

Greenlam/2024-25
July 23, 2024

The Manager

BSE Limited
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BSE Scrip Code: 538979

The Manager

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NSE Symbol: GREENLAM

Sub: Investor Presentation

Dear Sir/Madam,

Please find enclosed herewith the Investor Presentation on the Financial Results of the Company for the quarter ended June 30, 2024.

Kindly take the above information on records.

Thanking you,
Yours faithfully,

For **GREENLAM INDUSTRIES LIMITED**

PRAKASH KUMAR BISWAL
COMPANY SECRETARY &
SENIOR VICE PRESIDENT –LEGAL

Encl. As above



Bettering

EXPANDING HORIZONS



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This presentation contains certain forward looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the company.

Our Journey



1992 - 93

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

2002

- Started commercial production of Decorative Veneer

2005 - 08

- Setting up of overseas subsidiaries in Singapore and US

2009

- Started commercial production of 2nd laminate unit at Nalagarh

2012

- Setting up of subsidiary in UK

2014 - 16

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

2019

- Acquisition of Greenlam Decolan SA
- Incorporation of Greenlam Limited*

2016 - 21

- Multiple Brownfield expansion of Laminates

2021 - 22

- **Greenfield expansion of:** Plywood plant at Tindivanam, Tamil Nadu
Laminate plant and Particle Board plant at Naidupeta, Andhra Pradesh (Under Greenlam Limited*)
- First listed NCD issued

2022 - 23

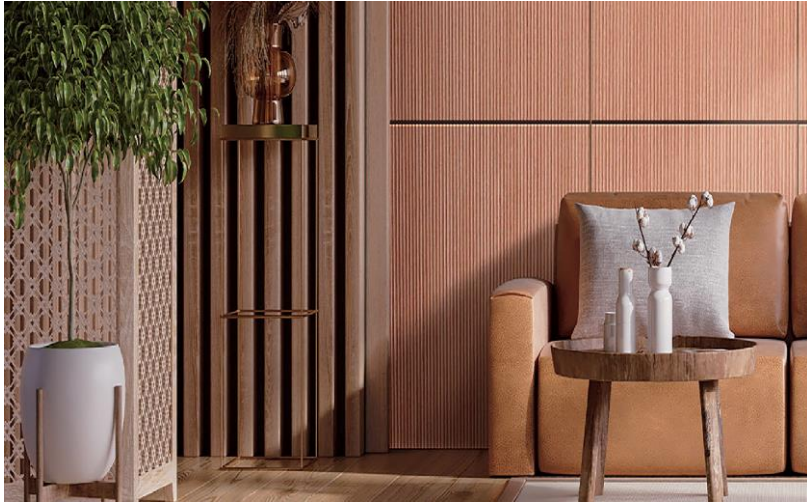
- Acquisition of Laminate plant in Gujarat
- Capital Raise via Preferential issue

2023 - 24

- HG Industries Ltd amalgamated into Greenlam Industries Limited
- Commenced commercial operations of plywood unit at Tindivanam, Tamil Nadu
- Commenced commercial operations of Laminate unit at Naidupeta, Andhra Pradesh

*Greenlam Limited (Formerly Greenlam South Limited)

Next Orbit – Larger, Stronger and more Profitable



Capacity Creation

Capacity creation ahead of the demand curve

Strong Financial Standing

Robust balance sheet and Strong credit rating

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



Sturdo
RESTROOM CUBICLES & LOCKERS



MFC
MELAMINE FACED CHIPBOARD
&
MEDIUM DENSITY FIBREBOARD



Mikasa®
DOORS & FRAMES



Mikasa®
REAL WOOD FLOORS



Manufacturing Capabilities

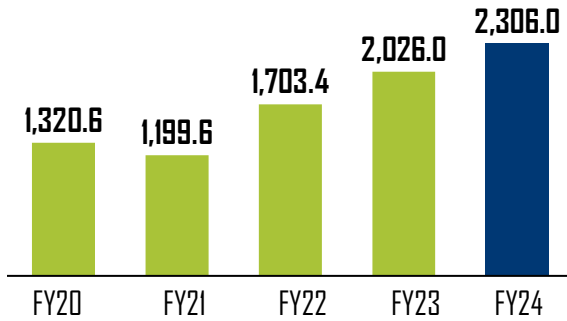


Products	UOM	Annual Capacity	Location
Current Capacities			
High Pressure Laminate	Mn Sheets / Boards	24.52	Behror, Raj Nalagarh, HP Prantij, GJ Naidupeta, AP
Decorative Veneer	Mn SQM	4.2	Behror, Raj
Engineered Wood Floor	Mn SQM	1.0	Behror, Raj
Engineered Doors	Units	120,000	Behror, Raj
Plywood	Mn SQM	18.9	Tindivanam, TN
Upcoming Capacities			
Particle Board	CBM	292,380 [#]	Naidupeta, AP

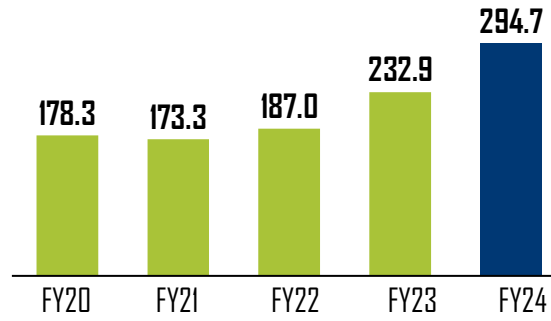
Raj - Rajasthan, HP - Himachal Pradesh, GJ - Gujarat, TN - Tamil Nadu, AP - Andhra Pradesh,

#Particle Board capacity has been enhanced to 886 CBM/day from 700 CBM/day

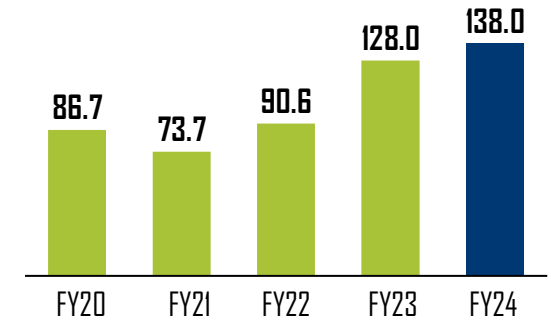
Financial Performance for last 5 years



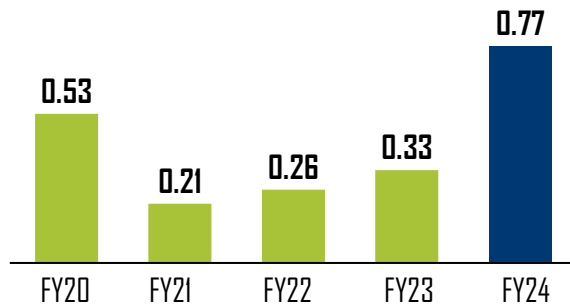
Revenue (INR Crs)



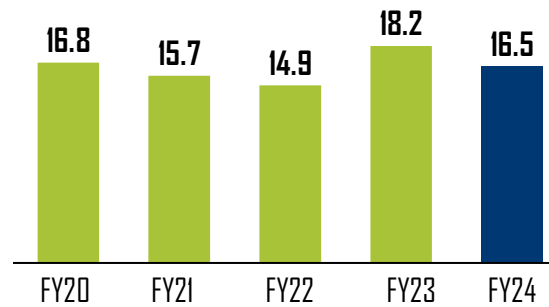
*EBITDA (INR Crs)



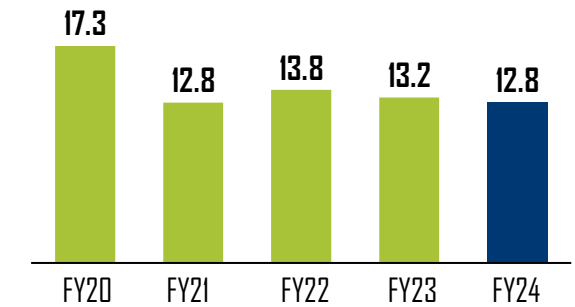
PAT (INR Crs)



Net Debt: Equity (x)



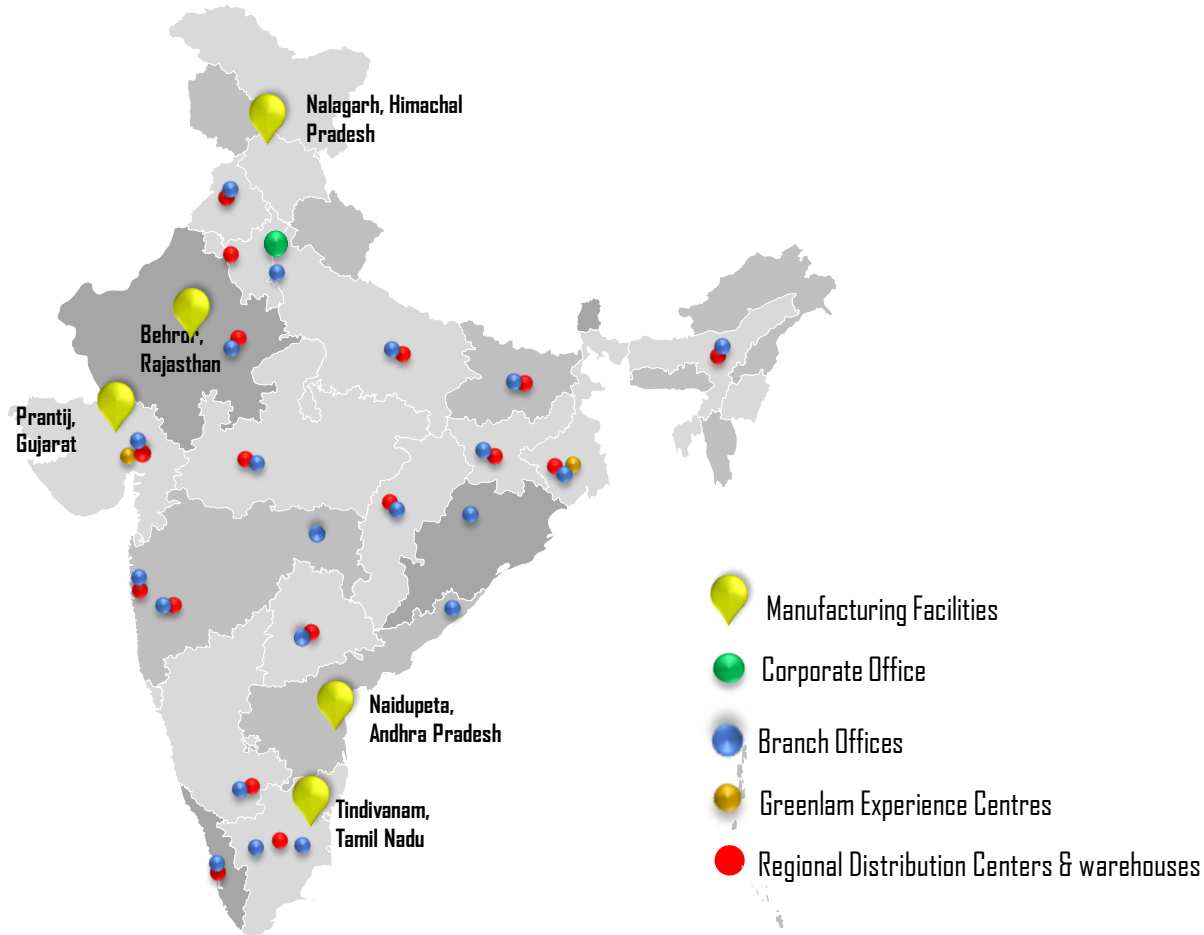
**ROCE (%)



ROE (%)

*EBITDA is before exceptional items

**ROCE is before exceptional items & excluding capital employed for Projects
Previous year data has been reclassified and restated wherever necessary



DOMESTIC

5 State of the art Manufacturing Facilities

17 Company owned large Regional Distribution Centers & warehouses

30,000+ Distributors, Dealers & Retailers

Over 7,500 Employee base

21 Branch Offices

Tindivanam, Tamil Nadu – Plywood plant started commercial production w.e.f. June 09, 2023
Naidupeta, Andhra Pradesh – Laminate plant started commercial production w.e.f. September 29, 2023
Naidupeta, Andhra Pradesh – Particle board plant is expected to be operational by Q3FY25

As on March 31, 2024 and includes contractual employees



INTERNATIONAL

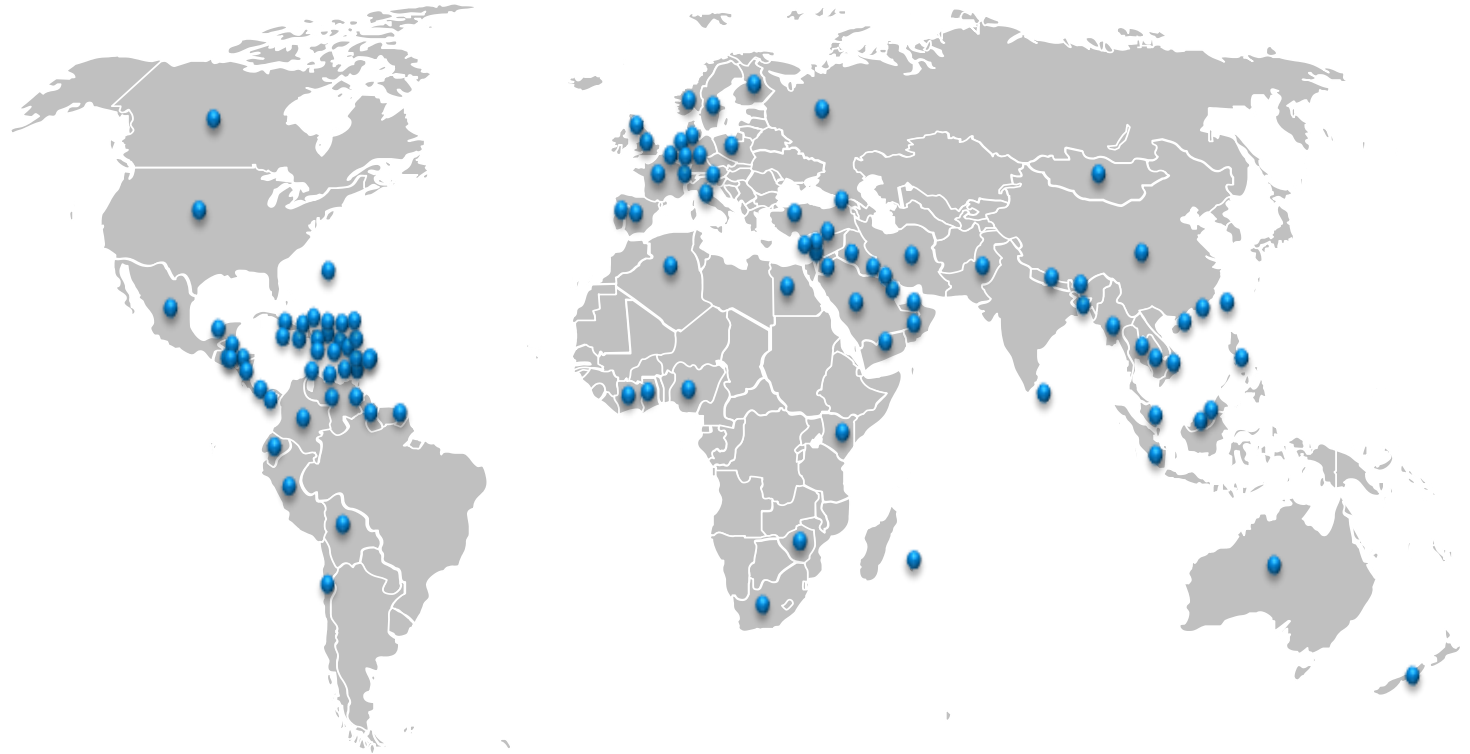
Present in **120+** Countries

4 Company Operated Distribution Centers

16 International Offices

8 Overseas Operating Subsidiaries

130+ Overseas Employees



Business Update - Financial Highlights Q1FY25



- ❖ During the first quarter, laminate production was 5.1 mn sheets amounting to capacity utilisation of 83%. For the quarter, revenue growth stood at 17.4% on a YoY basis.
- ❖ The laminate business witnessed a value growth of 13.2% and volume growth of 11.9% on YoY basis, primarily driven by the international revenues.
- ❖ This quarter saw the highest international revenues for our laminate business, reaching ₹285.6 crores, which represents a growth of 22.1% in value terms and 13.8% in volume terms YoY. However, international revenue growth was impacted due to delayed availability of containers, longer shipment times, and increased freight costs. The container availability issue has resulted in 1.5 lakh sheets (~₹15.0 crores) worth of goods lying for dispatch at our plants.
- ❖ Overall domestic revenues grew by 11.8%, with growth across all business segments except for decorative veneers. Domestic growth was also impacted during the quarter by an excessively harsh summer season, which affected worker availability at sites, and disruptions due to the general elections.
- ❖ Our gross margins for the quarter were marginally lower on YoY basis at 52.0%. Raw material costs, excluding freight, remained broadly stable, except for timber costs, which continued to be elevated.
- ❖ Our EBITDA margins declined to 10.6% for the quarter due to higher operating expenses. This is primarily due to lower revenues, lower gross margins and higher employee costs.
- ❖ The company reported a net profit of ₹19.9 crores for the current quarter due to higher depreciation and interest costs for new projects.

Business Update - Financial Highlights Q1FY25



- ❖ Our net working capital days stood at 65 days for Q1FY25, compared to 72 days for Q1FY24, reflecting our disciplined commercial practices.
- ❖ Our net debt stood at ₹921.8 crores, which includes debt of approximately ₹465.0 crores for the particle board project.
- ❖ The particle board project in Naidupeta, Andhra Pradesh, is expected to start commercial production in Q3FY25.
- ❖ During the quarter, Greenlam was awarded Highest Export Award for the decorative laminates category. The recognition was given by The Plastics Export Promotion Council (PLEXCONCIL) for the FY2021-22 and FY2022-23. This is the fourteenth consecutive year when Greenlam was awarded for the highest exports in the laminate category marking its leadership in the international laminates market.
- ❖ During the quarter, CARE Ratings undertook the annual surveillance of the credit ratings of the Company. The credit ratings have been reaffirmed as under
 - Long Term Ratings – “AA- (Outlook – Stable)”
 - Short Term Ratings – “A1+”

Consolidated Financial Performance



Profit and Loss Statement

INR Crores	Q1 FY25	Q1 FY24	YoY%	Q4 FY24	QoQ%	FY24
Revenue	604.7	515.2	17.4%	624.1	-3.1%	2,306.3
Raw Material	290.0	245.9		293.5		1,087.5
Gross Profit	314.7	269.3	16.8%	330.6	-4.8%	1,218.9
<i>Gross Margin %</i>	<i>52.0%</i>	<i>52.3%</i>	<i>(30) Bps</i>	<i>53.0%</i>	<i>(100) Bps</i>	<i>52.8%</i>
Employee Cost	122.9	96.2		113.3		425.7
Other Expenses	127.8	108.8		133.8		498.5
EBITDA	64.0	64.4	-0.6%	83.5	-23.4%	294.7
<i>EBITDA Margin %</i>	<i>10.6%</i>	<i>12.5%</i>	<i>(190) Bps</i>	<i>13.4%</i>	<i>(280) Bps</i>	<i>12.8%</i>
Other (Income)/Cost	(3.1)	(4.0)		(8.7)		(21.7)
Interest	13.8	7.3		13.4		44.3
Depreciation	26.3	17.4		25.8		87.1
PBT	27.0	43.7	-38.1%	53.1	-49.1%	184.9
<i>PBT Margin %</i>	<i>4.5%</i>	<i>8.5%</i>	<i>(400) Bps</i>	<i>8.5%</i>	<i>(400) Bps</i>	<i>8.0%</i>
Tax	7.2	10.7		12.4		46.9
PAT	19.9	33.0	-39.7%	40.8	-51.2%	138.0
<i>PAT Margin %</i>	<i>3.3%</i>	<i>6.4%</i>	<i>(310) Bps</i>	<i>6.5%</i>	<i>(320) Bps</i>	<i>6.0%</i>

Previous year data has been reclassified and restated wherever necessary



Laminates & Allied Segment

INR Crores	Q1 FY25	Q1 FY24	YoY%	Q4 FY24	QoQ%	FY24
Net Revenue from Operations	534.3	472.0	13.2%	536.8	-0.5%	2,039.7
Gross Profit	281.3	250.3	12.4%	289.8	-2.9%	1,097.4
Gross Margin %	52.6%	53.0%	(40 Bps)	54.0%	(140 Bps)	53.8%
EBITDA	72.9	69.9	4.2%	89.2	-18.3%	325.5
EBITDA Margin %	13.6%	14.8%	(120 Bps)	16.6%	(300 Bps)	16.0%
Capital Employed	882	573		833		833

Previous year data has been reclassified and restated wherever necessary



Laminates & Allied Segment – Quantitative Details

Particulars	Q1 FY25	Q1 FY24	YoY%	Q4 FY24	QoQ%	FY24
Annual Installed Capacity (Mn Sheets)	24.52	21.02	16.7%	24.52	0.0%	24.52
Production (Mn Sheets)	5.08	4.68	8.7%	5.21	-2.5%	19.85
Capacity Utilization (Annualized)	83%	89%		85%		88%
Sales (Mn Sheets)	4.67	4.17	11.9%	5.23	-10.7%	18.97
Average Realisation (INR / Sheet)	1,105	1,086	1.8%	984	12.4%	1,032

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Veneers & Allied Segment

INR Crores	Q1 FY25	Q1 FY24	YoY%	Q4 FY24	QoQ%	FY24
Net Revenue from Operations	42.8	42.5	0.7%	61.0	-29.9%	208.7
Gross Profit	19.4	18.3	6.3%	28.2	-31.1%	93.9
Gross Margin %	45.4%	43.0%	240 Bps	46.2%	(80 Bps)	45.0%
EBITDA	-2.7	-1.6		2.0		-0.8
EBITDA Margin %	-6.4%	-3.8%		3.3%		-0.4%
Capital Employed	171	193		174		174

Previous year data has been reclassified and restated wherever necessary



Decorative Veneers – Quantitative Details

Particulars	Q1 FY25	Q1 FY24	YoY%	Q4 FY24	QoQ%	FY24
Annual Installed Capacity (Mn Sqmt)	4.20	4.20		4.20		4.20
Production (Mn Sqmt)	0.22	0.26	-14.6%	0.42	-48.0%	1.42
Capacity Utilization (Annualized)	21%	25%		40%		33%
Sales (Mn Sqmt)	0.20	0.27	-26.2%	0.42	-52.2%	1.40
Average Realisation (INR / Sqmt)	960	916	4.8%	862	11.3%	889

Previous year data has been reclassified and restated wherever necessary



Plywood & Allied Segment

INR Crores	Q1FY25	Q1FY24	Q4FY24
Net Revenue from Operations	27.6	0.8	26.3
Gross Profit	14.0	0.2	12.6
Gross Margin %	50.6%	30.1%	48.1%
EBITDA	-6.1	-4.0	-7.6
EBITDA Margin %	-22.2%	-	-29.1%
Capital Employed	187	153	197

Quantitative Details	Q1 FY25	Q1 FY24	Q4 FY24
Annual Installed Capacity (Mn Sqmt)	18.90	18.90	18.90
Production (Mn Sqmt)	1.13	0.04	1.10
Capacity Utilization (Annualized)	24%	4%	23%
Sales (Mn Sqmt)	1.14	0.03	1.04
Average Realisation (INR / Sqmt)	242	233	251



Operating Parameters - Net Working Capital

Particulars	Q1 FY25		Q1 FY24		Q4 FY24		FY24	
	Amt INR Crores	Days	Amt INR Crores	Days	Amt INR Crores	Days	Amt INR Crores	Days
Inventory	630.5	95	540.0	96	609.1	89	609.1	96
Trade Receivables	175.8	27	143.1	25	152.1	22	152.1	24
Trade Payables	375.6	57	278.0	49	347.9	51	347.9	55
NWC	430.7	65	405.1	72	413.3	60	413.3	65

Consolidated Financial Performance



Debt Position

INR Crores	Q1 FY25	Q1 FY24	FY24
Long Term Debt (Including current portion)	825.5	571.9	804.2
Short Term Debt	238.8	173.1	210.0
Total Debt*	1,064.3	745.0	1,014.2
Cash & Bank Balance	27.0	19.7	32.8
Liquid Investments	115.5	203.6	147.4
Net Debt	921.8	521.7	834.0

*Debt includes current portion of long-term debt and is prior to IndAS adjustment of INR 14.8 crores for Q1FY25 and INR 15.4 crores for FY24

Previous year data has been reclassified and restated wherever necessary



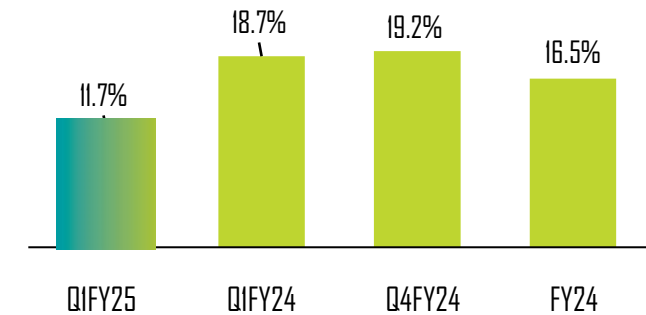
Return Ratios – ROCE & ROE

INR Crores	Q1FY25	Q1FY24	Q4FY24	FY24
EBIT	40.8	51.0	66.5	229.2
PAT	19.9	33.0	40.8	138.0
Capital Employed	2,160.2	1,736.8	2,091.6	2,091.6
Capital Employed (Ex- Project under implementation)	1,391.0	1,092.9	1,388.2	1,388.2
Net Worth	1,095.2	976.5	1,076.9	1,076.9
ROCE[^]	7.6%	11.7%	12.7%	11.0%
ROCE (Ex-Projects)[^]	11.7%	18.7%	19.2%	16.5%
ROE[^]	7.3%	13.5%	15.2%	12.8%

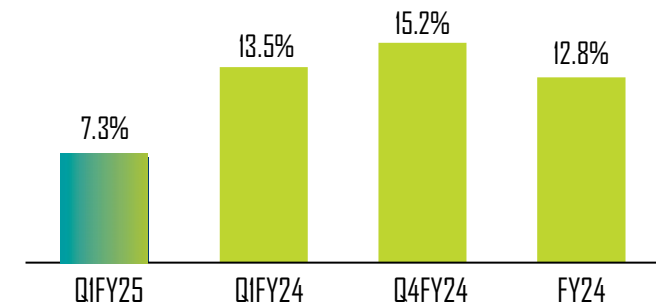
[^]Quarterly ratios are on annualized basis

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ROCE (Ex- Particle Board Project)



ROE





For further information, please contact:

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