



Stylam Industries Limited

INVESTOR PRESENTATION

June 2019



Safe Harbor Statement



This presentation and the accompanying slides (the "Presentation"), which have been prepared by Stylam Industries Limited (the "Company"), have been prepared solely for information purposes and DOES not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis of or be relied on in connection with any contract or binding commitment whatsoever. The Presentation is not intended to form the basis of any investment decision by a prospective investor. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, reliability or fairness 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. In particular, but without prejudice to the generality of the foregoing, no representation or warranty whatsoever is given in relation to the reasonableness or achievability of the projections contained in the Presentation or in relation to the bases and assumptions underlying such projections and you must satisfy yourself in relation to the reasonableness, achievability and accuracy thereof.

Certain matters discussed in this Presentation may contain statements regarding the Company's market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the wind power industry in India and world-wide, the Company's ability to successfully implement its strategy, the Company's future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company's market preferences and its exposure to market risks, as well as other risks. The Company's actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections.

No responsibility or liability is accepted for any loss or damage howsoever arising that you may suffer as a result of this Presentation and any and all responsibility and liability is expressly disclaimed by the Management, the Shareholders and the Company or any of them or any of their respective directors, officers, affiliates, employees, advisers or agents.

Table of contents

04

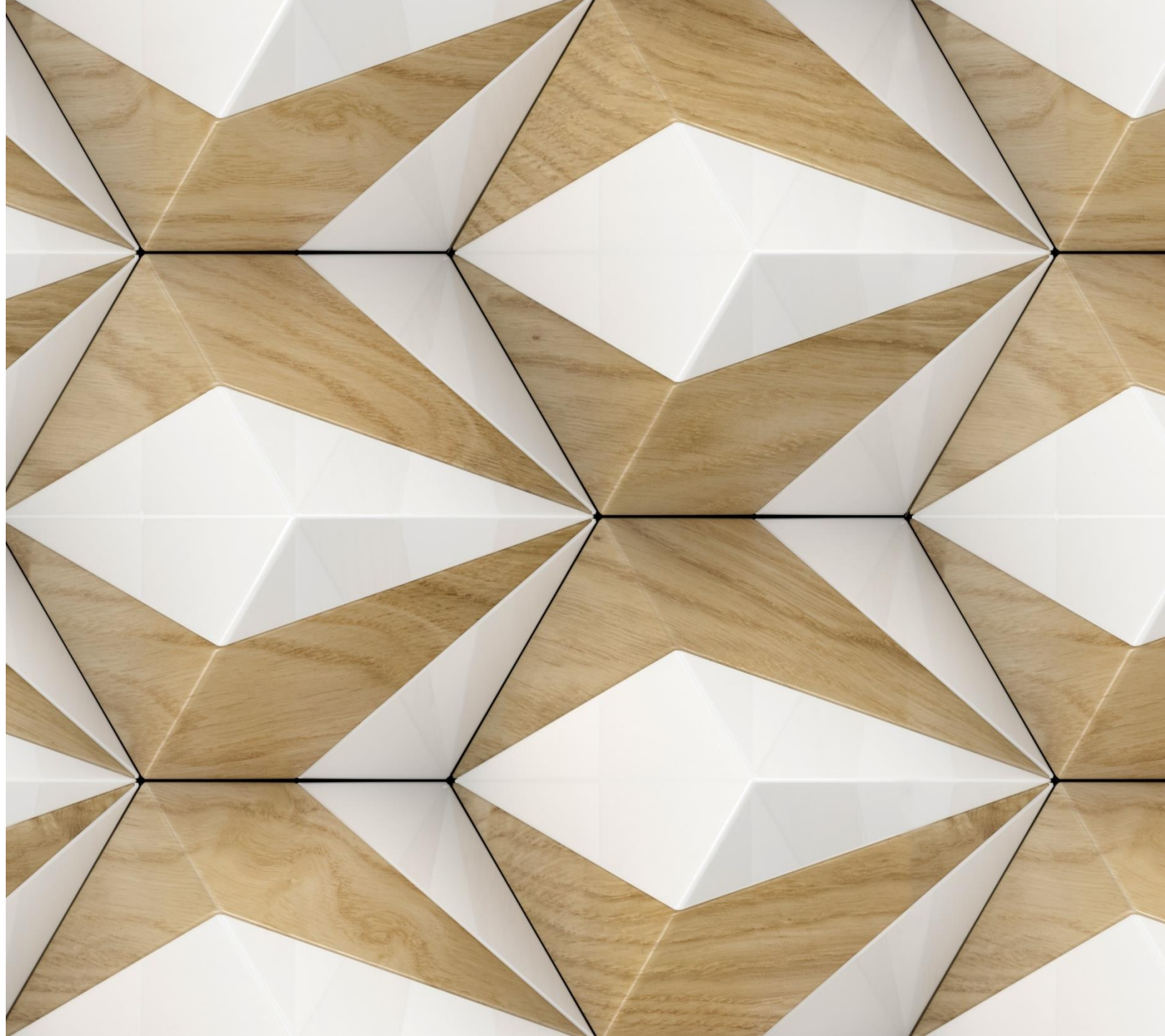
CORPORATE OVERVIEW

14

THE ROAD AHEAD

18

FINANCIAL SNAPSHOT



Corporate Overview



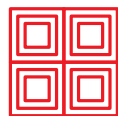
About Stylam

COMPANY PROFILE



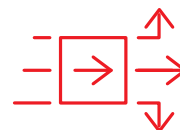
Incorporated in

1991



One of the emerging leaders in

**Residential and
industrial luxury
decorative laminates**



Key products include

- Decorative laminates
- Industrial laminates
- Fire-retardant laminates
- Restroom cubicles
- Exterior cladding



Has

2 plants

situated in Panchkula,
Haryana



Has

~1,200

employees



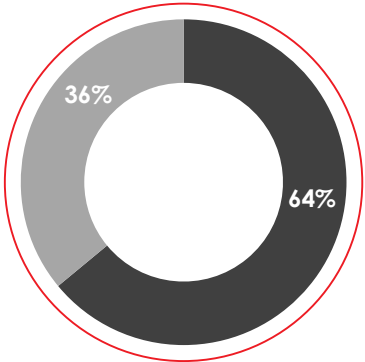
Present in

**60+
countries**

FINANCIAL SNAPSHOT – FY19

Revenues (₹ crore)	461
EBITDA margin (%)	17%
Debt/Equity (x)	0.8
Interest coverage ratio (x)	5.5

REVENUE MIX – FY19



Exports

Domestic

About Stylam








Mission Statement

To produce and continually develop quality products with highest possible standards. Stylam will always strive to service its customers with utmost integrity, and to their complete satisfaction. It is the company's goal to ensure its mission by continuous self improvement, growth in its operations and employees; while maintaining profitability to the benefit of its customers, employees, and community.



Value Statement

 <p>Design</p> <p>Stylam offers the widest selection of patterns and finishes available to match the breadth of the customers' imagination and make design unique.</p>	 <p>Performance</p> <p>Stylam uses premium materials with high-quality standards to keep the designs pristine even in the most strenuous environments.</p>	 <p>Service</p> <p>Stylam has a large footprint with Asia's largest manufacturing facilities located at Panchkula, India & distribution centres all across globe to ensure timely delivery.</p>	 <p>Community</p> <p>Stylam is dedicated to giving back to the communities in which it resides by supporting local and national non-profit organisations with both funding and products.</p>	 <p>Sustainability</p> <p>Stylam is committed to preserving the environment and enhancing the quality of life for the communities that it serves.</p>
--	--	---	--	---

Stylam: Journey so far

1991 

- Company was incorporated
- Commenced commercial production of laminates

1995 

- Listed on the Bombay Stock Exchange (BSE)

1996 

- Recognised as 'Export House' by the Government of India

2001 

- Enhanced presence to become a pan-India player with a thriving exports market

2010 

- Name changed to Stylam Industries Limited

2018 

- Introduced a new product line of acrylic solid surfaces under the brand name 'Granex'

2017 

- Raised ₹51 crore through preferential route from Lighthouse Funds
- Started Asia's largest laminates manufacturing plant at Manak Tabra, Panchkula
- Became the first Indian company to manufacture restroom cubicles and lockers having a panel size of 1,860 mm x 4,320 mm under the brand name 'Cuboid'

2016 

- Diversified into IT business by investing in a building in the Panchkula Technology Park

2013 

- Established Fascia HPL exterior cladding pan-India and it became the top-selling brand
- Introduced a premium sub-brand 'VIOLAM'

2012 

- First Indian company to introduce HPL exterior cladding under the brand name 'Fascia'

Manufacturing infrastructure

PLANT 1



Facility established in

1992

Laminates-manufacturing capacity

~4.5 million

PLANT 2



- Asia's largest single-location laminates manufacturing infrastructure
- One of two units in India with capability to manufacture 6 ft. * 14 ft. laminates

Facility established in

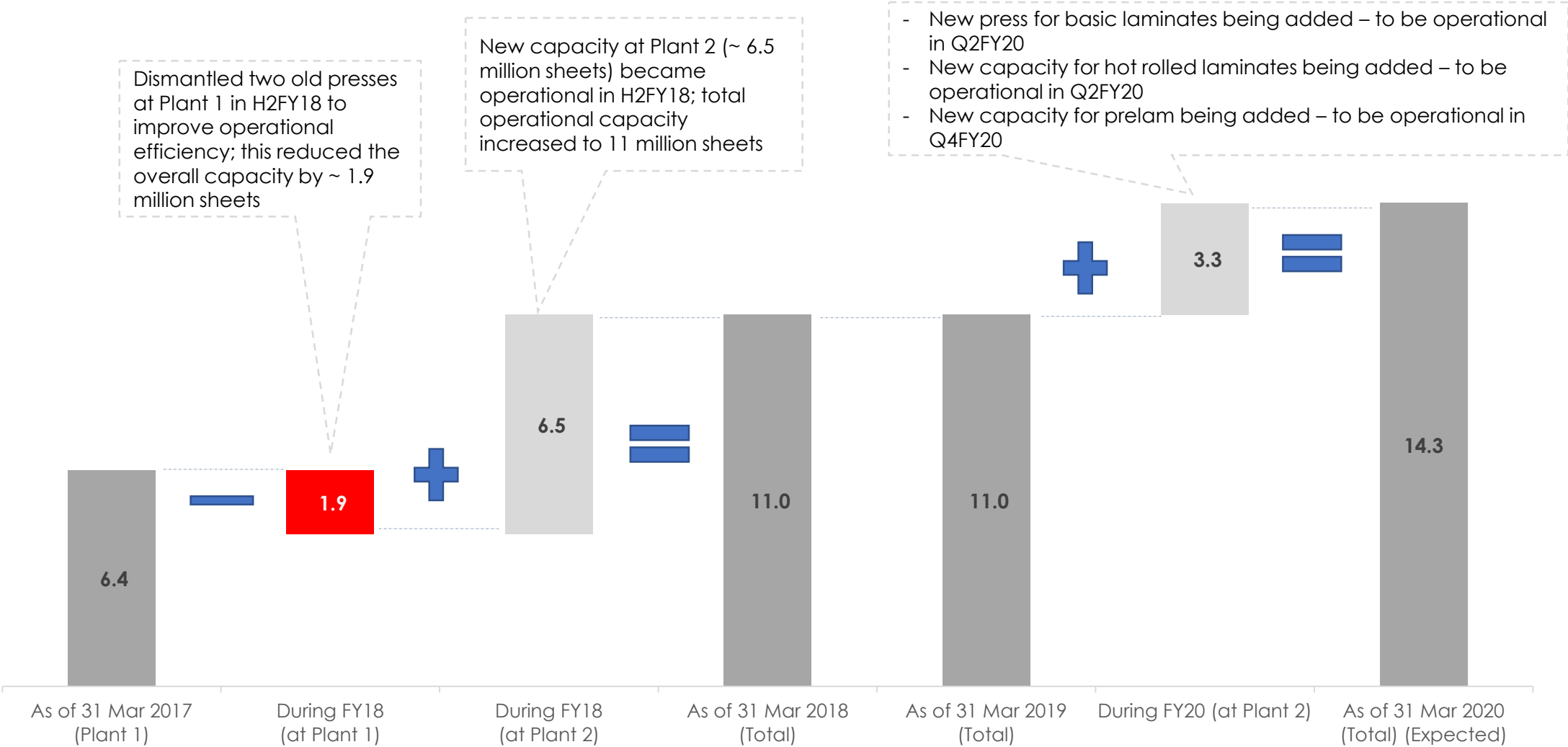
2017

Laminates-manufacturing capacity

~6.5 million

Capacity details

Operational Capacity (in million nos, per annum)



Worldwide presence

A WELL-KNOWN BRAND GLOBALLY

STYLAM IS PRESENT IN OVER 60 COUNTRIES



Europe



Middle East



Singapore and Myanmar



India

Stylam: Power brands



Board of Directors

MR. JAGDISH GUPTA
Managing Director

Mr. Jagdish Gupta has been instrumental in developing new business for the Company since its inception.

MR. MANIT GUPTA
Director

Mr. Manit Gupta is a chemical engineer and an MBA holder. He looks after the operational activities in the Company, including planning, marketing and sourcing of raw material.

MR. MANAV GUPTA
Director

Mr. Manav Gupta is a computer engineer and an MBA holder. He looks after the activities relating to general administration and sourcing of raw material.

MR. SACHIN BHATLA
Director -Technical

Mr. Sachin Bhatla holds a B. E. (Mechanical) degree and has over 23 years of experience in the laminates industry at different levels of management.

MR. SATPAL GARG
Independent Director

Mr. Satpal Garg is a successful entrepreneur with experience in building, scaling and running businesses.

MS. SONIA AGGARWAL
Independent Director

Ms. Sonia Aggarwal is an Independent Director of the Company.

MR. RAVINDAR KRISHAN
Independent Director

Mr. Ravindar Krishan is a practicing tax consultant. He is an Independent Director of the Company and advises the Company on matters related to direct tax laws.

MR. SACHIN BHARTIYA
Nominee Director

Mr. Sachin Bhartiya is a Nominee Director on the Board of the Company on behalf of Lighthouse Funds.

DR. PURVA KANSAL
Additional Director

Dr. Purva Kansal has done PhD from the University Business School, Punjab University, Chandigarh. She has also earned an FDP certification from IIM Ahmedabad. Dr. Kansal, has more than 15 years of experience in area of research methodology and strategic management

Accreditations



ISO 9001:2015 certified, which shows the integrity, quality and reliability of the Company



All products are **GREENGUARD** certified



Received **ISO-14001** and **OHSAS-18001** certifications from the **ECA**



Certified by the **Forest Stewardship Council (FSC)**



Only company in India that offers certified **fire-retardant laminates**



Certified by **ETB** for compact exterior and interior laminates



Received ISI Certification as per **IS:2016-1995** from the Bureau of Indian Standards for thin laminates with 0.8-1.0 mm thickness



First Indian laminates to get **CE certification**



Recognised for 'environmentally-improved low-emission, low-toxicity' high-pressure laminates by the **Singapore Green Labelling Scheme Secretariat**



Recognised as **Star Export House** by the Government of India



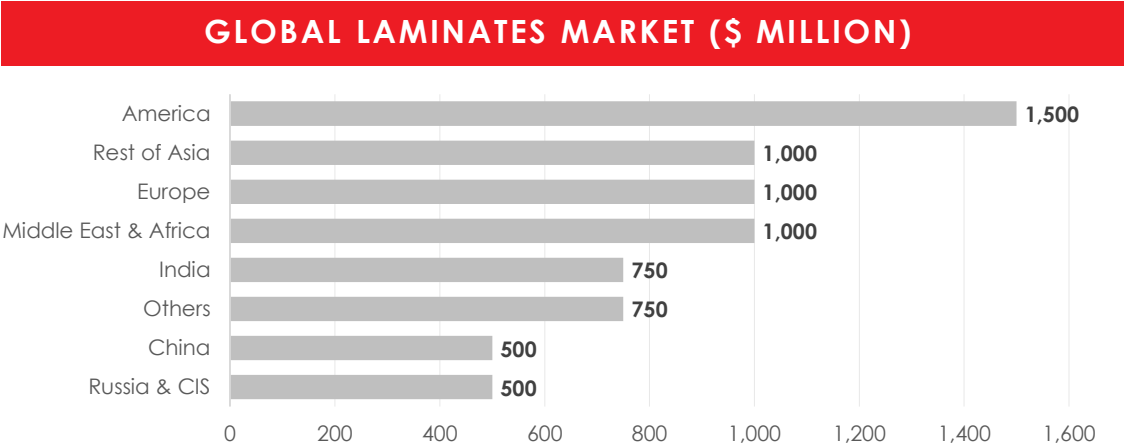
Recognised by **Financial Times** and **Statista** as one of the FT 1000 High-Growth Companies Asia-Pacific 2018

The Road Ahead



Stylam: Well-positioned to capitalise on macro-growth opportunities

Global laminates market is estimated to grow at 5.5% CAGR from 2016 to 2023 and reach \$8 billion



Source: India Laminates - Structural Growth Drivers in Place (Initiating Coverage) - Report by Anand Rath

Rising formalisation in the domestic market is likely to benefit organised players

DYNAMICS OF THE INDIAN LAMINATES MARKET	
Market size	₹5,000 crore
Exports	₹1,050 crore
Domestic market	₹3,950 crore
Organised	₹2,560 crore
Unorganised	₹1,390 crore

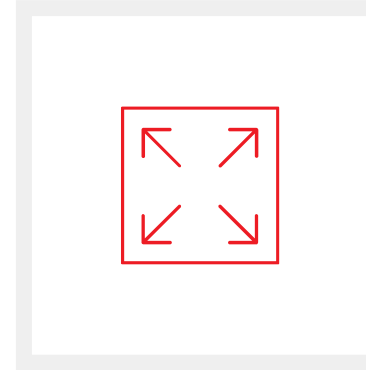
Stylam: Growth strategy



Enhance market share in the domestic market

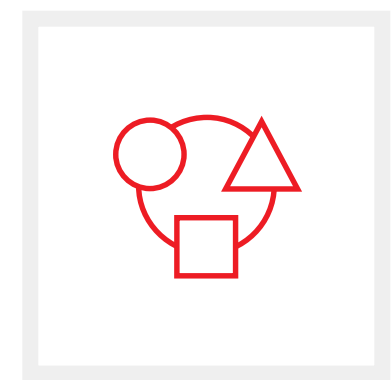


Focus on innovation to launch products with differentiated finishing and sizes



Capacity expansion; total of ₹ 40 crore

- Install a hot coating line for value added products like high gloss laminates
- Expand capacity for regular size Laminates
- Install a line for prelam



Business consolidation and foray into new segments:

- Business consolidation with associate concern Golden Chem-tech
- Entry into acrylic solid surface panels, better known as artificial marble/ Corian and polyester sheets

Stylam: Investment case

Strong brand recall

- Strong brand recall across India and in 60+ export markets
- The 'STYLAM' brand comprises over 1,200 designs, textures, colours and finishes
- Winner of Power Brands Rising Star Award 2016

Diversified product portfolio

- Offers products across decorative laminates, high-pressure laminates, exterior cladding, exterior floor boards and cubicles segments
- Introduced acrylic solid surfaces in 2018

Consistent financial track record

- Achieving profitable growth has been a key focus area for the Company

5-year CAGR

Revenue 20.0%

Net profit 38.9%

Healthy growth prospects

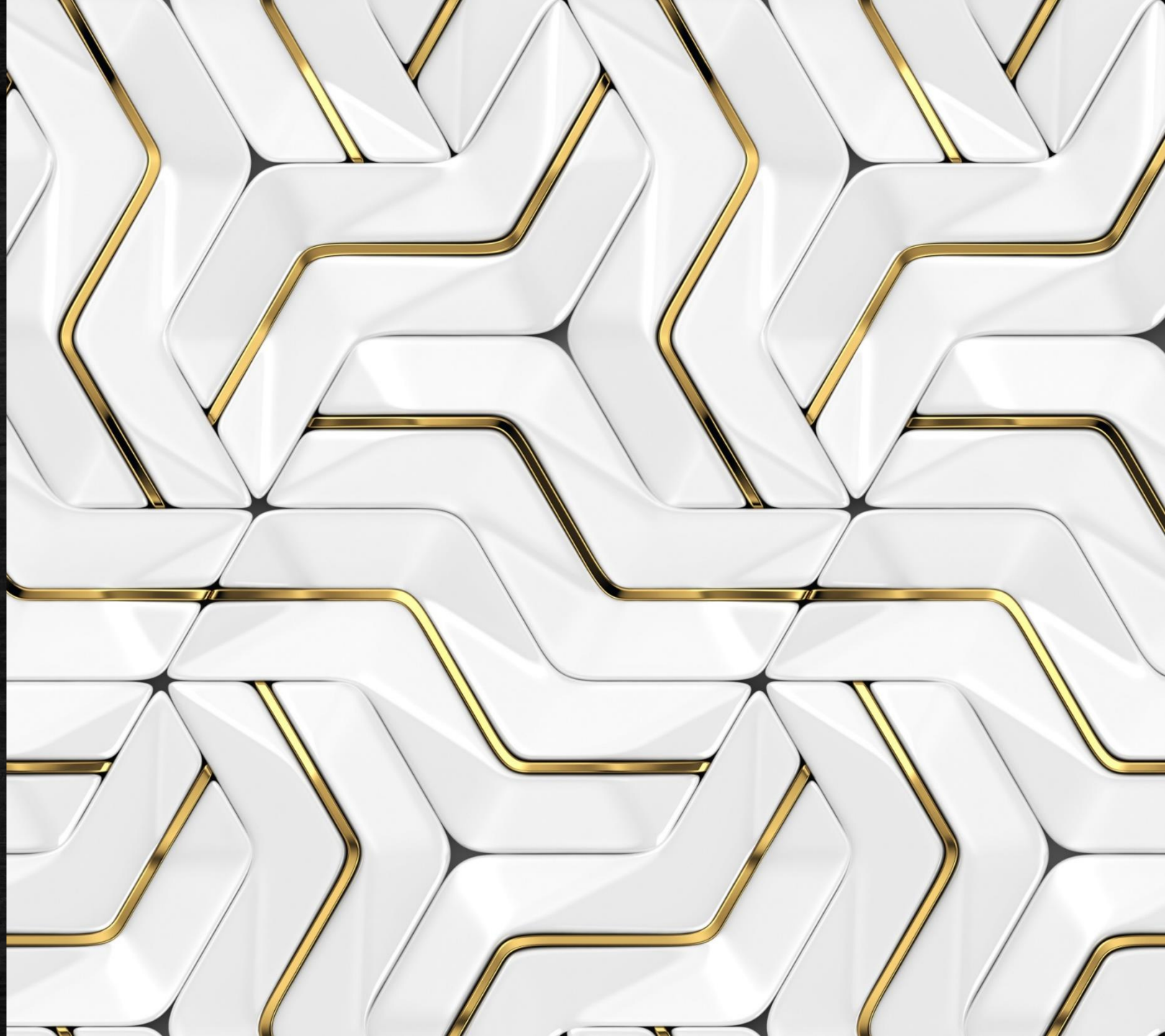
- Capacity expansion to aid Stylam's growth in both domestic and international markets

**Current capacity
11 million**

Value accretion post amalgamation of Golden Chemtech Ltd.

- Received SEBI approval for amalgamation of Golden Chemtech Ltd. with Stylam Industries Ltd.
- Commenced commercial production of acrylic solid surfaces under the brand name 'Granex'
- The amalgamation is expected to be value-accretive due to diversification of products offered by Stylam

Financial Snapshot



Rewarding investors

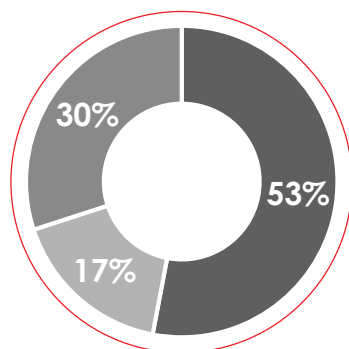
CAPITAL MARKET DETAILS

BSE Scrip Code	526951
Bloomberg Code	SYIL IN
GICS Sector	Forest Products
Market Cap*	₹535 crore
Face Value	₹10
52-week High*	₹890
52-week Low*	₹581

* As on 29th May, 2019

SHAREHOLDING PATTERN

■ Promoters ■ Institutions ■ Non-Institutions



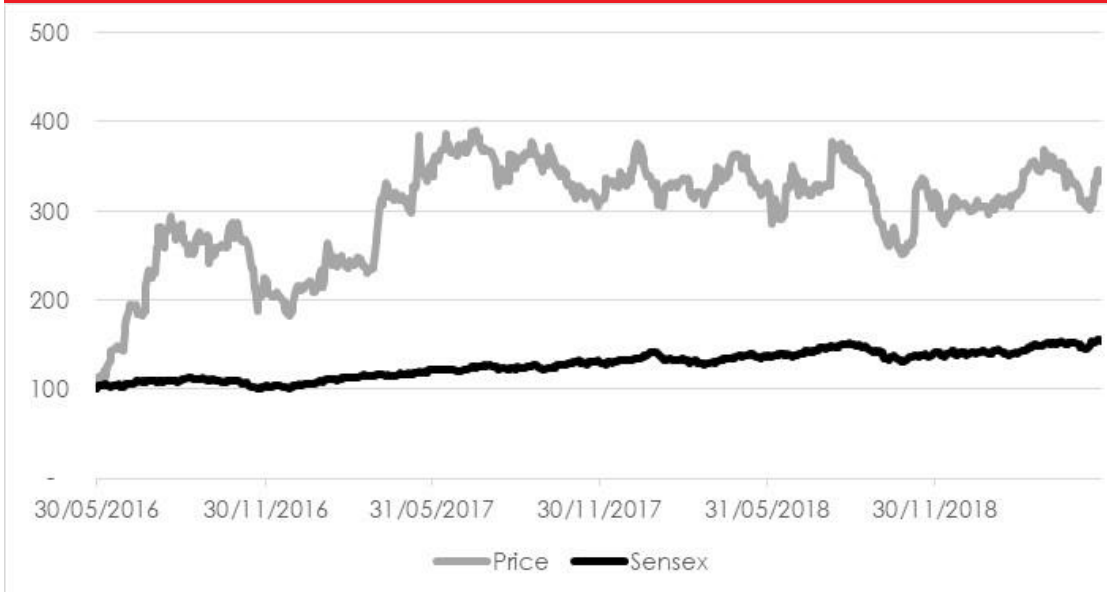
As on 31st March, 2019

INSTITUTIONAL INVESTORS

STAKE

Lighthouse Funds	12.9%
Sundaram Alternative Opportunities Fund	2.1%

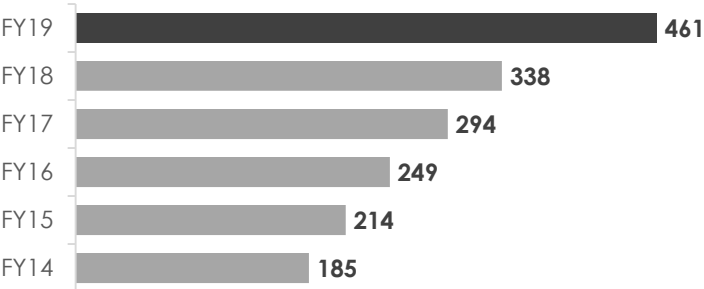
COMPARATIVE STOCK PRICE PERFORMANCE - BSE SENSEX



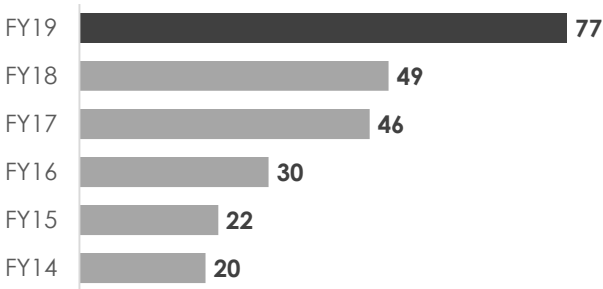
Closing price and Sensex as on 30th May 2016 have been indexed to 100; last closing prices as on 29th May 2019

Summary financials

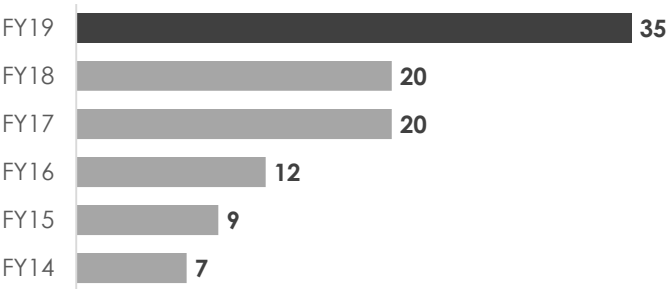
REVENUES (₹ CRORE)



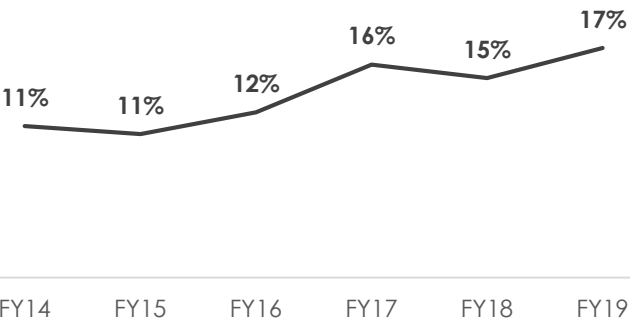
EBITDA (₹ CRORE)



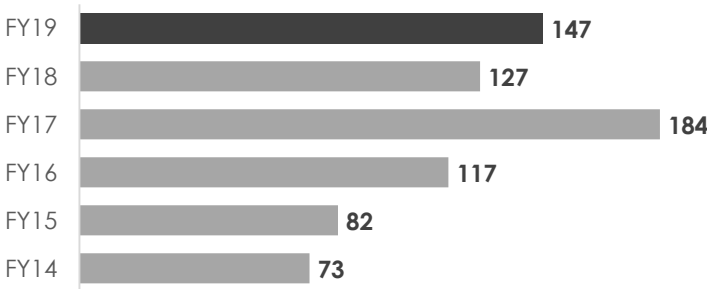
NET PROFIT (₹ CRORE)



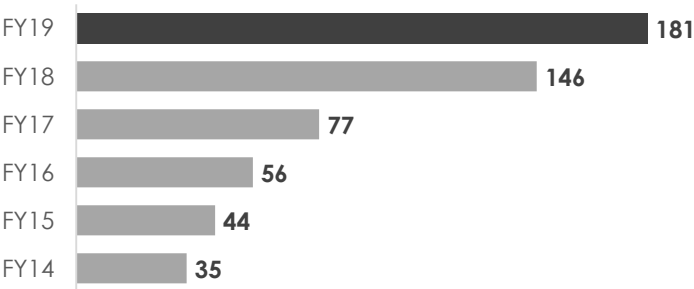
EBITDA MARGIN (%)



TOTAL DEBT (₹ CRORE)



NET WORTH (₹ CRORE)



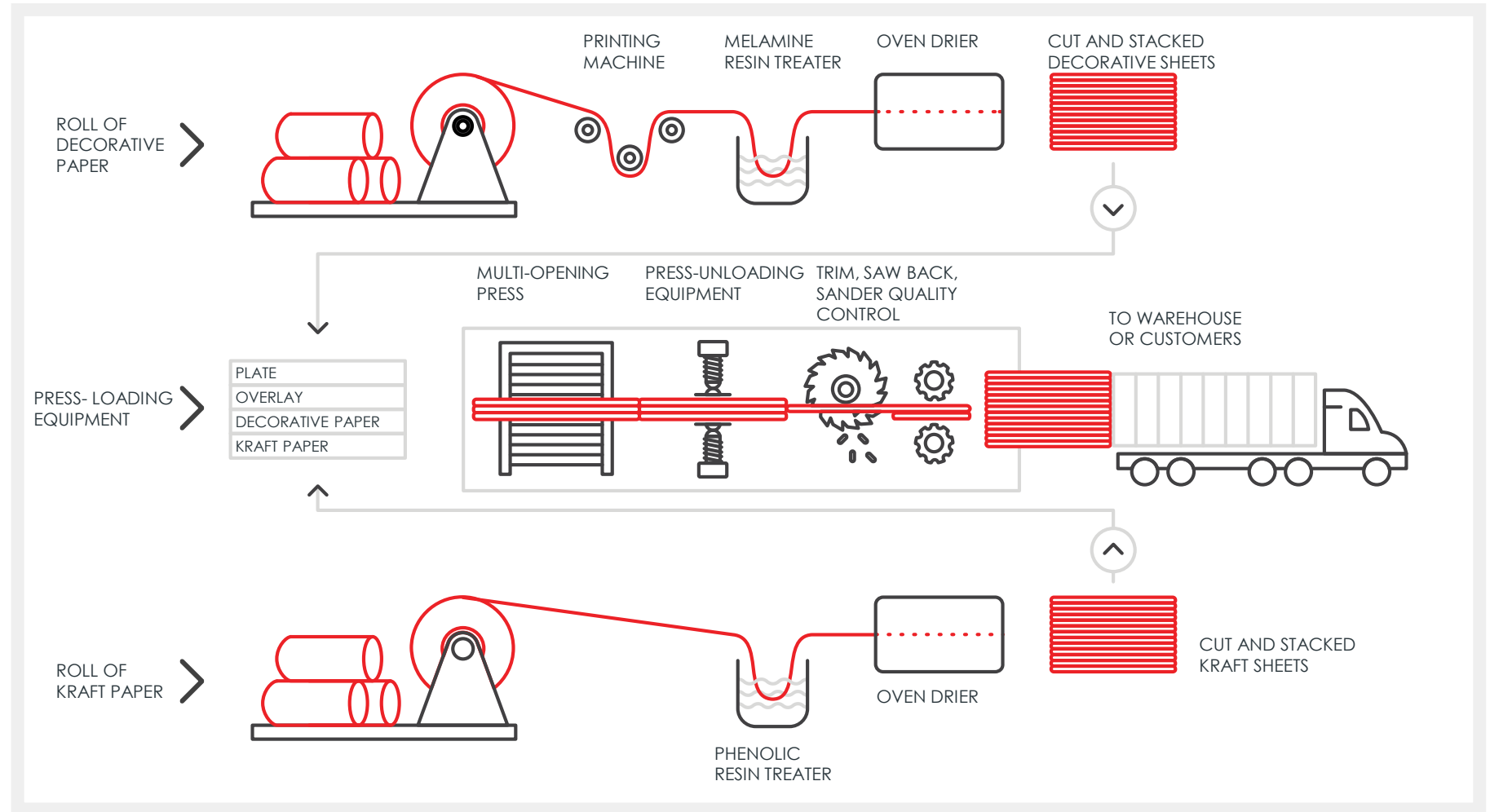
Quarterly results

PARTICULARS	ANNUAL			GROWTH		QUARTER			GROWTH	
	FY17	FY18	FY19	FY18	FY19	Mar 2018	Dec 2018	Mar 2019	QoQ	YoY
Net Sales (₹ crore)	294	339	461	15%	36%	103	120	125	4%	22%
EBITDA (₹ crore)	46	50	77	8%	55%	15	21	21	2%	37%
EBITDA MARGIN	16%	15%	17%			15%	17%	17%		
PAT (₹ crore)	20	21	35	2%	71%	6	11	9	-23%	38%
PAT MARGIN	7%	6%	8%			6%	9%	7%		

Annexure: Laminates-manufacturing process

The typical laminates-manufacturing process comprises:

- Preparation and loading of resin to the dipping tray at the impregnator
- Squeezing of impregnated paper (craft/design)
- Travelling of the impregnated paper in drying chambers
- Cutting sheets to the desired sizes
- Stacking/ Kraft pack making/ design assembly
- Loading in press/ hydraulic pressure application/ heating, cooling and releasing of hydraulic pressure
- Unloading from press
- Trimming, sanding, wrapping and packing as per order



Thank You

For further information, please contact

MR. SANJEEV VAID

CFO

Phone: +91 75080 09976

Email: sanjeev.vaid@stylam.com

REGISTERED OFFICE

SCO 14, Sector-7C, Chandigarh

Plant 1: Plot No. 191, Industrial Area-1, Panchkula, Haryana

Plant 2: Village Manak Tabra, Ramgarh-Raipur Rani Road, Distt. Panchkula, Haryana

website: www.stylam.com