



18th May, 2023

To

The BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai-400001
Scrip Code: 540203

The National Stock Exchange India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra(E), Mumbai-400051
NSE Symbol: SFL

Subject: Investor Presentation

Dear Sir/Madam,

Furtherance to our intimation for investor call dated 15th May, 2023 and 17th May, 2023.
Please find attached Earning Presentation.

Thanking you,

Yours truly,
For Sheela Foam Limited

Md. Iquebal Ahmad
Company Secretary & Compliance Officer

SHEELA FOAM LTD.

#14, Sleepwell Tower , Sector 135, Noida- 201301

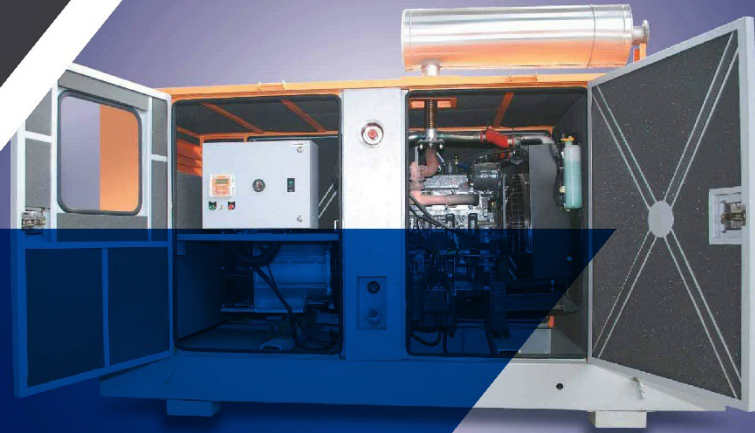
Ph: Int-91(0)-120-4162200 • Fax: Int-91-(0)-120-4162282, 4162283 • Email: contactus@sheelafoam.com
Regd. Office: 604 Ashadeep, 9 Hailey Road, New Delhi-110001, India • Ph: Int-91(0)-11-22026875-76

Toll Free: 1800 103 6664 • www.sleepwellproducts.com • www.sheelafoam.com

CIN-L74899DL1971PLC005679

Sheela Foam Ltd.

Earnings Presentation Q4-FY23/FY23



SEAT COVER



OUTDOOR FURNITURE



Sleepwell

Company Snapshot



Experienced Management




'Sleepwell' mattresses a household Brand and one of the most trusted brands in India



Backward Integrated Player with a wide product basket



Largest manufacturers of PU Foam in India



30-35% Market Share in the Mattresses segment




40% market share in Australia



Presence across multiple geographies



Low Gearing ratio




Consistent Positive cash flow generation



Strategic move to focus on high margin products



Marquee Investors



Proven track record in Acquisitions and Integration

Company Overview

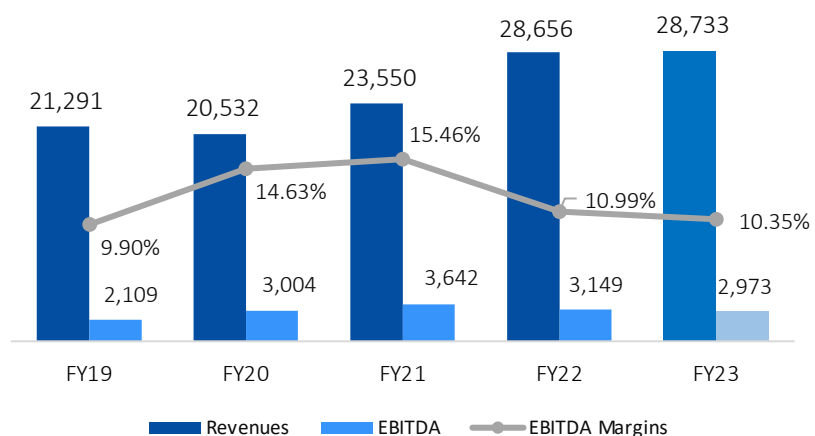
- Incorporated in 1971, Sheela Foam is the market leader and the largest manufacturer of Polyurethane Foam (PU) in India.
- The Company manufactures various foam-based home comfort products like mattresses, furniture cushions, as well as technical grades of polyurethane foams for end-use in a range of industries like automobile, acoustics, etc.
- The flagship household brands include: ‘**Sleepwell**’ for mattresses and home comfort, ‘**Feather Foam**’ a pure PU Foam and ‘**Lamiflex**’ a polyester foam for lamination.
- The company has a global manufacturing footprint with 11 nationwide manufacturing plants in India, 5 in Australia, and 1 in Spain.
- It has a strong presence and market share in Australia through its wholly-owned subsidiary, Joyce Foam Pty Ltd. and also in Spain through its subsidiary, Interplasp S.L.
- The company has an integrated manufacturing facility 123,000 MTPA with a robust distribution network of 100+ exclusive distributors, 5,400+ exclusive brand outlets, and 7,850+ multi-brand outlets.

India Operations

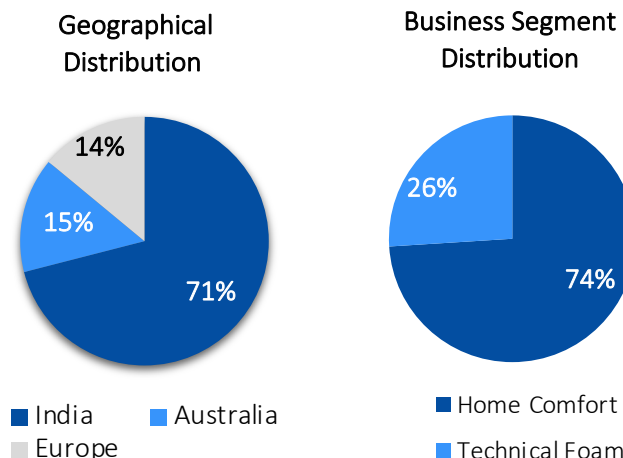


- 11 | Manufacturing Plants
- 123,000 | MTPA of Total Capacity
- 30 – 35% | Market share in India

Revenue, EBITDA (INR Mn) and EBITDA Margins (%)



FY23 Revenue Breakup



Global Operations

- 5 | Manufacturing plants in Australia with a capacity of 11,000 MTPA
- 40% | Market share in Australia
- 1 | Manufacturing plant in Spain with a capacity of 22,000 MTPA to cater to European and US markets



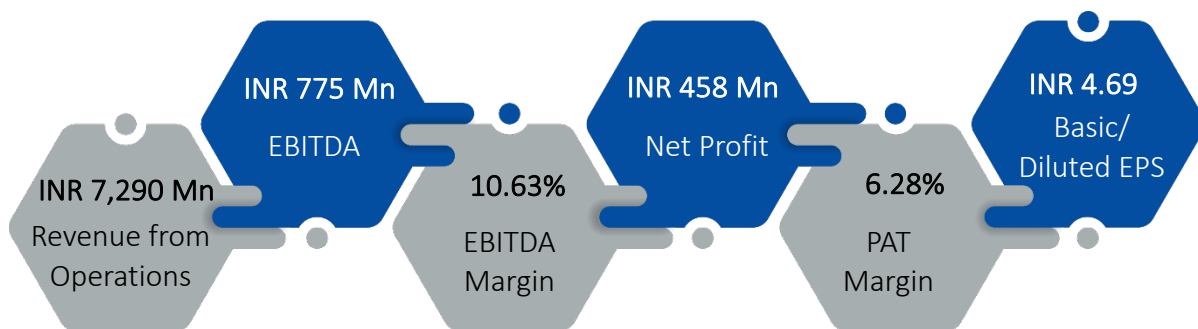
SHEELA GROUP



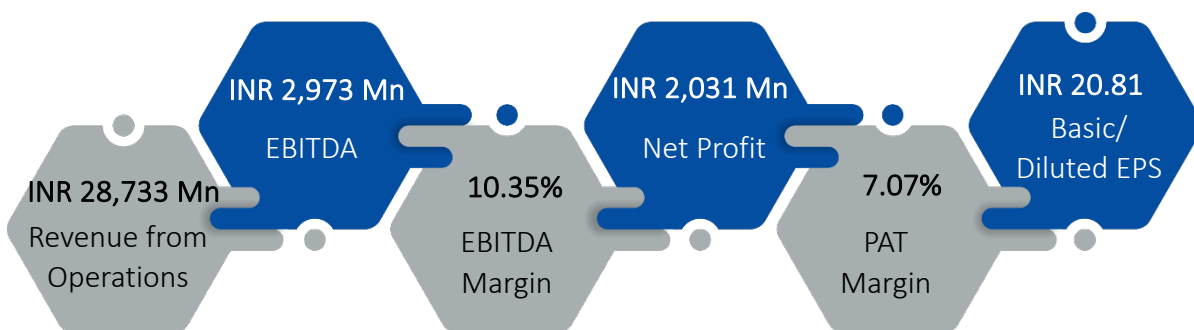
Q4-FY23/FY23 Performance Highlights

Q4-FY23/FY23 Financial and Operational Highlights

Q4-FY23 Consolidated Financial Performance



FY23 Consolidated Financial Performance

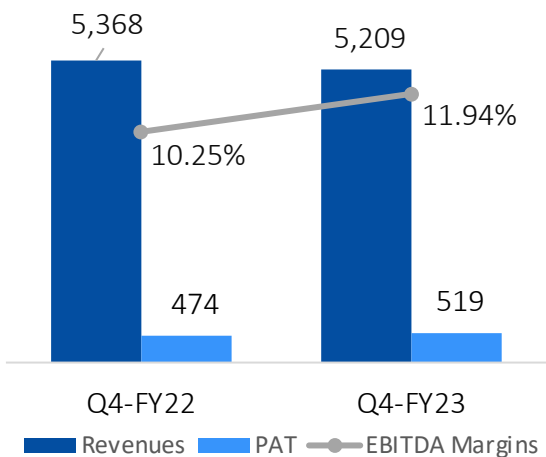


Q4-FY23/FY23 Operational Highlights

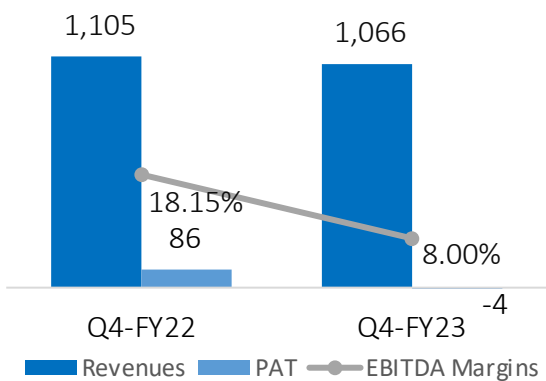
- Revenue growth was almost flat both on a QoQ and YoY basis primarily because of a higher base in FY22 due to pent up demand post Covid-19
- Consolidated Gross Margins improved from 37% to 39% in Q4-FY23 on a QoQ basis and from 34% to 39% on a YoY, primarily because of lower raw material costs.
- EBITDA Margins also improved on a QoQ basis both on Standalone and Consolidated business, indicating an improvement in run rate. This is in spite of elevated costs relating to marketing and one-time M&A and forex related accounting costs.
- The secular trend of unorganised to organised shift, coupled with focus on long term strategic initiatives and execution ensured growth in SFL mattress and foam market share.
- Overall business outlook remains positive provided by India's GDP forecasts, coupled with secular themes of formalisation and consolidation, which remains relevant to the Indian Mattress market.
- Significant amount of work is done by SFL in the areas of product mix and design. The company will continue to pursue in this direction in addition to focus on diversification

Quarterly and Annual Geographical Revenues

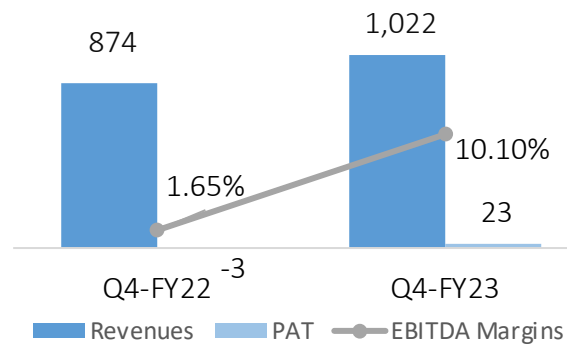
SFL India (INR Mn)



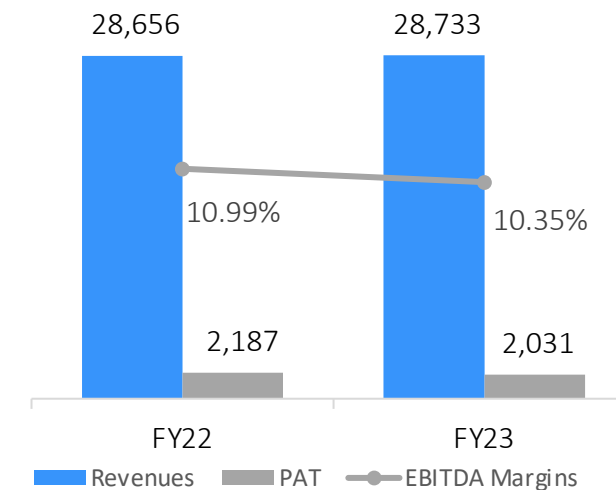
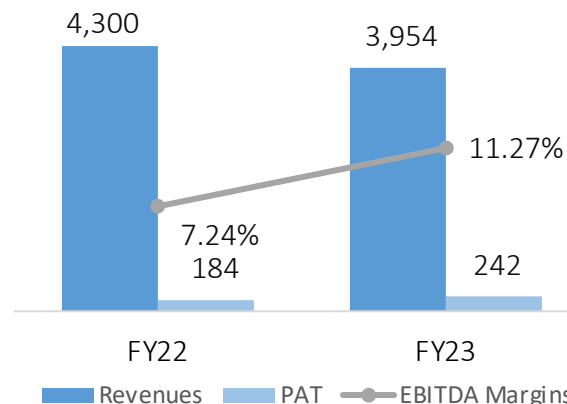
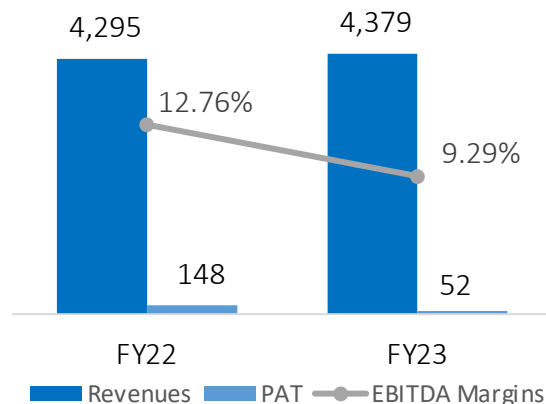
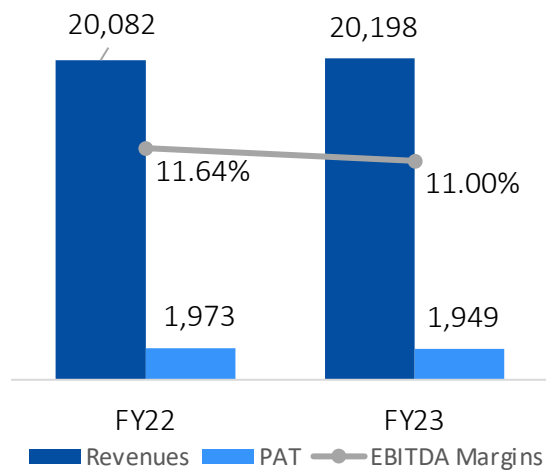
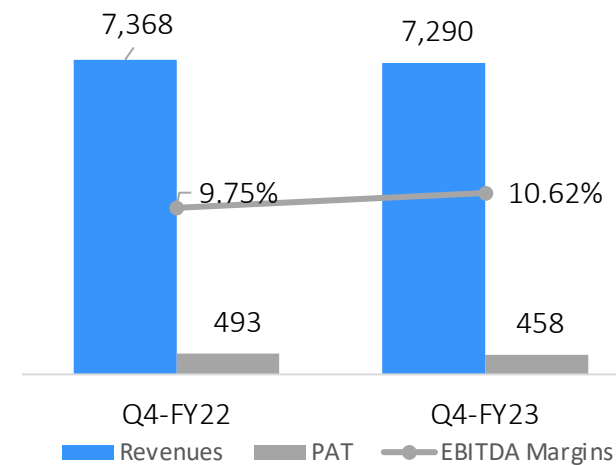
Australia - Joyce (INR Mn)



Spain - Interplasp (INR Mn)

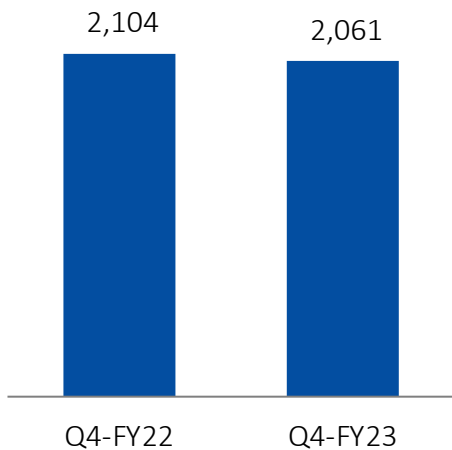


Consolidated (INR Mn)

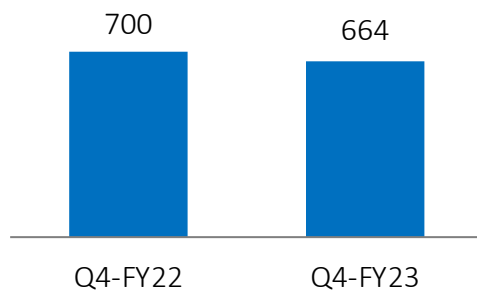


Quarterly Business Segment Revenues

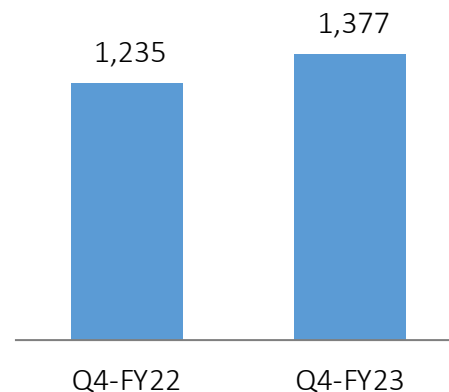
Mattresses (INR Mn)



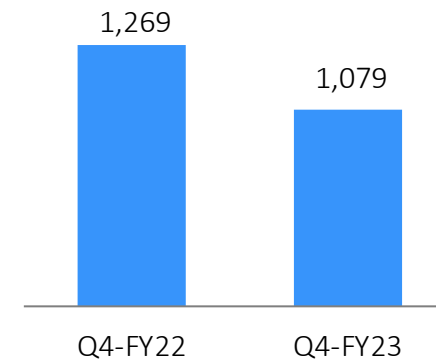
Furniture Foam (INR Mn)



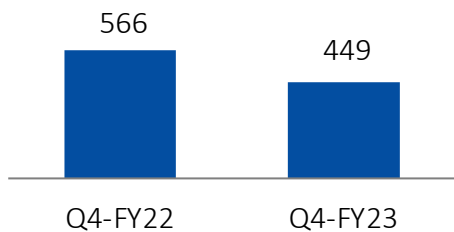
Technical Foam (INR Mn)



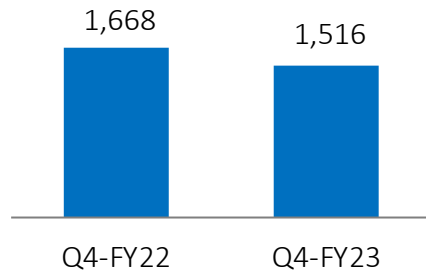
Comfort Foam and HC Line (INR Mn)



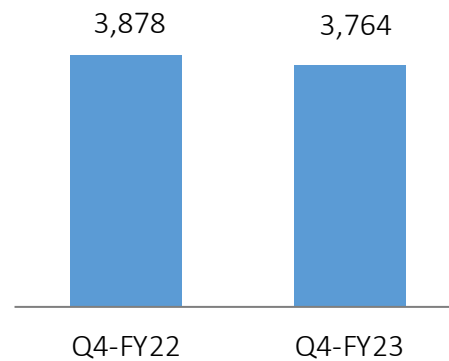
Mattresses (Volumes in 000's)



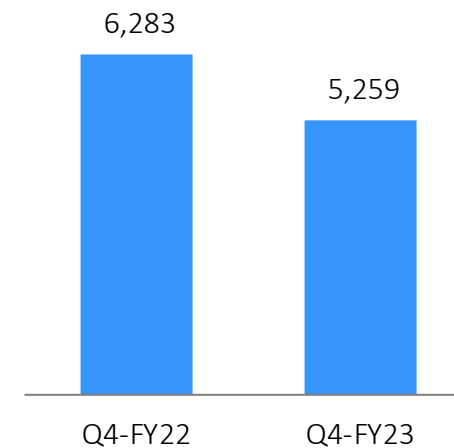
Furniture Foam (Volumes in MT)



Technical Foam (Volumes in MT)

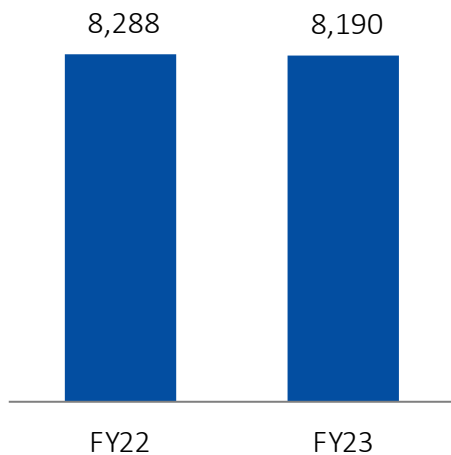


Comfort Foam (Volumes in MT)

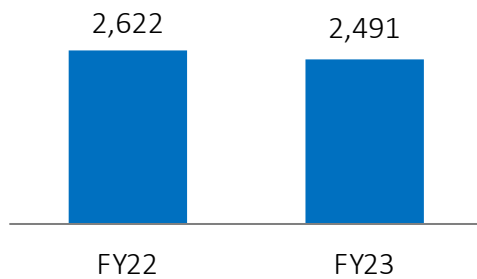


Annual Business Segment Revenues

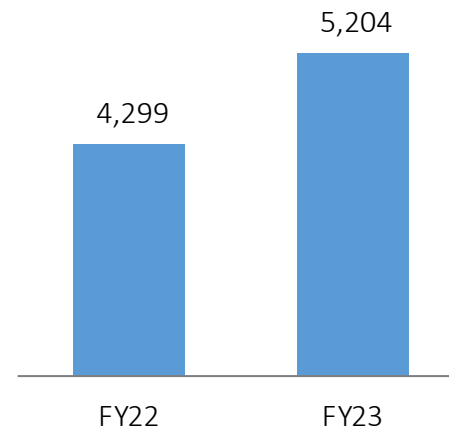
Mattresses (INR Mn)



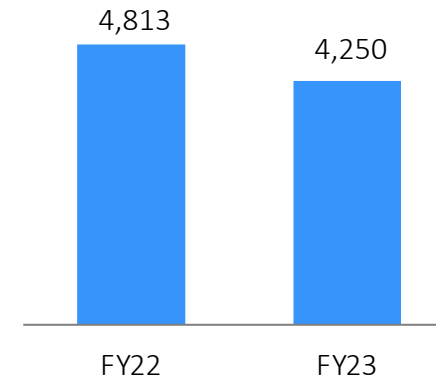
Furniture Foam (INR Mn)



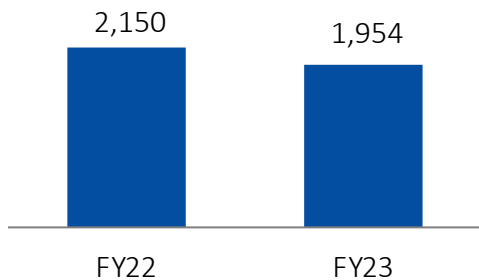
Technical Foam (INR Mn)



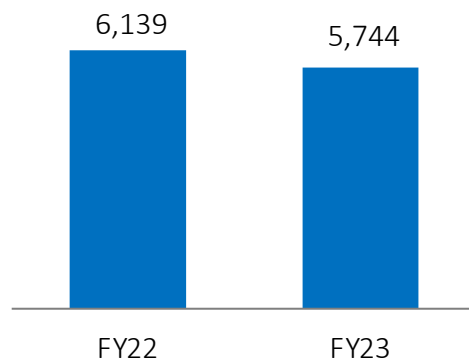
Comfort Foam and HC Line (INR Mn)



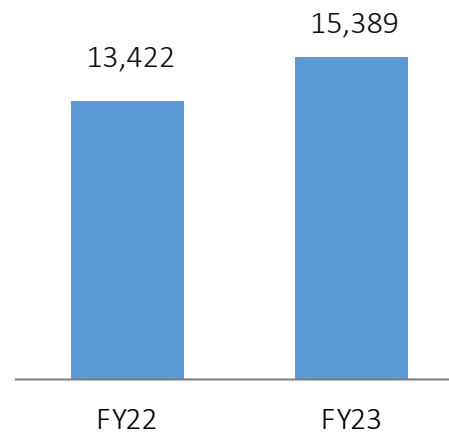
Mattresses (Volumes in 000's)



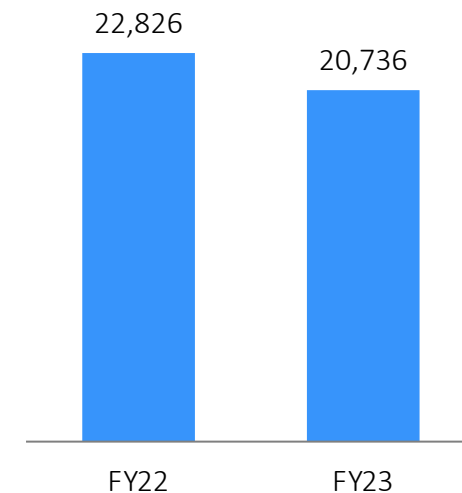
Furniture Foam (Volumes in MT)



Technical Foam (Volumes in MT)

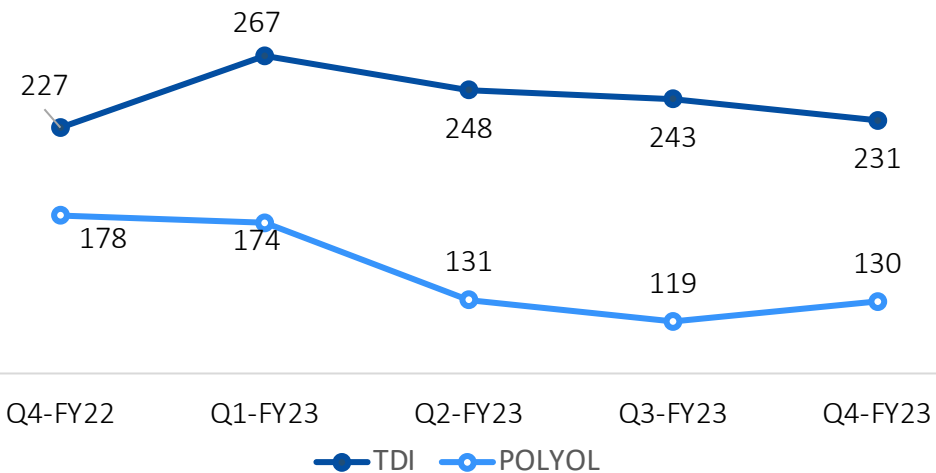


Comfort Foam (Volumes in MT)

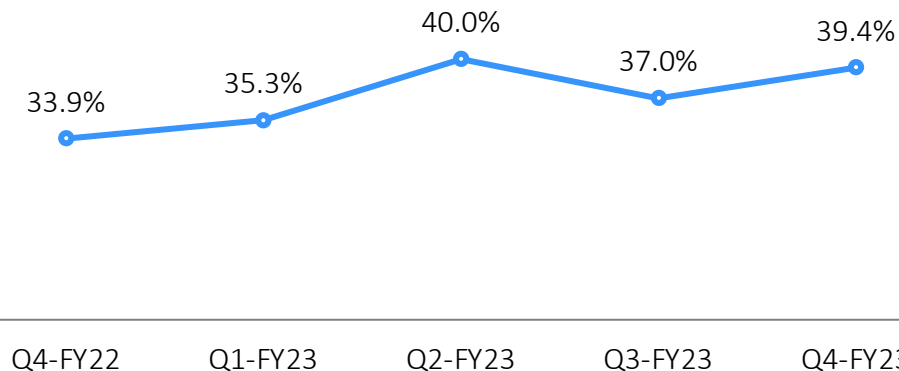


Raw Material Prices and Gross Margins (%)

TDI & Polyol Price Trend (INR/KG)

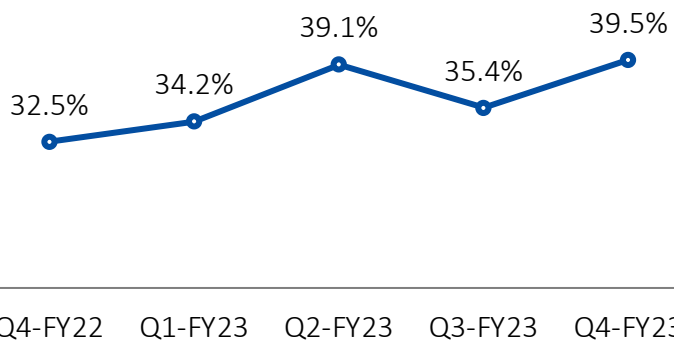


SFL Consolidated Gross Margins (%)

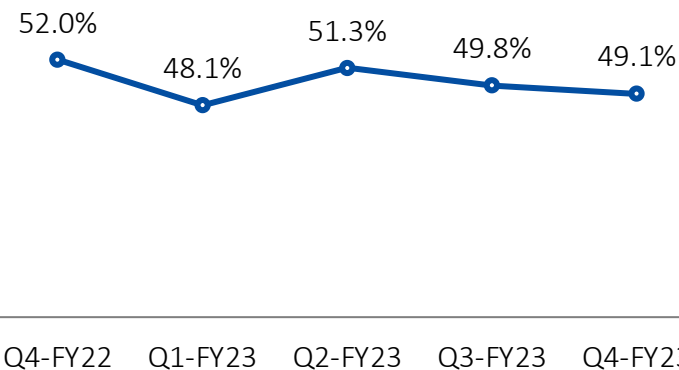


Gross Margins (%)

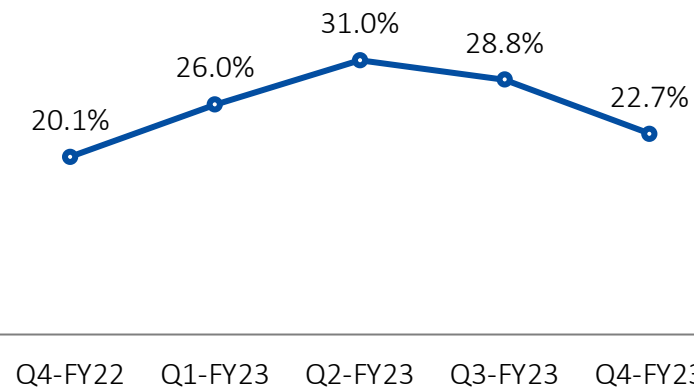
SFL India



Australia - Joyce



Spain - Interplasp



Quarterly Standalone Financial Performance

Particulars (INR Mn)	Q4-FY23	Q4-FY22	Y-O-Y	Q3-FY23	Q-O-Q
Revenue from Operations	5,209	5,368	(3.0)%	5,154	1.1%
Operating Expenses	4,586	4,818	(4.8)%	4,632	(1.0)%
EBITDA	623	550	13.3%	522	19.3%
<i>EBITDA Margin (%)</i>	<i>11.96%</i>	<i>10.25%</i>	<i>171 bps</i>	<i>10.13%</i>	<i>183 bps</i>
Other Income	184	151	21.9%	241	(23.7)%
Depreciation	102	86	18.6%	84	21.4%
Finance Cost	8	7	14.3%	9	(11.1)%
PBT	697	608	14.6%	670	4.0%
Tax	178	134	32.8%	143	24.5%
PAT	519	474	9.5%	527	(1.5)%
<i>PAT Margin (%)</i>	<i>9.96%</i>	<i>8.83%</i>	<i>113 bps</i>	<i>10.23%</i>	<i>(27) Bps</i>
Other Comprehensive Income	33	(63)	NA	(45)	NA
Total Comprehensive Income	552	411	34.3%	482	14.5%
Basic/Diluted EPS (INR)	5.32	4.85	9.7%	5.40	(1.5)%

Annual Standalone Income Statement

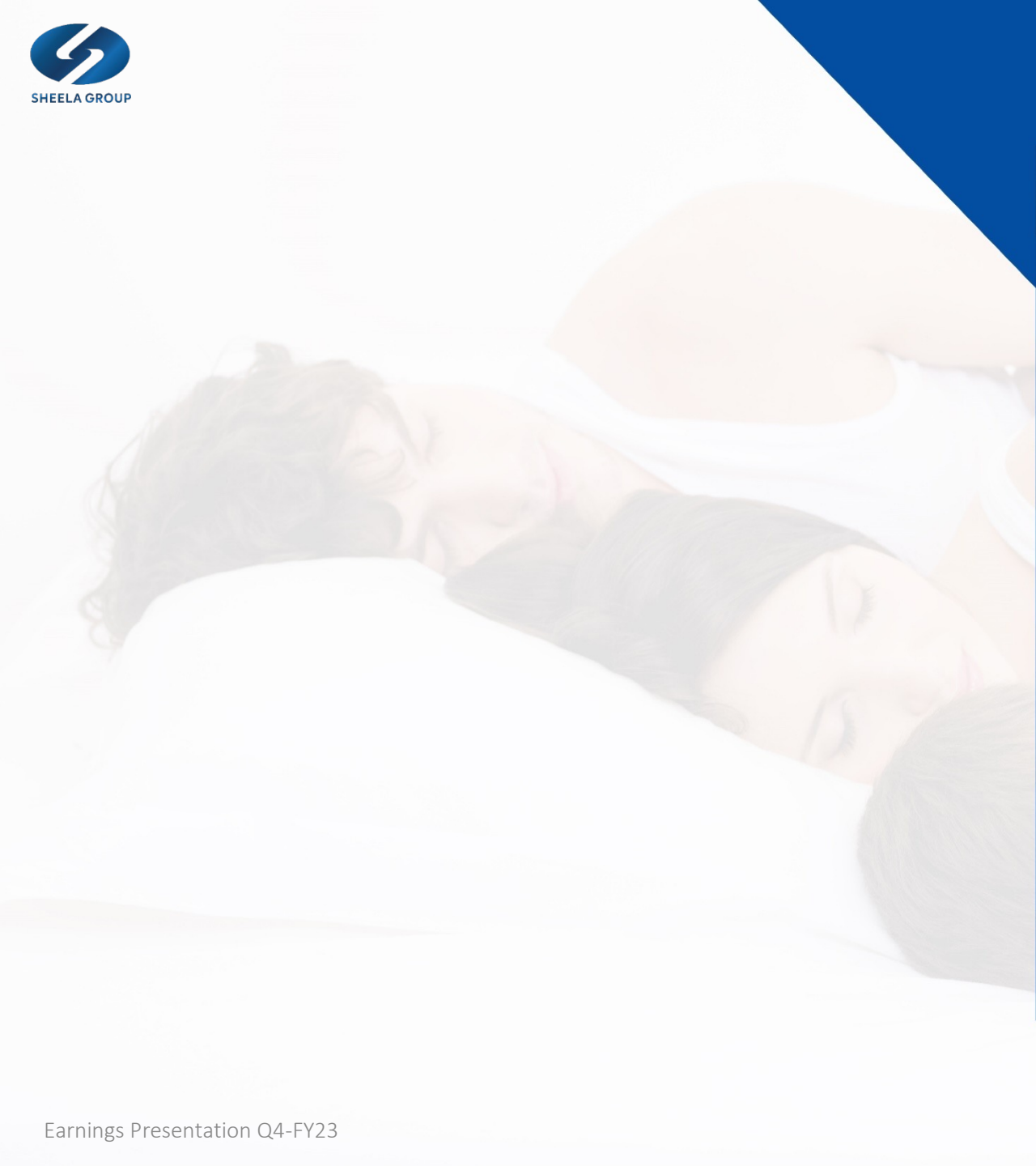
PARTICULARS (INR Mn)	FY23	FY22	Y-o-Y
Operational Revenue	20,198	20,082	0.6%
Operating Expenses	17,975	17,744	1.3%
EBITDA	2,223	2,338	(4.9)%
<i>EBITDA Margins (%)</i>	<i>11.01%</i>	<i>11.64%</i>	<i>(63) Bps</i>
Other Income	786	702	12.0%
Depreciation	338	324	4.3%
Finance Cost	64	71	(9.9)%
PBT	2,607	2,645	(1.4)%
Tax	658	672	(2.1)%
PAT	1,949	1,973	(1.2)%
<i>PAT Margins (%)</i>	<i>9.65%</i>	<i>9.82%</i>	<i>(17) bps</i>
Other Comprehensive Income	(39)	(12)	NA
Total Comprehensive Income	1,910	1,961	(2.6)%
Diluted EPS (INR)	19.97	20.22	(1.2)%

Quarterly Consolidated Financial Performance

Particulars (INR Mn)	Q4-FY23	Q4-FY22	Y-O-Y	Q3-FY23	Q-O-Q
Revenue from Operations	7,290	7,368	(1.1)%	7,609	(4.2)%
Operating Expenses	6,515	6,650	(2.0)%	6,852	(4.9)%
EBITDA	775	718	7.9%	757	2.4%
<i>EBITDA Margin (%)</i>	<i>10.63%</i>	<i>9.74%</i>	<i>89 bps</i>	<i>9.95%</i>	<i>68 bps</i>
Other Income	174	158	10.1%	282	(38.3)%
Depreciation	261	237	10.1%	224	16.5%
Finance Cost	60	21	NA	49	22.4%
PBT	628	618	1.6%	766	(18.0)%
Tax	170	125	36.0%	154	10.4%
PAT	458	493	(7.1)%	612	(25.2)%
<i>PAT Margin (%)</i>	<i>6.28%</i>	<i>6.69%</i>	<i>(41) Bps</i>	<i>8.04%</i>	<i>(176) bps</i>
Other Comprehensive Income	154	(67)	NA	(60)	NA
Total Comprehensive Income	612	426	43.7%	552	10.9%
Basic/Diluted EPS (INR)	4.69	5.05	(7.1)%	6.27	(25.2)%

Annual Consolidated Income Statement

PARTICULARS (INR Mn)	FY23	FY22	Y-o-Y
Operational Revenue	28,733	28,656	0.3%
Operating Expenses	25,760	25,507	1.0%
EBITDA	2,973	3,149	(5.6)%
<i>EBITDA Margins (%)</i>	<i>10.35%</i>	<i>10.99%</i>	<i>(64) Bps</i>
Other Income	865	792	9.2%
Depreciation	896	808	10.9%
Finance Cost	211	169	24.9%
PBT	2,731	2,964	(7.9)%
Tax	700	777	(9.9)%
PAT	2,031	2,187	(7.1)%
<i>PAT Margins (%)</i>	<i>7.07%</i>	<i>7.63%</i>	<i>(56) Bps</i>
Other Comprehensive Income	125	(18)	NA
Total Comprehensive Income	2,156	2,169	(0.6)%
Diluted EPS (INR)	20.81	22.42	(7.2)%



Historical Financial Overview

Historical Standalone Income Statement

PARTICULARS (INR Mn)	FY20	FY21	FY22	FY23
Operational Revenue	16,344	16,117	20,082	20,198
Operating Expenses	14,074	13,744	17,744	17,975
EBITDA	2,270	2,373	2,338	2,223
<i>EBITDA Margins (%)</i>	<i>13.89%</i>	<i>14.72%</i>	<i>11.64%</i>	<i>11.01%</i>
Other Income	413	474	702	786
Depreciation	331	325	324	338
Finance Cost	81	87	71	64
PBT	2,271	2,435	2,645	2,607
Exceptional Items	120	-	-	-
Tax	496	623	672	658
PAT	1,655	1,812	1,973	1,949
<i>PAT Margins (%)</i>	<i>10.13%</i>	<i>11.24%</i>	<i>9.82%</i>	<i>9.65%</i>
Other Comprehensive Income	(43)	21	(12)	(39)
Total Comprehensive Income	1,612	1,833	1,961	1,910
Diluted EPS (INR)	16.97	18.57	20.22	19.97

Historical Standalone Balance Sheet

PARTICULARS (INR Mn)	FY21	FY22	FY23
ASSETS			
Non-current Assets	8,497	11,171	6,909
Property, Plant & Equipment	2,536	2,350	2,371
Capital Work In Progress	12	6	19
Right of Use Assets	201	184	163
Investment Property	38	36	34
Investment In Subsidiaries	2,137	1,967	1,967
Financial Assets			
(a) Investments	3,036	5,288	564
(b) Loans	486	778	1,223
(c) Other Financial Assets	21	191	170
(d) Investment in Preference Shares	-	299	299
Non-current Assets (Net)	3	46	67
Other Non Current Assets	26	26	32
Current Assets	5,713	4,911	11,142
Inventories	2,283	2,035	1,889
Financial Assets			
(a) Investments	1,060	840	7,065
(b) Trade Receivable	1,630	1,360	1,640
(c) Cash And Cash Equivalent	350	143	104
(d) Other Bank Balances	5	3	3
(e) Loans	56	56	6
(f) Other Current Fin Assets	87	282	64
Other Current Assets	241	192	371
GRAND TOTAL – ASSETS	14,210	16,082	18,051

PARTICULARS (INR Mn)	FY21	FY22	FY23
EQUITY & LIABILITIES			
Equity	10,134	12,095	13,958
(A) Share Capital	244	244	488
(B) Other Equity	9,890	11,851	13,470
Non-current Liabilities	653	796	515
Financial Liabilities			
(A) Borrowings	-	-	
(B) Lease Liabilities	19	183	149
(C) Other Financial Liabilities	502	503	255
Provisions	46	60	90
Deferred Tax Liabilities (Net)	83	48	19
Other Non Current Liabilities	3	2	2
Current Liabilities	3,423	3,191	3,578
Financial Liabilities			
(A) Borrowings	-	-	
(B) Lease Liabilities	1	11	13
(C) Trade Payables	2,333	1,941	1,827
(D) Other Current Fin Liabilities	381	413	863
Provisions	44	105	109
Current Tax Liabilities (net)	-	-	12
Other Current Liabilities	664	721	754
GRAND TOTAL - EQUITIES & LIABILITES	14,210	16,082	18,051

Historical Consolidated Income Statement

PARTICULARS (INR Mn)	FY20	FY21	FY22	FY23
Operational Revenue	20,532	23,550	28,656	28,733
Operating Expenses	17,528	19,908	25,507	25,760
EBITDA	3,004	3,642	3,149	2,973
<i>EBITDA Margins (%)</i>	<i>14.63%</i>	<i>15.46%</i>	<i>10.99%</i>	<i>10.35%</i>
Other Income	400	502	792	865
Depreciation	590	729	808	896
Finance Cost	130	177	169	211
PBT	2,684	3,238	2,964	2,731
Exceptional Items	120	-	-	-
Tax	621	836	777	700
PAT	1,943	2,402	2,187	2,031
<i>PAT Margins (%)</i>	<i>9.46%</i>	<i>10.20%</i>	<i>7.63%</i>	<i>7.07%</i>
Other Comprehensive Income	(31)	188	(18)	125
Total Comprehensive Income	1,912	2,590	2,169	2,156
Diluted EPS (INR)	19.92	24.62	22.42	20.81

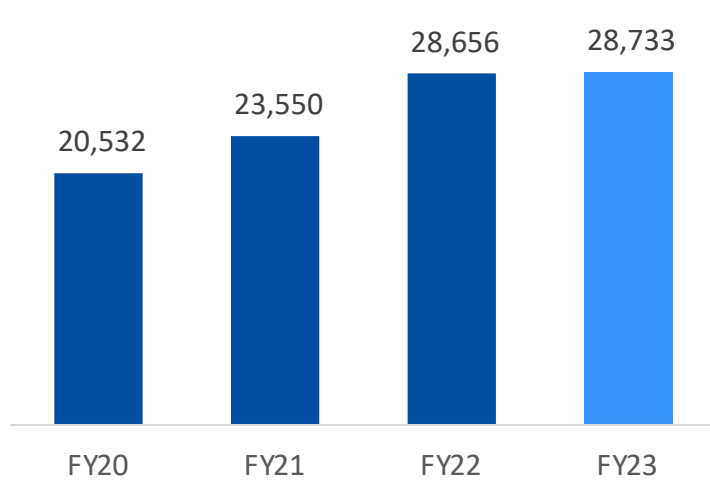
Historical Consolidated Balance Sheet

PARTICULARS (INR Mn)	FY21	FY22	FY23
ASSETS			
Non-current Assets	12,381	15,767	12,775
Property, Plant & Equipment	4,300	4,355	4,290
Capital Work In Progress	326	1,199	2,875
Right of Use Assets	1,418	1,394	1,086
Investment Property	590	562	534
Intangible Assets	2,631	2,520	2,740
Financial Assets			
(a) Investments	3,036	5,288	564
(b) Loans	2	1	19
(c) Other Non Current Fin Assets	52	45	52
Deferred Tax Assets	-	78	137
Non-current Assets (Net)	-	69	124
Other Non Current Assets	26	256	354
Current Assets	8,313	7,865	14,333
Inventories	3,153	3,145	3,313
Financial Assets			
(a) Investments	1,070	894	7,120
(b) Trade Receivable	3,021	2,694	2,820
(c) Cash And Cash Equivalent	574	408	423
(d) Other Bank Balances	7	3	3
(e) Loans	56	56	6
(f) Other Current Fin Assets	69	263	10
Other Current Assets	363	402	638
GRAND TOTAL – ASSETS	20,694	23,632	27,108

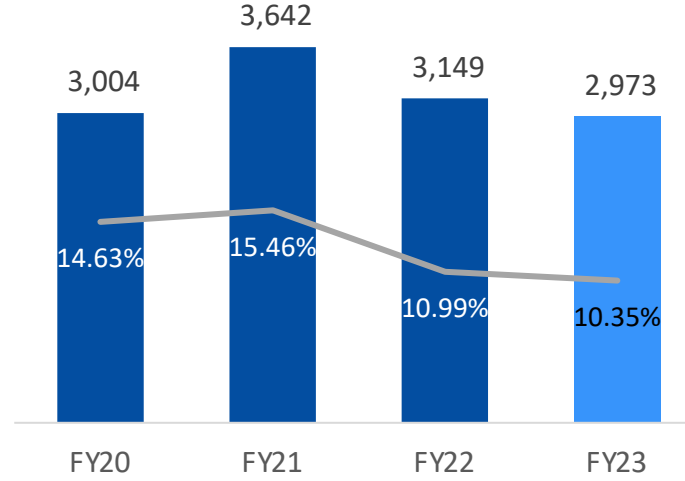
PARTICULARS (INR Mn)	FY21	FY22	FY23
EQUITY & LIABILITIES			
Equity	11,932	14,002	16,087
(A) Share Capital	244	244	488
(B) Other Equity	11,599	13,682	15,516
Non Controlling Interest	89	76	83
Non-current Liabilities	3,068	4,134	4,187
Financial Liabilities			
(A) Borrowings	1,326	2,282	2,838
(B) Lease Liabilities	1,086	1,057	875
(C) Other Non Current Financial Liabilities	502	503	259
Provisions	62	193	130
Other Non current Liabilities	3	2	2
Deferred Tax Liabilities (Net)	89	97	83
Current Liabilities	5,694	5,496	6,834
Financial Liabilities			
(A) Borrowings	730	1,096	1,838
(B) Lease Liabilities	201	230	160
(C) Trade Payables	3,301	2,854	2,594
(D) Other Current Fin Liabilities	531	440	917
Provisions	147	106	205
Current Tax Liabilities (Net)	45	-	12
Other Current Liabilities	739	770	1,108
GRAND TOTAL - EQUITIES & LIABILITES	20,694	23,632	27,108

Consolidated Financial Performance

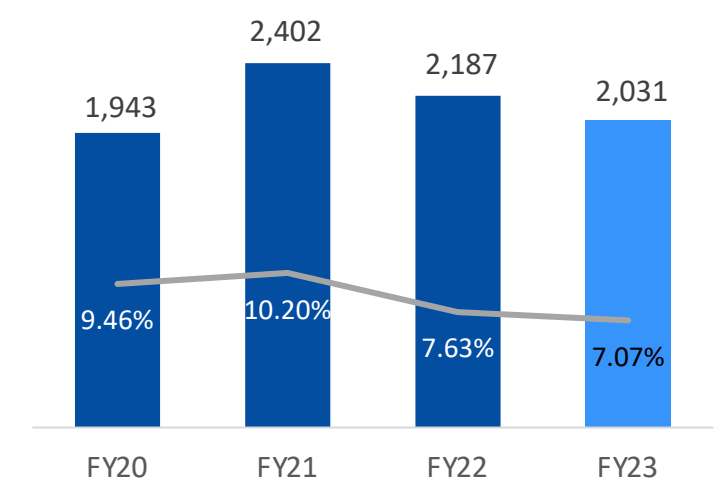
Revenues (INR Mn)



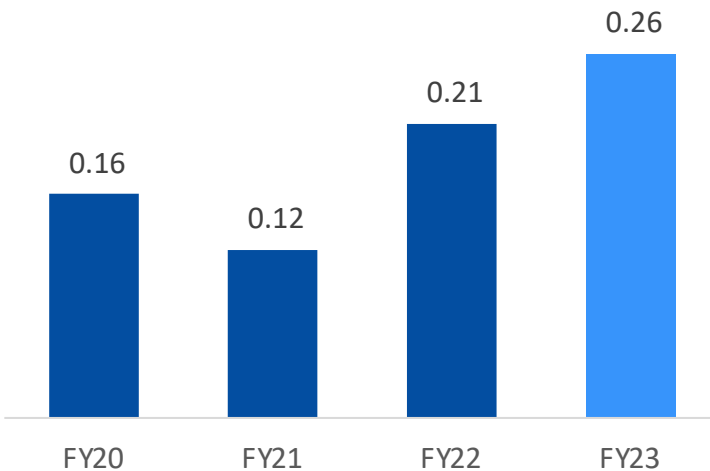
EBITDA (INR Mn) and EBITDA Margins (%)



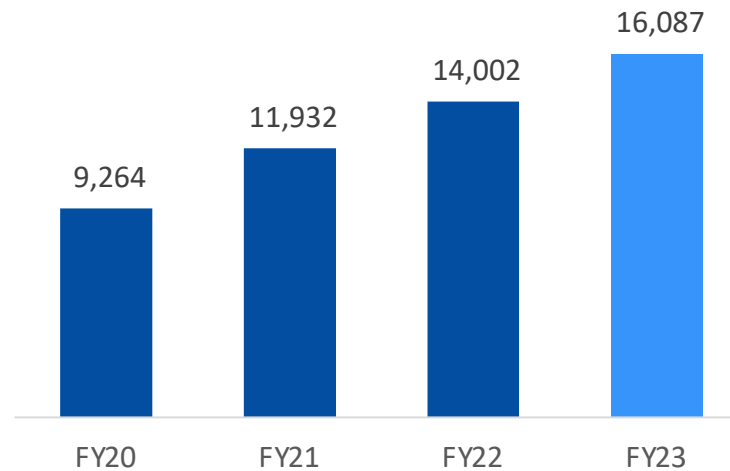
PAT (INR Mn) and PAT Margins (%)



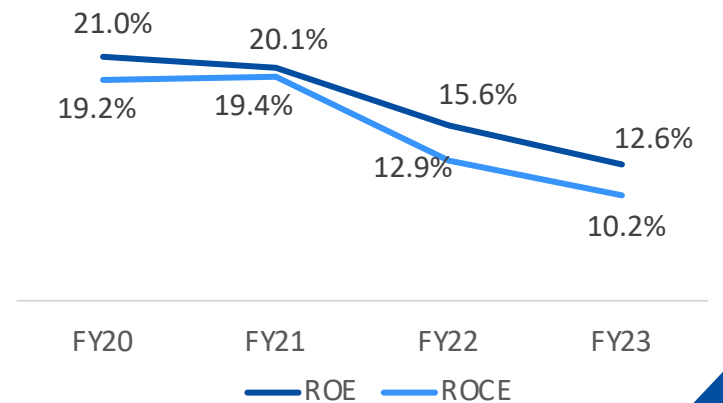
Net Debt to Equity Ratio (x)



Net worth (INR Mn)

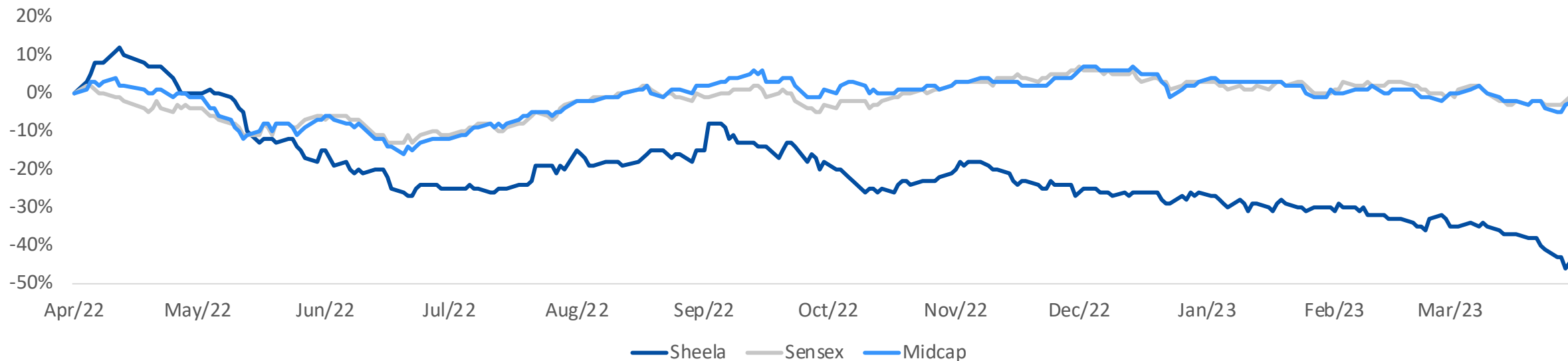


ROE and ROCE (%)



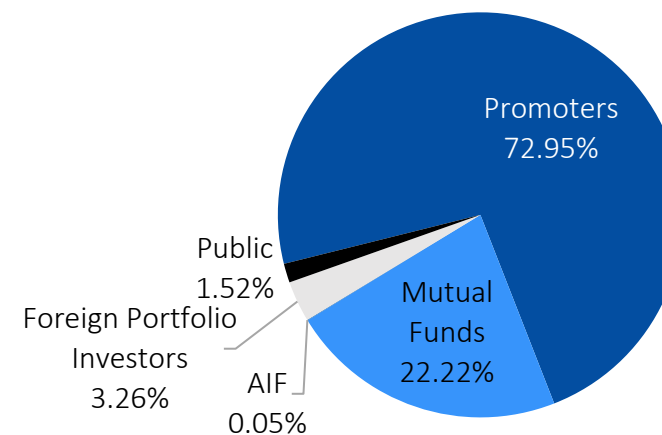
Capital Market Data

1 year stock performance (As on 31st March 2023)



Price Data (As on 31 st March, 2023)	INR
Face Value	5.0
CMP	995.6
52 Week H/L	2,027.0 / 905.5
Market Cap (INR Mn)	97,136.3
No. of Share outstanding (Mn)	97.6
1 Year Avg. Trading Volume (000)	21.6

Shareholding Pattern as on 31st March, 2023



Disclaimer

No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Such information and opinions are in all events not current after the date of this presentation. Certain statements made in this presentation may not be based on historical information or facts and may be "forward looking statements" based on the currently held beliefs and assumptions of the management Sheela Foam Limited ("Company" or "Sheela Foam Ltd."), which are expressed in good faith and in their opinion reasonable, including those relating to the Company's general business plans and strategy, its future financial condition and growth prospects and future developments in its industry and its competitive and regulatory environment.

Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance or achievements of the Company or industry results to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements, including future changes or developments in the Company's business, its competitive environment and political, economic, legal and social conditions. Further, past performance is not necessarily indicative of future results. Given these risks, uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements. The Company disclaims any obligation to update these forward-looking statements to reflect future events or developments.

This presentation is for general information purposes only, without regard to any specific objectives, financial situations or informational needs of any particular person. This presentation does not constitute an offer or invitation to purchase or subscribe for any securities in any jurisdiction, including the United States. No part of it should form the basis of or be relied upon in connection with any investment decision or any contract or commitment to purchase or subscribe for any securities. None of our securities may be offered or sold in the United States, without registration under the U.S. Securities Act of 1933, as amended, or pursuant to an exemption from registration there from.

This presentation is confidential and may not be copied or disseminated, in whole or in part, and in any manner.

Valorem Advisors Disclaimer:

Valorem Advisors is an Independent Investor Relations Management Service company. This Presentation has been prepared by Valorem Advisors based on information and data which the Company considers reliable, but Valorem Advisors and the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded. Valorem Advisors also hereby certifies that the directors or employees of Valorem Advisors do not own any stock in personal or company capacity of the Company under review.



For further information please contact our Investor Relations Representatives:

Mr. Anuj Sonpal

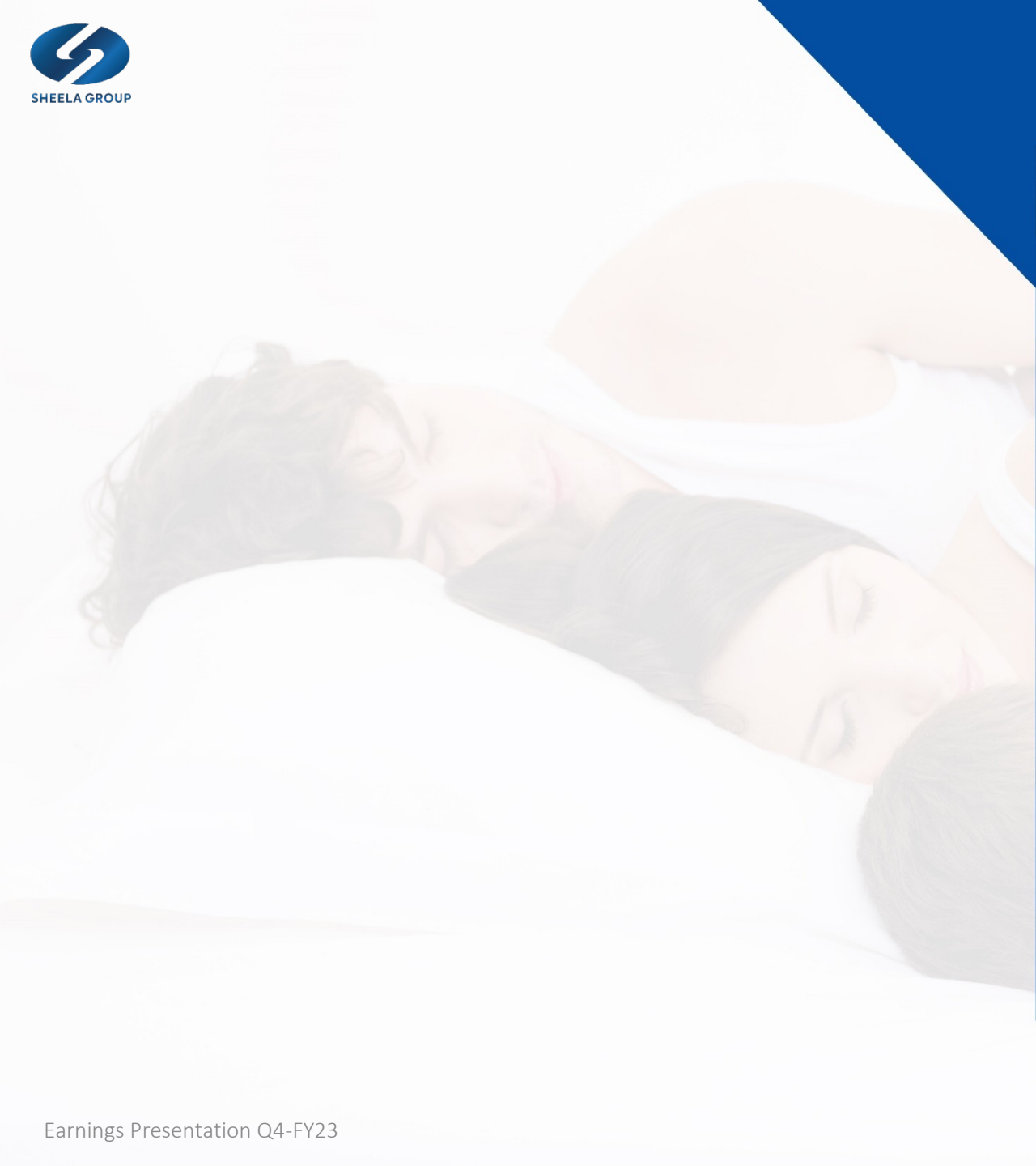
Valorem Advisors

Tel: +91-22-4903-9500

Email: sheela@valoremadvisors.com



SHEELA GROUP



THANK YOU