

HOLD

TP: Rs 750 | ▼ 4%

CENTURY PLYBOARDS

Building Materials

02 June 2025

Mixed Q4; margin recovery to be slow on muted demand

- Misses EBITDA estimate by 7.7% on sharp sequential margin contraction across segments (except plywood)
- Near-term pain to persist on intense competition in a weak demand environment, but medium-term outlook remains positive
- Maintain HOLD on near-term earnings risk and expensive valuations; TP cut by 6% to Rs 750 per share

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Mixed Q4: CPBI slightly beats our topline estimate by 2.1% for Q4FY25, but missed our EBITDA/APAT estimates by 7.7%/15.8% due to sharp sequential contraction in EBITDA margin across segments (except plywood). Overall, CPBI revenue grew by 13.0% YoY, but EBITDA/APAT de-grew by 9.3%/31.2% YoY in Q4FY25.

Key highlights: CPBI has again delivered strong performance for its plywood segment (volume grew by +7.1% YoY with improvement in EBITDA margin by 94bps YoY to 14.4%) in Q4FY25. However, the company has posted weak performance for its laminate segment [EBITDA was down 89% YoY due to muted volumes (0.5% YoY) and sharp margin pressure (-1,372bps YoY to 1.7%)] and particleboard segment [EBITDA was down 94% YoY due to weak volumes (-28%) and margin contraction (-1642bps YoY to 1.4%)] in Q4FY25. Despite higher realization (+4.2% QoQ), MDF EBITDA margin fell sharply by 480bp QoQ to 11.1% in Q4FY25. Net debt/EBITDA ratio has gone up from 1.2x in FY24 to 2.9x in FY25 due to debt availed for large capex program and weak operating performance. ROE has also fallen sharply from 23.6% in FY23 to 7.6% in FY25.

Outlook: CPBI aims to grow its plywood revenue at +10% with EBITDA margin of 12-14% in FY26. Laminate revenue is projected to grow at 20% rate in FY26 with high-single-digit EBITDA margin by Q4FY26. MDF revenue is targeted to grow at 20% rate with EBITDA margin of 15% in FY26. Particleboard revenue is projected to grow at 40% rate with low-single-digit EBITDA margin in FY26. Timber prices is expected to come down by 5-10% in Q1FY26. The company has revised up its budgeted capex to Rs 3.7bn (Rs 1.0bn earlier) for FY26. Net debt is expected to come down sharply over the next two years.

Maintain HOLD; TP cut by 6% to Rs 750: We maintain our HOLD rating on the stock due to expensive valuations (trades at 55.4x on 1Y forward P/E vs 5Y average of 44.1x). We have cut our TP to Rs 750 (Rs 800 earlier) due to downward revision of our EPS estimates (-14.4%/-14.4% for FY26E/FY27E) based on weak Q4FY25 result. Our target P/E remains unchanged at 40x on Mar'27E (earlier Dec'26E).

Key changes

| Target | Rating |
|--------|--------|
| ▼ | ◀ ▶ |

| | |
|------------------|----------------|
| Ticker/Price | CPBI IN/Rs 781 |
| Market cap | US\$ 2.0bn |
| Free float | 27% |
| 3M ADV | US\$ 1.2mn |
| 52wk high/low | Rs 935/Rs 622 |
| Promoter/FPI/DII | 73%/5%/18% |

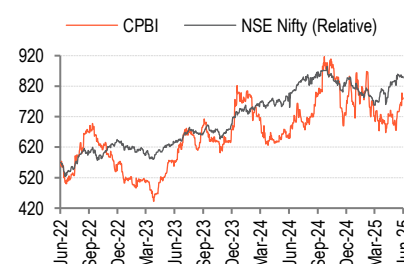
Source: NSE | Price as of 2 Jun 2025

Key financials

| Y/E 31 Mar | FY25A | FY26E | FY27E |
|-------------------------|--------|--------|--------|
| Total revenue (Rs mn) | 45,278 | 49,282 | 55,409 |
| EBITDA (Rs mn) | 4,866 | 6,392 | 8,182 |
| Adj. net profit (Rs mn) | 1,731 | 2,927 | 4,171 |
| Adj. EPS (Rs) | 7.8 | 13.2 | 18.7 |
| Consensus EPS (Rs) | 8.3 | 18.4 | 26.5 |
| Adj. ROAE (%) | 7.6 | 11.7 | 14.8 |
| Adj. P/E (x) | 100.4 | 59.4 | 41.7 |
| EV/EBITDA (x) | 35.0 | 25.6 | 19.6 |
| Adj. EPS growth (%) | (48.3) | 69.1 | 42.5 |

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE



Fig 1 – Quarterly performance - Consolidated

| Particulars | Q4FY25 | Q4FY24 | YoY (%) | Q3FY25 | QoQ (%) | FY25 | FY24 | YoY (%) | BOBCAPS Q4FY25E | Variance (%) |
|--------------------------------|--------|--------|--------------|--------|--------------|--------|--------|--------------|--------------------|-----------------|
| Total operating income | 11,983 | 10,607 | 13.0 | 11,405 | 5.1 | 45,278 | 38,860 | 16.5 | 11,736 | 2.1 |
| Raw-Material expense | 6,378 | 5,657 | 12.7 | 6,070 | 5.1 | 24,338 | 20,354 | 19.6 | | |
| Gross Profit | 5,605 | 4,950 | 13.2 | 5,335 | 5.1 | 20,940 | 18,506 | 13.2 | | |
| Employee expense | 1,816 | 1,405 | 29.3 | 1,767 | 2.8 | 6,913 | 5,398 | 28.1 | | |
| Other expense | 2,444 | 2,061 | 18.5 | 2,272 | 7.5 | 9,162 | 7,789 | 17.6 | | |
| EBITDA | 1,346 | 1,483 | (9.3) | 1,295 | 3.9 | 4,866 | 5,319 | (8.5) | 1,457 | (7.7) |
| D&A | 360 | 254 | 41.7 | 340 | 5.8 | 1,372 | 947 | 44.8 | | |
| EBIT | 986 | 1,230 | (19.8) | 955 | 3.2 | 3,494 | 4,372 | (20.1) | | |
| Interest cost | 190 | 102 | 85.7 | 179 | 5.9 | 690 | 308 | 123.9 | | |
| Non-operating expense/(income) | (20) | 32 | NM | (23) | NM | 31 | (328) | NM | | |
| PBT | 817 | 1,095 | (25.4) | 799 | 2.2 | 2,773 | 4,392 | (36.9) | | |
| Tax | 285 | 311 | (8.4) | 211 | 35.1 | 912 | 1,138 | (19.9) | | |
| Reported PAT | 532 | 784 | (32.2) | 588 | (9.7) | 1,861 | 3,253 | (42.8) | | |
| Adjusted PAT | 597 | 868 | (31.2) | 588 | 1.4 | 201 | 334 | (39.9) | 708 | (15.8) |
| As % of net revenues | | | (bps) | | (bps) | | | (bps) | | |
| Gross margin | 46.8 | 46.7 | 11 | 46.8 | (0) | 46.2 | 47.6 | (137) | | |
| Employee cost | 15.2 | 13.2 | 191 | 15.5 | (34) | 15.3 | 13.9 | 138 | | |
| Other cost | 20.4 | 19.4 | 96 | 19.9 | 47 | 20.2 | 20.0 | 19 | | |
| EBITDA margin | 11.2 | 14.0 | (275) | 11.4 | (13) | 10.7 | 13.7 | (294) | | |
| Tax rate | 34.9 | 28.4 | 650 | 26.4 | 852 | 32.9 | 25.9 | 697 | | |
| APAT margin | 5.0 | 8.2 | (320) | 5.2 | (18) | 0.4 | 0.9 | (42) | | |

Source: Company, BOBCAPS Research

Fig 2 – Segment Financials

| Particulars | Q4FY25 | Q4FY24 | YoY (%) | Q3FY25 | QoQ (%) | FY25 | FY24 | YoY (%) |
|--------------------------------|---------------|---------------|--------------|---------------|------------|---------------|---------------|--------------|
| Revenue (Rs mn) | | | | | | | | |
| Plywood | 6,707 | 6,120 | 9.6 | 6,181 | 8.5 | 25,219 | 21,738 | 16.0 |
| Laminates | 1,704 | 1,682 | 1.3 | 1,669 | 2.1 | 6,529 | 6,576 | (0.7) |
| MDF | 2,709 | 1,974 | 37.2 | 2,736 | (1.0) | 10,224 | 7,485 | 36.6 |
| Particleboard | 326 | 425 | (23.2) | 356 | (8.5) | 1,450 | 1,571 | (7.7) |
| CFS | 364 | 261 | 39.3 | 310 | 17.3 | 1,263 | 992 | 27.3 |
| Others | 187 | 149 | 25.4 | 176 | 6.7 | 659 | 551 | 19.7 |
| Total | 11,998 | 10,611 | 13.1 | 11,428 | 5.0 | 45,344 | 38,913 | 16.5 |
| Volumes | | | | | | | | |
| Plywood (CBM) | 111,010 | 103,641 | 7.1 | 103,133 | 7.6 | 425,001 | 373,878 | 13.7 |
| Laminates (mn sheets) | 1.9 | 1.9 | 0.5 | 1.8 | 4.0 | 7.3 | 7.7 | (5.2) |
| MDF (CBM) | 87,549 | 62,886 | 39.2 | 98,104 | (10.8) | 350,475 | 219,974 | 59.3 |
| Particleboard (CBM) | 14,970 | 20,902 | (28.4) | 16,788 | (10.8) | 70,074 | 76,678 | (8.6) |
| Realization | | | | | | | | |
| Plywood (Rs/CBM) | 55,356 | 54,540 | 1.5 | 54,416 | 1.7 | 59,338 | 58,143 | 2.1 |
| Laminates (Rs/sheet) | 875 | 883 | (1.0) | 917 | (4.6) | 898 | 857 | 4.8 |
| MDF (Rs/CBM) | 30,521 | 31,347 | (2.6) | 27,887 | 9.4 | 29,172 | 34,028 | (14.3) |
| Particleboard (Rs/CBM) | 21,222 | 20,299 | 4.5 | 20,801 | 2.0 | 20,686 | 20,482 | 1.0 |
| Adjusted EBITDA (Rs mn) | | | | | | | | |
| Plywood | 969 | 827 | 17.2 | 718 | 34.9 | 3,349 | 2,531 | 32.3 |
| Laminates | 28 | 259 | (89.1) | 71 | (60.3) | 301 | 801 | (62.4) |
| MDF | 301 | 275 | 9.5 | 435 | (30.8) | 916 | 1,560 | (41.3) |
| Particleboard | 5 | 76 | (93.8) | 16 | (70.4) | 108 | 318 | (66.0) |
| Total | 1,346 | 1,483 | (9.3) | 1,295 | 3.9 | 4,866 | 5,319 | (8.5) |

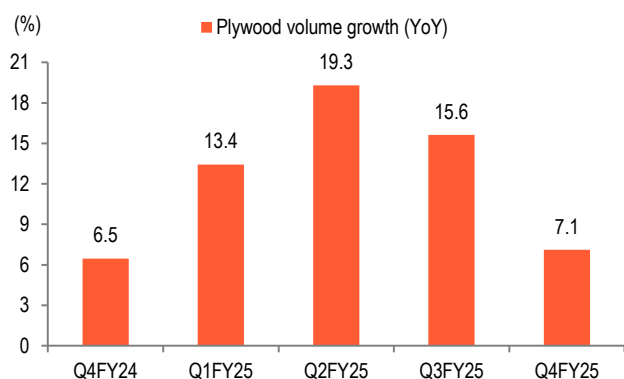
| Particulars | Q4FY25 | Q4FY24 | YoY (%) | Q3FY25 | QoQ (%) | FY25 | FY24 | YoY (%) |
|-----------------------------------|-------------|-------------|--------------|-------------|-------------|-------------|-------------|--------------|
| Adjusted EBITDA margin (%) | | | | | | | | |
| Plywood | 14.4 | 13.5 | 94 | 11.6 | 283 | 13.3 | 11.6 | 164 |
| Laminates | 1.7 | 15.4 | (1372) | 4.3 | (260) | 4.6 | 12.2 | (757) |
| MDF | 11.1 | 13.9 | (282) | 15.9 | (480) | 9.0 | 20.8 | (1188) |
| Particleboard | 1.4 | 17.9 | (1642) | 4.5 | (302) | 7.5 | 20.2 | (1279) |
| Total | 11.2 | 14.0 | (276) | 11.3 | (12) | 10.7 | 13.7 | (294) |

Source: Company, BOBCAPS Research

Earnings call highlights

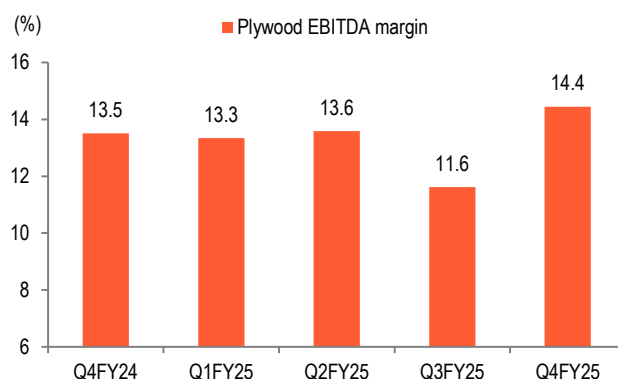
- Plywood:** Segment revenue grew by 9.6% YoY in Q4FY25 driven by higher volumes (+7.1%) and improved realization (+1.5%). Segment EBITDA margin improved by 94bps YoY to 14.4% in Q4FY25 due to operating leverage benefits. Going ahead, the company target to grow the segment revenue at 10%+ rate with EBITDA margin of 12-14% in FY26. The company took price hike of 2% for Century brand in Apr'25. Segment operated at a high capacity utilization of 90% in FY25 and hence CPBI plans to increase its capacity from 340,000 CBM in FY25 to 390,000 CBM in FY26 (through brownfield expansion at existing sites) and 440,000 CBM in FY27 (by setting up a greenfield plant at Hosiarpur, Punjab by Sep'26).
- Laminates:** Despite start of a new greenfield facility in the month of Jan'24, segment revenue grew at a muted pace of 1.3% YoY in Q4FY25 due to weak volumes (+0.5%). Segment EBITDA margin fell sharply by 1,372bps YoY to 1.7% in Q4FY25 due to margin compression for existing standalone operations (-1019bps YoY to 5.2%) as well as loss incurred at its new unit in AP. The company target the segment revenue to grow at 20% (consolidated) with EBITDA margin of 8-10% (standalone) in FY26. Consol EBITDA margin is targeted to improve to high-single-digit by Q4FY26.
- MDF:** Segment revenue grew sharply by 37.2% YoY in Q4FY25 driven by higher volumes (+39.2%) due to quick ramp-up of its new unit in AP (operated at 42% rate in Q4FY25 vs 46% in Q3FY25). MDF realization sharply improved by 4.2% QoQ in Q4FY25, but segment EBITDA margin fell sharply by 480bps QoQ to 11.1% in Q4FY25 due to impact of forex. Going ahead, the company targets the segment revenue to grow at 20% rate with EBITDA margin of 15% in FY26 on consolidated basis. The company expects the industry to take price hikes towards end of FY26. Timber prices is expected to come down by 5-10% in Q1FY26. The company is planning to increase its MDF capacity in Andhra Pradesh from 800 CBM/day 950 CBM/day through line balancing in H2FY26.
- Particleboard:** Segment revenue declined sharply by 23.2% YoY in Q4FY25 driven by lower volumes (-28.4%). Segment EBITDA margin fell by 1652bps YoY / 302bps QoQ to 1.4% in Q4FY25. Going ahead, the company expects the segment revenue to grow at 40% rate (due to commencement of new greenfield plant in Q1FY26) with low-single-digit EBITDA margin in FY26. The company expects the segment margin to be 15.0% on a steady state basis over the medium-term. New plant is expected to operate at 50% rate in H2FY26. Breakeven point for the new unit is estimated at 60%+ rate.
- Capex:** The company has revised up its budgeted capex to Rs 3.7bn (Rs 1.0bn earlier) for FY26 as it plans to undertake a plywood project in Punjab (Rs 1.2bn) and cost escalation for its newly commissioned MDF (from Rs 6.0bn to Rs 7.3bn) and particleboard (Rs 5.5bn to Rs 6.0bn) project.

Fig 3 – CPBI's plywood volumes grew at 7.1% YoY (6Y CAGR: +11.7%) in Q4FY25



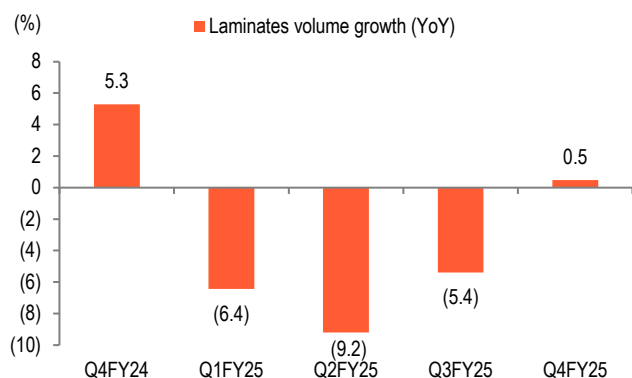
Source: Company, BOBCAPS Research

Fig 4 – Plywood margin improved by 94bps YoY in Q4FY25 due to operating leverage benefit



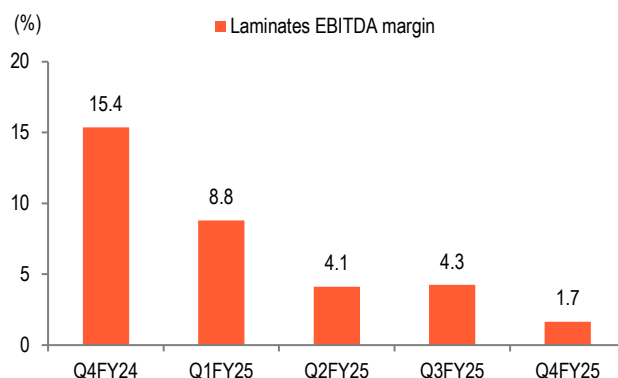
Source: Company, BOBCAPS Research

Fig 5 – Laminate volume grew by 0.5% YoY (6Y CAGR: +2.7%) in Q4FY25, despite start of greenfield unit in Jan'24



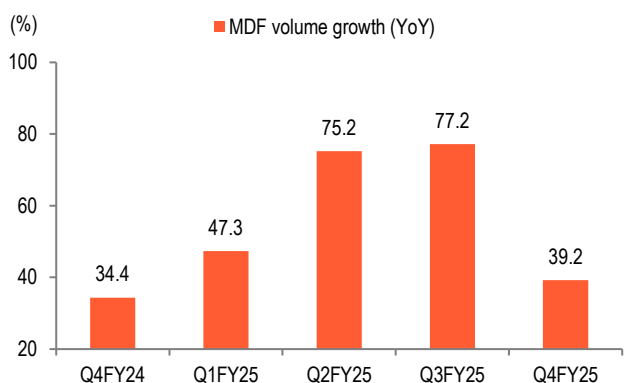
Source: Company, BOBCAPS Research

Fig 6 – Laminate EBITDA margin fell sharply in Q4FY25 due to weak demand and loss incurred at new unit



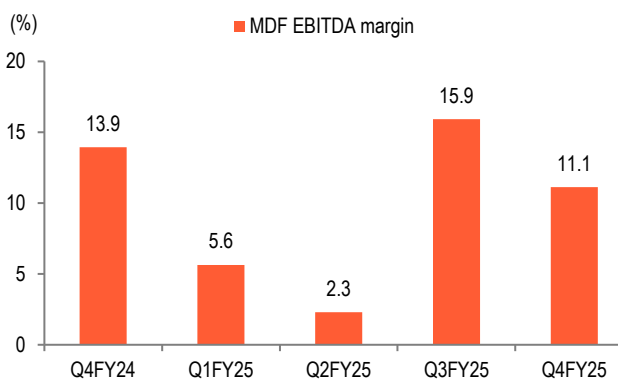
Source: Company, BOBCAPS Research

Fig 7 – MDF volume grew sharply by 39.2% YoY (6Y CAGR: +16.3%) in Q4FY25

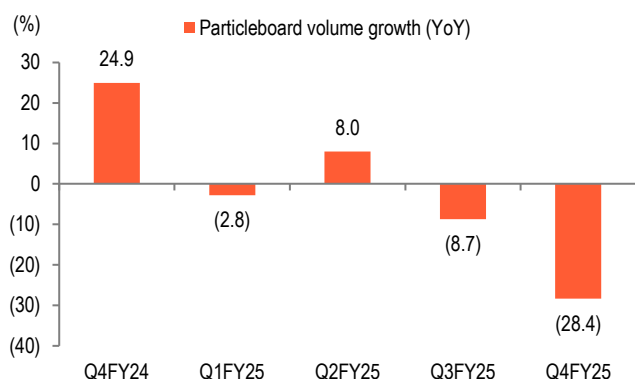


Source: Company, BOBCAPS Research

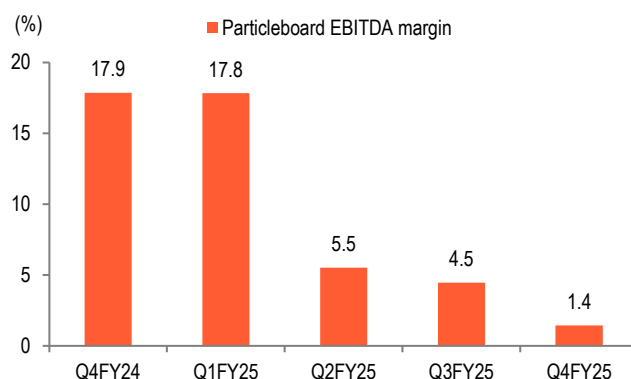
Fig 8 – Despite higher realisation (+4.2% QoQ), MDF EBITDA margin fell on QoQ basis in Q4FY25 on forex loss



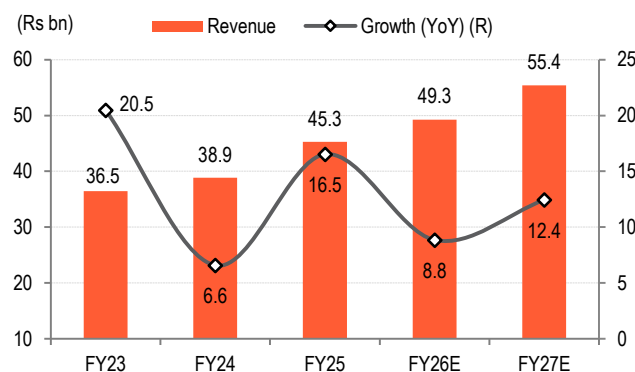
Source: Company, BOBCAPS Research

Fig 9 – Particleboard volumes de-grew sharply by 28.4% YoY in Q4FY25


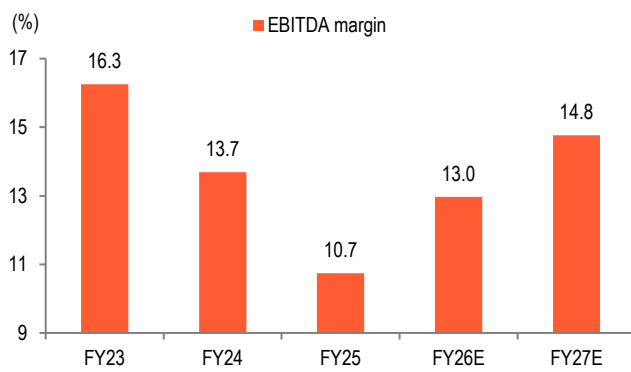
Source: Company, BOBCAPS Research

Fig 10 – Particleboard EBITDA margin fell sharply in Q4FY25 on supply side issues in the domestic market


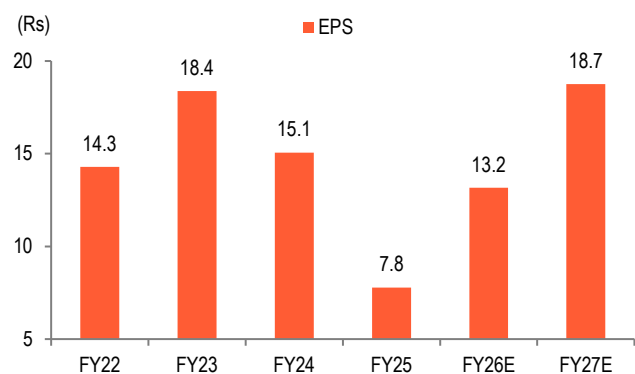
Source: Company, BOBCAPS Research

Fig 11 – CPBI's revenue is projected to grow at a 10.6% CAGR over FY25-FY27E


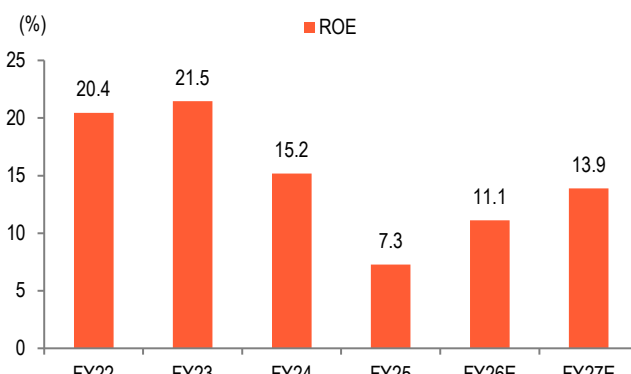
Source: Company, BOBCAPS Research

Fig 12 – CPBI EBITDA margin is projected to improve from 10.7% in FY25 to 14.8% in FY27E over a weak base


Source: Company, BOBCAPS Research

Fig 13 – However, CPBI's EPS is forecast to grow at a strong 55.2% CAGR over FY25-FY27E due to a low base


Source: Company, BOBCAPS Research

Fig 14 – ROE is projected to gradually improve from 7.3% in FY25 to 15.3% in FY27E


Source: Company, BOBCAPS Research

Valuation methodology

We expect CPBI's EPS to grow at a strong 55.2% CAGR over FY25-FY27E owing to a low base. However, we maintain our HOLD rating on the stock due to near-term earnings risk and expensive valuations (trades at 55.4x on 1Y forward P/E vs 5Y average of 44.1x).

We have cut our TP to Rs 750 (Rs 800 earlier) due to downward revision of our EPS estimates (-14.4%/-14.4% for FY26E/FY27E) based on weak Q4FY25 result. Our target P/E remains unchanged at 40x on Mar'27E (earlier Dec'26E).

Fig 15 – Revised estimates

| Particulars Consolidated (Rs bn) | New | | Old | | Change (%) | |
|-------------------------------------|-------|-------|-------|-------|------------|--------|
| | FY26E | FY27E | FY26E | FY27E | FY26E | FY27E |
| Revenue | 49.3 | 55.4 | 51.4 | 60.7 | (4.2) | (8.7) |
| EBITDA | 6.4 | 8.2 | 6.9 | 8.9 | (7.3) | (7.9) |
| EBITDA Margin (%) | 13.0 | 14.8 | 13.4 | 14.6 | (43bps) | 13bps |
| Adjusted PAT | 2.9 | 4.2 | 3.4 | 4.9 | (14.4) | (14.4) |
| EPS (Rs) | 13.2 | 18.7 | 15.4 | 21.9 | (14.4) | (14.4) |

Source: BOBCAPS Research

Fig 16 – Trading at 55.4x on 1Y forward P/E vs. 5Y average of 44.1x

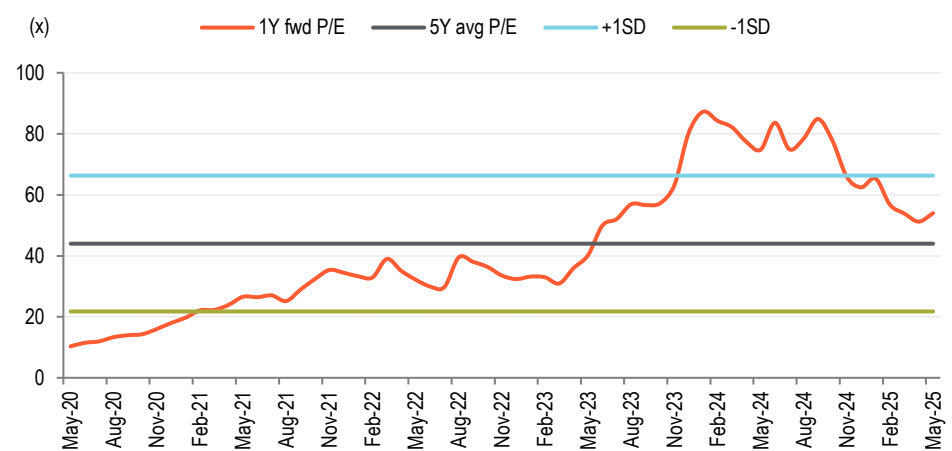


Fig 17 – Key assumptions

| Particulars (%) | FY23A | FY24A | FY25A | FY26E | FY27E |
|----------------------------|-------|-------|-------|-------|-------|
| Revenue mix | | | | | |
| Plywood | 55.9 | 55.9 | 55.7 | 51.5 | 49.0 |
| Laminates | 18.0 | 16.9 | 14.4 | 15.5 | 15.2 |
| MDF | 17.6 | 19.3 | 22.6 | 25.9 | 27.9 |
| Particleboard | 4.8 | 4.0 | 3.2 | 4.2 | 5.3 |
| Others | 3.8 | 3.8 | 4.1 | 2.8 | 2.6 |
| Sales volume growth | | | | | |
| Plywood | 21.3 | 4.4 | 13.5 | 7.7 | 7.0 |
| Laminates | 6.9 | 6.5 | (5.2) | 20.1 | 10.0 |
| MDF | 4.1 | 18.7 | 59.3 | 19.5 | 15.0 |
| Particleboard | 0.1 | 5.0 | (8.6) | 40.0 | 40.0 |

| Particulars (%) | FY23A | FY24A | FY25A | FY26E | FY27E |
|-------------------------------|-------|-------|-------|-------|-------|
| Adjusted EBITDA margin | | | | | |
| Plywood | 10.7 | 11.6 | 13.3 | 13.2 | 13.2 |
| Laminates | 14.8 | 12.2 | 4.6 | 7.3 | 11.8 |
| MDF | 27.4 | 20.8 | 9.0 | 16.4 | 19.1 |
| Particleboard | 27.3 | 20.2 | 7.5 | 7.8 | 14.7 |

Source: Company, BOBCAPS Research

Key risks

- Better-than-expected pickup in the real estate market and faster ramp-up of new projects are key upside risk to our estimates.
- Sharp corrections in MDF or particleboard prices and slow ramp-up of new projects represent key downside risks.

Financials

Income Statement

| Y/E 31 Mar (Rs mn) | FY23A | FY24A | FY25A | FY26E | FY27E |
|----------------------------|---------------|---------------|---------------|---------------|---------------|
| Total revenue | 36,466 | 38,860 | 45,278 | 49,282 | 55,409 |
| EBITDA | 5,927 | 5,320 | 4,866 | 6,392 | 8,182 |
| Depreciation | 775 | 947 | 1,372 | 1,637 | 1,828 |
| EBIT | 5,151 | 4,372 | 3,494 | 4,756 | 6,355 |
| Net interest inc./(exp.) | (170) | (308) | (690) | (928) | (865) |
| Other inc./(exp.) | 477 | 439 | 103 | 85 | 85 |
| Exceptional items | 340 | 1 | 0 | 0 | 0 |
| EBT | 5,119 | 4,502 | 2,906 | 3,912 | 5,574 |
| Income taxes | 1,278 | 1,138 | 912 | 985 | 1,403 |
| Extraordinary items | 0 | 111 | 133 | 0 | 0 |
| Min. int./Inc. from assoc. | (8) | 11 | (8) | 0 | 0 |
| Reported net profit | 3,833 | 3,264 | 1,853 | 2,927 | 4,171 |
| Adjustments | 255 | 87 | (122) | 0 | 0 |
| Adjusted net profit | 4,088 | 3,351 | 1,731 | 2,927 | 4,171 |

Balance Sheet

| Y/E 31 Mar (Rs mn) | FY23A | FY24A | FY25A | FY26E | FY27E |
|---------------------------------|---------------|---------------|---------------|---------------|---------------|
| Accounts payables | 2,749 | 2,861 | 3,572 | 3,888 | 4,371 |
| Other current liabilities | 1,619 | 2,278 | 2,062 | 2,062 | 2,062 |
| Provisions | 85 | 93 | 167 | 181 | 204 |
| Debt funds | 3,134 | 7,184 | 14,737 | 13,737 | 12,737 |
| Other liabilities | 540 | 1,043 | 1,598 | 1,598 | 1,598 |
| Equity capital | 223 | 223 | 223 | 223 | 223 |
| Reserves & surplus | 18,850 | 21,894 | 23,429 | 26,004 | 29,675 |
| Shareholders' fund | 19,035 | 22,066 | 23,793 | 26,369 | 30,039 |
| Total liab. and equities | 27,163 | 35,526 | 45,928 | 47,835 | 51,011 |
| Cash and cash eq. | 2,782 | 671 | 491 | 1,619 | 2,711 |
| Accounts receivables | 3,903 | 4,168 | 5,000 | 5,442 | 6,119 |
| Inventories | 5,290 | 6,456 | 9,866 | 7,665 | 8,632 |
| Other current assets | 969 | 1,554 | 1,972 | 2,146 | 2,413 |
| Investments | 1 | 28 | 28 | 28 | 28 |
| Net fixed assets | 10,671 | 19,117 | 20,405 | 29,067 | 29,239 |
| CWIP | 2,362 | 2,666 | 7,299 | 1,000 | 1,000 |
| Intangible assets | 17 | 17 | 19 | 19 | 19 |
| Deferred tax assets, net | 2 | 4 | 249 | 249 | 249 |
| Other assets | 1,164 | 844 | 599 | 599 | 599 |
| Total assets | 27,163 | 35,526 | 45,928 | 47,835 | 51,011 |

Cash Flows

| Y/E 31 Mar (Rs mn) | FY23A | FY24A | FY25A | FY26E | FY27E |
|------------------------------------|----------------|----------------|----------------|----------------|----------------|
| Cash flow from operations | 4,463 | 3,268 | 85 | 7,322 | 5,374 |
| Capital expenditures | (4,865) | (9,198) | (6,964) | (4,000) | (2,000) |
| Change in investments | 2 | (27) | 0 | 0 | 0 |
| Other investing cash flows | 137 | 328 | (31) | 85 | 85 |
| Cash flow from investing | (4,726) | (8,897) | (6,995) | (3,915) | (1,915) |
| Equities issued/Others | 0 | 0 | 0 | 0 | 0 |
| Debt raised/repaid | 952 | 4,049 | 7,554 | (1,000) | (1,000) |
| Interest expenses | (170) | (308) | (690) | (928) | (865) |
| Dividends paid | (223) | (223) | (223) | (352) | (501) |
| Other financing cash flows | (124) | 0 | 89 | 0 | 0 |
| Cash flow from financing | 435 | 3,518 | 6,730 | (2,280) | (2,366) |
| Chg in cash & cash eq. | 172 | (2,111) | (180) | 1,127 | 1,093 |
| Closing cash & cash eq. | 2,782 | 671 | 491 | 1,618 | 2,711 |

Per Share

| Y/E 31 Mar (Rs) | FY23A | FY24A | FY25A | FY26E | FY27E |
|----------------------|-------|-------|-------|-------|-------|
| Reported EPS | 17.2 | 14.7 | 8.3 | 13.2 | 18.7 |
| Adjusted EPS | 18.4 | 15.1 | 7.8 | 13.2 | 18.7 |
| Dividend per share | 1.0 | 1.0 | 1.0 | 1.6 | 2.3 |
| Book value per share | 85.7 | 99.4 | 106.3 | 117.9 | 134.4 |

Valuations Ratios

| Y/E 31 Mar (x) | FY23A | FY24A | FY25A | FY26E | FY27E |
|----------------|-------|-------|-------|-------|-------|
| EV/Sales | 4.8 | 4.5 | 3.8 | 3.3 | 2.9 |
| EV/EBITDA | 29.4 | 32.7 | 35.0 | 25.6 | 19.6 |
| Adjusted P/E | 42.5 | 51.9 | 100.4 | 59.4 | 41.7 |
| P/BV | 9.1 | 7.9 | 7.3 | 6.6 | 5.8 |

DuPont Analysis

| Y/E 31 Mar (%) | FY23A | FY24A | FY25A | FY26E | FY27E |
|------------------------------|-------|-------|-------|-------|-------|
| Tax burden (Net profit/PBT) | 79.9 | 74.4 | 59.6 | 74.8 | 74.8 |
| Interest burden (PBT/EBIT) | 99.4 | 103.0 | 83.2 | 82.3 | 87.7 |
| EBIT margin (EBIT/Revenue) | 14.1 | 11.3 | 7.7 | 9.6 | 11.5 |
| Asset turnover (Rev./Avg TA) | 134.2 | 109.4 | 98.6 | 103.0 | 108.6 |
| Leverage (Avg TA/Avg Equity) | 1.4 | 1.6 | 1.9 | 1.8 | 1.7 |
| Adjusted ROAE | 21.5 | 15.2 | 7.3 | 11.1 | 13.9 |

Ratio Analysis

| Y/E 31 Mar | FY23A | FY24A | FY25A | FY26E | FY27E |
|--|-------|--------|--------|-------|-------|
| YoY growth (%) | | | | | |
| Revenue | 20.5 | 6.6 | 16.5 | 8.8 | 12.4 |
| EBITDA | 10.6 | (10.2) | (8.5) | 31.4 | 28.0 |
| Adjusted EPS | 28.6 | (18.0) | (48.3) | 69.1 | 42.5 |
| Profitability & Return ratios (%) | | | | | |
| EBITDA margin | 16.3 | 13.7 | 10.7 | 13.0 | 14.8 |
| EBIT margin | 14.1 | 11.3 | 7.7 | 9.6 | 11.5 |
| Adjusted profit margin | 11.2 | 8.6 | 3.8 | 5.9 | 7.5 |
| Adjusted ROAE | 23.6 | 16.3 | 7.6 | 11.7 | 14.8 |
| ROCE | 25.4 | 16.4 | 9.3 | 12.1 | 15.1 |

Working capital days (days)

| | | | | | |
|-------------|----|----|----|----|----|
| Receivables | 39 | 39 | 40 | 40 | 40 |
| Inventory | 53 | 61 | 80 | 57 | 57 |
| Payables | 28 | 27 | 29 | 29 | 29 |

Ratios (x)

| | | | | | |
|-----------------------------|------|------|-----|-----|-----|
| Gross asset turnover | 2.6 | 1.9 | 1.7 | 1.5 | 1.4 |
| Current ratio | 1.7 | 1.2 | 1.1 | 1.0 | 1.2 |
| Net interest coverage ratio | 30.3 | 14.2 | 5.1 | 5.1 | 7.3 |
| Adjusted debt/equity | 0.0 | 0.3 | 0.6 | 0.5 | 0.3 |

Source: Company, BOBCAPS Research | Note: TA = Total Assets

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BUY – Expected return >+15%

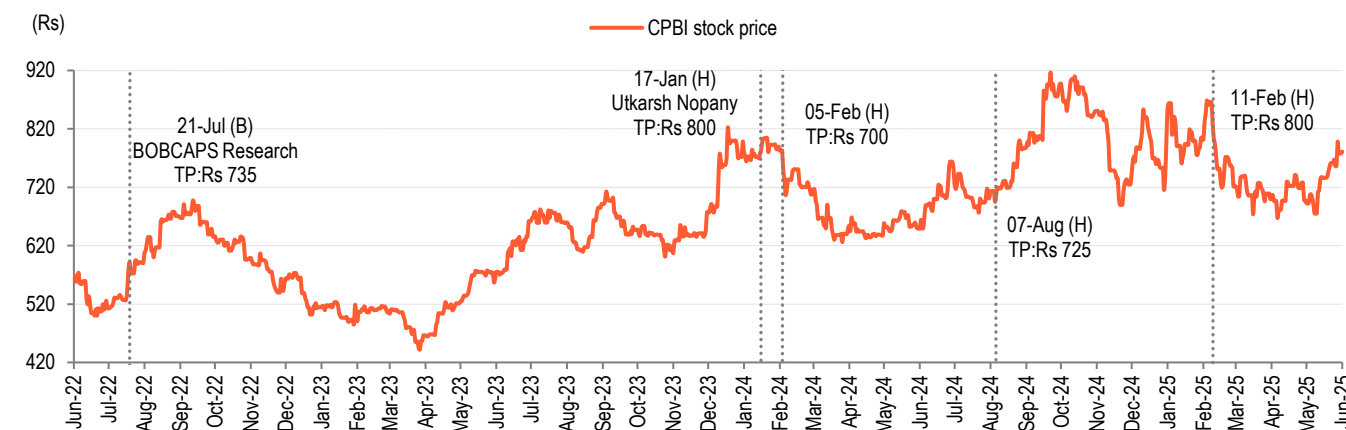
HOLD – Expected return from -6% to +15%

SELL – Expected return <-6%

Note: Recommendation structure changed with effect from 21 June 2021

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Ratings and Target Price (3-year history): CENTURY PLYBOARDS (CPBI IN)



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