16%		14%
Sales (Mn Sqmt)	0.73	0.63	16.5%	1.39
Average Realisation (INR / Sqmt)	218	239	-8.5%	228

Consolidated Financial Performance



Operating Parameters - Net Working Capital

Particulars	Q3 FY24		Q3 FY23		Q2 FY24		9M FY24		9M FY23	
	Amt INR Crores	Days	Amt INR Crores	Days	Amt INR Crores	Days	Amt INR Crores	Days	Amt INR Crores	Days
Inventory*	599.2	98	513.3	93	548.2	83	599.2	98	513.3	95
Debtors	139.2	23	131.9	24	148.8	22	139.2	23	131.9	24
Creditors	296.3	48	268.5	49	302.0	46	296.3	48	268.5	50
Net Working Capital	442.1	72	376.7	68	395.0	60	442.1	72	376.7	69

*Includes inventory of Plywood and Naidupeta Laminate unit

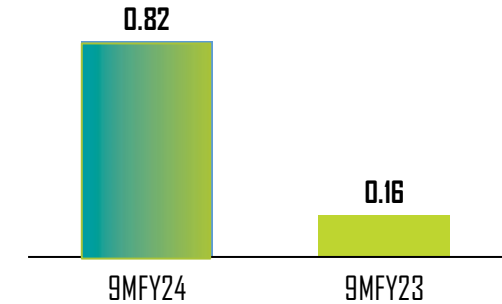
Consolidated Financial Performance



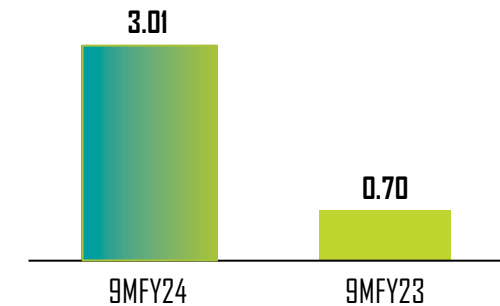
Debt Position

INR Crores	9MFY24	9MFY23	H1FY24
Long Term Debt (Including current portion)	237.7	164.2	236.6
Long Term Debt (Naidupeta Project)	570.5	108.0	449.3
Short Term Debt	210.4	144.4	192.5
Total Debt	1,018.6	416.7	878.5
Cash & Bank Balance	26.8	27.0	27.2
Liquid Investments	144.9	241.4	181.3
Net Debt	847.0	148.1	669.9
Net worth	1,037.5	923.5	1,022.5
EBITDA	211.1	158.8	139.9
Net Debt-Equity Ratio	0.82	0.16	0.66
Net Debt-EBITDA Ratio[^]	3.01	0.70	2.39

Net Debt-Equity Ratio



[^]Net Debt-EBITDA Ratio



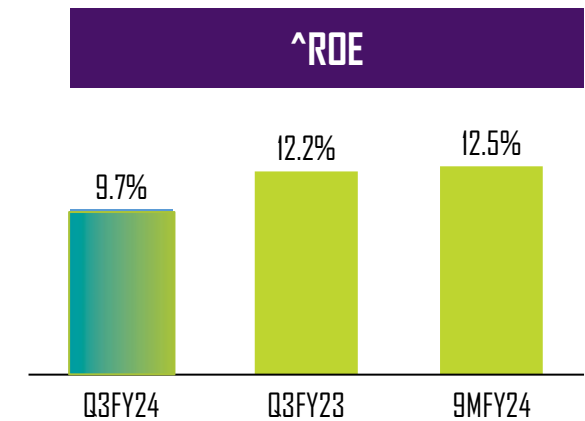
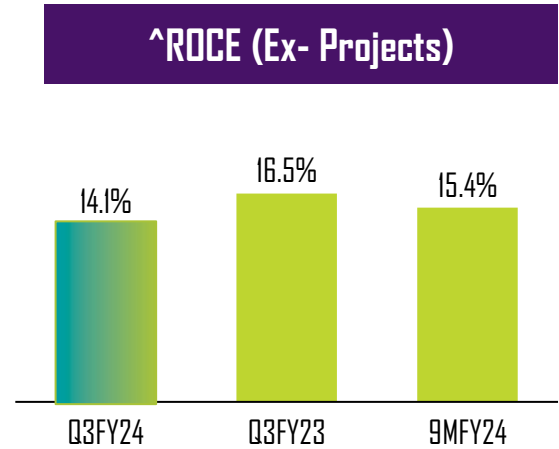
[^]Annualized basis

Consolidated Financial Performance



Return Ratios – ROCE & ROE

INR Crores	Q3FY24	Q3FY23	Q2FY24	9M FY24	9M FY23
EBIT	49.8	44.5	62.0	162.7	126.0
PAT	25.3	28.6	39.0	97.2	81.9
Capital Employed	2,071.8	1,355.2	1,915.3	2,071.8	1,355.2
Capital Employed (Ex- Projects)	1,408.6*	1,078.6	1,380.4*	1,408.6*	1,078.6
Net Worth	1,037.5	923.5	1,022.5	1,037.5	923.5
ROCE [^]	9.6%	13.1%	12.9%	10.5%	12.4%
ROCE (Ex-Projects) [^]	14.1%	16.5%	18.0%	15.4%	15.6%
ROE [^]	9.7%	12.2%	15.2%	12.5%	11.8%



Previous year data has been regrouped and reclassified on account of merger of HG Industries Limited with Greenlam Industries Limited

**Excludes capital employed for particle board project*

^Annualized basis



For further information, please contact:

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