



# Results Presentation

Q1 FY21

July 28, 2020

# Safe Harbour

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aculturecalled  
**bettering**

Its a belief driven by our values to thrive improvement across  
business segments

Our 'bettering' culture is visible in..



Product

Marketing

Service Solutions

Manufacturing

**bettering**

Network

Infrastructure

People

Financials

# Product Portfolio

## Decorative 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



Greenlam  
LAMINATES



NEW-AGE LAMINATES FROM GREENLAM



CLADS  
EXTERIOR GRADE COMPACT LAMINATES



Sturdo  
RESTROOM CUBICLES AND LOCKER SOLUTIONS



MFC  
MELAMINE FACED CHIPBOARDS

## 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)



PREMIUM VENEERS  
NATURAL | TEAK | ENGINEERED





# Un-audited Consolidated Financials

## Q1 FY21

# COVID – 19 Impact & Response

- COVID-19 pandemic has resulted in lockdowns by various countries including India leading to severe disruption in business in domestic as well as international markets
- Our Behror and Nalagarh plants were forced to shut down on March 22 and 24, 2020 respectively
- Post obtaining necessary government approvals Behror plant restarted its operations on April 20, 2020 and Nalagarh plant on April 25, 2020. Corporate Office was opened from May 04, 2020 and subsequently branch offices were also operationalized
- During the lockdown, management reviewed the cost structure in detail and prudently ensured cost optimization on various heads
- Introduced commodity line of product range, '**Greenlam Decoliner**', in order to cater to various price points and expand market reach
- Conducted '**In Shop Hygiene Activity**' for our dealers & distributors with COVID-19 message soft merchandise. This was covered in 43 cities and 1270 outlets and helped them in restarting their businesses
- Introduced special initiative '**Decowood Cares**' – which will provide **COVID Insurance cover and Safety Hygiene kit**", as a mark of our commitment towards the well-being of our partners to keep the eligible contractors safe at their workplace

# COVID – 19 Impact & Response

- Undertaken **TVC advertisement** after a long time span. These TVC are aimed at highlighting anti-bacterial properties of the laminates which Greenlam has been producing since last 10 years.
- Apart from **anti-bacterial certifications**, Greenlam's products confirms to many global certifications accepted worldwide
- Due to the lockdowns, April month was a washout, whereas with easing of lockdown restrictions, May and June saw gradual recovery in sales
- Complete financial prudence was adopted and no loan moratorium was availed from our bankers. We had enough unutilized working capital limits available to support liquidity requirements
- In Q1, domestic business operated at 30% and international business at 85% of pre COVID levels. Overall business is operating at 55% of pre COVID levels
- Even currently, there are region wise lockdowns/restrictions which are imposed in domestic markets and in international markets several countries are still under restrictions which is creating pressure on demand



# Consolidated Financial Performance – Q1FY21

- Consolidated Net Revenue for the quarter de-grew by 44.6% to INR 160.4 Crores as compared to INR 289.5 Crores in Q1FY20
- Laminate revenue de-grew by 40.7% to INR 145.6 crores in Q1FY21 as compared to INR 245.6 crores in Q1FY20
  - Domestic laminate revenue de-grew by 65.7% in value terms and volumes de-grew by 54.5%
  - International laminate revenues de-grew by 12.9% in INR value and volumes de-grew by 21.1% for the quarter
- Revenues of decorative veneer business de-grew by 75.4% to INR 6.2 crores in Q1FY21 from INR 25.4 crores in Q1FY20, volumes de-grew by 73.5%
- Revenues of engineered wood flooring business de-grew by 70.9% to INR 3.3 crores as against INR 11.5 crores in Q1FY20
- Revenues of engineered door business de-grew by 27.4% to INR 5.2 crores as against INR 7.1 crores in Q1FY20

# Consolidated Financial Performance – Q1FY21

- Gross Margin improved by 20 bps to 49.7% in Q1FY21 from 49.5% in Q1FY20
- Gross margin in absolute terms declined by 44.4% to INR 79.7 crores in Q1FY21 as compared to INR 143.5 crores in Q1FY20
- EBIDTA margin de-grew by 540 bps to 4.9% in Q1FY21 from 10.3% in Q1FY20
- EBIDTA de-grew by 73.7% to INR 7.9 crores in Q1FY21 as comparison to INR 29.9 crores in the Q1FY20
- The quarter saw a net loss of INR 7.7 crores as against net profit of INR 8.4 crores in corresponding quarter last year
- Working capital cycle was distorted and stood at 218 days for the quarter. This is due to severe decline in sales and inventory built up as most of our raw material is imported. Going forward this is likely to get corrected

# Consolidated Financial Performance

## Profit and Loss Statement

INR Crores	Q1FY21	Q1FY20	YoY%	Q4FY20
<b>Revenue</b>	<b>160.4</b>	<b>289.5</b>	<b>-44.6%</b>	<b>324.0</b>
Raw Material	80.7	146.1		161.4
<b>Gross Profit</b>	<b>79.7</b>	<b>143.5</b>	<b>-44.4%</b>	<b>162.6</b>
<b>Gross Margin %</b>	<b>49.7%</b>	<b>49.5%</b>	<b>20 bps</b>	<b>50.2%</b>
Employee Cost	40.8	52.3		58.6
Other Expenses	31.0	61.3		58.8
<b>EBITDA</b>	<b>7.9</b>	<b>29.9</b>	<b>-73.7%</b>	<b>45.2</b>
<b>EBITDA Margin %</b>	<b>4.9%</b>	<b>10.3%</b>	<b>(540) Bps</b>	<b>14.0%</b>
Other (Income)/Cost	(1.0)	(0.3)		(2.3)
Interest	5.0	4.5		5.2
Depreciation	13.5	9.4		14.2
<b>PBT</b>	<b>-9.5</b>	<b>16.2</b>		<b>28.1</b>
<b>PBT Margin %</b>	<b>-5.9%</b>	<b>5.6%</b>		<b>8.7%</b>
Tax	-1.8	7.9		6.4
<b>PAT</b>	<b>-7.7</b>	<b>8.4</b>		<b>21.7</b>
<b>PAT Margin %</b>	<b>-4.8%</b>	<b>2.9%</b>		<b>6.7%</b>

# Consolidated Financial Performance

## Laminates & Allied Segment

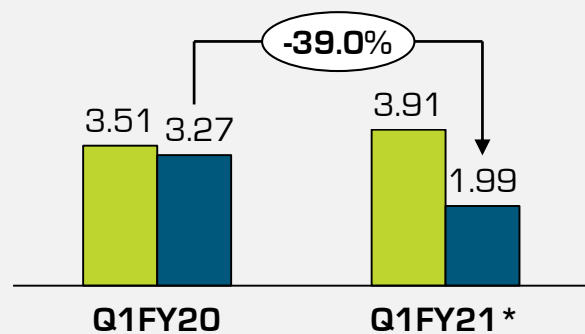
INR Crores	Q1FY21	Q1FY20	YoY%	Q4FY20
Net Revenue from Operations	145.6	245.6	-40.7%	283.6
Gross Profit	73.5	123.6	-40.6%	142.3
<b>Gross Margin %</b>	<b>50.5%</b>	<b>50.3%</b>	<b>20 bps</b>	<b>50.2%</b>
EBIDTA	12.3	30.8	-60.0%	44.9
<b>EBIDTA Margin %</b>	<b>8.5%</b>	<b>12.6%</b>	<b>(410) bps</b>	<b>15.8%</b>
Capital Employed	501.9	449.0		453.4

# Consolidated Financial Performance

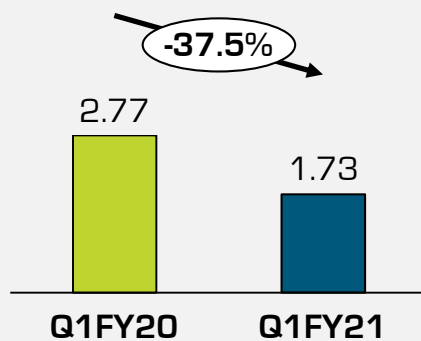
## Laminates & Allied Segment



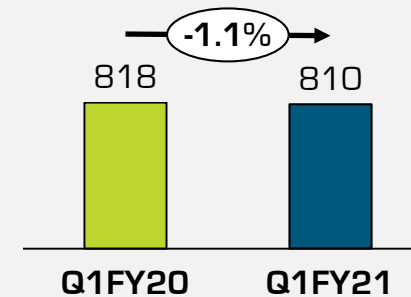
### Production and Capacity (Mn Sheets)



### Sales (Mn Sheets)



### Average Realisation (INR / Sheet)



Capacity Production

\*Capacity Increased by 1.6 Mn Sheets w.e.f from Sep 2019

# Consolidated Financial Performance

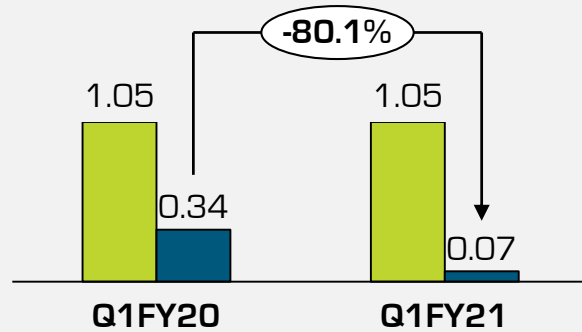
## Veneers & Allied Segment

INR Crores	Q1FY21	Q1FY20	YoY%	Q4FY20
<b>Net Revenue from Operations</b>	<b>14.7</b>	<b>44.0</b>	<b>-66.5%</b>	<b>40.4</b>
Gross Profit	6.2	19.8	-68.7%	20.3
<b>Gross Margin %</b>	<b>42.1%</b>	<b>45.1%</b>	<b>(300) bps</b>	<b>50.2%</b>
EBIDTA	(4.5)	(1.0)		0.3
<b>EBIDTA Margin %</b>	<b>-30.3%</b>	<b>-2.2%</b>		<b>0.7%</b>
Capital Employed	241.9	226.4		238.0

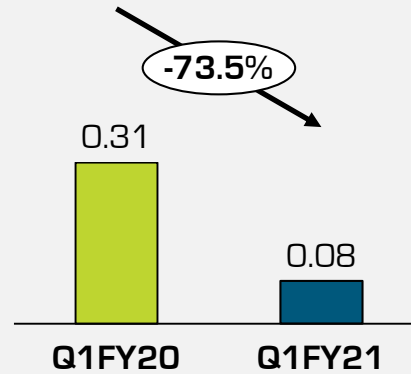
# Consolidated Financial Performance

## Decorative Veneers

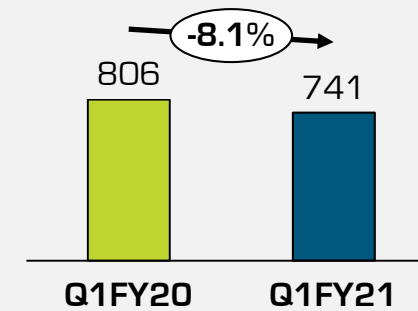
**Production and Capacity  
(Mn Sqmt)**



**Sales  
(Mn Sqmt)**



**Average Realisation  
(INR / Sqmt)**



Capacity Production

# Consolidated Financial Performance

## Engineered Wooden Floors

INR Crores	Q1FY21	Q1FY20	YoY%	Q4FY20
Revenue	3.3	11.5	-70.9%	9.2
EBITDA	(1.5)	(1.3)		(1.1)
<b>Capacity Utilization</b>	<b>11%</b>	<b>18%</b>		<b>16%</b>

## Engineered Wooden Doors

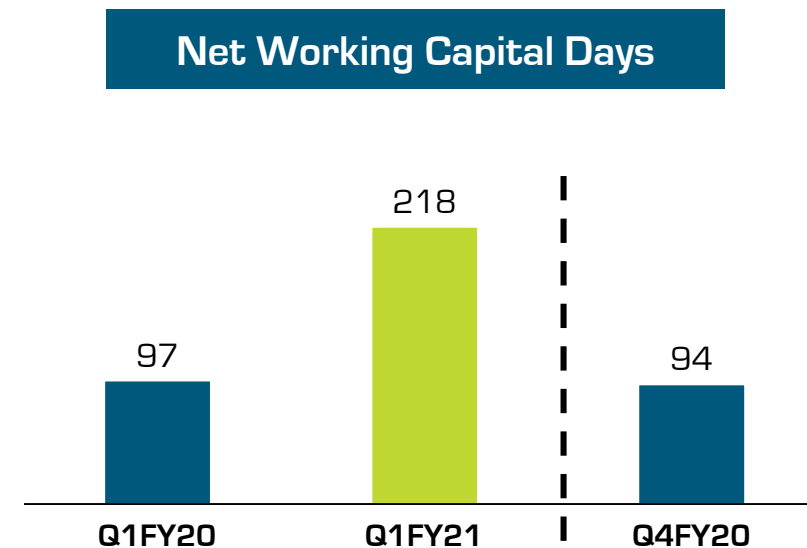
INR Crores	Q1FY21	Q1FY20	YoY%	Q4FY20
Revenue	5.2	7.1	-27.4%	7.3
EBITDA	(0.9)	(1.2)		(0.9)
<b>Capacity Utilization</b>	<b>24%</b>	<b>19%</b>		<b>28%</b>



# Consolidated Financial Performance

## Operating Parameters- Net Working Capital (Days)

In Days	Q1FY20	Q1FY21	Q4FY20
Inventory	111	234	104
Debtors	43	70	39
Creditors	56	86	49
<b>Net Working Capital</b>	<b>97</b>	<b>218</b>	<b>94</b>

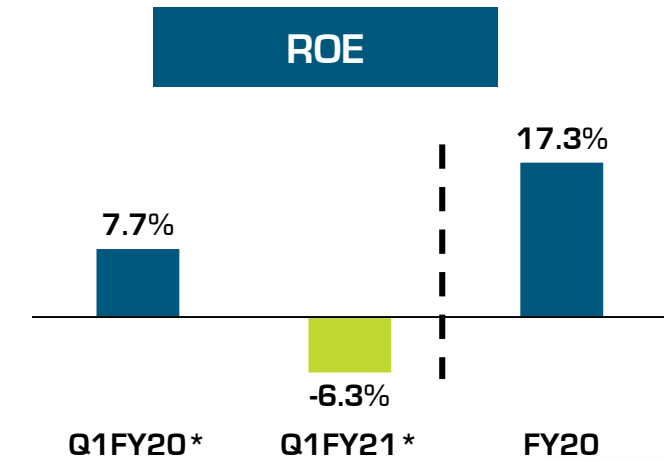
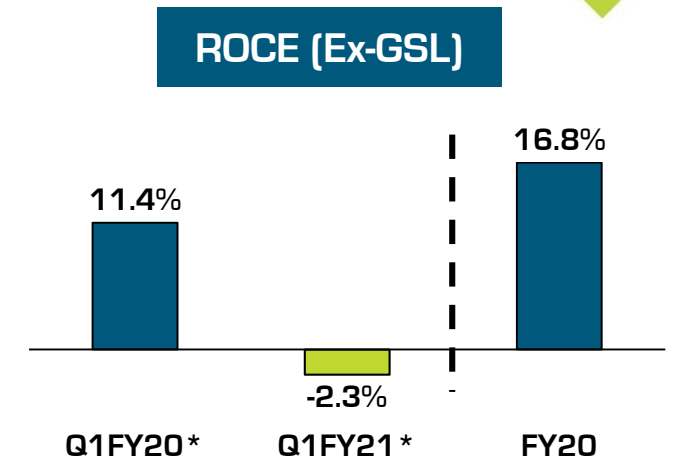


# Consolidated Financial Performance

## Return Ratios – ROCE & ROE

INR Crores	Q1FY20	Q1FY21	FY20
EBIT	20.7	-4.5	130.2
PAT	8.4	-7.7	86.7
Capital Employed	724.2	848.7	819.4
Capital Employed (Ex- GSL)	724.2	803.7	774.4
Net Worth	436.8	493.5	500.7
ROCE	11.4%	-2.1%	15.9%
ROCE (Ex-GSL)	11.4%	-2.3%	16.8%
ROE	7.7%	-6.3%	17.3%

GSL – Greenlam South Ltd.



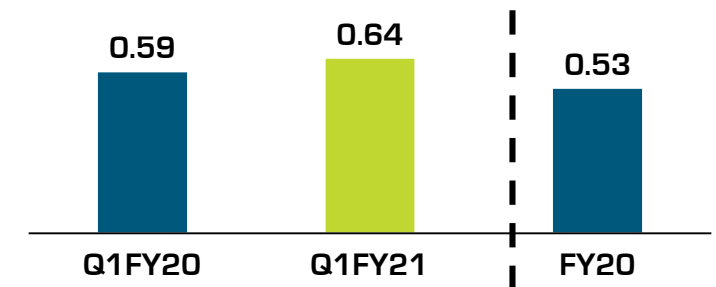
\* Annualized Basis

# Consolidated Financial Performance

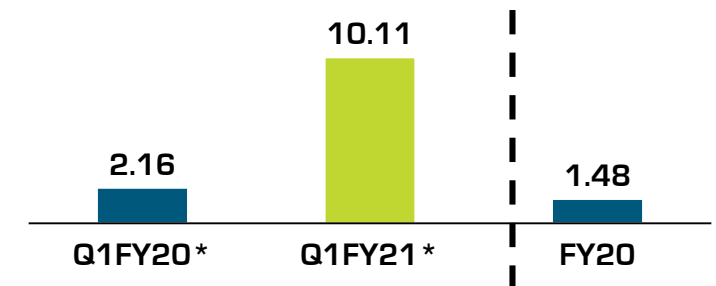
## Debt Position

INR Crores	Q1FY20	Q1FY21	FY20
Long Term Debt (Including current portion)	101.6	129.4	117.5
Short Term Debt	163.1	203.0	176.7
<b>Total Debt</b>	<b>264.7</b>	<b>332.4</b>	<b>294.2</b>
Cash & Bank Balance	6.5	14.3	30.7
<b>Net Debt</b>	<b>258.2</b>	<b>318.2</b>	<b>263.4</b>
Net Worth	436.8	493.5	500.7
EBIDTA	29.9	7.9	178.2
Net Debt – Equity Ratio	0.59	0.64	0.53
Net Debt-EBITDA Ratio	2.16	10.11	1.48

### Net Debt-Equity Ratio



### Net Debt-EBITDA Ratio



\* Annualized Basis

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