

Greenlam/2023-24

May 27, 2023

The Manager

BSE Limited
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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 year ended March 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
Readying for the next orbit



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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



Acquisition of HGIL (Dec-21)

Acquired 74.91% equity share capital of HG Industries Limited (formerly Himalaya Granites Limited) ('HGIL') and consequently HGIL has become a subsidiary of the Company

Capex Announcement (Dec-21)

Greenfield expansion of Plywood at Tindivanam, Tamilnadu under HGIL
Greenfield particle board plant & laminate plant at Naidupeta, Andhra Pradesh under GSL

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

Capital Raise via Preferential Issue (July-22)

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

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	Compact Panels	MFC
Commodity to Premium products	Standard Compact Panels Lab Guardian Restroom & Locker Solutions Clads - Façade Panels Stratus Kitchen Solutions	Melamine Faced Chip Board

Veneer & Allied Products

Decorative Veneer	Mikasa Floor	Mikasa Door
Natural Veneer Teak Veneer Engineered Veneer	Engineered Wood Floor & matching accessories	Engineered Wood Door and Doorsets (Door + Frames)

Our Brands



Greenlam
LAMINATES



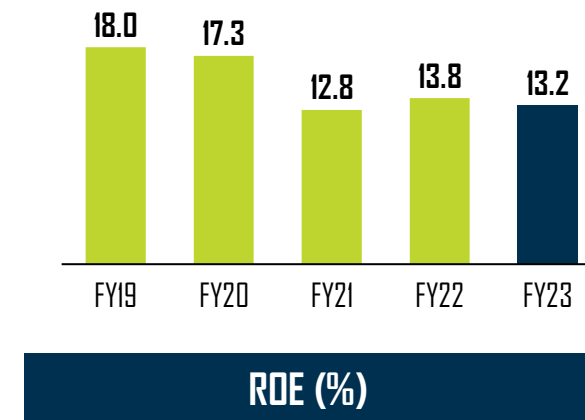
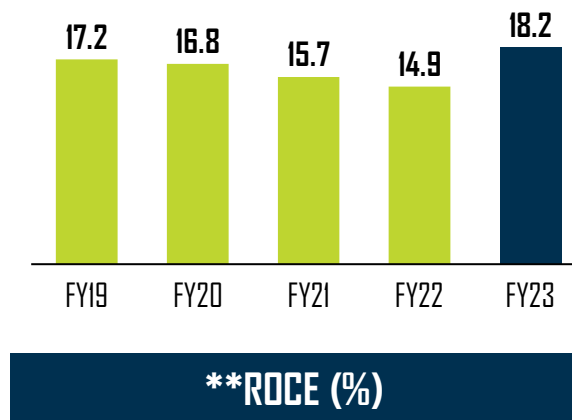
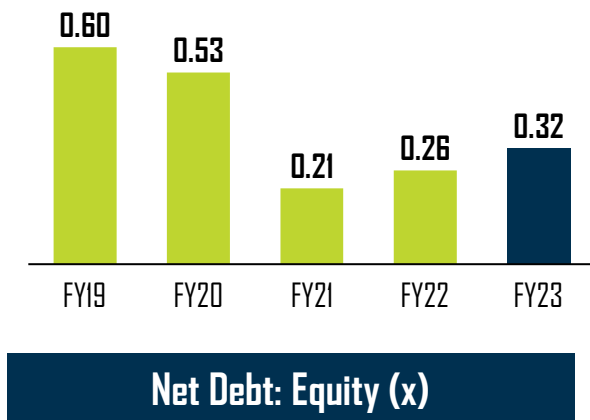
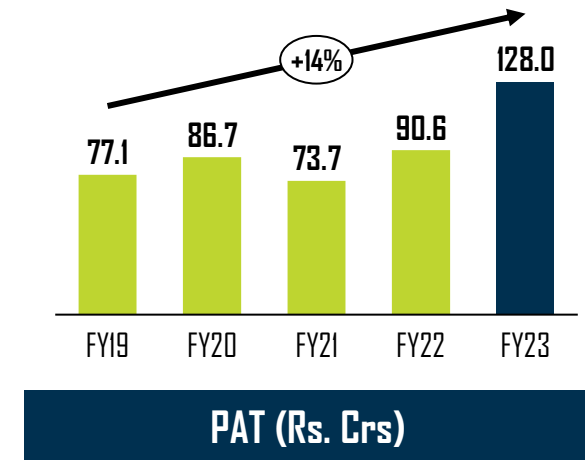
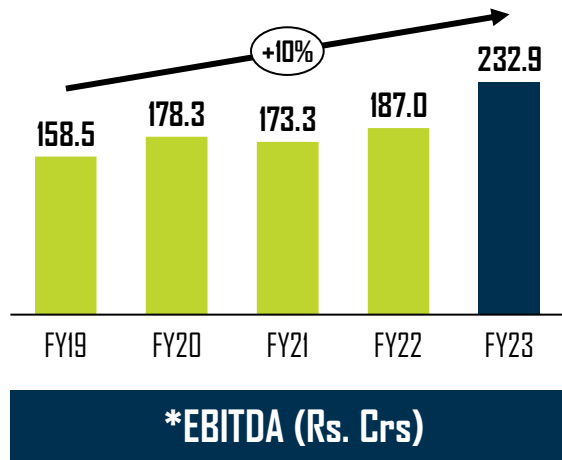
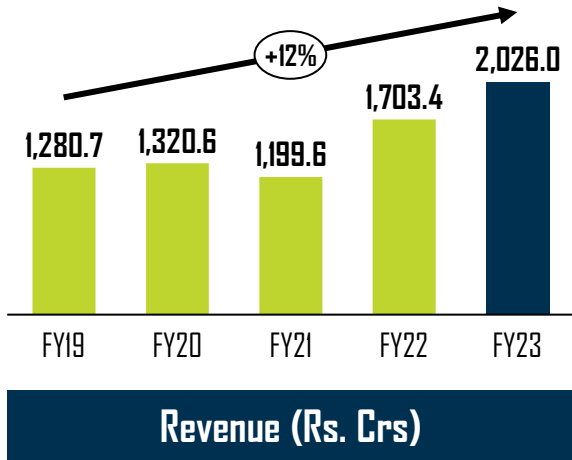
Manufacturing Capabilities



Products	UOM	Capacity	Location
Current Capacities			
High Pressure Laminate	Mn Sheets	21.02	Behror, Raj Nalagarh, HP Prantij, GJ
Decorative Veneer	Mn SQM	4.2	Behror, Raj
Engineered Wood Floor	Mn SQM	1.0	Behror, Raj
Engineered Doors	Units	120,000	Behror, Raj
Upcoming Capacities			
Plywood	Mn SQM	18.9	Tindivanam, TN
High Pressure Laminate	Mn Sheets / Boards	3.5	Naidupeta, AP
Particle Board	CBM	231,000	Naidupeta, AP

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

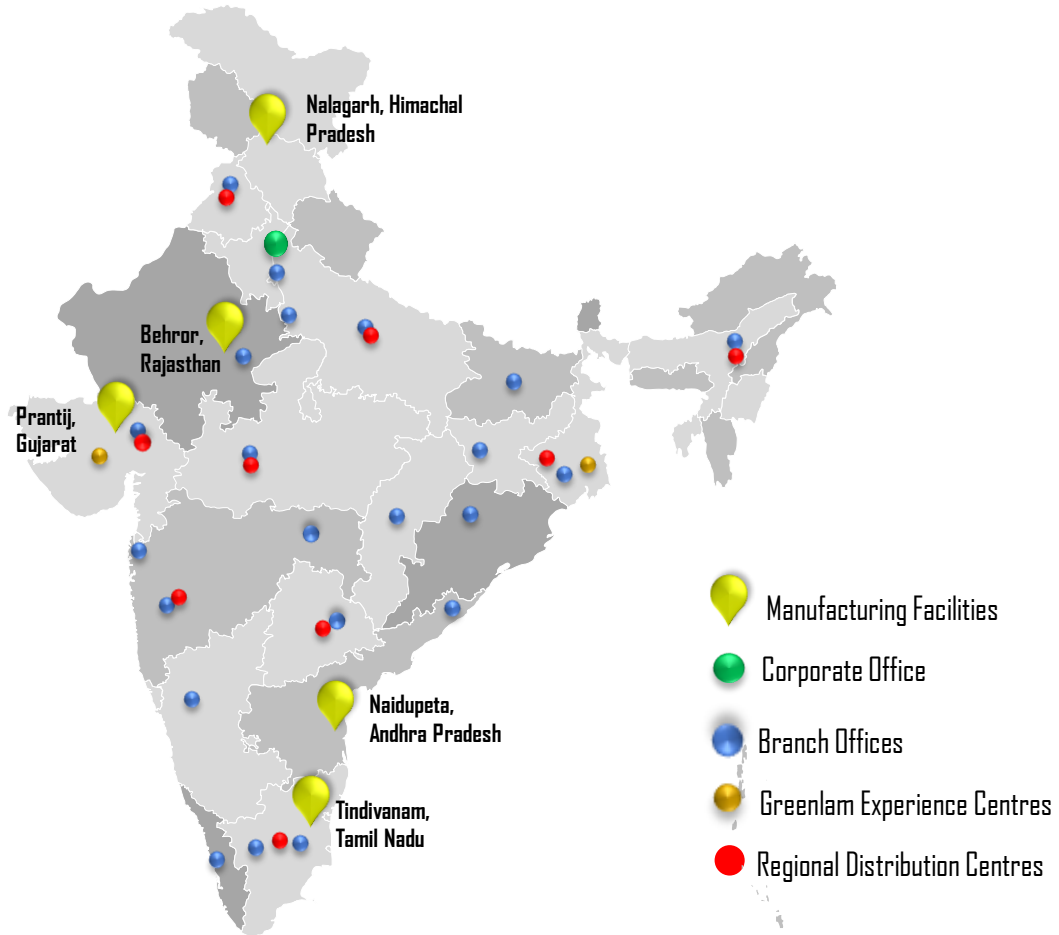
Financial Performance for last 5 years



*EBITDA is before exceptional items

**ROCE is before exceptional items & excluding project capital employed

Domestic Footprints



DOMESTIC

3 State of the art Manufacturing Facilities

9 Company owned large Regional Distribution Centers

20,000+ Distributors, Dealers & Retailers

Over 5,000 Employee base

22 Branch Offices

Naidupeta, Andhra Pradesh – Laminate plant to be operational by Q2 FY24 and particle board plant by Q4FY24

Tindivanam, Tamil Nadu – plywood plant to be operational by June 2023



INTERNATIONAL

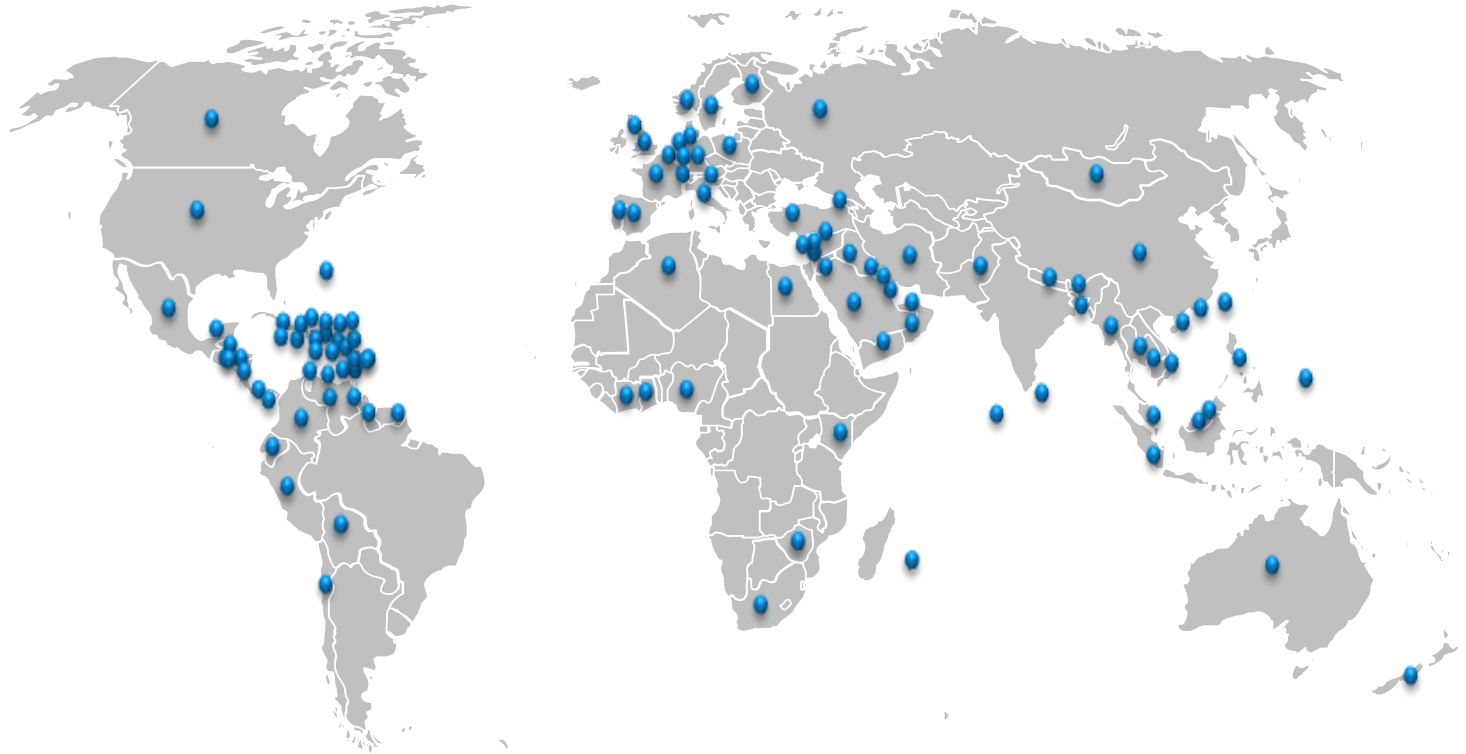
Present in **100+** Countries

4 Company Operated Distribution Centers

15 International Offices

8 Overseas Subsidiaries

100+ Overseas Employees





Business Update



- The upgradation of our manufacturing facility at Prantij, Gujarat has been completed and the commercial production of the same was commenced on May 17, 2023. The capacity of Prantij, Gujarat plant has increased to 5.4 million sheets from 3.4 million sheets.
- With the above upgradation, our total installed laminate capacity stands at 21.02 mn sheets.
- Greenfield plywood project in Tindivanam, Tamil Nadu is likely to start commercial production by June 2023.
- Greenfield high-pressure laminate project in Naidupeta, Andhra Pradesh is expected to start commercial production by Q2FY24. Further greenfield particle board project in Naidupeta, Andhra Pradesh is expected to start commercial production by Q4FY24

Consolidated Financial Performance for Q4FY23



- During the quarter prices of most of the raw material have declined. Also, sea freight costs have seen significant softening and are now below pre-COVID levels for most of the regions
- In the current quarter, there was a tax reversal of Rs. 6.4 crores related to refund for FY2014-15 which led to lower net tax for the quarter
- Working capital cycle for the quarter sequentially improved by 2 days to 66 days as compared to 68 days in Q3FY23 mainly on account of inventory and creditors being at same levels as of Q3FY23 and higher revenues
- Net debt as on Mar 31, 2023, stood at INR 312.0 crores as against INR 148.1 crores as on Dec 31, 2022. The increase in debt is primarily on account of debt raised for our new projects. Project debt stood at INR 226.7 crores as on Mar 31, 2023 as compared to INR 108.0 crores as on Dec 31, 2022

Consolidated Financial Performance



Profit and Loss Statement

INR Crores	Q4 FY23	Q4 FY22	YoY%	Q3 FY23	QoQ%	FY23	FY22	YoY%
Revenue	533.8	463.4	15.2%	503.5	6.0%	2,026.0	1,703.4	18.9%
Raw Material	273.2	255.5		260.2		1,079.3	944.3	
Gross Profit	260.6	207.9	25.4%	243.3	7.1%	946.7	759.1	24.7%
Gross Margin %	48.8%	44.9%	390 bps	48.3%	50 bps	46.7%	44.6%	210 bps
Employee Cost	85.6	67.6		79.8		313.9	259.4	
Other Expenses	100.9	90.7		108.8		399.9	312.7	
EBITDA	74.1	49.6	49.4%	54.8	35.2%	232.9	187.0	24.5%
EBITDA Margin %	13.9%	10.7%	320 bps	10.9%	300 bps	11.5%	11.0%	50 bps
Other (Income)/Cost	(4.4)	(1.3)		(5.9)		(18.0)	(7.3)	
Interest	6.5	3.3		6.0		23.5	14.1	
Depreciation	16.8	14.5		16.2		63.2	58.5	
PBT before exceptional	55.2	33.0	67.2%	38.5	43.5%	164.1	121.7	34.8%
PBT Margin %	10.3%	7.1%	320 bps	7.6%	270 bps	8.1%	7.1%	100 bps
Exceptional Items	0.0	0.0		0.0		0.0	2.6	
PBT after exceptional	55.2	33.0	67.2%	38.5	43.5%	164.1	119.1	37.7%
Tax	9.1	7.4		10.3		36.1	28.6	
PAT	46.1	25.7	79.7%	28.2	63.6%	128.0	90.6	41.4%
PAT Margin %	8.6%	5.5%	310 bps	5.6%	300 bps	6.3%	5.3%	100 bps

Consolidated Financial Performance



Balance Sheet

INR Crores	Mar-23	Mar-22	INR Crores	Mar-23	Mar-22
Shareholders Fund	969.0	655.1	Non-Current Assets	1,041.9	527.0
Share Capital	12.7	12.1	Fixed Assets	894.0	473.3
Reserves & Surplus	955.9	642.3	Goodwill	3.5	3.2
Minority	0.3	0.7	Other Non-Current Assets	144.4	50.4
Borrowings	569.8	345.2	Current Assets	1,010.7	857.2
Long Term Borrowing**	383.6	182.9	Inventories	513.5	503.4
Short Term Borrowings	186.2	162.3	Trade receivables	144.3	130.1
Liabilities	513.8	383.9	Cash and Bank Balances	16.3	15.8
Trade Payables	269.7	255.8	Current Investment	242.0	160.7
Other Liabilities	244.1	128.1	Other Current Assets	94.6	47.2
Total Liabilities	2,052.6	1,384.2	Total Assets	2,052.6	1,384.2

**Includes Current portion of long-term debt

Consolidated Financial Performance



Laminates & Allied Segment

INR Crores	Q4 FY23	Q4 FY22	YoY%	Q3 FY23	QoQ%	FY23	FY22	YoY%
Net Revenue from Operations	491.6	423.9	16.0%	459.1	7.1%	1,852.3	1,556.3	19.0%
Gross Profit	241.8	192.6	25.5%	224.4	7.7%	876.3	701.0	25.0%
Gross Margin %	49.2%	45.4%	380 bps	48.9%	30 bps	47.3%	45.0%	230 bps
EBIDTA	76.7	54.7	40.3%	57.1	34.3%	242.7	197.6	22.8%
EBIDTA Margin %	15.6%	12.9%	270 bps	12.4%	320 bps	13.1%	12.7%	40 bps
Capital Employed*	557	507		564		557	507	

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

Consolidated Financial Performance



Laminates & Allied Segment

Particulars	Q4 FY23	Q4 FY22	YoY%	Q3 FY23	QoQ%	FY23	FY22	YoY%
Annual Installed Capacity (Mn Sheets)	19.02	15.62		19.02		19.02	15.62	
Production (Mn Sheets)	4.55	4.14	9.8%	4.34	5.0%	17.40	16.77	3.7%
Sales (Mn Sheets)	4.67	4.00	16.8%	4.26	9.6%	17.04	16.53	3.1%
Capacity Utilization (Annualized)	96%	106%		91%		99%	107%	
Average Realisation (INR / Sheet)	1,008	1,001	0.7%	1,030	-2.1%	1,038	894	16.2%

Consolidated Financial Performance



Veneers & Allied Segment

INR Crores	Q4 FY23	Q4 FY22	YoY%	Q3 FY23	QoQ%	FY23	FY22	YoY%
Net Revenue from Operations	42.2	39.5	6.8%	44.4	-4.9%	173.6	147.1	18.0%
Gross Profit	18.8	15.3	23.3%	19.0	-0.7%	70.4	58.1	21.2%
Gross Margin %	44.6%	38.7%	590 bps	42.8%	180 bps	40.5%	39.5%	100 bps
EBIDTA	(1.6)	(3.6)		(1.6)		(8.7)	(9.0)	
EBIDTA Margin %	-3.7%	-9.0%		-3.7%		-5.0%	-6.1%	
Capital Employed*	204	194		199		204	194	

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

Consolidated Financial Performance



Decorative Veneers

Particulars	Q4 FY23	Q4 FY22	YoY%	Q3 FY23	QoQ%	FY23	FY22	YoY%
Annual Installed Capacity (Mn Sqmt)	4.20	4.20		4.20		4.20	4.20	
Production (Mn Sqmt)	0.20	0.29	-31.9%	0.27	-26.5%	1.24	1.11	11.5%
Sales (Mn Sqmt)	0.32	0.29	8.4%	0.23	35.1%	1.21	1.09	11.4%
Capacity Utilization (Annualized)	19%	28%		26%		29%	26%	
Average Realisation (INR / Sqmt)	859	750	14.5%	1,042	-17.6%	877	764	14.9%

Consolidated Financial Performance



Operating Parameters - Net Working Capital

Amount in INR Crores	Q4 FY23		Q4 FY22		Q3 FY23		FY23		FY22	
	Amt	Days	Amt	Days	Amt	Days	Amt	Days	Amt	Days
Inventory	513.5	88	503.4	99	513.3	93	513.5	93	503.4	108
Debtors	144.3	25	130.1	25	131.9	24	144.3	26	130.1	28
Creditors	269.7	46	255.8	50	268.5	49	269.7	49	255.8	55
NWC	388.1	66	377.7	74	376.7	68	388.1	70	377.7	81

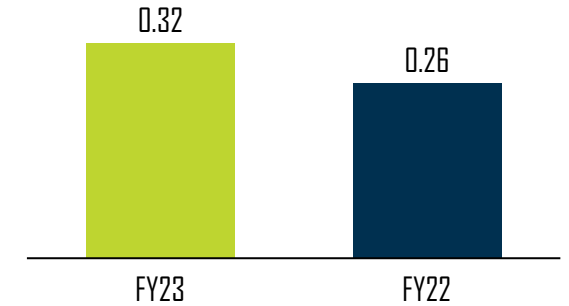
Consolidated Financial Performance



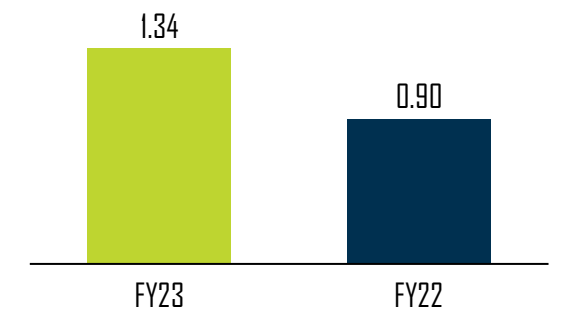
Debt Position

INR Crores	FY23	FY22
Long Term Debt * (Including current portion)	383.6	182.9
Short Term Debt	186.2	162.3
Total Debt	569.9	345.3
Cash & Bank Balance	15.9	15.8
Liquid Investments	242.0	160.7
Net Debt	312.0	168.8
Net worth	969.0	655.1
EBITDA	232.9	187.0
Net Debt-Equity Ratio	0.32	0.26
Net Debt-EBITDA Ratio	1.34	0.90

Net Debt-Equity Ratio



Net Debt-EBITDA Ratio



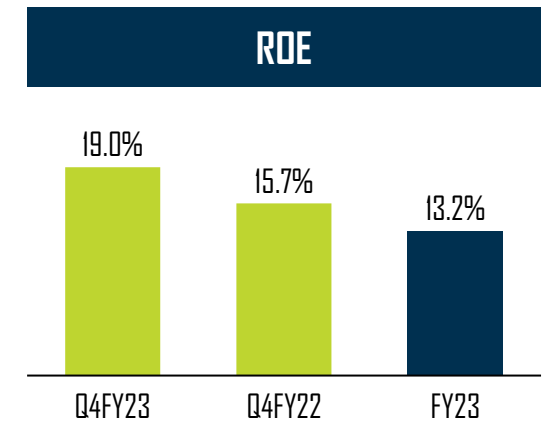
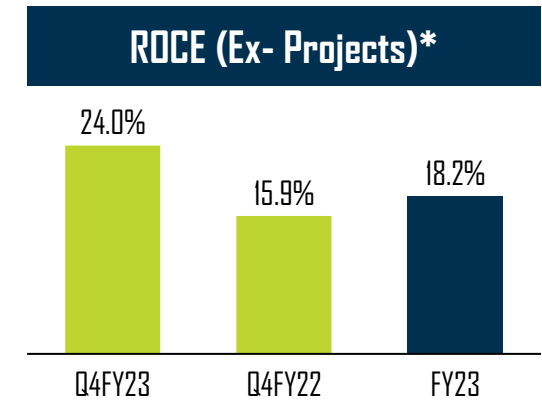
Includes debt related to new projects to the extent of INR 226.7 crores in FY23 and NIL in FY22

Consolidated Financial Performance



Return Ratios – ROCE & ROE

INR Crores	Q4FY23	Q4FY22	Q3 FY23	FY23	FY22
EBIT	61.6	36.3	44.5	187.6	135.8
PAT	46.1	25.7	28.2	128.0	90.6
Capital Employed	1,554.4	1,017.2	1,355.2	1,554.4	1,017.2
Capital Employed (Ex- Projects)	1,029.3	911.8	1,051.9	1,029.3	911.8
Net Worth	969.0	655.1	923.5	969.0	655.1
ROCE[^]	15.9%	14.3%	13.1%	12.1%	13.4%
ROCE (Ex-Projects)[^]	24.0%	15.9%	16.9%	18.2%	14.9%
ROE	19.0%	15.7%	12.2%	13.2%	13.8%



[^]ROCE is before exceptional items



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