



Date: February 03, 2023

To
The Secretary
(Listing Department)
The BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai-400001

The Manager,
The National Stock Exchange India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra(E), Mumbai-400051

BSE Scrip Code: 540203

NSE Symbol: SFL

Subject: Investor presentation

Dear Sir/ Madam,

Furtherance to our communication and results for the quarter and Nine months ended 31st December, 2022. Please find attached investor presentation on results.

Thanking you.
Yours faithfully,

For Sheela Foam Limited

(Md. Iquebal Ahmad)
Company Secretary and Compliance Officer

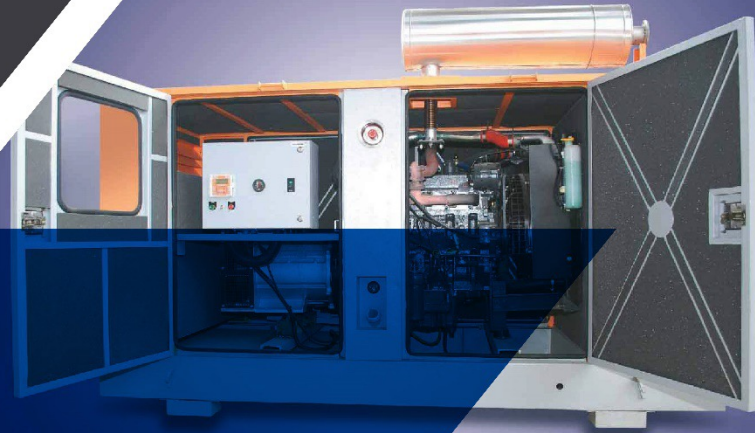
SHEELA FOAM LTD.

#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 Q3/9M-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



20-25% 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

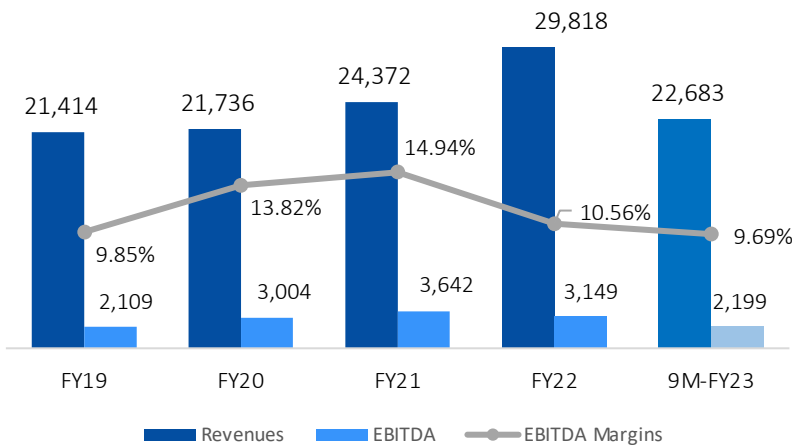
- Incorporated in 1971, Sheela Foam is the market leader and the largest manufacturer of Polyurethane Foam (PU) in India.
- The Company manufactures various foam-based home comfort products like mattresses, Furniture cushions, as well as technical grades of polyurethane foams for end-use in a range of 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

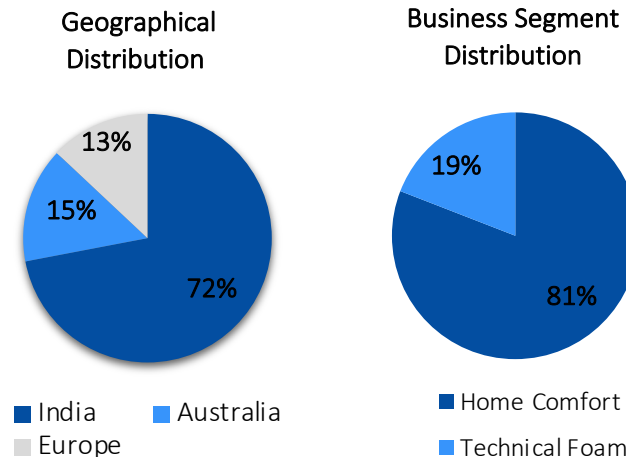


- 11 | Manufacturing Plants
- 123,000 | MTPA of Total Capacity
- 20 – 25% | Market share in India

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



9M-FY23 Revenue Breakup

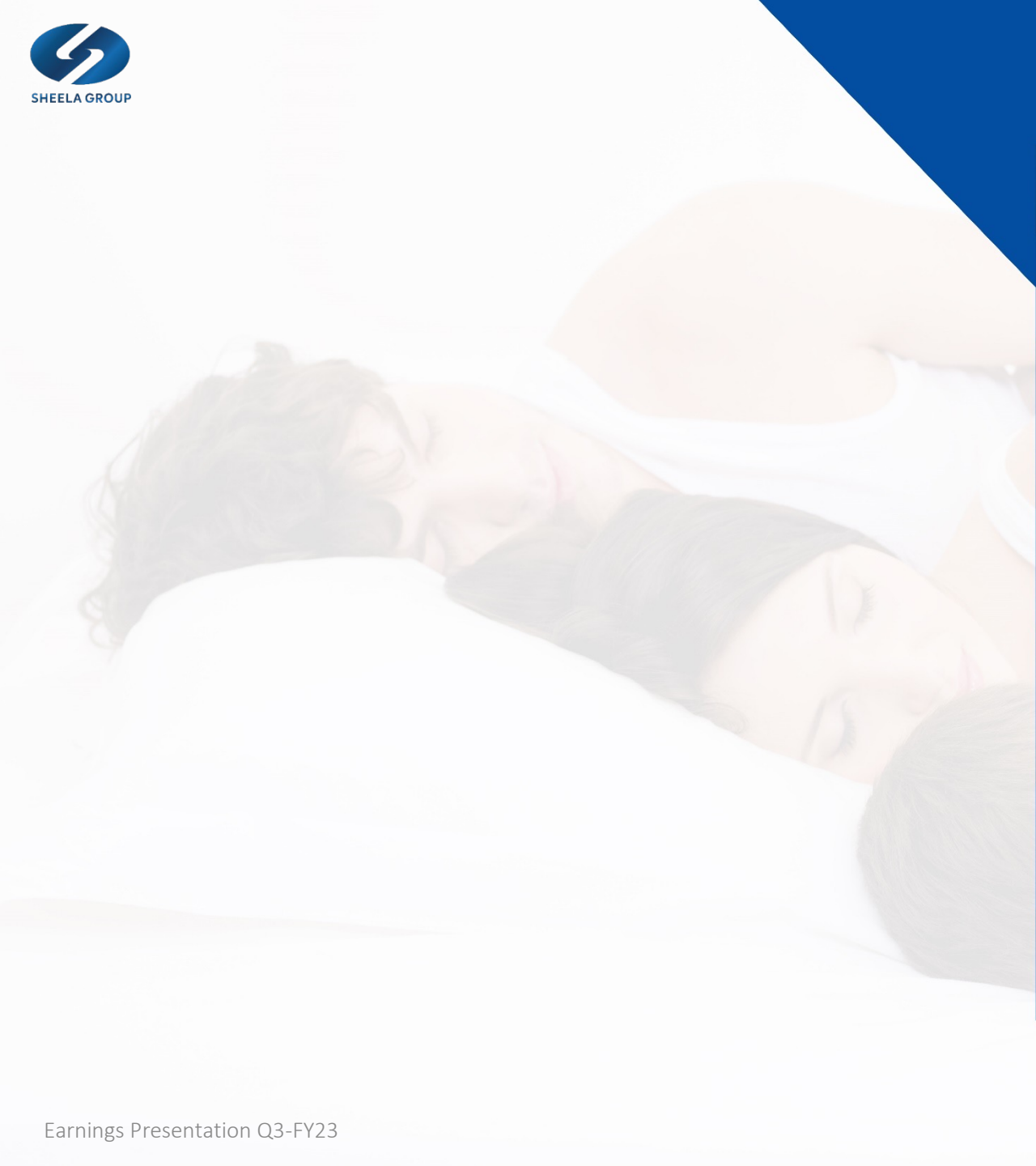


Global Operations

- 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



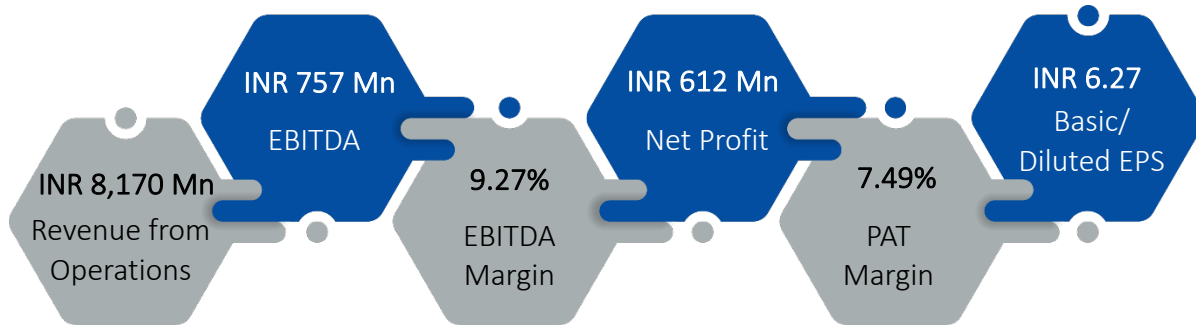
SHEELA GROUP



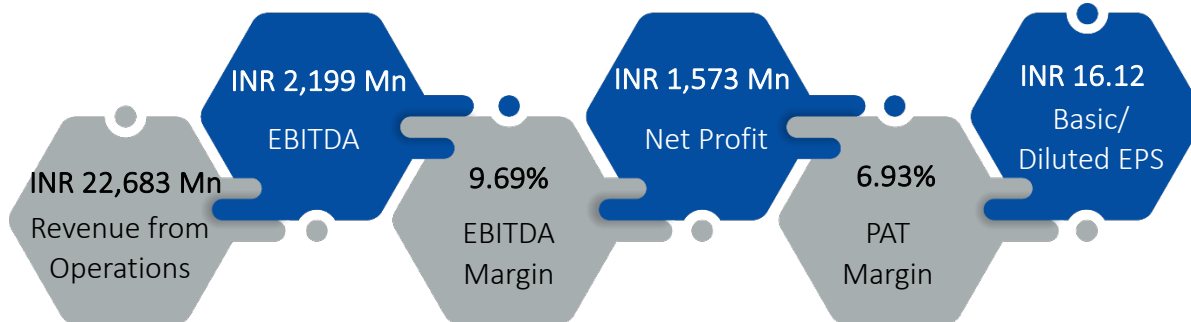
Q3/9M-FY23 Performance Highlights

Q3/9M-FY23 Financial and Operational Highlights

Q3-FY23 Consolidated Financial Performance



9M-FY23 Consolidated Financial Performance

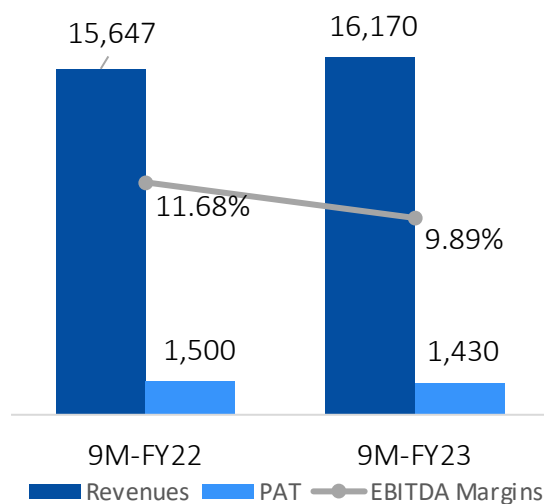
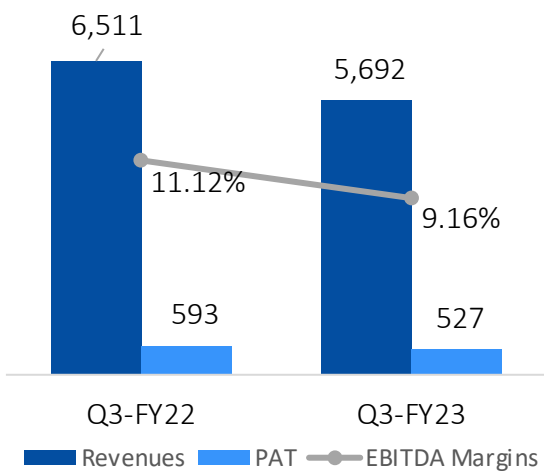


Q3/9M-FY23 Operational Highlights

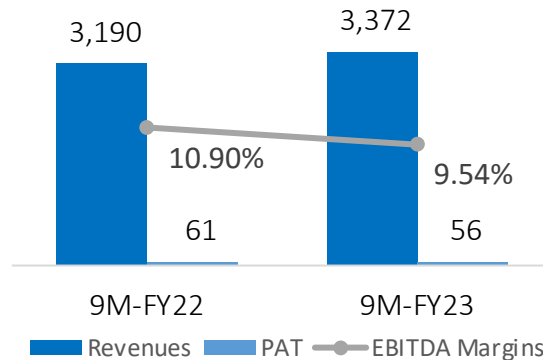
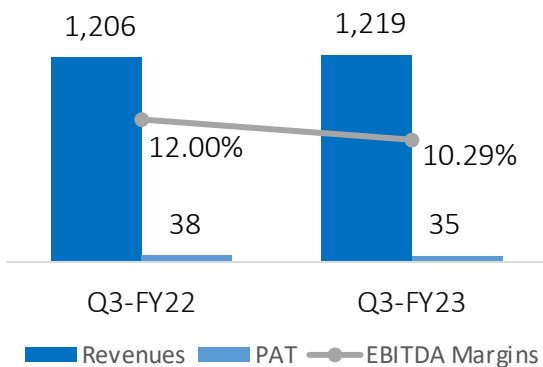
- Decline in quarterly revenues primarily attributed to weaker than expected demand and a higher base in FY22 due to pent up demand driven by Covid-19.
- The secular trend of unorganised to organised shift, coupled with focus on long term strategic initiatives and execution ensured growth in SFL mattress and foam market share.
- Decline in EBITDA Margins due to elevated costs relating to marketing and one-time M&A and forex related accounting costs.
- Benefit of declining raw material prices not fully reflected in Gross Margins in Q3-FY23 due to inventory holdings at higher levels.
- Overall business outlook remains positive provided by India's GDP forecasts, coupled with secular themes of formalisation and consolidation, which remain relevant to the Indian Mattress market.
- With significant amount of work in the areas of product mix and design done by SFL, the company will continue to pursue in this direction in addition to focused diversification opportunities.

Quarterly and YTD Geographical Revenues

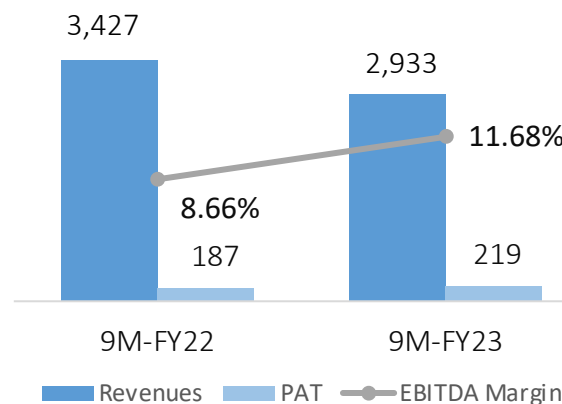
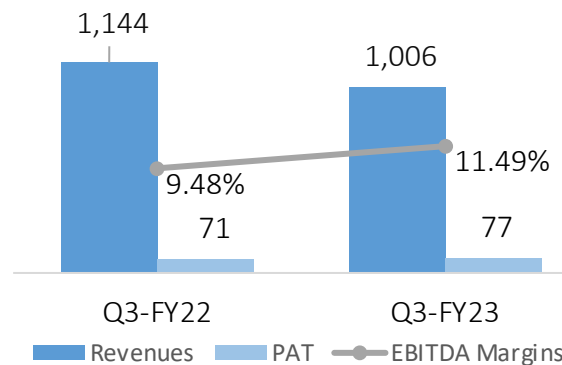
SFL India (INR Mn)



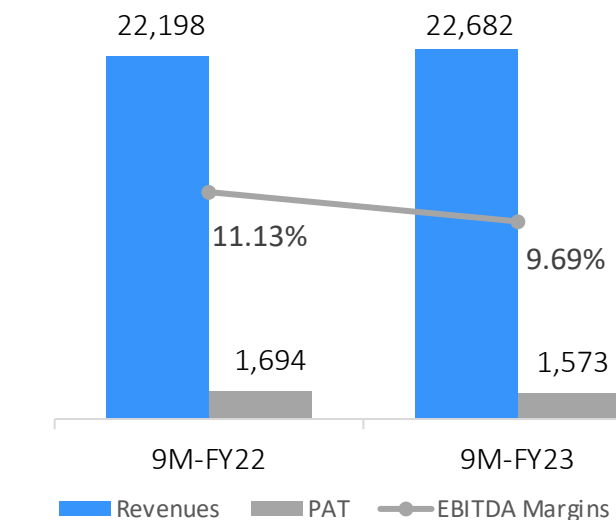
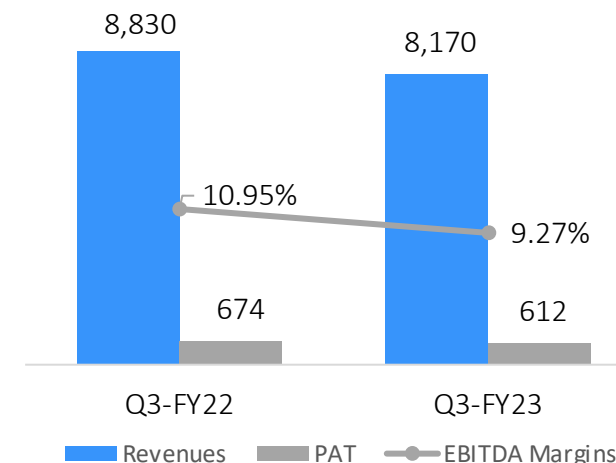
Australia - Joyce (INR Mn)



Spain - Interplasp (INR Mn)

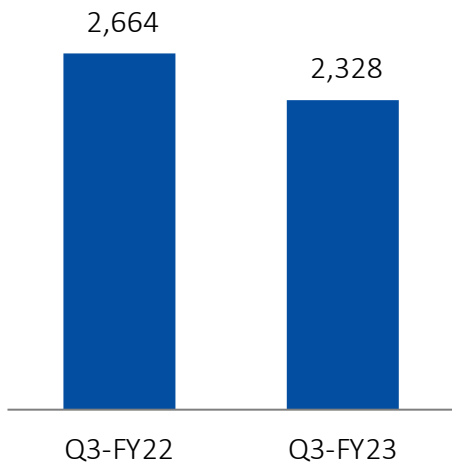


Consolidated (INR Mn)

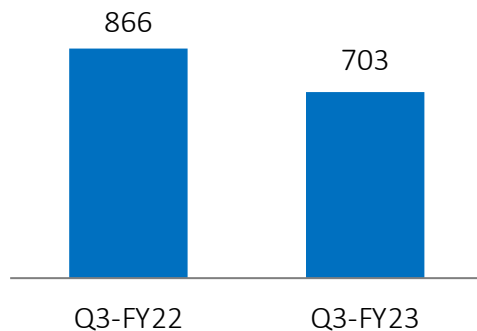


Quarterly Business Segment Revenues

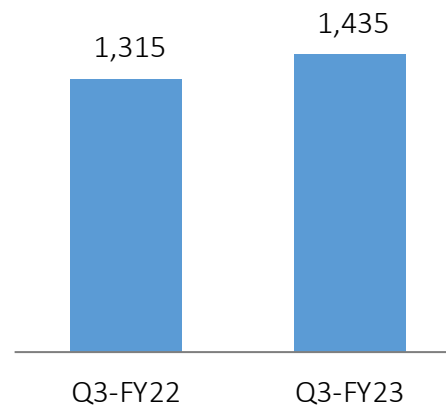
Mattresses (INR Mn)



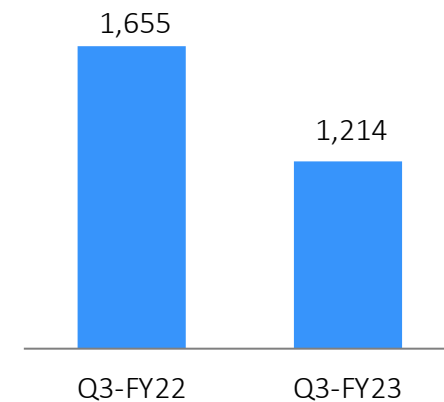
Furniture Foam (INR Mn)



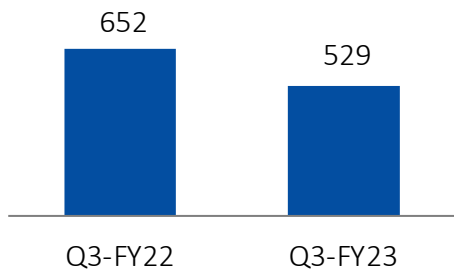
Technical Foam (INR Mn)



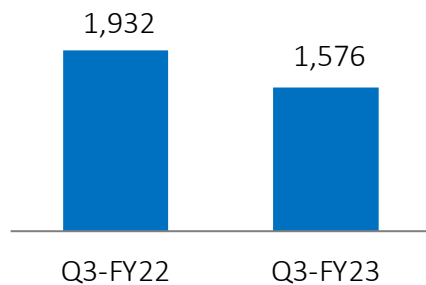
Comfort Foam and HC Line (INR Mn)



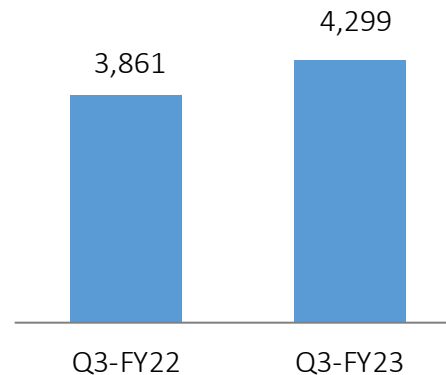
Mattresses (Volumes in 000's)



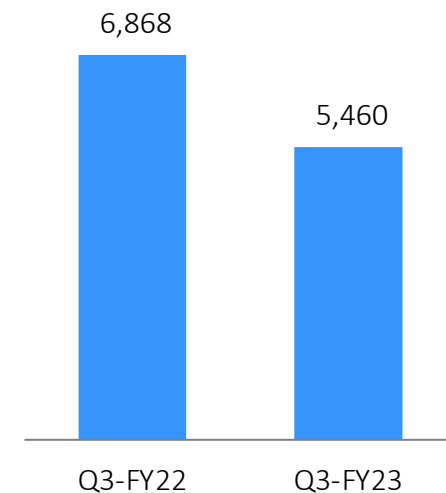
Furniture Foam (Volumes in MT)



Technical Foam (Volumes in MT)

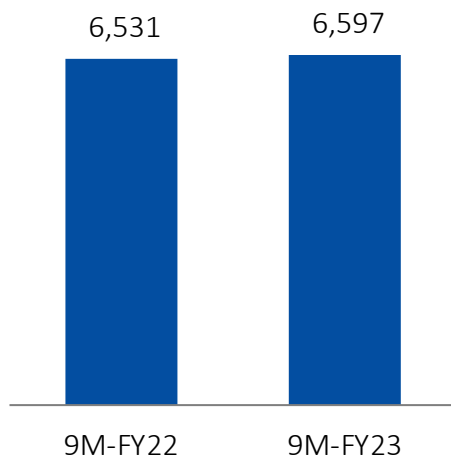


Comfort Foam (Volumes in MT)

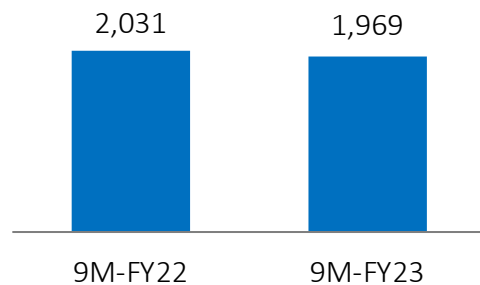


YTD Business Segment Revenues

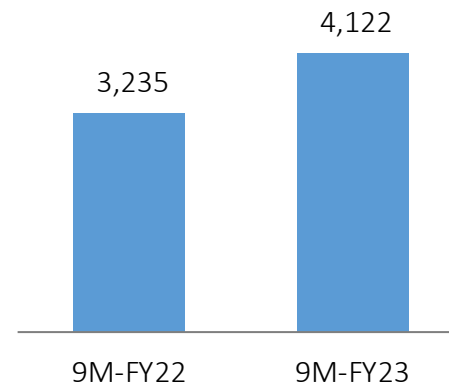
Mattresses (INR Mn)



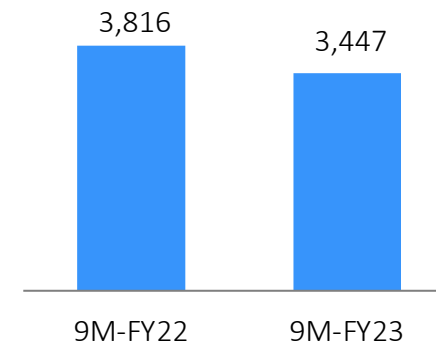
Furniture Foam (INR Mn)



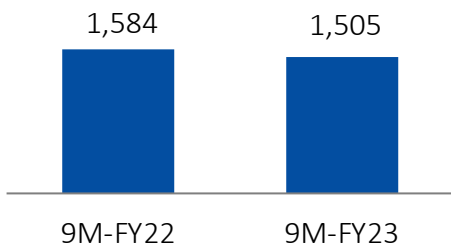
Technical Foam (INR Mn)



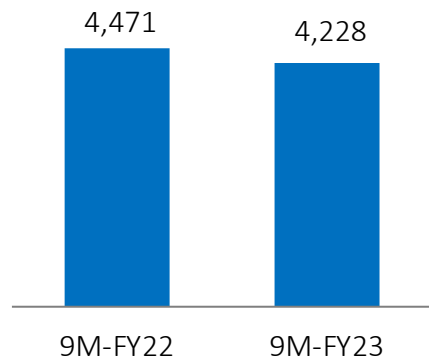
Comfort Foam and HC Line (INR Mn)



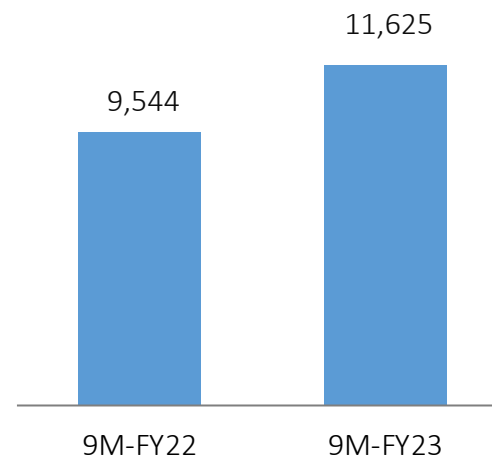
Mattresses (Volumes in 000's)



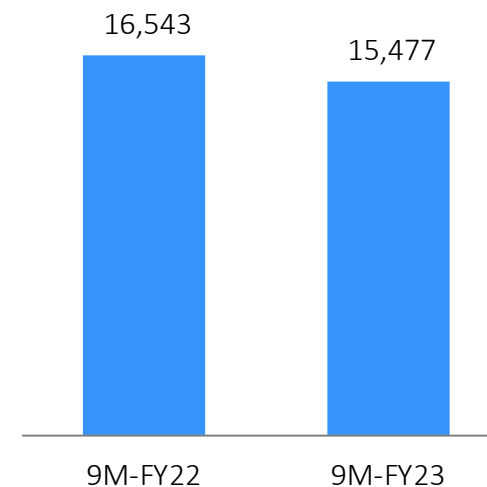
Furniture Foam (Volumes in MT)



Technical Foam (Volumes in MT)

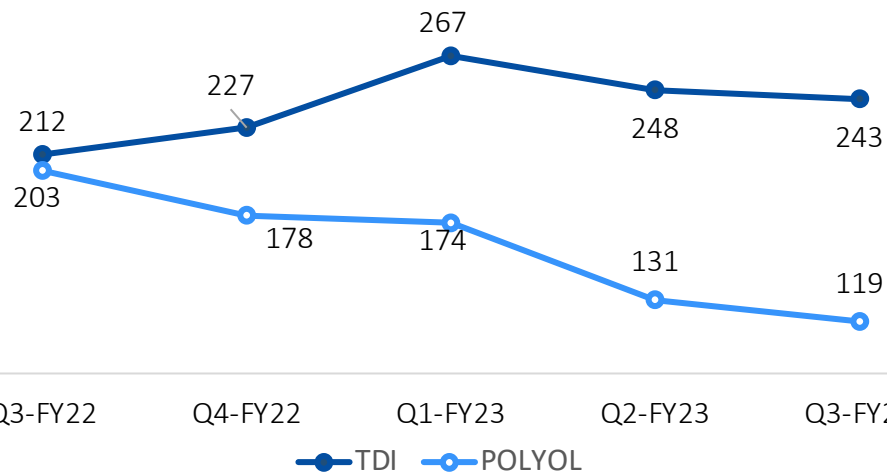


Comfort Foam (Volumes in MT)

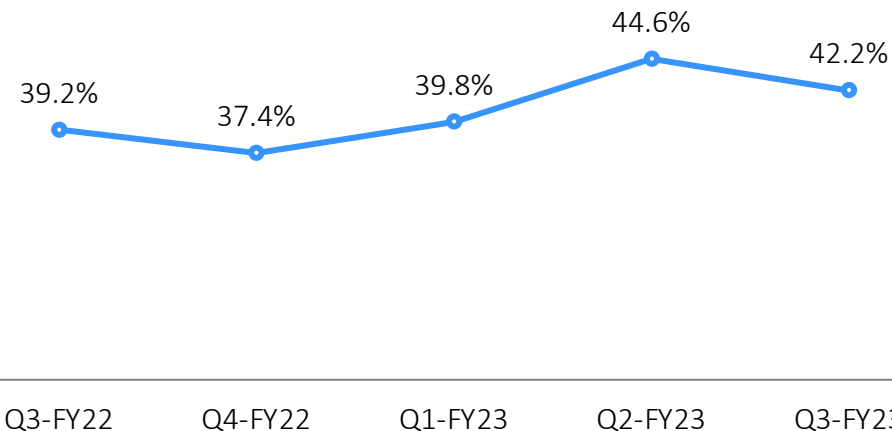


Raw Material Prices and Gross Margins (%)

TDI & Polyol Price Trend (INR/KG)

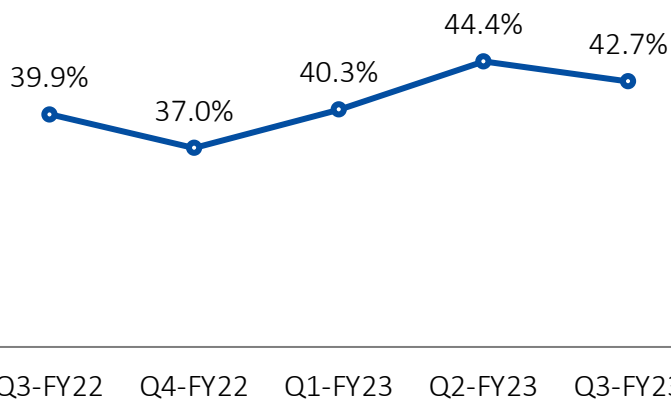


SFL Consolidated Gross Margins (%)

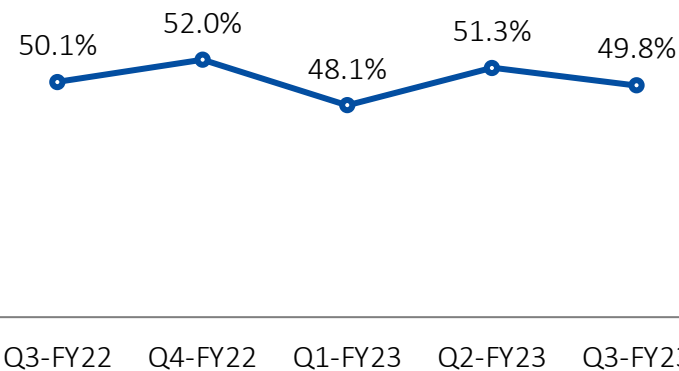


Gross Margins (%)

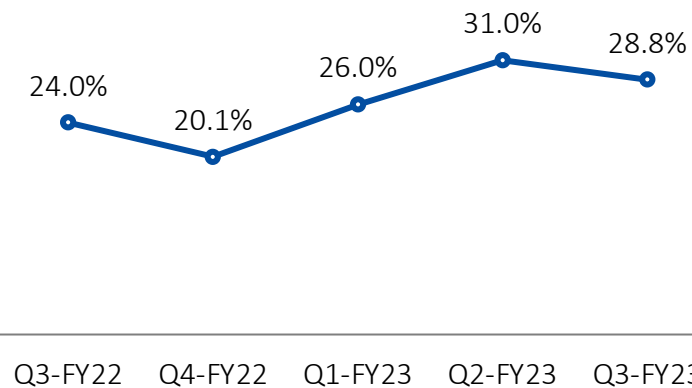
SFL India



Australia - Joyce



Spain - Interplasp



Quarterly Standalone Financial Performance

Particulars (INR Mn)	Q3-FY23	Q3-FY22	Y-O-Y	Q2-FY23	Q-O-Q
Revenue from Operations	5,692	6,511	(12.6)%	5,334	6.7%
Operating Expenses	5,170	5,788	(10.7)%	4,704	9.9%
EBITDA	522	723	(27.8)%	630	(17.1)%
<i>EBITDA Margin (%)</i>	<i>9.17%</i>	<i>11.10%</i>	<i>(193) Bps</i>	<i>11.81%</i>	<i>(264) Bps</i>
Other Income	241	223	8.1%	199	21.1%
Depreciation	84	87	(3.4)%	79	6.3%
Finance Cost	9	22	(59.1)%	25	(64.0)%
PBT	670	837	(20.0)%	725	(7.6)%
Tax	143	243	(41.2)%	205	(30.2)%
PAT	527	594	(11.3)%	520	1.3%
<i>PAT Margin (%)</i>	<i>9.26%</i>	<i>9.12%</i>	<i>14 Bps</i>	<i>9.75%</i>	<i>(49) Bps</i>
Other Comprehensive Income	(45)	18	NA	8	NA
Total Comprehensive Income	482	612	(21.2)%	528	(8.7)%
Basic/Diluted EPS (INR)	5.40	6.08	(11.2)%	5.33	1.3%

YTD Standalone Income Statement

PARTICULARS (INR Mn)	9M-FY23	9M-FY22	Y-o-Y
Operational Revenue	16,170	15,647	3.3%
Operating Expenses	14,570	13,819	5.4%
EBITDA	1,600	1,828	(12.5)%
<i>EBITDA Margins (%)</i>	<i>9.89%</i>	<i>11.68%</i>	<i>(179 Bps)</i>
Other Income	602	511	17.8%
Depreciation	236	238	(0.8)%
Finance Cost	56	64	(12.5)%
PBT	1,910	2,037	(6.2)%
Tax	480	537	(10.6)%
PAT	1,430	1,500	(4.7)%
<i>PAT Margins (%)</i>	<i>8.84%</i>	<i>9.59%</i>	<i>(75) Bps</i>
Other Comprehensive Income	(71)	50	NA
Total Comprehensive Income	1,359	1,550	(12.3)%
Diluted EPS (INR)	14.66	15.37	(4.6)%

Quarterly Consolidated Financial Performance

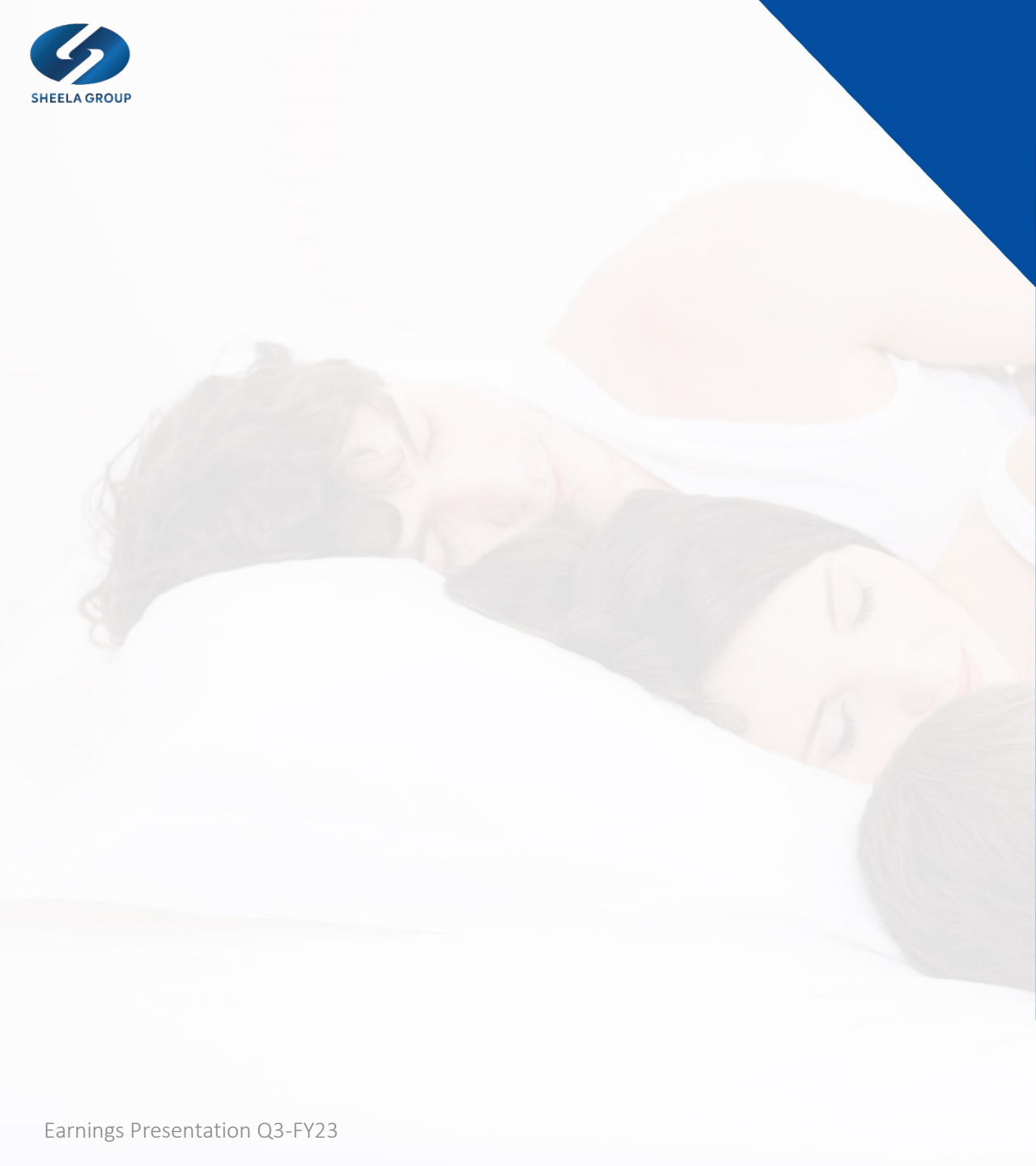
Particulars (INR Mn)	Q3-FY23	Q3-FY22	Y-O-Y	Q2-FY23	Q-O-Q
Revenue from Operations	8,170	8,830	(7.5)%	7,222	13.1%
Operating Expenses	7,413	7,863	(5.7)%	6,439	15.1%
EBITDA	757	967	(21.7)%	783	(3.3)%
<i>EBITDA Margin (%)</i>	<i>9.27%</i>	<i>10.95%</i>	<i>(168) Bps</i>	<i>10.84%</i>	<i>(157) Bps</i>
Other Income	282	260	8.5%	225	25.3%
Depreciation	224	199	12.6%	205	9.3%
Finance Cost	49	58	(15.5)%	50	(2.0)%
PBT	766	970	(21.0)%	753	1.7%
Tax	154	296	(48.0)%	217	(29.0)%
PAT	612	674	(9.2)%	536	14.2%
<i>PAT Margin (%)</i>	<i>7.49%</i>	<i>7.63%</i>	<i>(14) Bps</i>	<i>7.42%</i>	<i>7 Bps</i>
Other Comprehensive Income	(60)	17	NA	96	NA
Total Comprehensive Income	552	691	(20.1)%	632	(12.7)%
Basic/Diluted EPS (INR)	6.27	6.9	(9.1)%	5.49	14.2%

YTD Consolidated Income Statement

PARTICULARS (INR Mn)	9M-FY23	9M-FY22	Y-o-Y
Operational Revenue	22,683	22,221	2.1%
Operating Expenses	20,484	19,751	3.7%
EBITDA	2,199	2,470	(11.0)%
<i>EBITDA Margins (%)</i>	<i>9.69%</i>	<i>11.12%</i>	<i>(143) Bps</i>
Other Income	691	595	16.1%
Depreciation	636	571	11.4%
Finance Cost	151	148	2.0%
PBT	2,103	2,346	(10.4)%
Tax	530	652	(18.7)%
PAT	1,573	1,694	(7.1)%
<i>PAT Margins (%)</i>	<i>6.93%</i>	<i>7.62%</i>	<i>(69) Bps</i>
Other Comprehensive Income	(29)	49	NA
Total Comprehensive Income	1,544	1,743	(11.4)%
Diluted EPS (INR)	16.12	17.36	(7.1)%



SHEELA GROUP



Historical Financial Overview

Historical Standalone Income Statement

PARTICULARS (INR Mn)	FY20	FY21	FY22	9M-FY23
Operational Revenue	17,548	16,939	21,244	16,170
Operating Expenses	15,278	14,566	18,906	14,570
EBITDA	2,270	2,373	2,338	1,600
<i>EBITDA Margins (%)</i>	<i>12.94%</i>	<i>14.01%</i>	<i>11.01%</i>	<i>9.89%</i>
Other Income	413	474	702	602
Depreciation	331	325	324	236
Finance Cost	81	87	71	56
PBT	2,271	2,435	2,645	1,910
Exceptional Items	120	-	-	-
Tax	496	623	672	480
PAT	1,655	1,812	1,973	1,430
<i>PAT Margins (%)</i>	<i>9.43%</i>	<i>10.70%</i>	<i>9.29%</i>	<i>8.84%</i>
Other Comprehensive Income	(43)	21	(12)	(71)
Total Comprehensive Income	1,612	1,833	1,961	1,359
Diluted EPS (INR)	16.97	18.57	20.22	14.66

Historical Standalone Balance Sheet

PARTICULARS (INR Mn)	FY21	FY22	H1-FY23
ASSETS			
Non-current Assets	8,497	11,159	10,020
Property, Plant & Equipment	2,536	2,350	2,354
Capital Work In Progress	12	6	15
Right of Use Assets	201	184	178
Investment Property	38	36	35
Investment In Subsidiaries	2,137	1,967	1,967
Financial Assets			
(a) Investments	3,036	5,288	3,955
(b) Loans	486	778	949
(c) Other Financial Assets	21	180	184
(d) Investment in Preference Shares	-	299	299
Non-current Assets (Net)	3	45	45
Other Non Current Assets	26	26	40
Current Assets	5,713	5,079	6,659
Inventories	2,283	2,035	2,185
Financial Assets			
(a) Investments	1,060	840	2,141
(b) Trade Receivable	1,630	1,516	1,551
(c) Cash And Cash Equivalent	350	143	204
(d) Other Bank Balances	5	3	3
(e) Loans	56	56	54
(f) Other Current Fin Assets	87	293	221
Other Current Assets	241	194	300
GRAND TOTAL – ASSETS	14,210	16,238	16,679

PARTICULARS (INR Mn)	FY21	FY22	H1-FY23
EQUITY & LIABILITIES			
Equity	10,134	12,095	12,972
(A) Share Capital	244	244	244
(B) Other Equity	9,890	11,851	12,728
Non-current Liabilities	653	877	805
Financial Liabilities			
(A) Borrowings	-	-	-
(B) Lease Liabilities	19	183	176
(C) Other Financial Liabilities	502	503	417
Provisions	46	141	139
Deferred Tax Liabilities (Net)	83	48	70
Other Non Current Liabilities	3	2	2
Current Liabilities	3,423	3,266	2,902
Financial Liabilities			
(A) Borrowings	-	-	-
(B) Lease Liabilities	1	11	12
(C) Trade Payables	2,333	2,095	1,905
(D) Other Current Fin Liabilities	381	413	436
Provisions	44	25	29
Other Current Liabilities	664	722	520
GRAND TOTAL - EQUITIES & LIABILITES	14,210	16,238	16,679

Historical Consolidated Income Statement

PARTICULARS (INR Mn)	FY20	FY21	FY22	9M-FY23
Operational Revenue	21,736	24,372	29,818	22,683
Operating Expenses	18,732	20,730	26,669	20,484
EBITDA	3,004	3,642	3,149	2,199
<i>EBITDA Margins (%)</i>	<i>13.82%</i>	<i>14.94%</i>	<i>10.56%</i>	<i>9.69%</i>
Other Income	400	502	792	691
Depreciation	590	729	808	636
Finance Cost	130	177	169	151
PBT	2,684	3,238	2,964	2,103
Exceptional Items	120	-	-	-
Tax	621	836	777	530
PAT	1,943	2,402	2,187	1,573
<i>PAT Margins (%)</i>	<i>8.94%</i>	<i>9.86%</i>	<i>7.33%</i>	<i>6.93%</i>
Other Comprehensive Income	(31)	188	(18)	(29)
Total Comprehensive Income	1,912	2,590	2,169	1,544
Diluted EPS (INR)	19.92	24.62	22.42	16.12

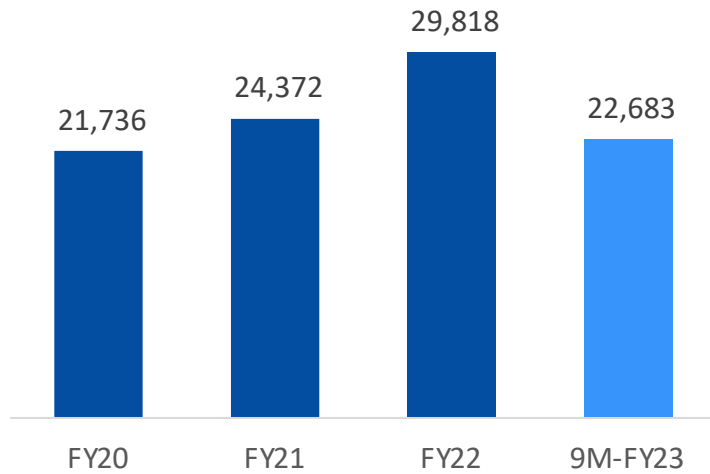
Historical Consolidated Balance Sheet

PARTICULARS (INR Mn)	FY21	FY22	H1-FY23
ASSETS			
Non-current Assets	12,381	15,589	14,794
Property, Plant & Equipment	4,300	4,355	5,568
Capital Work In Progress	326	1,199	599
Right of Use Assets	1,418	1,394	1,249
Investment Property	590	562	548
Intangible Assets	2,631	2,520	2,516
Financial Assets			
(a) Investments	3,036	5,288	3,955
(b) Loans	2	1	8
(c) Other Non Current Fin Assets	52	45	37
Deferred Tax Assets	-	78	114
Non-current Assets (Net)	-	67	98
Other Non Current Assets	26	80	102
Current Assets	8,313	8,214	9,690
Inventories	3,153	3,145	3,322
Financial Assets			
(a) Investments	1,070	894	2,197
(b) Trade Receivable	3,021	2,850	2,686
(c) Cash And Cash Equivalent	574	408	509
(d) Other Bank Balances	7	3	3
(e) Loans	56	56	54
(f) Other Current Fin Assets	69	264	203
Other Current Assets	363	594	716
GRAND TOTAL – ASSETS	20,694	23,803	24,484

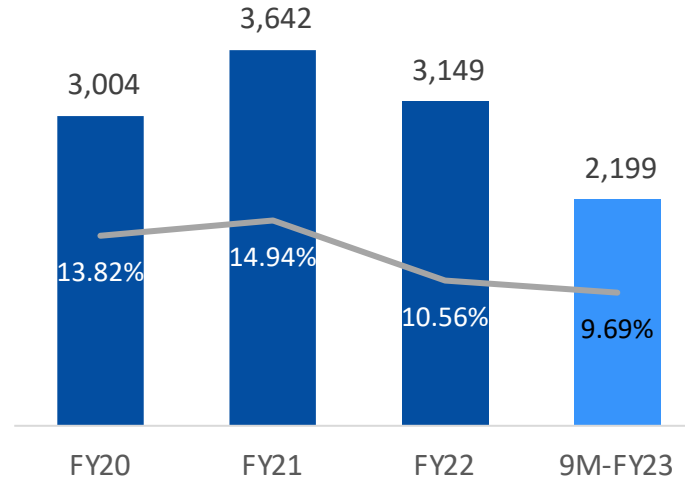
PARTICULARS (INR Mn)	FY21	FY22	H1-FY23
EQUITY & LIABILITIES			
Equity	11,932	14,002	14,995
(A) Share Capital	244	244	244
(B) Other Equity	11,599	13,682	14,672
Non Controlling Interest	89	76	78
Non-current Liabilities	3,068	4,215	4,235
Financial Liabilities			
(A) Borrowings	1,326	2,282	2,612
(B) Lease Liabilities	1,086	1,057	901
(C) Other Non Current Financial Liabilities	502	503	417
Provisions	62	274	172
Other Non current Liabilities	3	2	2
Deferred Tax Liabilities (Net)	89	97	131
Current Liabilities	5,694	5,586	5,255
Financial Liabilities			
(A) Borrowings	730	1,096	1,206
(B) Lease Liabilities	201	230	201
(C) Trade Payables	3,301	3,013	2,373
(D) Other Current Fin Liabilities	531	454	736
Provisions	147	25	128
Current Tax Liabilities (Net)	45	-	12
Other Current Liabilities	739	768	599
GRAND TOTAL - EQUITIES & LIABILITES	20,694	23,803	24,484

Consolidated Financial Performance

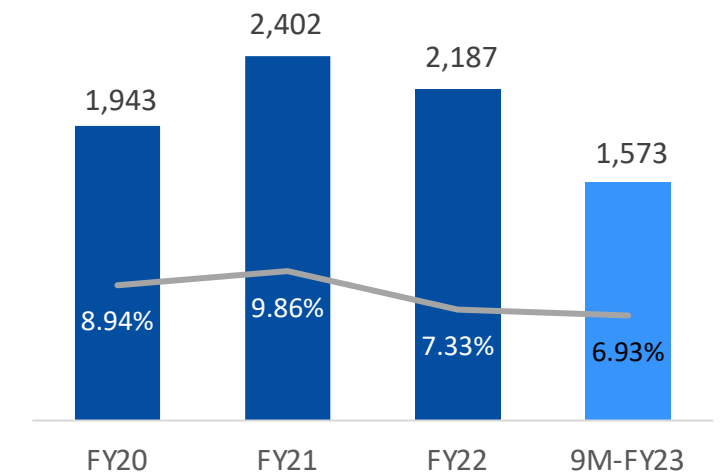
Revenues (INR Mn)



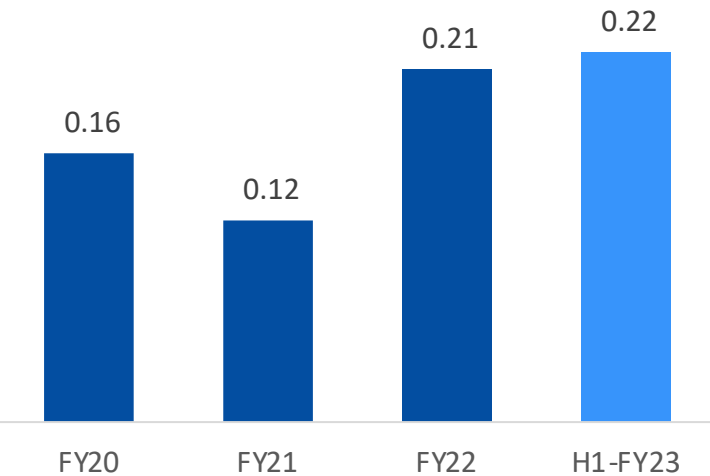
EBITDA (INR Mn) and EBITDA Margins (%)



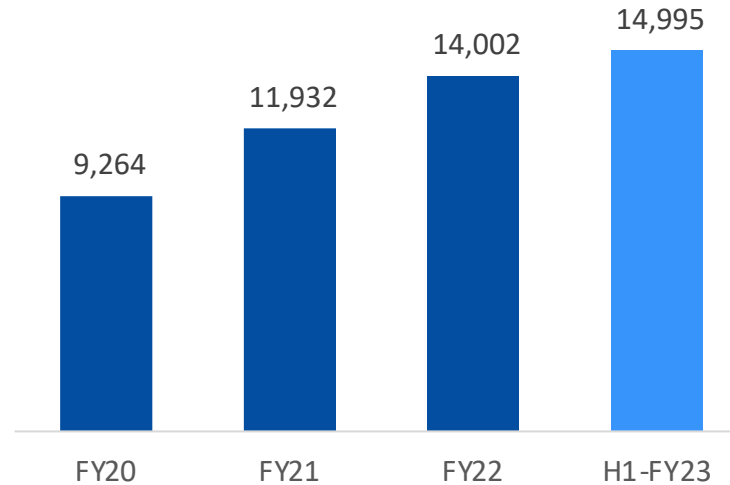
PAT (INR Mn) and PAT Margins (%)



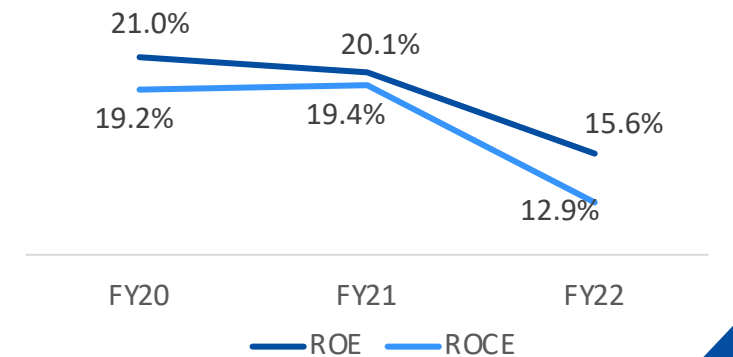
Net Debt to Equity Ratio (x)



Networth (INR Mn)

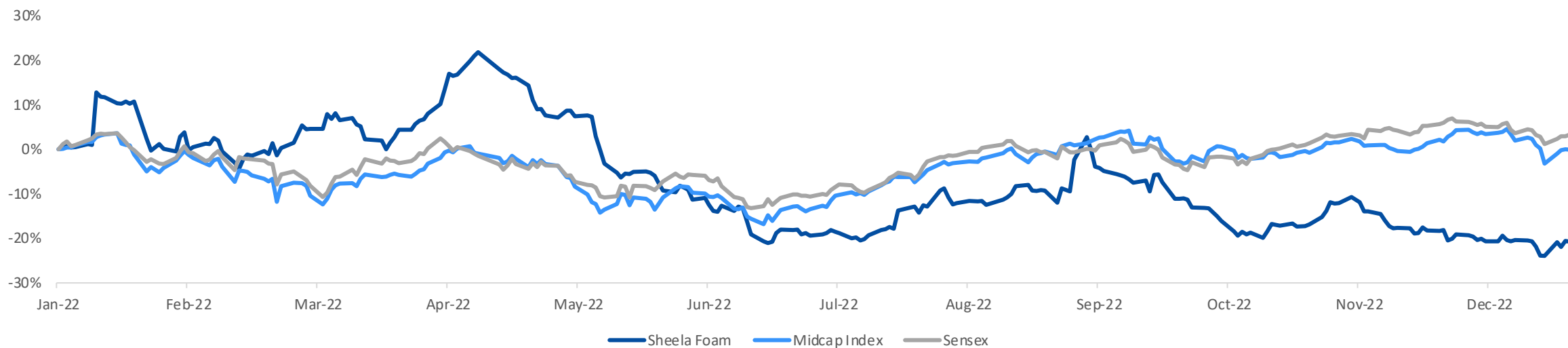


ROE and ROCE (%)



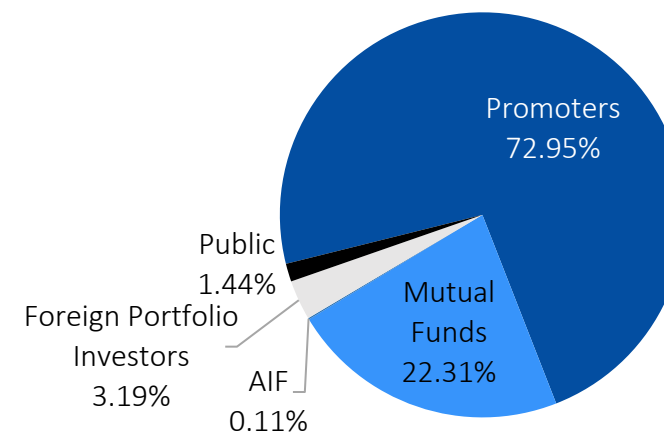
Capital Market Data

1 year Stock Performance (As on 31st December 2022)



Price Data (As on 31 st December, 2022)	INR
Face Value	5.00
CMP	1,297.7
52 Week H/L	2,027 / 1,204
Market Cap (INR Mn)	126,610
No. of Share outstanding (Mn)	97.6
1 Year Avg. Trading Volume (000)	24.8

Shareholding Pattern as on 31st December, 2022



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.



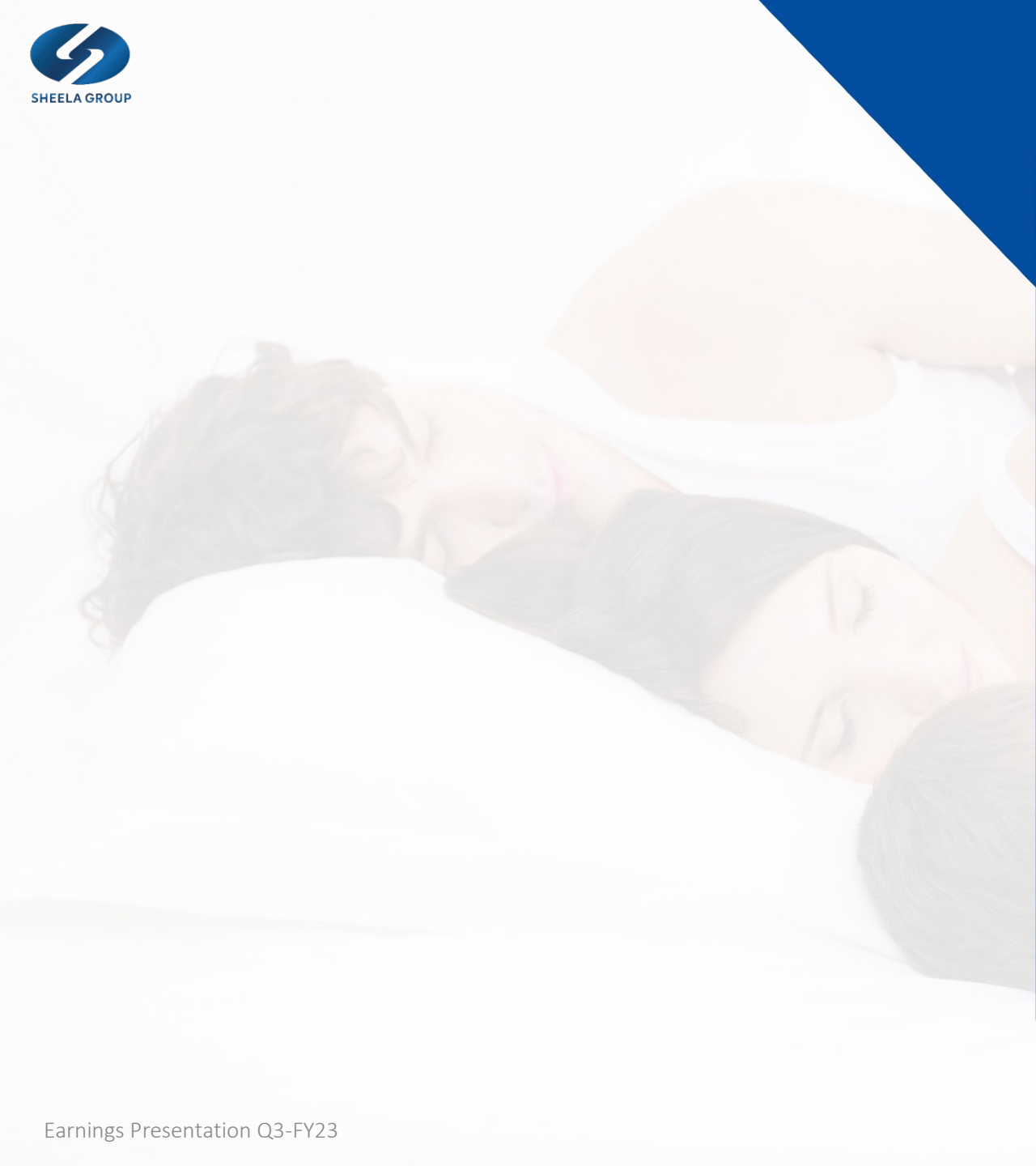
For further information please contact our Investor Relations Representatives:

Mr. Anuj Sonpal

Valorem Advisors

Tel: +91-22-4903-9500

Email: sheela@valoremadvisors.com



THANK YOU