

GPIL/2022-2023  
November 8, 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: Presentation on un-audited financial results for the quarter and half year ended  
September 30, 2022**

Pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed a Presentation on the unaudited Standalone and Consolidated Financial Results of the Company for the quarter and half year ended September 30, 2022.

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



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# Brand Greenpanel

**Performance in Q2 & 6M FY2023**



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## 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.



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# 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 (1910 as on March 31 2022).

## ● 4

**Listing:** The Company was listed on October 23 2019 and enjoyed a market capitalisation of ₹ 5,222 crores as on September 30 2022 (NSE closing price of ₹ 425.85).

## ● 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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Part one \_\_\_\_\_  
**Our performance,  
Q2 FY2023**



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## Performance Highlights

1

Domestic MDF performance continued to be good. However, slowdown in the export markets impacted volumes.

2

Sustained growth (YoY):  
Revenue 12%  
EBITDA 8%  
PAT 8%

3

Steep increase in MDF realisations  
28% YoY

4

Working capital hygiene  
& Strong Balance Sheet

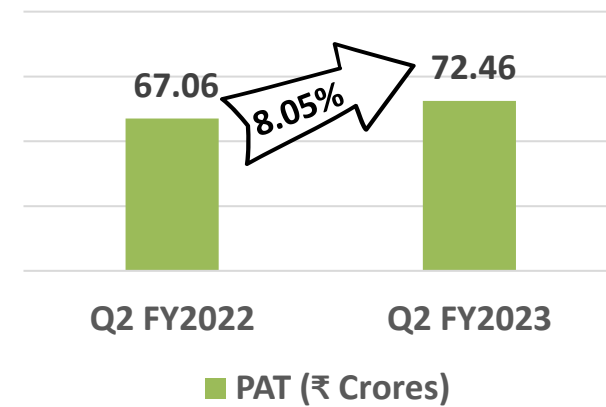
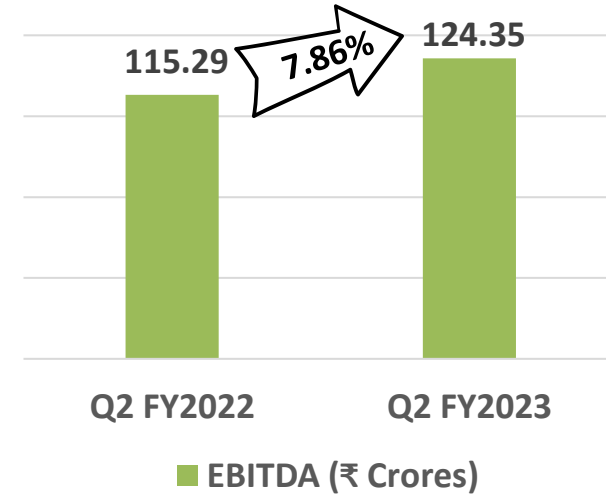
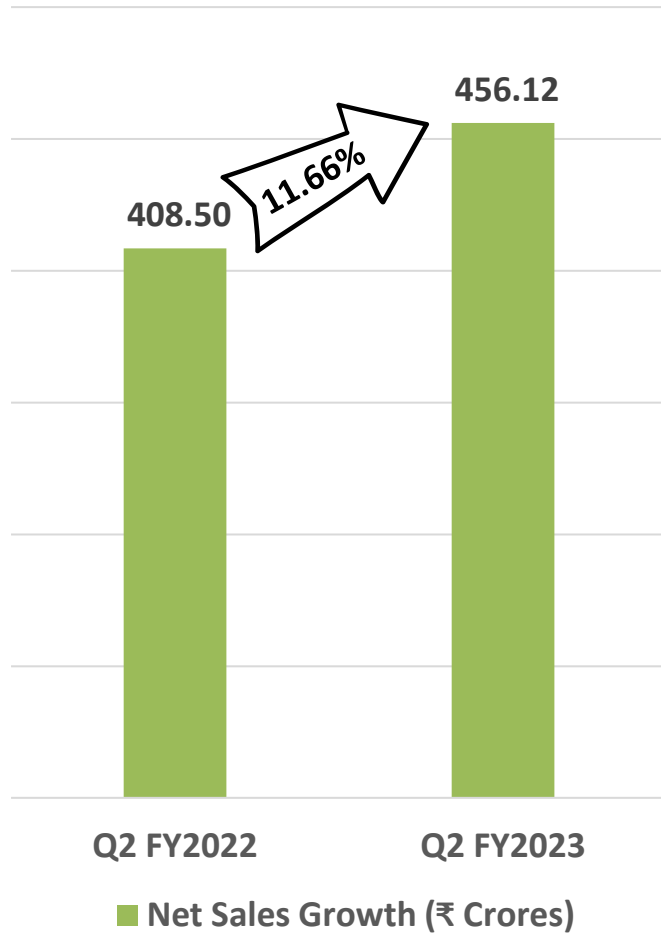
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6



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# Our financial performance in brief

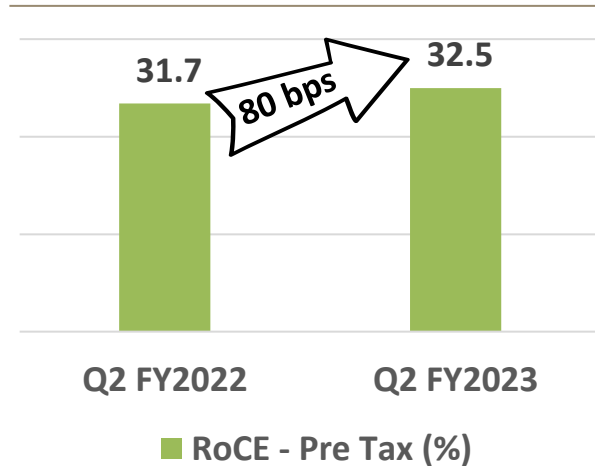
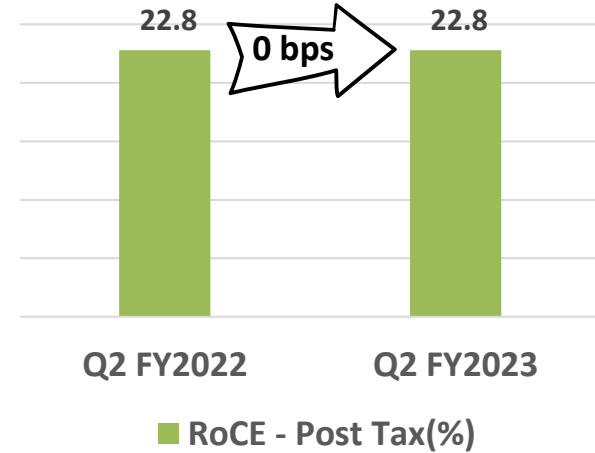
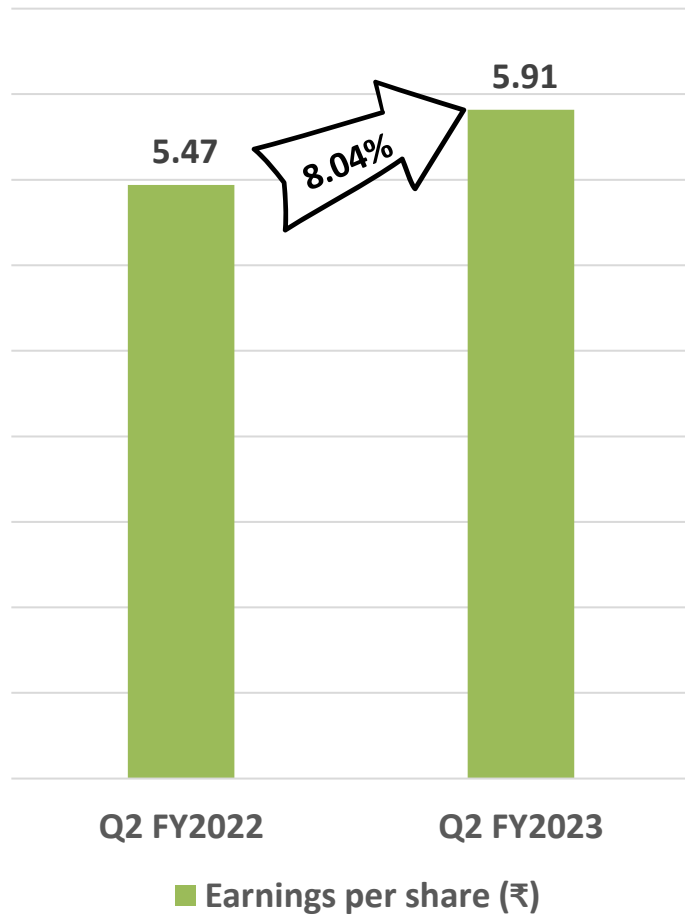






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# Our financial performance in brief





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# Financial Highlights

## Q2 FY2023 v/s Q2 FY2022

Key Ratios (%)	Q2 FY2023	Q2 FY2022
Gross Margin	58.60	56.50
EBITDA Margin	27.30	28.20
EBIT Margin	23.30	23.50
Net Margin	15.90	16.40
Sales Promotion / Net Sales	0.90	1.10
Employee Expenses / Net Sales	7.90	7.90
Logistics Costs / Net Sales	4.50	4.60
EPS (₹)	5.91	5.47

# Segment Performance - MDF (Quarter)

Particulars	Q2 FY2023	Q2 FY2022	Growth
Net Sales (₹ Crores)	<b>395.09</b>	335.34	17.80%
EBITDA Margin	<b>30.40%</b>	31.40%	
EBIT Margin	<b>26.00%</b>	26.10%	
Annual Capacity (CBM)	<b>6,60,000</b>	5,40,000	
Production (CBM)	<b>1,22,627</b>	1,28,517	-4.60%
Sales Volume (CBM)	<b>1,26,232</b>	1,37,044	-7.90%
Capacity Utilisation	<b>74%</b>	95%	
Blended Realisation (₹/CBM)	<b>31,299</b>	24,446	28.00%
Domestic Realisation (₹/CBM)	<b>33,554</b>	27,167	23.50%
Export Realisation (₹/CBM)	<b>22,906</b>	18,863	21.40%

# Segment Performance - MDF (6 Months)

Particulars	6M FY 2023	6M FY 2022	Growth
Net Sales (₹ Crores)	<b>787.00</b>	589.60	33.50%
EBITDA Margin	<b>31.80%</b>	28.80%	
EBIT Margin	<b>27.50%</b>	23.00%	
Annual Capacity (CBM)	<b>6,60,000</b>	5,40,000	
Production (CBM)	<b>2,55,851</b>	2,50,965	1.90%
Sales Volume (CBM)	<b>2,51,260</b>	2,49,779	0.60%
Capacity Utilisation	<b>78%</b>	93%	
Blended Realisation (₹/CBM)	<b>31,322</b>	23,581	32.80%
Domestic Realisation (₹/CBM)	<b>33,451</b>	26,434	26.50%
Export Realisation (₹/CBM)	<b>23,422</b>	17,454	34.20%

# Segment Performance - Plywood (Quarter)

Particulars	Q2 FY2023	Q2 FY2022	Growth
Net Sales (₹ Crores)	<b>61.03</b>	73.17	-16.60%
EBITDA Margin	<b>7.30%</b>	13.60%	
EBIT Margin	<b>5.60%</b>	11.70%	
Annual Capacity (Mn Sqm)	<b>10.50</b>	10.50	
Production (Mn Sqm)	<b>1.79</b>	2.42	-26.00%
Sales Volume (Mn Sqm)	<b>2.04</b>	2.62	-22.10%
Capacity Utilisation	<b>68%</b>	92%	
Average Realisation (₹/Sqm)	<b>299</b>	279	7.20%

# Segment Performance - Plywood (6 Months)

Particulars	6M FY 2023	6M FY 2022	Growth
Net Sales (₹ Crores)	<b>131.88</b>	118.45	11.30%
EBITDA Margin	<b>9.50%</b>	12.60%	
EBIT Margin	<b>8.00%</b>	10.40%	
Annual Capacity (Mn Sqm)	<b>10.50</b>	10.50	
Production (Mn Sqm)	<b>4.14</b>	4.03	2.70%
Sales Volume (Mn Sqm)	<b>4.56</b>	4.37	4.30%
Capacity Utilisation	<b>79%</b>	77%	
Average Realisation (₹/Sqm)	<b>289</b>	271	6.60%



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Overview by MD & CEO

**“MDF volumes showed decent growth in domestic markets while export markets have slowed down. We look forward to improved performance in future quarters.”**



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## Overview by MD & CEO

“**MDF sales** volumes de-grew by 7.90% YoY; operating margins reduced by 106 basis points to 30.40%.”

“**Plywood** volumes de-grew by 22.10% YoY; operating margins fell by 635 basis points to 7.30% due to lower volumes and increased raw material costs.”

“**Consolidated** operating margins reduced by 96 basis points to 27.30% due to lower plywood volumes and increase in raw material costs.”

“**Working** capital investment increased by 10 days YoY to 24 days as on 30th September 2022.”

“**Net debt** reduced by ₹ 42 crores during Q2 to negative ₹ 59 crores as on 30th September 2022. We had also made payments of Rs 30 crores on MDF Expansion Project during the quarter”

“**Widening distribution reach** and focus on small urban clusters is supporting sustained volume growth.”

“**We are optimistic** of sustainable growth in future 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

**31,299**

₹ / cubic meter,  
Average realization,  
Q2 FY2023

**28.0**

%, Growth in  
average MDF  
realisations

**24,446**

₹ / cubic meter,  
Average realization,  
Q2 FY2022

**7.2**

%, Growth in  
average  
Plywood  
realisations



## Plywood

**299**

₹ / square meter,  
Average realization,  
Q2 FY2023

**279**

₹ / square meter,  
Average realization,  
Q2 FY2022



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# We widened our margins by building a stronger business

We maintained our margins in an environment of rising raw material costs

**27.3**

% EBITDA margin, Q2 FY2023

**28.2**

% EBITDA margin, Q2 FY2022

**55%**

YoY growth in PAT IN H1 FY 2023 VS H1 FY 2022.

We continued to remain principally an MDF-driven company

**87**

% of revenues drive from MDF, Q2 FY2023

**82**

% of revenues drive from MDF, Q2 FY2022

*Note: We are considered the most attractive listed MDF proxy in India*



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# We strengthened our working capital hygiene

## Working capital cycle

**24**

Days, working capital cycle from resource purchase to sales receipt, Q2 FY2023

**14**

Days, working capital cycle from resource purchase to sales receipt, Q2 FY2022

## Inventory

**39**

Days, Total Inventory expressed in days of turnover equivalent, Q2 FY2023

**36**

Days, Total Inventory expressed in days of turnover equivalent, Q2 FY2022

## Receivables

**9**

Days, receivables expressed in days of turnover equivalent, Q2 FY2023

**11**

Days, receivables expressed in days of turnover equivalent, Q2 FY2022



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## Payables

**24**

Days, payables expressed in days of turnover equivalent, Q2 FY2023

**33**

Days, payables expressed in days of turnover equivalent, Q2 FY2022

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

**202**

₹ crores, consolidated gross debt, end of Q2 FY2023

**382**

₹ crores, consolidated gross debt, end of Q2 FY2022



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## How we strengthened our liquidity

**59.2**

Times or x, interest cover, Q2 FY2023

**55.0**

Times or x, interest cover, Q2 FY2022

## MDF capacity utilization

MDF  
**74%**

MDF capacity utilisation, Q2 FY2023 on enhanced capacity

**95%**

MDF capacity utilisation, Q2 FY2022

## Plywood capacity utilization

PLYWOOD  
**68%**

Plywood capacity utilisation, Q2 FY2023

**92%**

Plywood capacity utilisation, Q2 FY2022



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## Our segment-wise financial growth

**4.3%**

YoY growth in plywood volumes, 6M FY2023

**0.60%**

YoY growth in MDF volumes, 6M FY2023

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

### Superior realisations

**247**

₹ per sq m, Average realization for normal plywood variety

**601**

₹ 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), H1 FY2023

**10%**

of revenues derived from decorative veneers (plywood business), H1 FY2022



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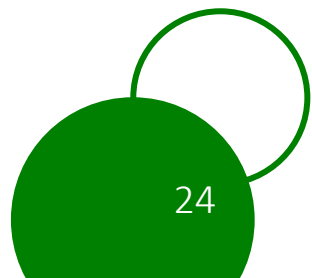
Part three \_\_\_\_\_

## **Brand Greenpanel: The Journey So Far**



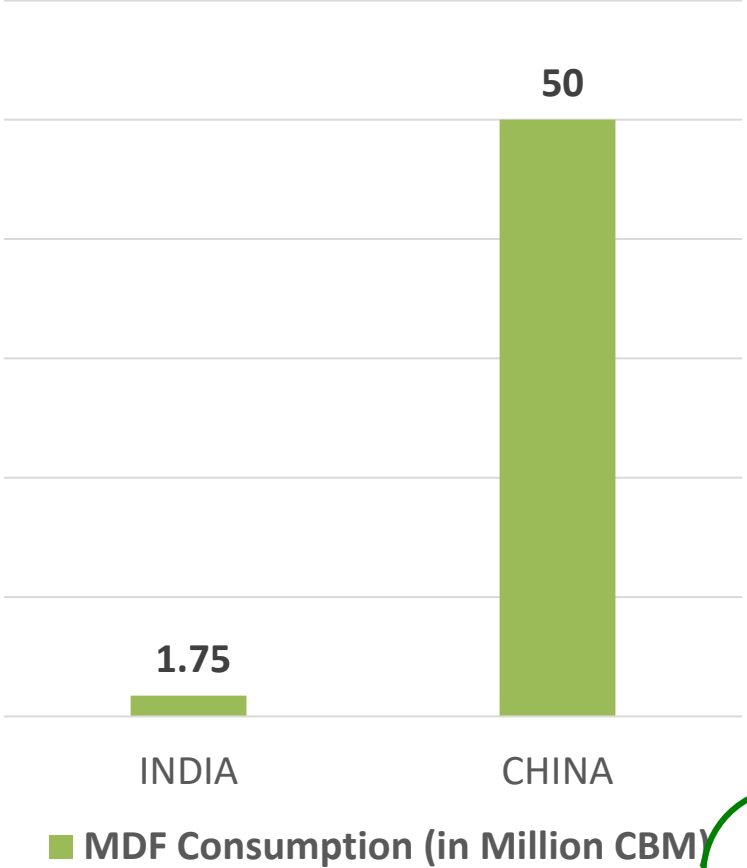
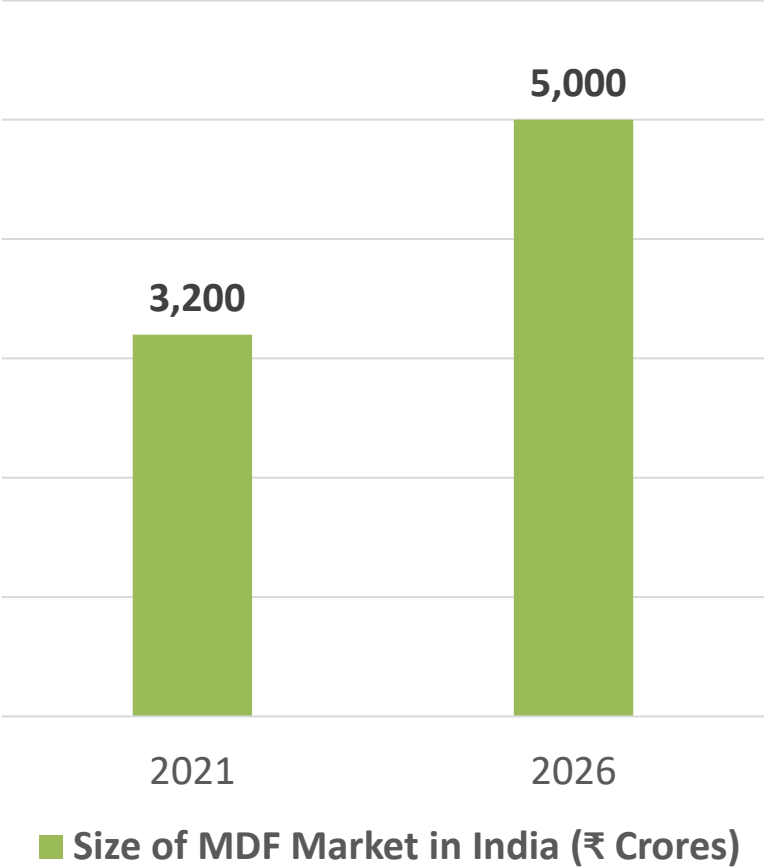


# Financial and Business Review





# Industry Overview

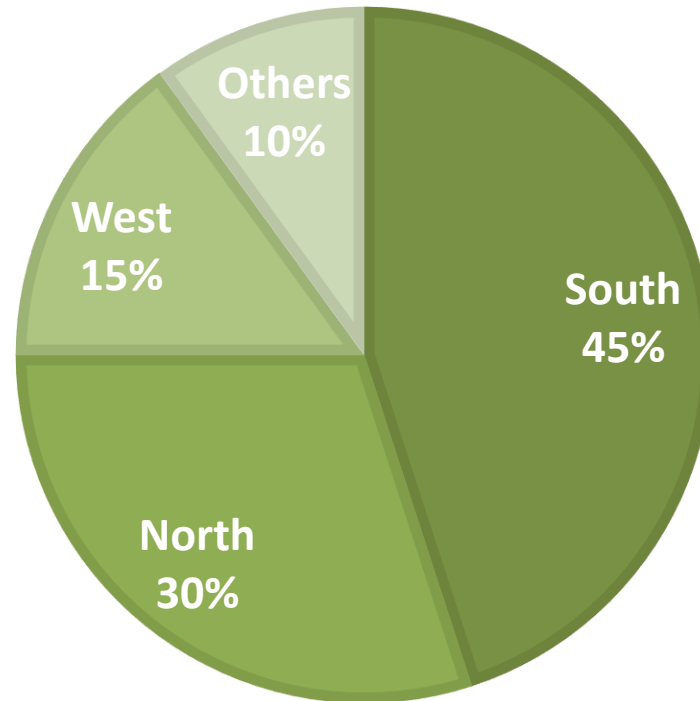




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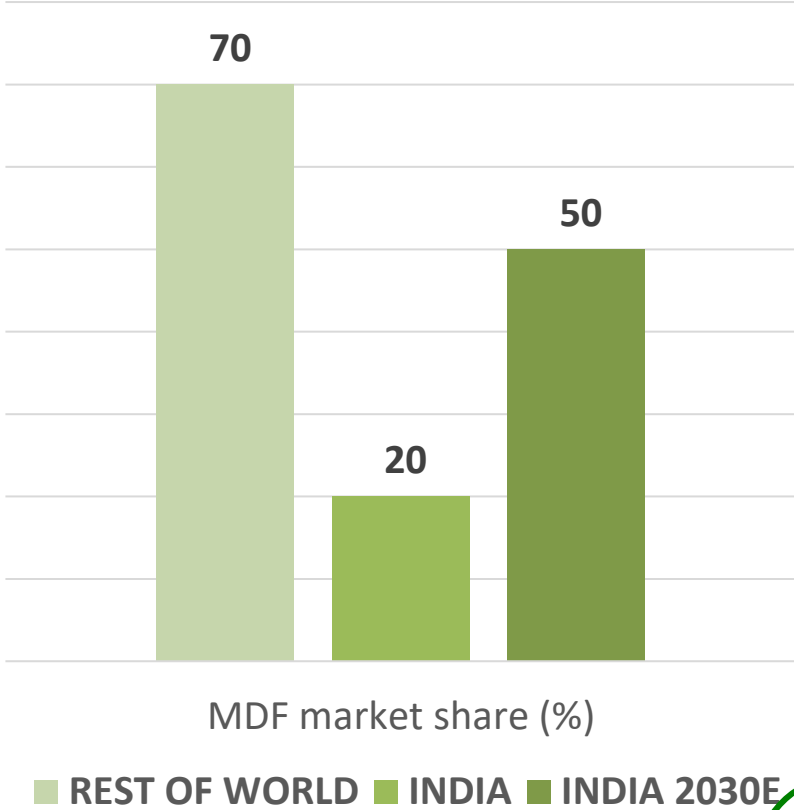
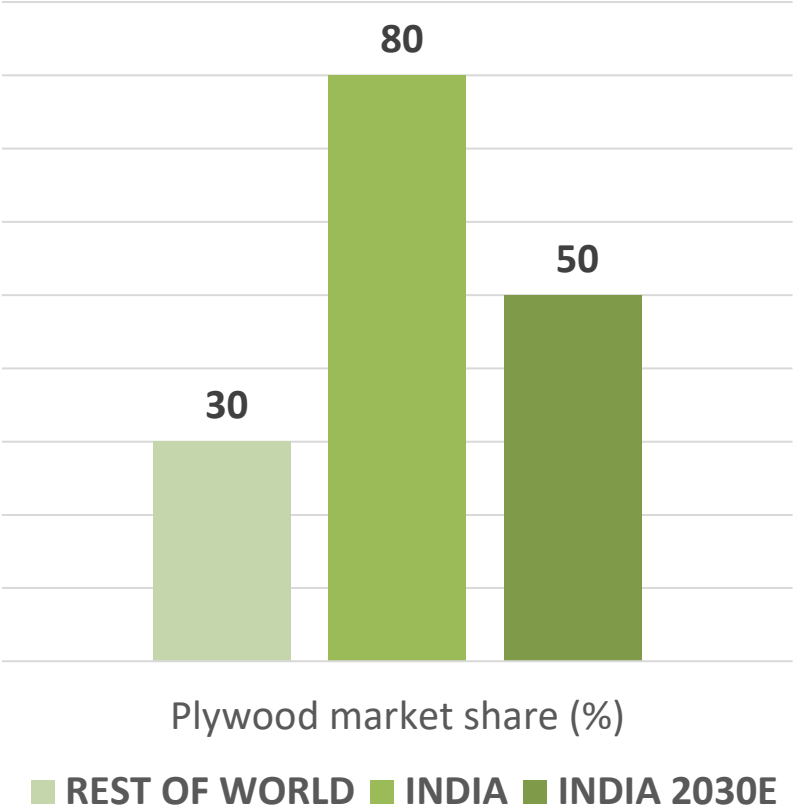
# Industry Overview

## REGIONAL DEMAND FOR MDF IN INDIA





# Industry Overview

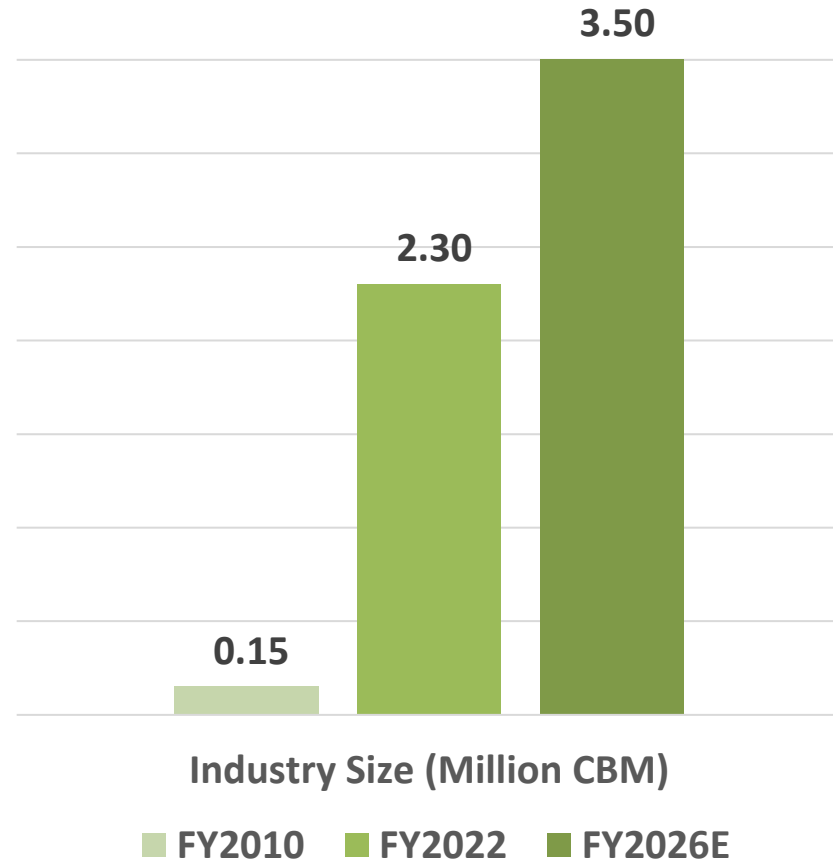




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# Industry Overview

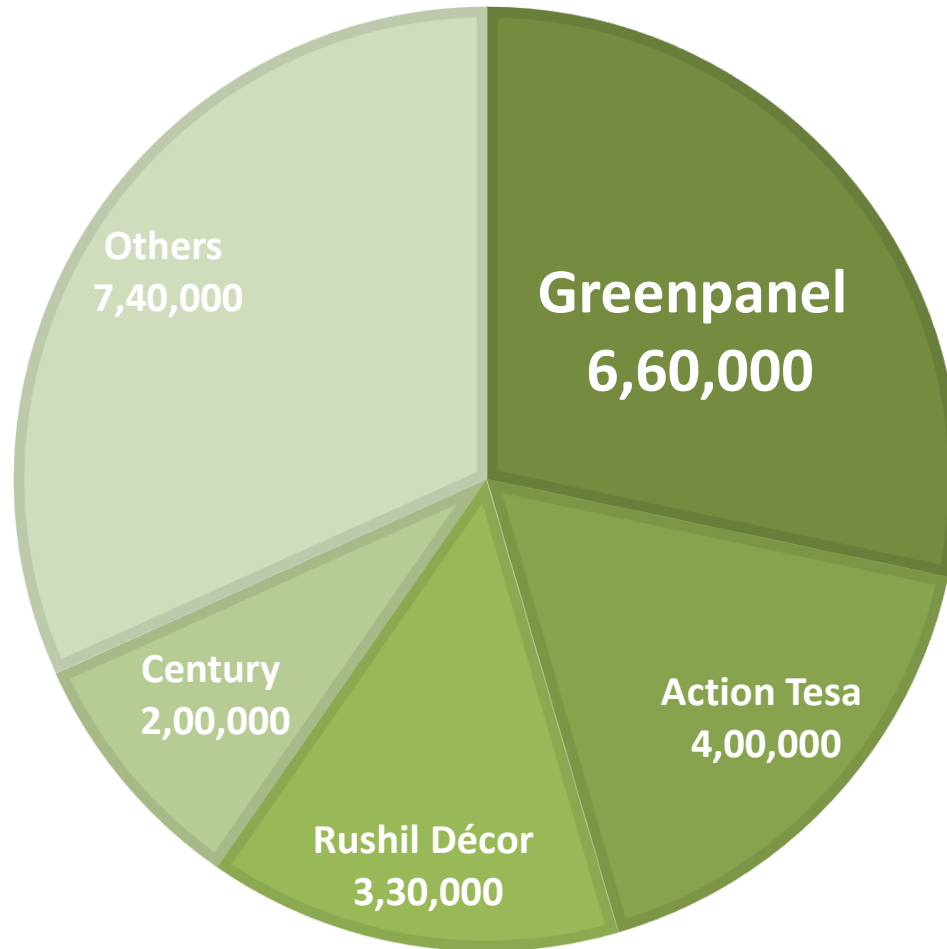
In India, MDF has penetrated all the regions in terms of market presence and is rapidly advancing in terms of both consumer demand as well as production capacity. **The production capacity has grown by more than 15x from 0.15 million CBM in 2010 to 2.30 million CBM in 2022.** Further, it is expected to witness a **CAGR of 20-25% in the period 2021-2026.**





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## Where do we stand...





# Where do we stand...

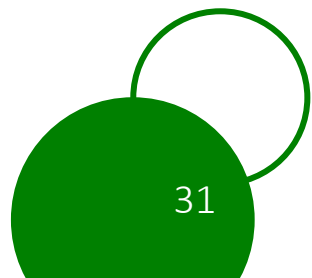
- ☑ We are now among the **top 500** listed companies on NSE based on market capitalisation
  - Rank as on 31 March 2022 is **396**
  - Rank as on 31 March 2021 was 573
- ☑ We are now a **“USD 1 billion”** company in terms of market capitalisation as on 31st March 2022
- ☑ Credit ratings for “long term credit facilities” have consistently improved





# Areas Highlighted

- Financial Evolution
- Capital Structure
- MDF Business
- Ply Business







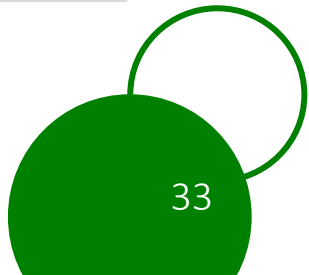
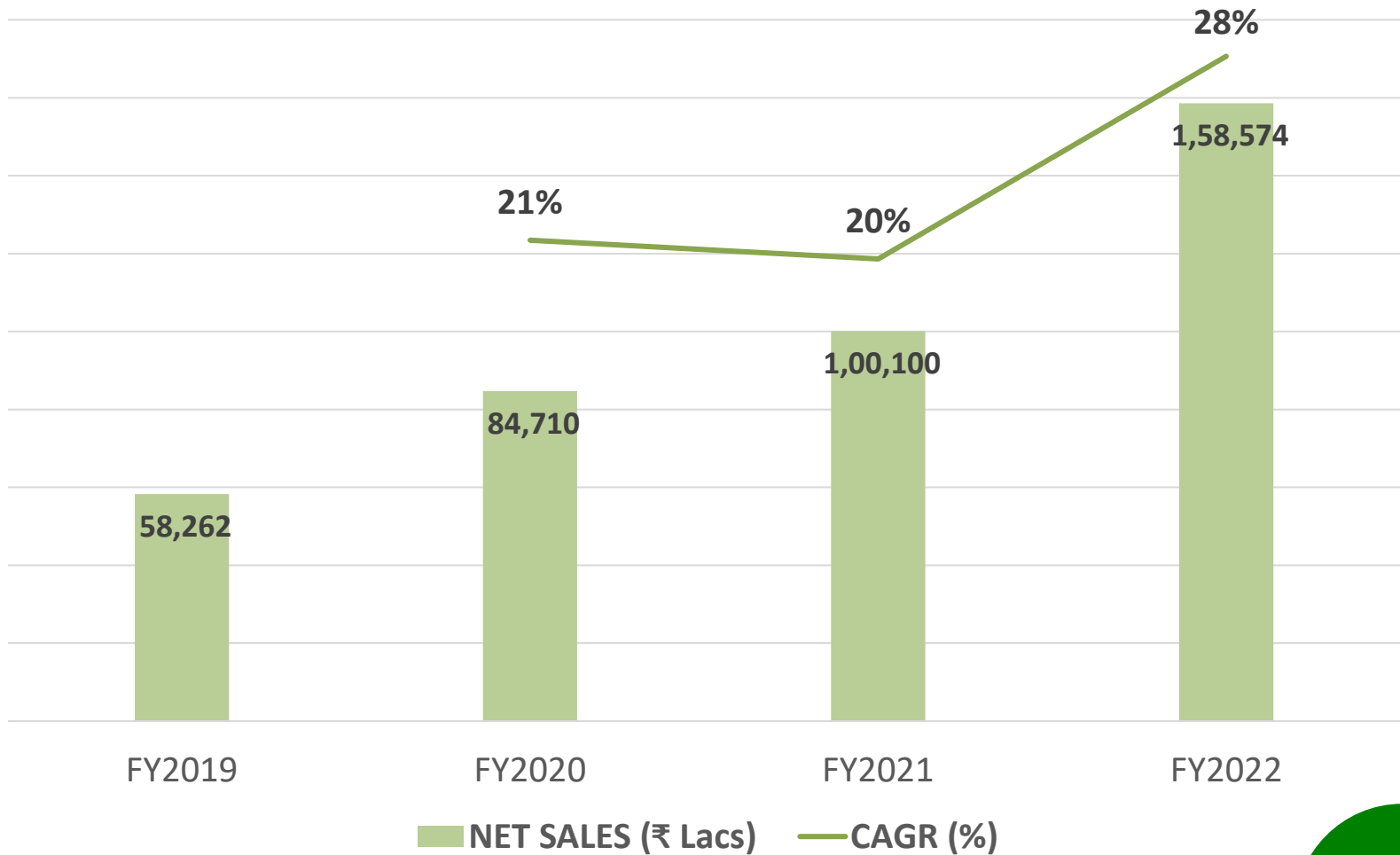
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# FINANCIAL EVOLUTION



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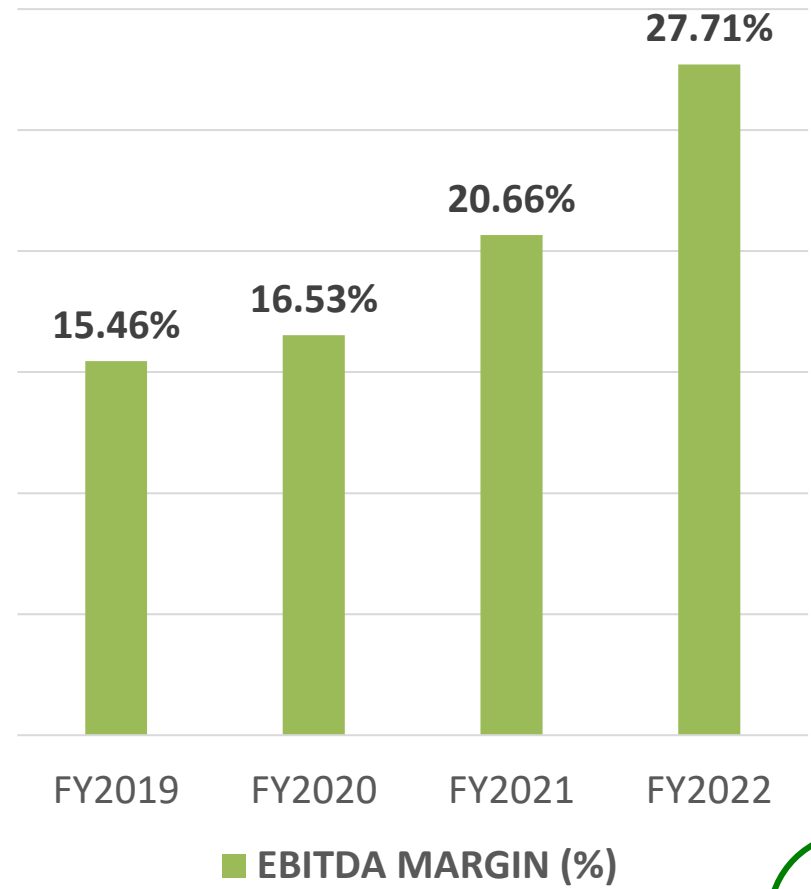
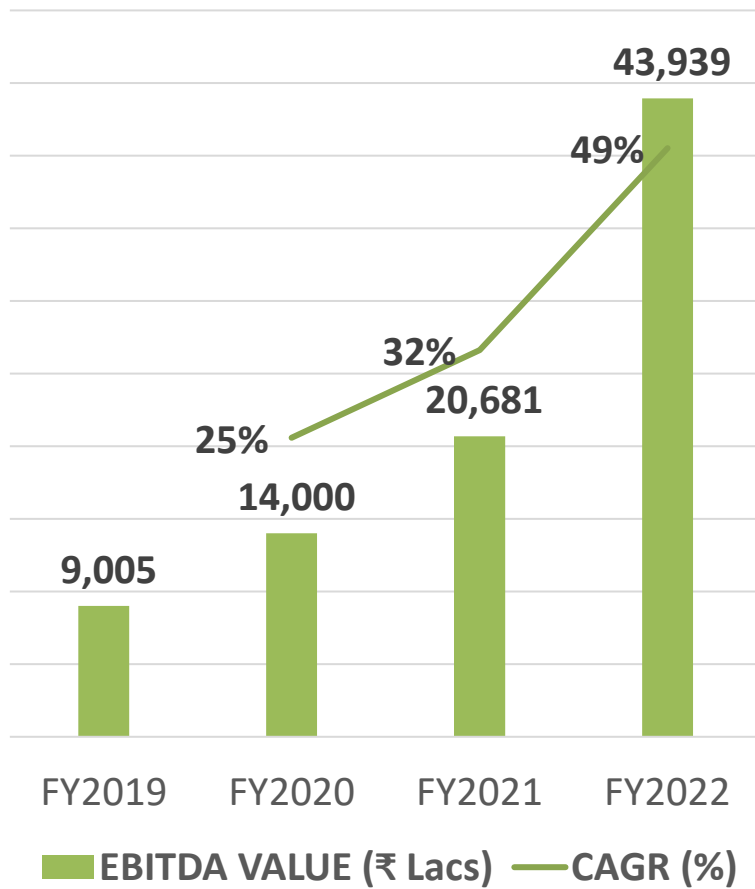
# Financial Evolution





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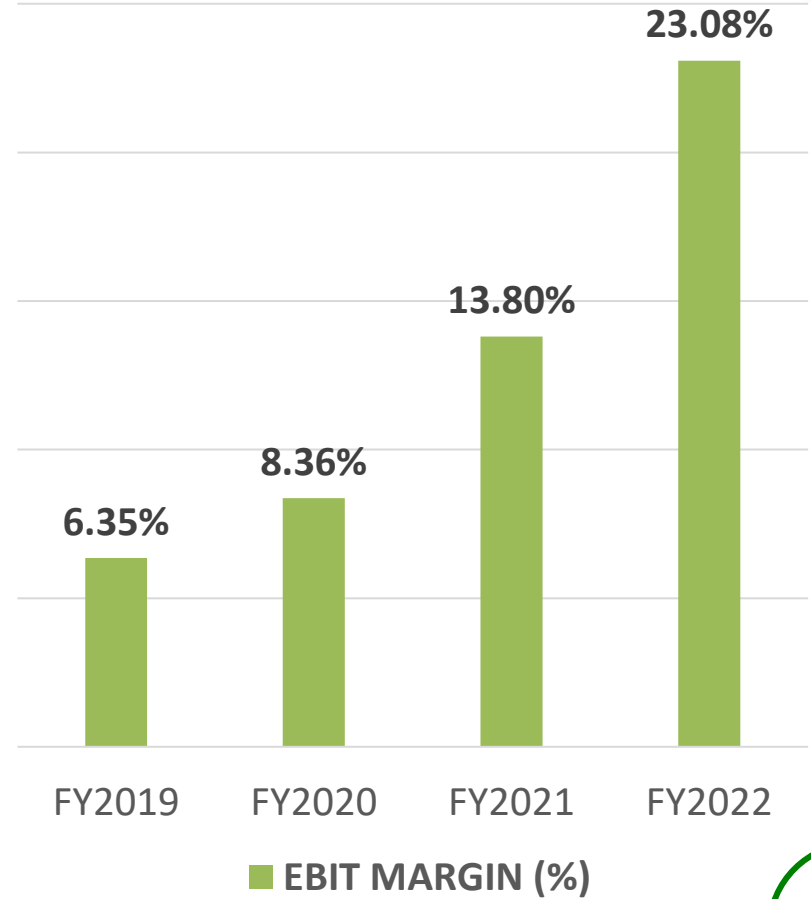
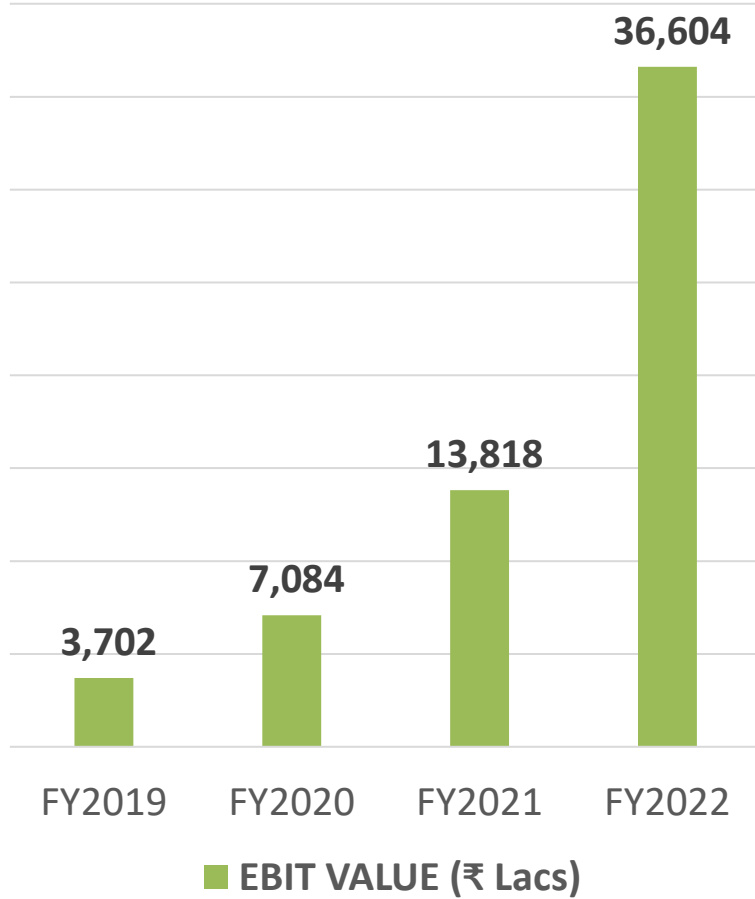
# Financial Evolution





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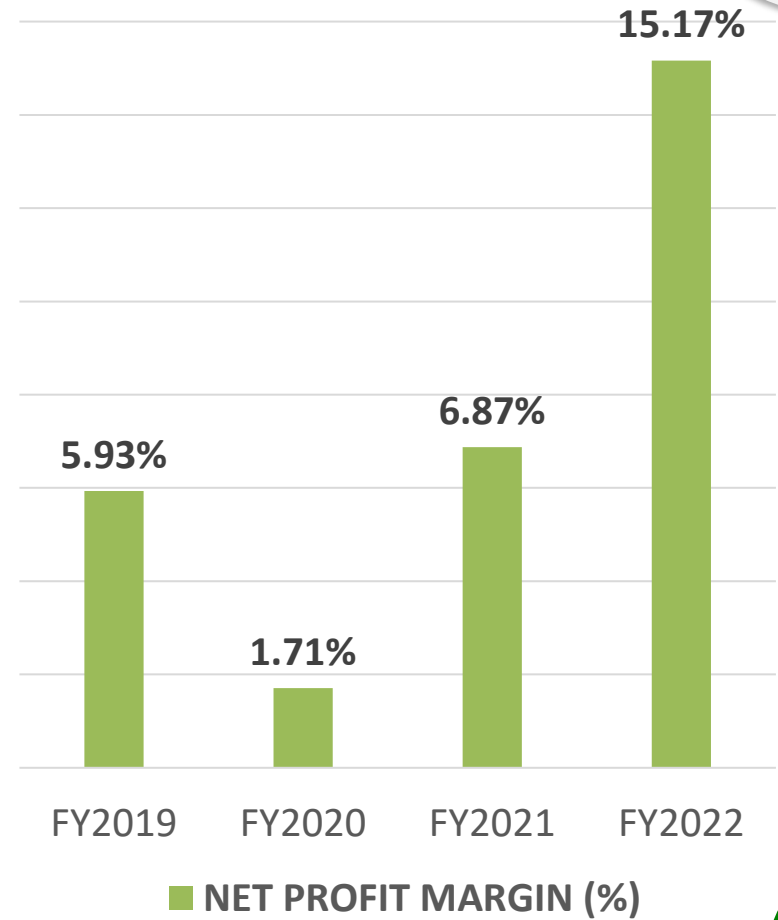
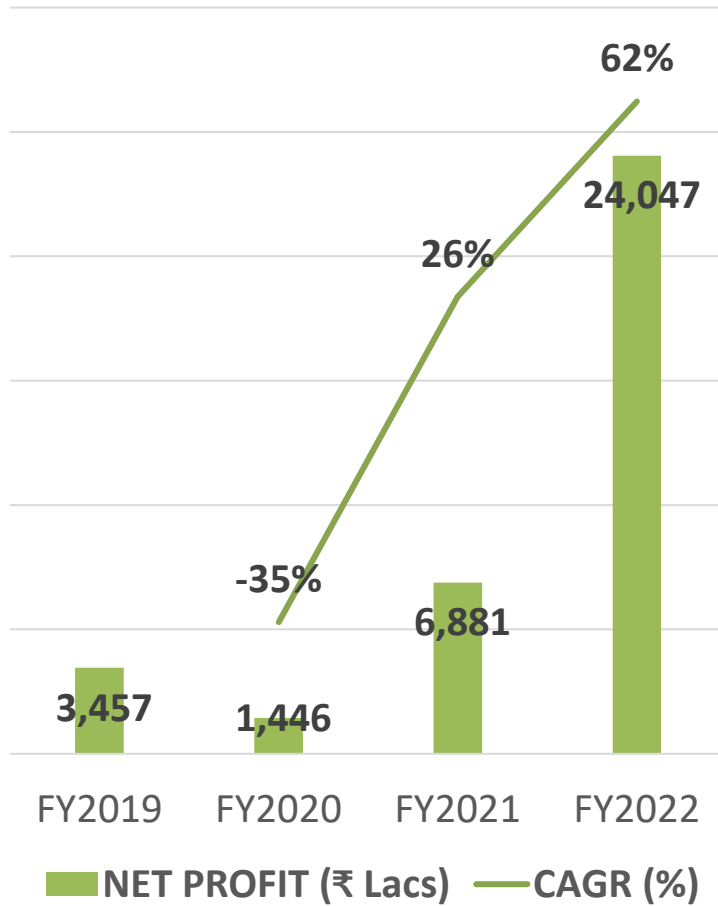
# Financial Evolution





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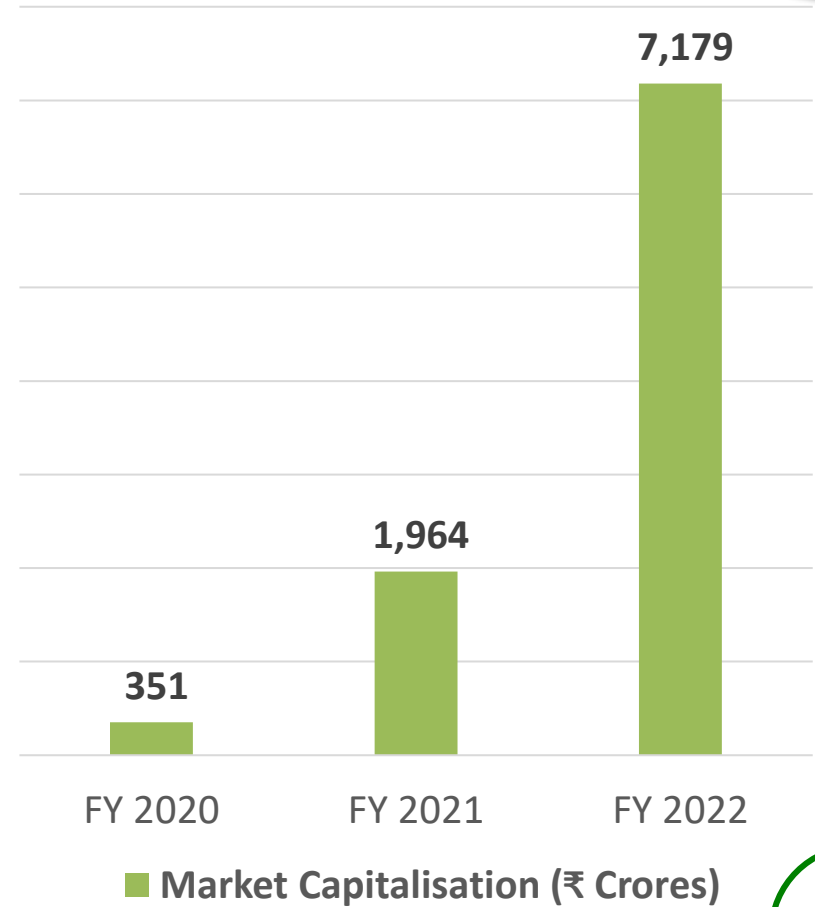
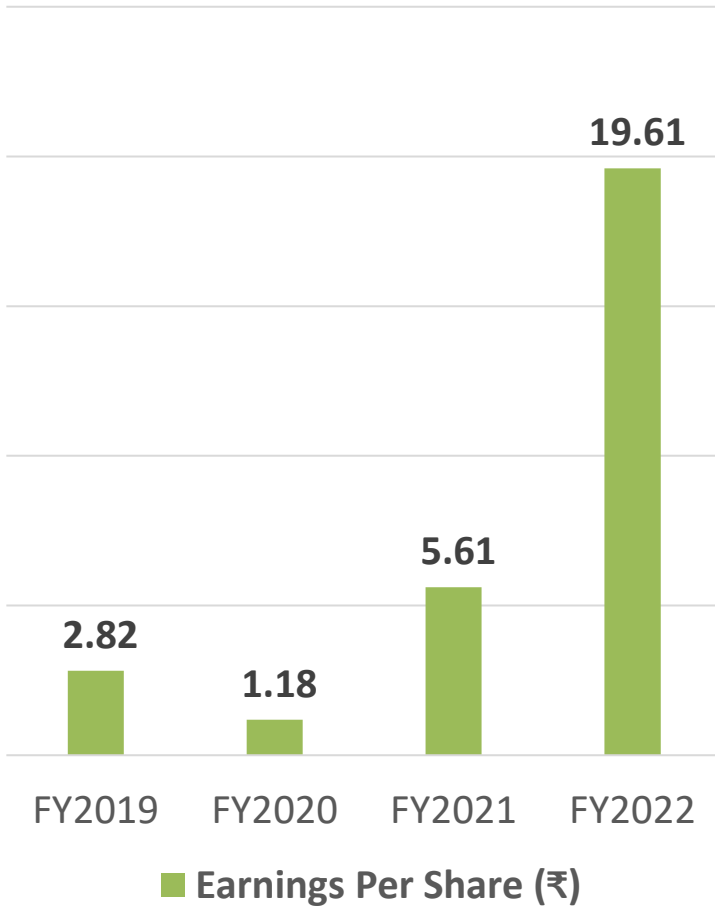
# Financial Evolution





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# Financial Evolution





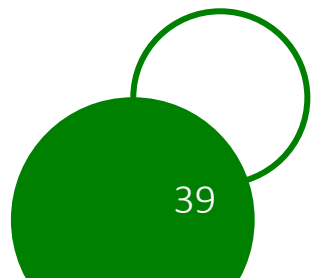
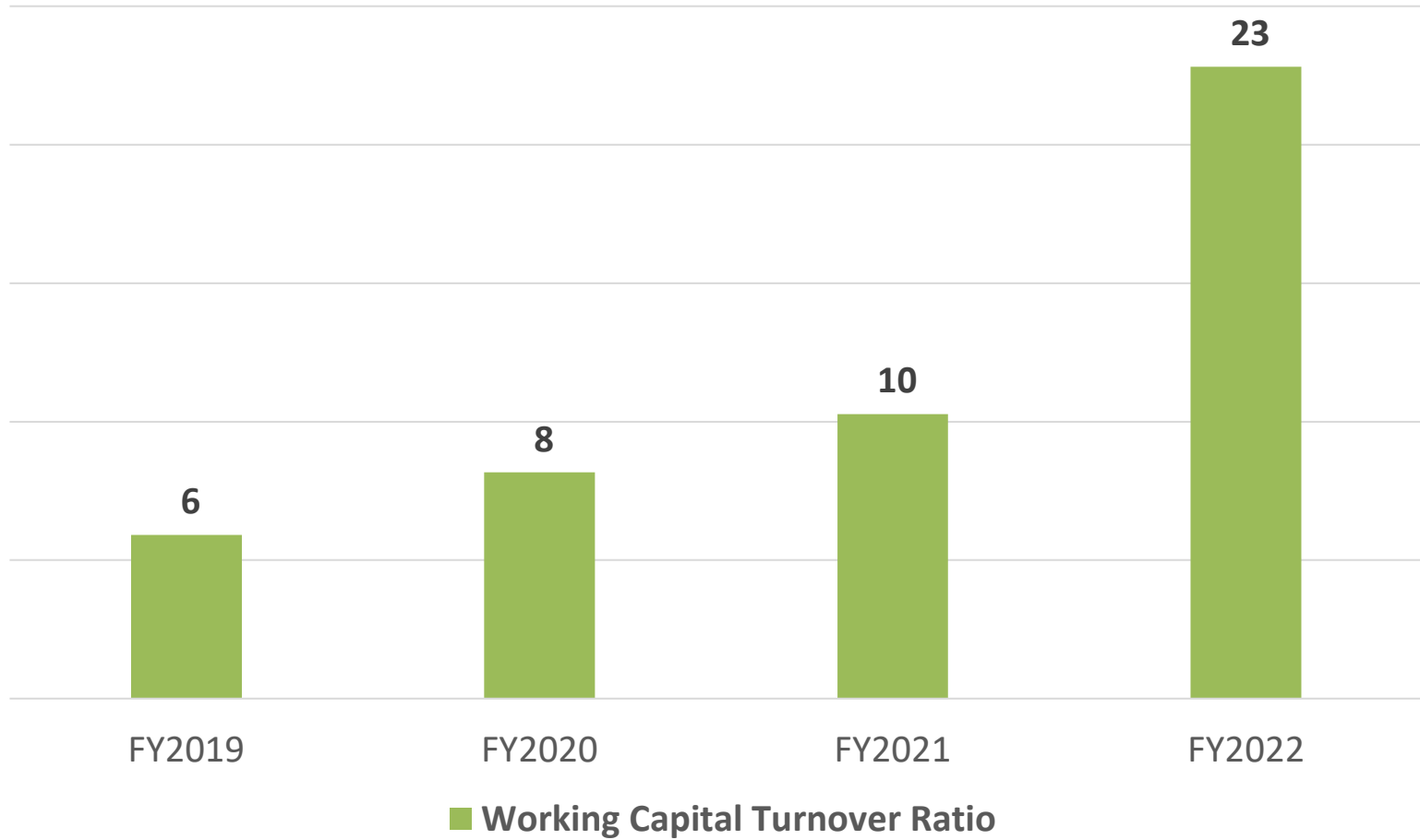
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# CAPITAL STRUCTURE



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# Capital Structure



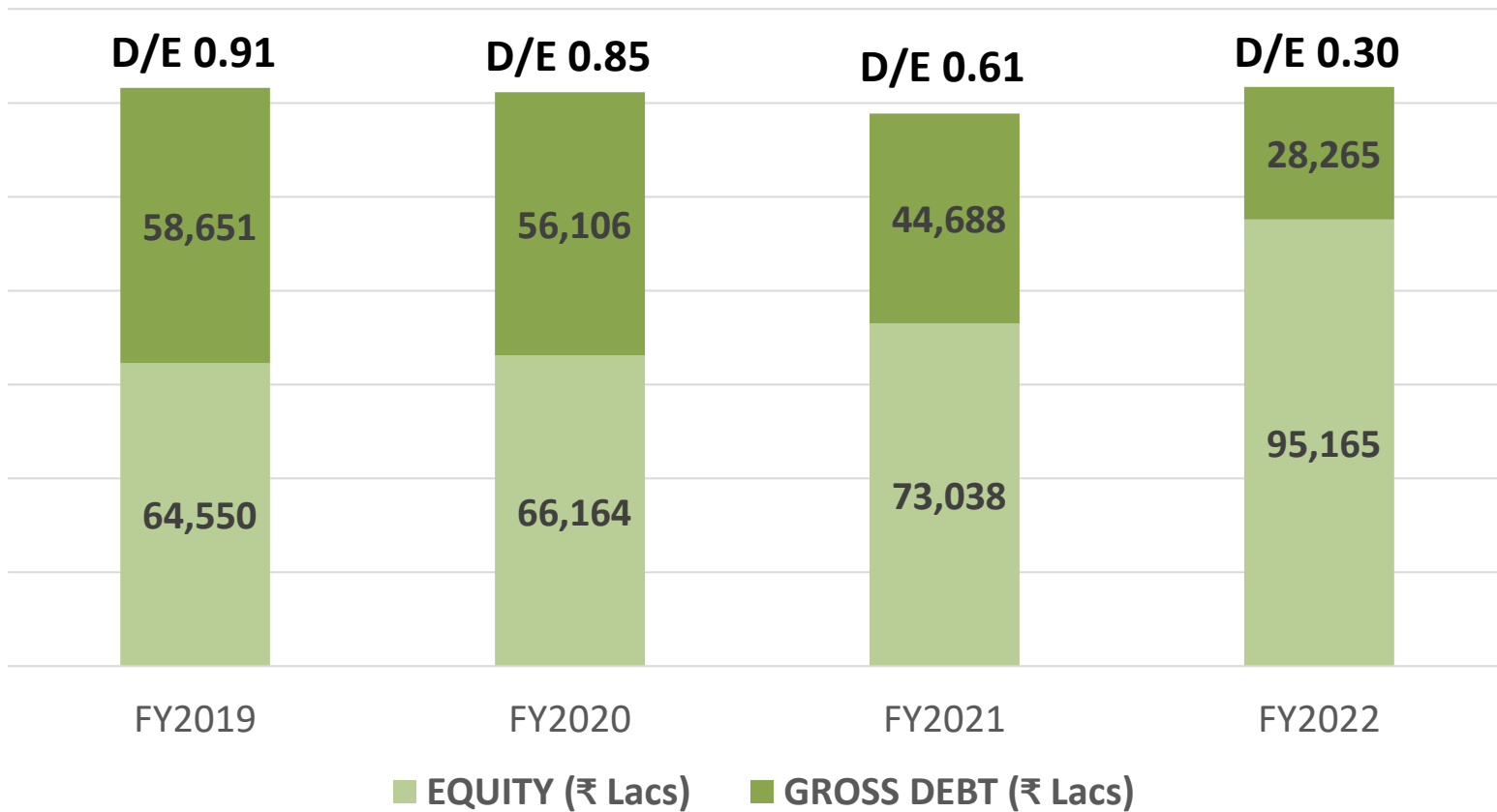




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# Capital Structure

## GROSS DEBT EQUITY

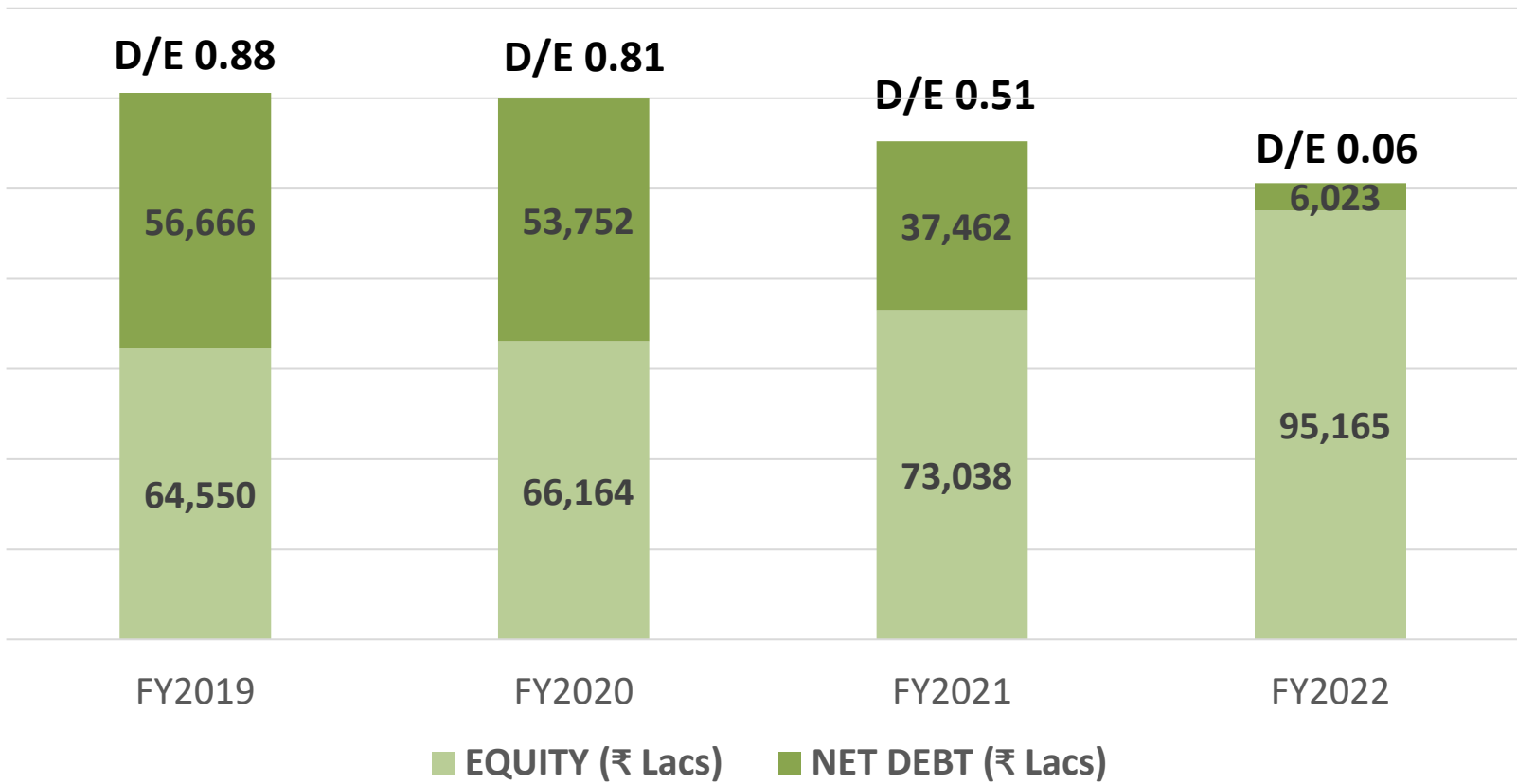




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# Capital Structure

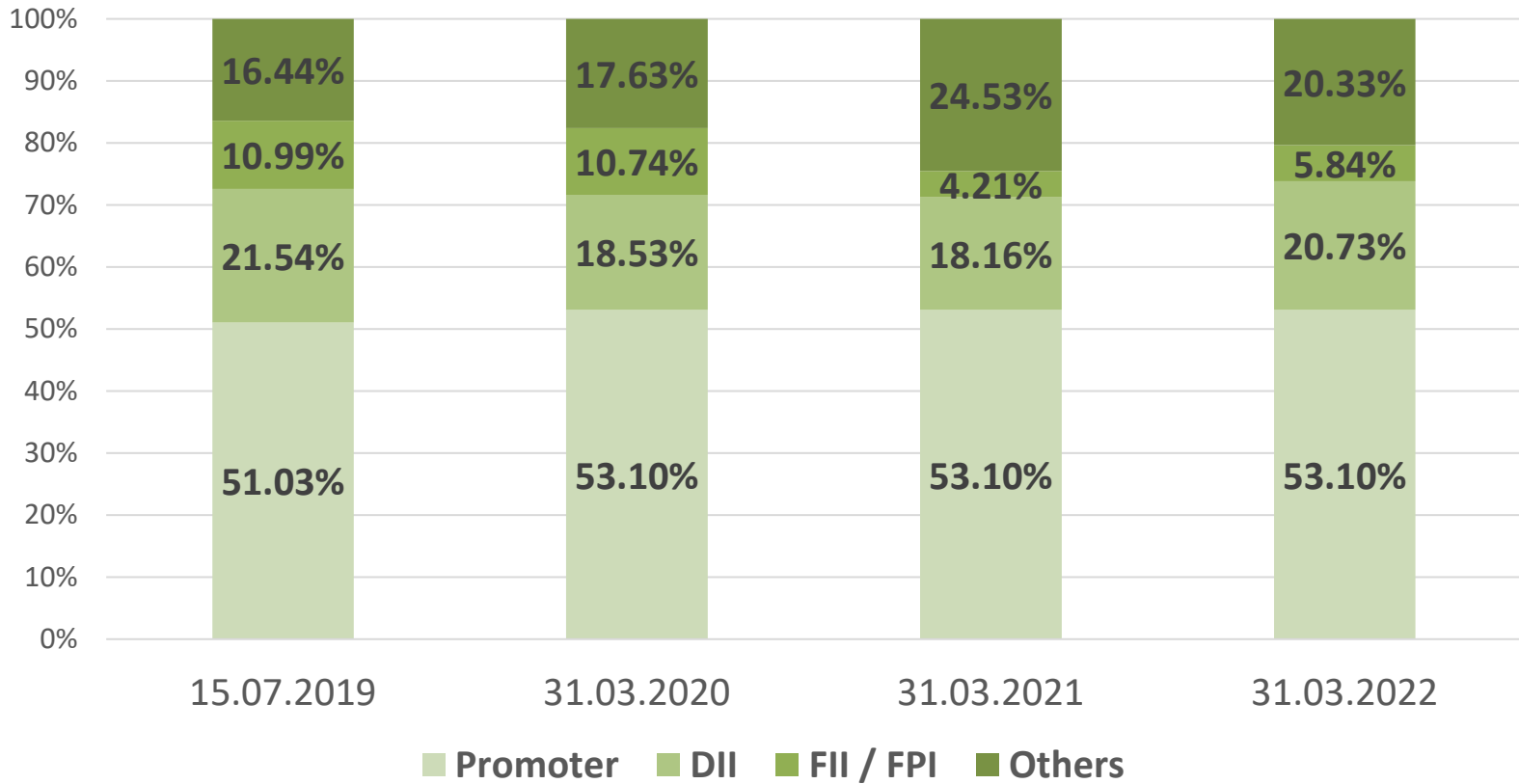
## NET DEBT EQUITY





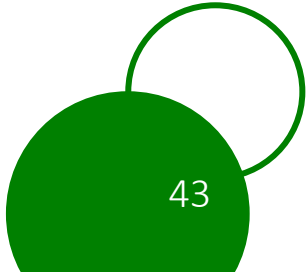
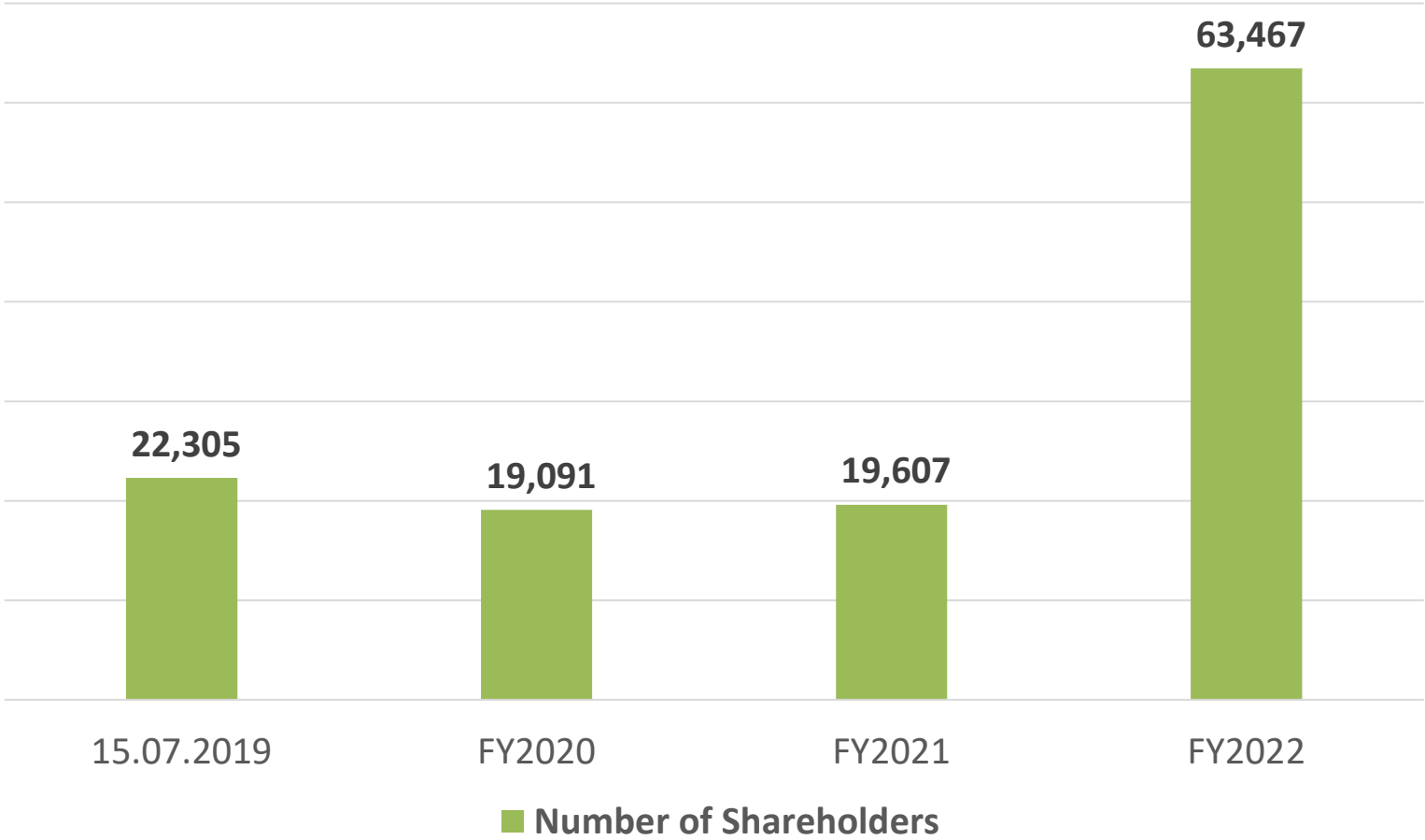
# Shareholding Pattern

## Shareholding structure (%)





# Shareholding



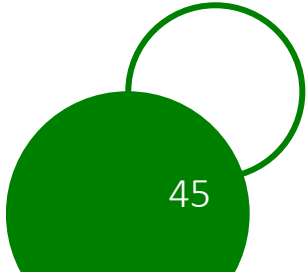
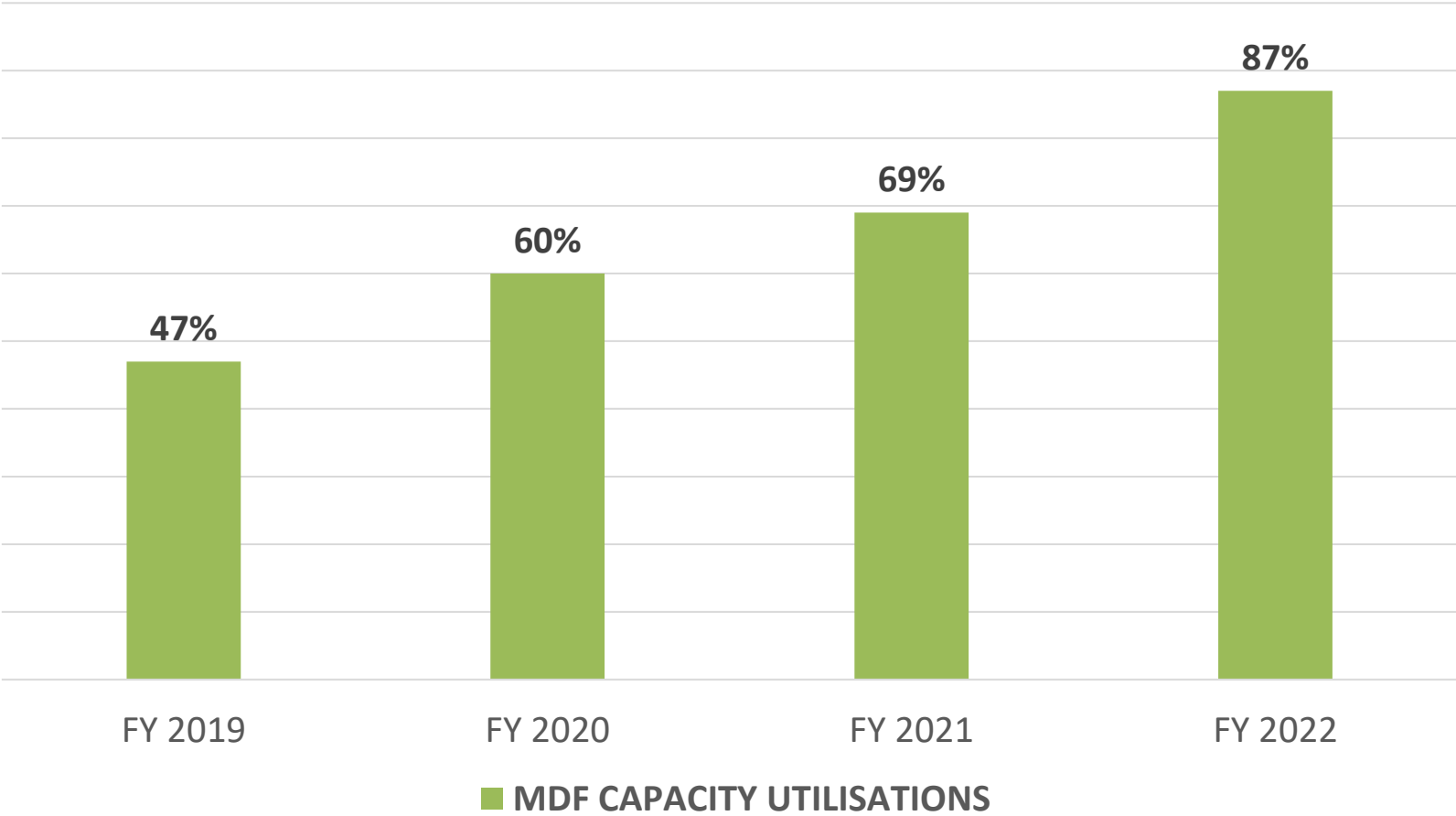


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# MDF Business

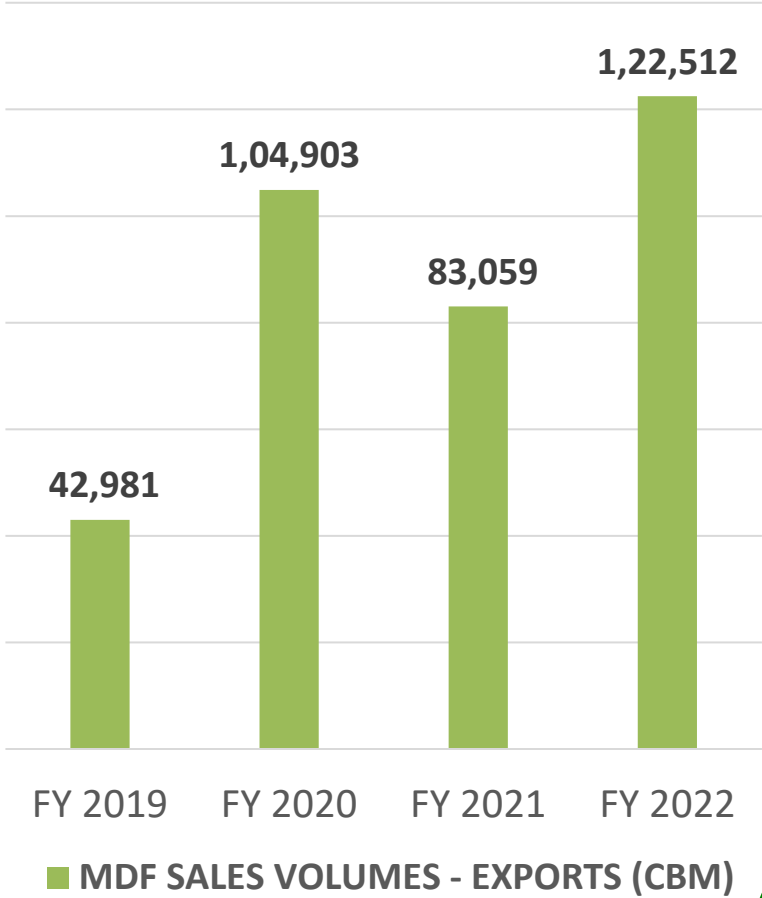
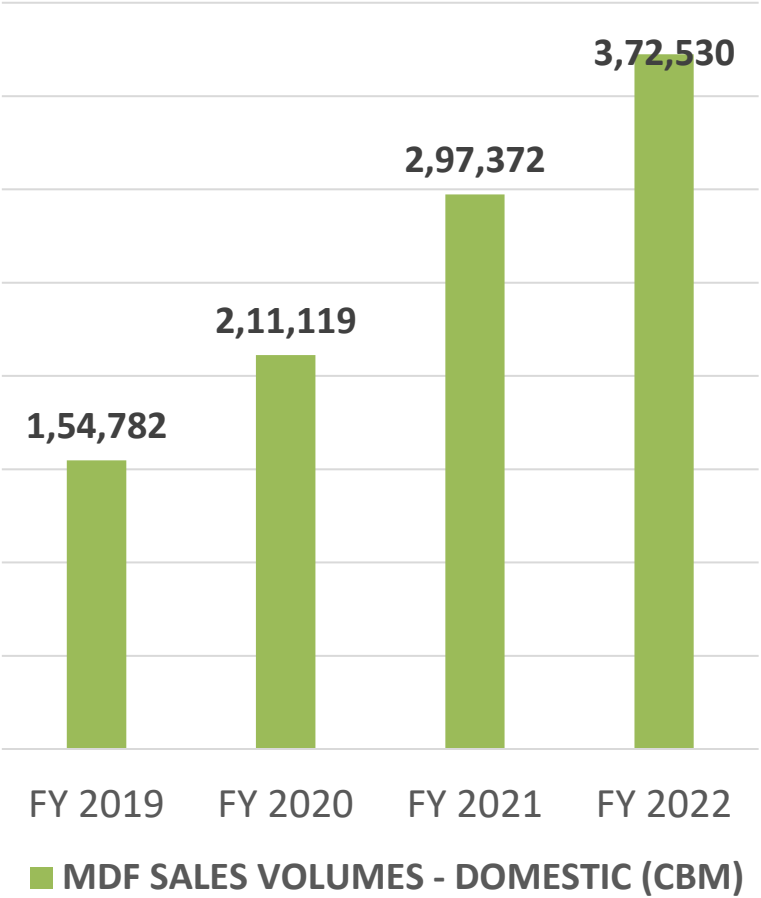


# MDF Business





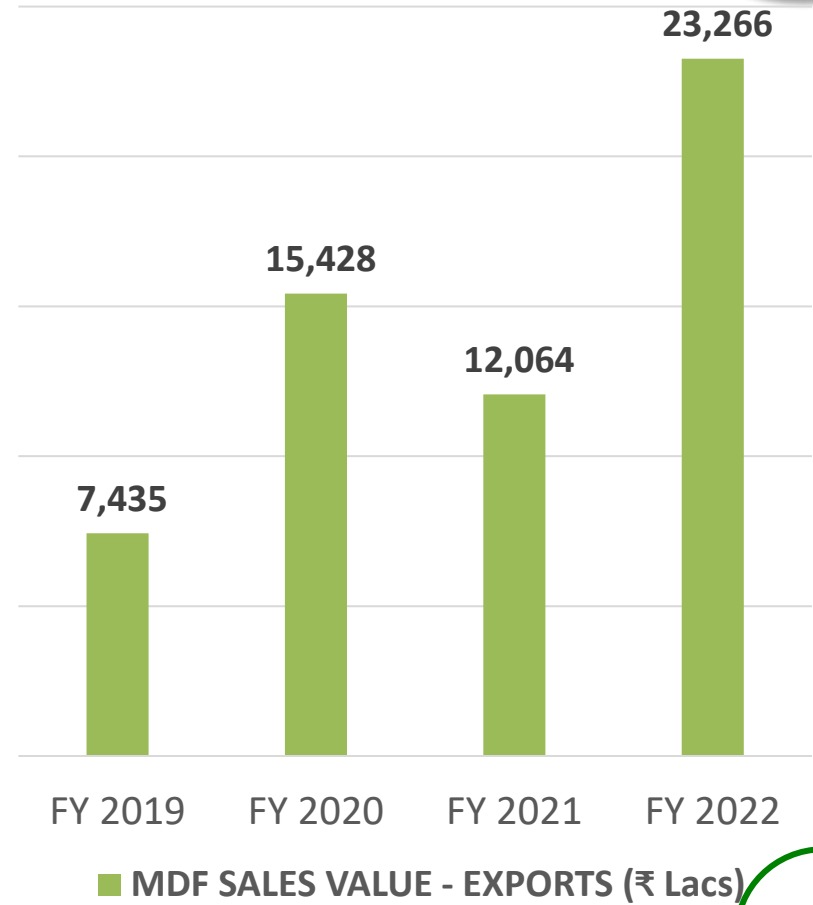
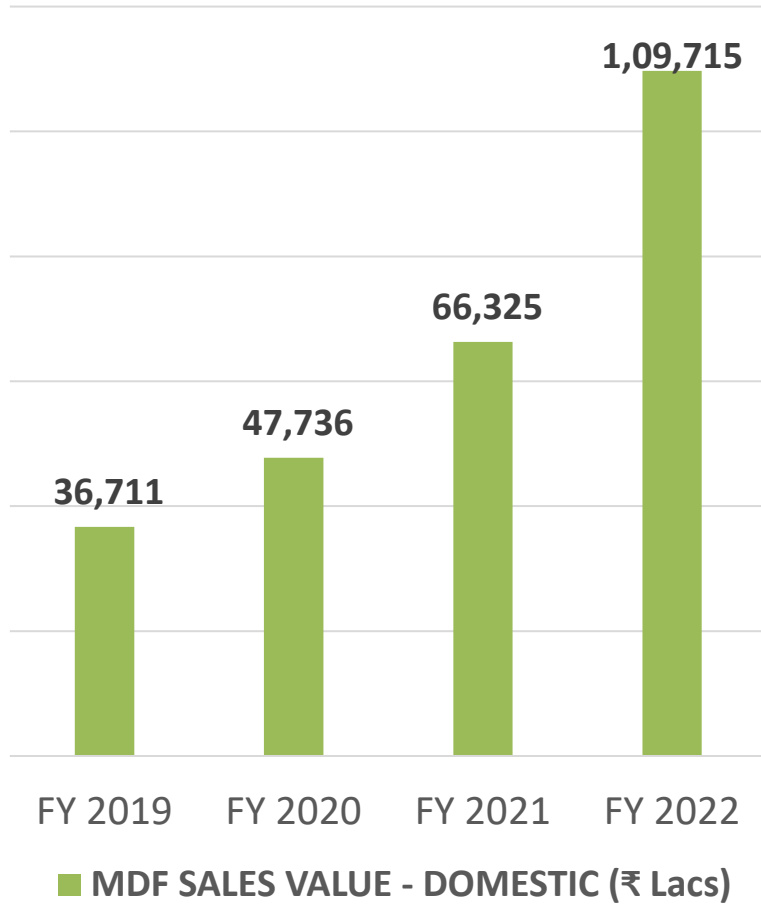
# MDF Business





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# MDF Business

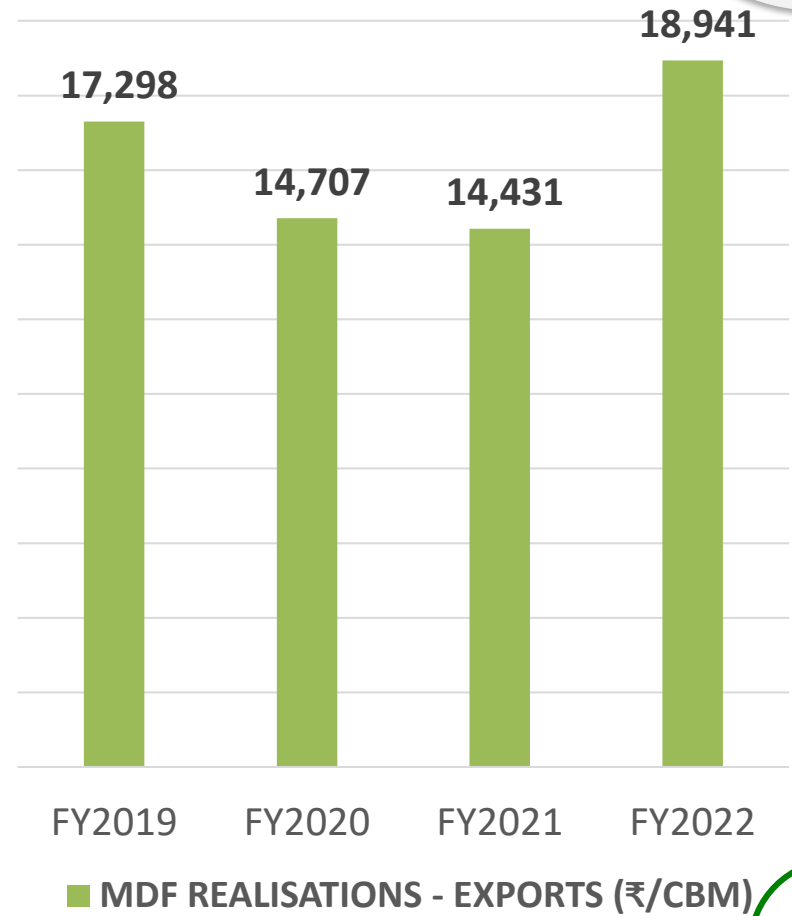
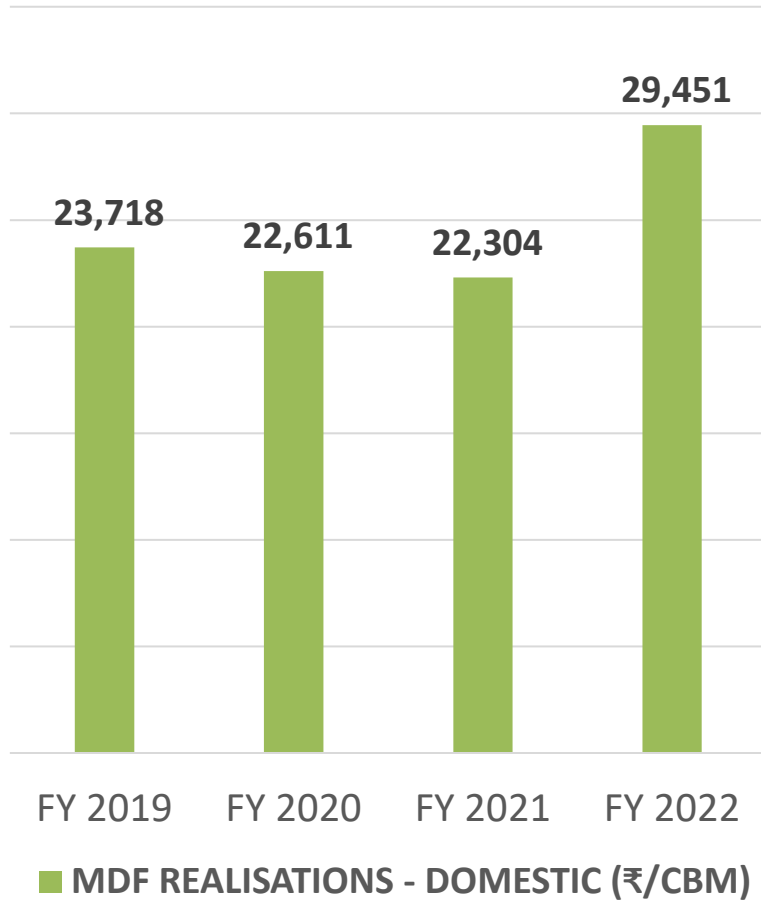






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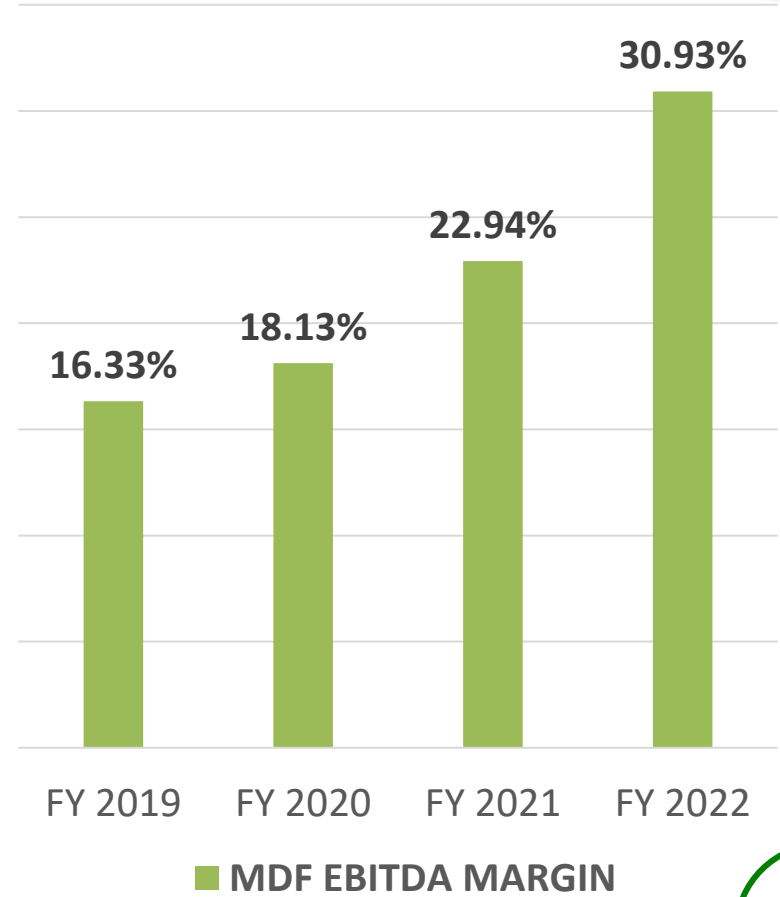
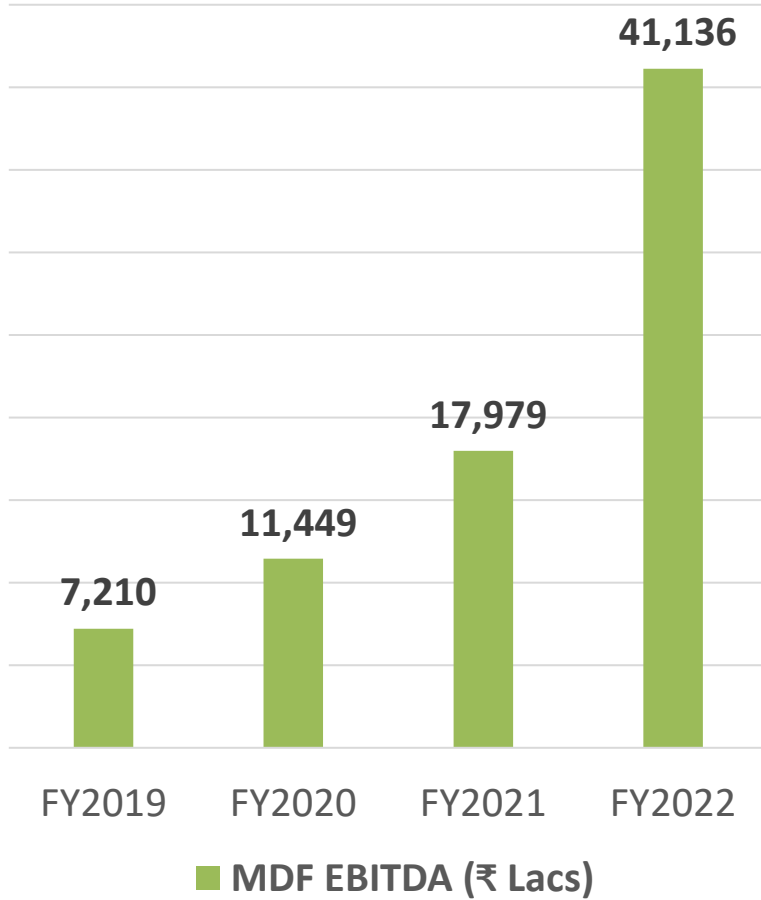
# MDF Business





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# MDF Business





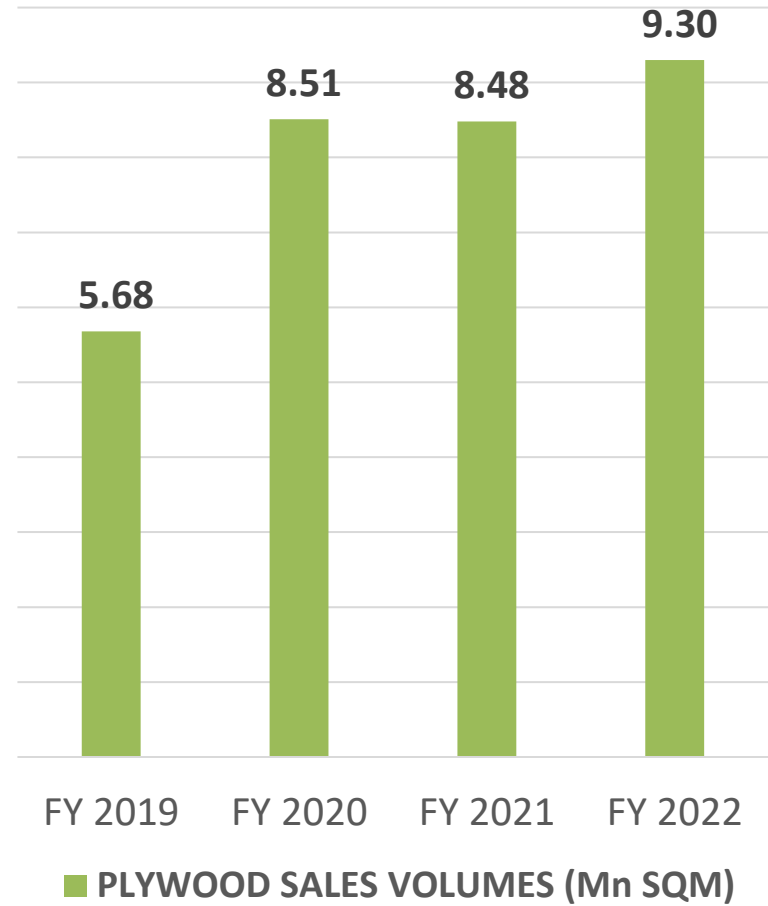
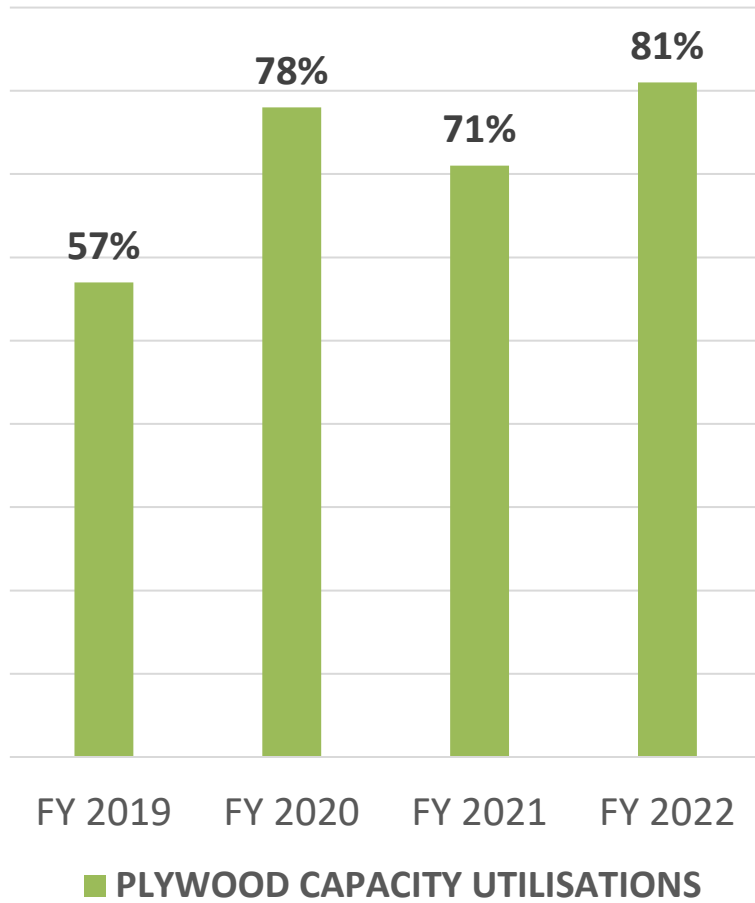
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# Ply Business



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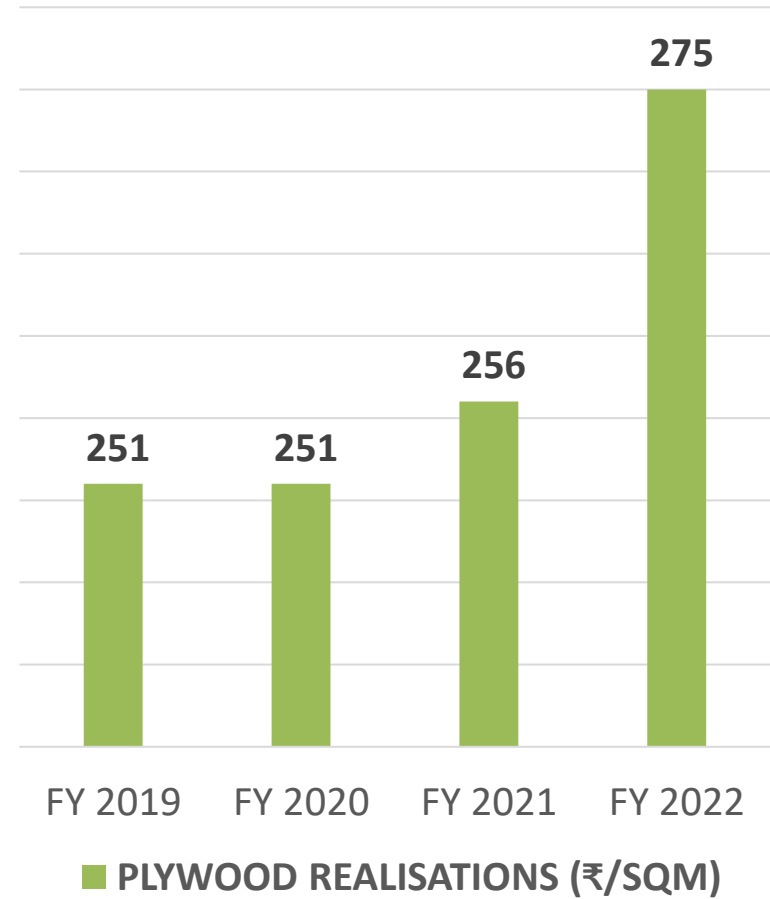
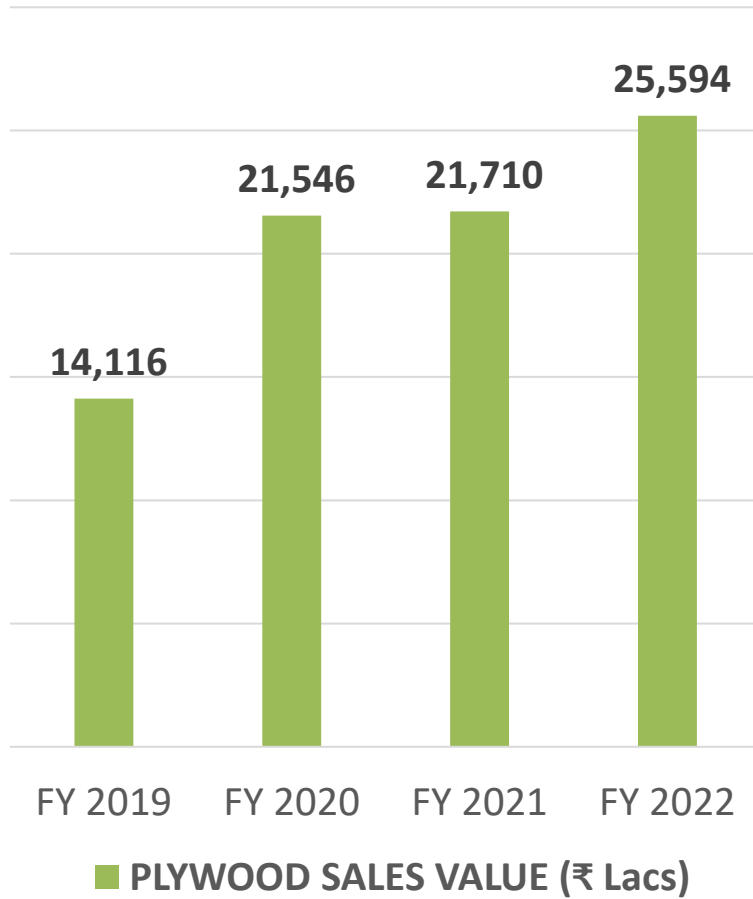
# Ply Business





GREENPANEL

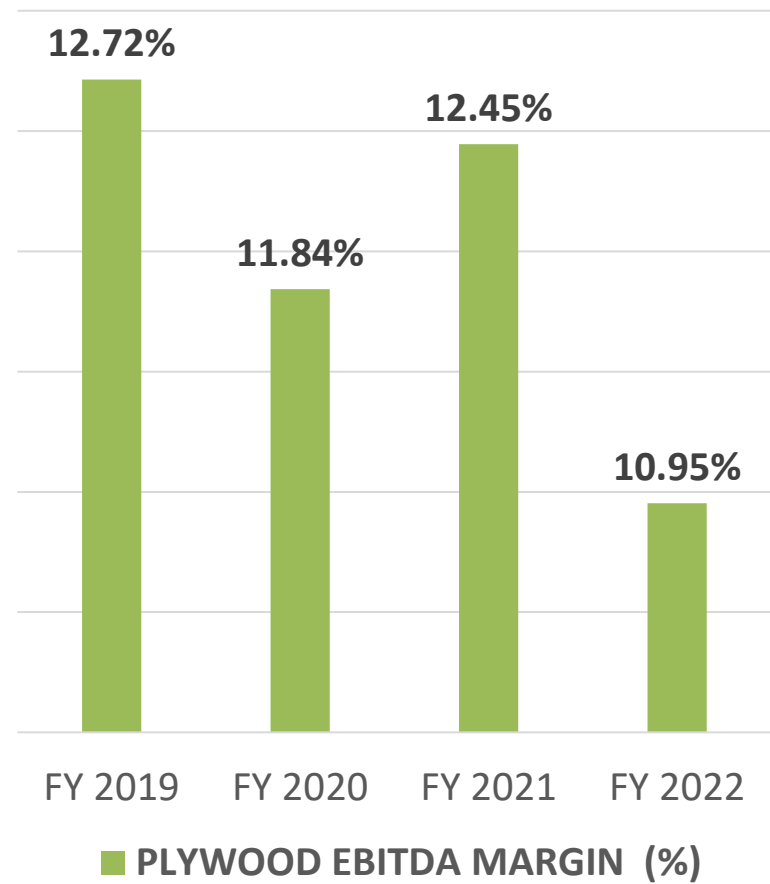
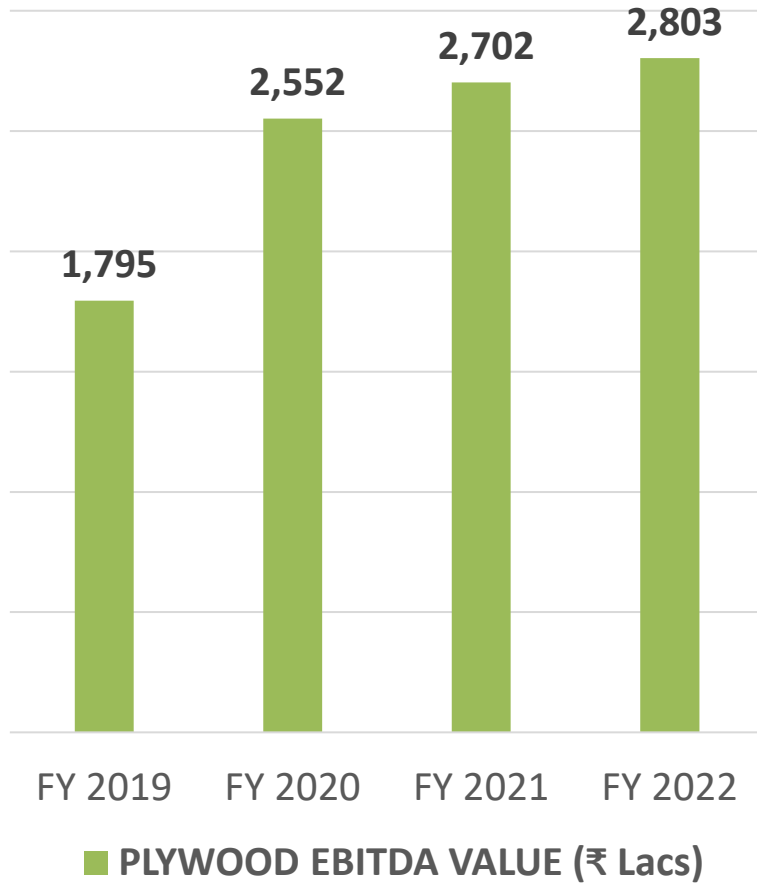
# Ply Business





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# Ply Business





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## Achieved so far...

- ✓ Annual **capacity of MDF increased** from 540,000 CBM to 660,000 CBM in FY2022 by installation of MAT pre-heating systems
- ✓ **Wax emulsion system installed** during the year to reduce Wax consumption in MDF production to the tune of 30%
- ✓ Term loan from LBBW prepaid to the extent of EUR 9 million in FY2022 that substantially **brought down the debt exposure** and foreign currency exposure
- ✓ Greenpanel is the **largest exporter of MDF** from India and has presence in 16 countries globally



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### Our widened distribution network

# 2,535

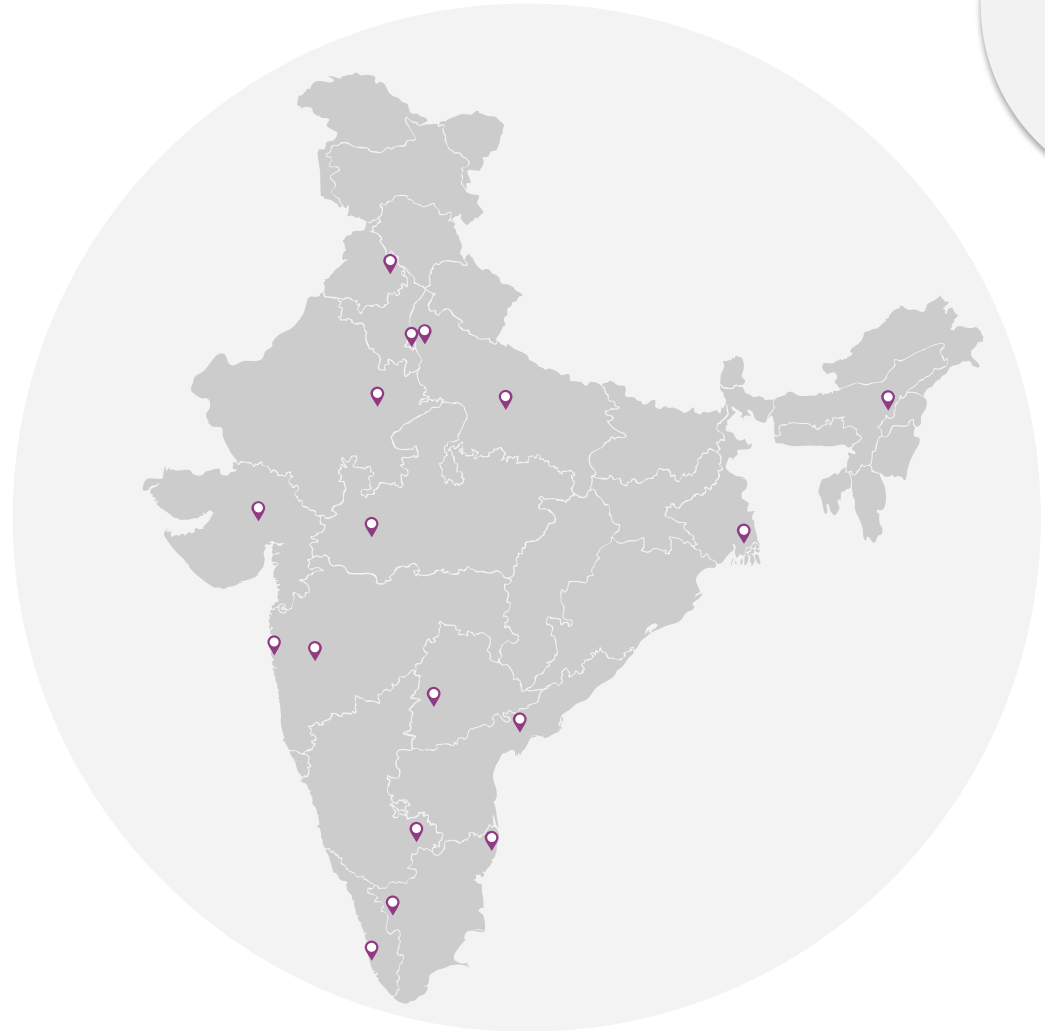
Number of dealers as on 31<sup>st</sup> March 2022

# 12,500+

Number of retailers as on 31<sup>st</sup> March 2022

# 17

Branches pan-India



### Name of physical branches

**West & Central:** Mumbai, Pune, Indore, Ahmedabad

**South:** Bangalore, Hyderabad, Kochi, Coimbatore, Chennai, Vijayawada

**North:** Jaipur, Chandigarh, Lucknow, Ghaziabad, Delhi

**East:** Kolkata, Guwahati





Thank  
you

**Mr. V. Venkatramani**

Chief Financial Officer

Greenpanel Industries Limited

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