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| BSE Limited (BSE) Corporate Relation Department Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street, Mumbai – 400001 Scrip Code: 526951 | The Manager Listing Department National Stock Exchange of India Limited (NSE) Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra, Mumbai -400051 Symbol: STYLAMIND |
|--|---|

Sub: Investor Presentation for the Quarter & Nine Months ended on 31st December, 2021


Dear Sir/Mam,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Please find enclosed the Presentation for the Quarter & Nine months ended on 31st December, 2021.

Please take the same on record

Thanking You,

For Stylam Industries Limited


Jagdish Gupta
Managing Director

Stylam Industries Limited

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Works II: Village Manak Tabra towards Raipur Rani, Mattewala Chowk, Distt. Panchkula (Haryana)

W: www.stylam.com **CIN:** L20211CH1991PLC011732 (Govt. of India recognised Star Export House)



STYLAM INDUSTRIES LIMITED

I N V E S T O R P R E S E N T A T I O N

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- Stylam Industries is the one of the fastest growing companies in the high-quality decorative laminates and allied products industry.
- We operate Asia's largest single location laminate manufacturing plant with a diverse product portfolio, catering to a wide range of customer preferences, built with over 30 years of experience in the industry.
- We are a pioneer in India for introducing the PU+ Lacquer Coating process thereby producing high quality, high value-add laminate finishes. Apart from laminates, we have state of the art technologies and manufacturing facilities for Solid Acrylic Surfaces and Panels.
- We also diversified into a new segment and added a short cycle press capacity for lamination of impregnated paper on Medium Density Fiber (MDF) panels.
- About two-third of our revenues are derived from exports to over 65 countries; the balance being derived from our presence across the Indian subcontinent.

Diversified Product Portfolio (1/3)



Stylam laminates have set benchmarks in the past because of the unique design range and consistently high quality.



FASCIA brings a unique façade system, manufactured using special quality resins, thereby providing effective weather protection.



CUBOID - modular restroom and locker cubicle systems. The range has been crafted with the finest materials and highest quality of fixtures and fittings.



Granex Solid Surfaces is an extremely versatile product - tough, durable, non-porous and repairable, that can be customized to integrate seamlessly.



Marvella Solid Surfaces; the perfect recipe for an exquisite décor. These surfaces offer unseen and spellbinding patterns along with long-lasting sturdiness.



Anti-Fingerprint Laminates are used in the most demanding interior design applications. A unique technology during manufacturing ensures that finger marks are almost never visible.



GLOSSPRO+ Laminates are crafted with State-of-the-art machines having a cutting-edge German Technology. The brilliance of gloss shall stay through years without any signs of wearing out.



Anti-bacterial & Anti-fungie Laminates are intended for applications where there is a need for additional protection on the surfaces against bacteria/fungie.

Diversified Product Portfolio (2/3)



UNICORE LAMINATES

What makes UNICORE unique is the identical colour of the decorative surface and its core layers as well.

DiGi delight DIGITAL LAMINATES

Digital Laminates have just the features everyone has needed. A whole new world of creative and quality laminates among customized designs.

SYNCHRO LAMINATES



Stylam Synchro Laminates have the real feel of wood and an elegant natural look while carrying all advantages of a laminate.

CHEMICAL RESISTANT LAMINATES



Plus Guard Stylam Laminate provides a highly durable surface in lab conditions and has better abrasion and scratch resistance.

POST FORMING LAMINATES

Post Forming Laminates enhance the decorative property of the edges of any regular laminate by ensuring no seams around the corners and a smooth, evenly laminated surface.

MAGNETIC LAMINATES



Magnetic Laminates have a strong magnetic effect and can be written on with chalks or special board markers. They are ideal for a wide variety of applications.

MIRROR SHIELD LAMINATE

Mirror laminates are considered ideal for adding flair to light duty, horizontal or vertical applications. They can be used on walls, furniture, retail fixtures, signages, exhibits and display areas.

CHALK BOARDS & MARKER BOARDS

Chalkboard Laminate is the perfect solution for any space or application that demands a durable and affordable writing surface.

Diversified Product Portfolio - Multiple Applications (3/3)



ALL EQUAL.
ALL IMPRESSIVE.



Mix and match to avoid smudge and scratch
Enhance the finesse of your furniture with laminates



WORK YOUR QUIRK

Manufacturing Infrastructure: One of the largest in Asia (1/2)



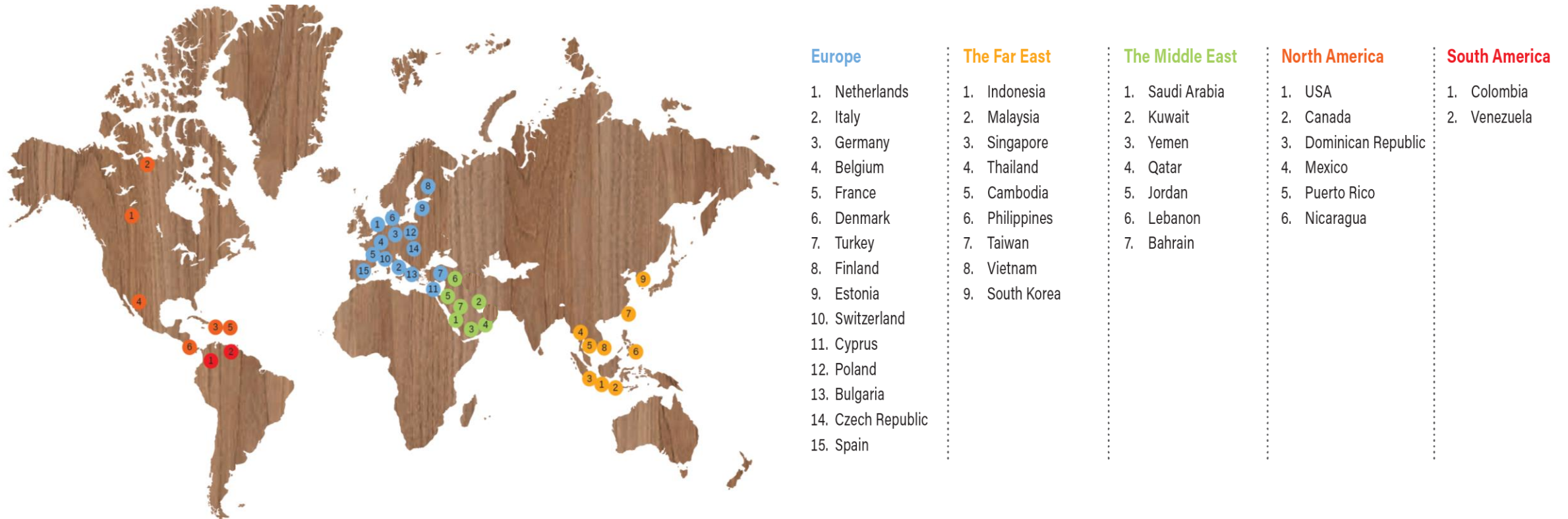
Manufacturing Infrastructure: State of the Art Facilities (2/2)



- Stylam operates one of the largest single location laminate manufacturing plants in Asia, spread across 44 acres having an annual capacity of 14.3 mn sheets.
- We are a Global Pioneer for the 'Hot Coating Process' of PU+ Lacquer coating on thin laminates. This one-of-a-kind Hot Coating Process machine is made with a patented technology by KLEIBERIT and BARBERAN.
- We are also a Pioneer in India for Solid Acrylic Surfaces, setting up the first production line to manufacture these products in India.
- We recently received a Certification from NSF International, USA for our Solid Acrylic Surface products.
- Over 1,200 employees devote themselves to Stylam and its vision with a smile daily.

Strong Global & Domestic Presence

Well penetrated globally as well as a wide domestic presence



Global presence in over 65 countries across Europe, Middle & Far East, the Americas (North and South), Asia, Africa and other geographies;

Increasing domestic presence across the country.

Marketing Initiatives



Recent Certifications



- Stylam's status has been upgraded to “**Three Star Export House**” from the earlier “Two Star Export House” as per the Foreign Trade Policy provisions.
- **NSF International, USA** recognized and certified Stylam authorizing the Company to bear the NSF mark.
- Our Company is **certified under the AEO programme** (Authorized Economic Operator) by the Indian Customs.

Awards & Recognitions



"Over the last three decades we have strived to achieve our dream which has been a constant endeavor. We aim to improve each day and these recognitions motivate us to aim higher and perform better."

The ISO 9001:2015 certification is a hallmark of integrity, quality and reliability. The design and efficiency of the laminates have earned us the CE Marking Award.

Stylam takes pride in being recognized as:

-  *Export House by the Government of India, meeting all the quality, safety and green standard requirements while operating as a responsible corporate citizen.*
-  *Recognised by Financial Times and Statista as one of the FT 1,000 High-Growth Companies Asia-Pacific 2018.*
-  *Honored with the Power Brands Rising Star Award 2016.*
-  *Honoured by the Renewable Energy Department for commendable work in adopting energy conservation measures under the L.T. Industry Category.*

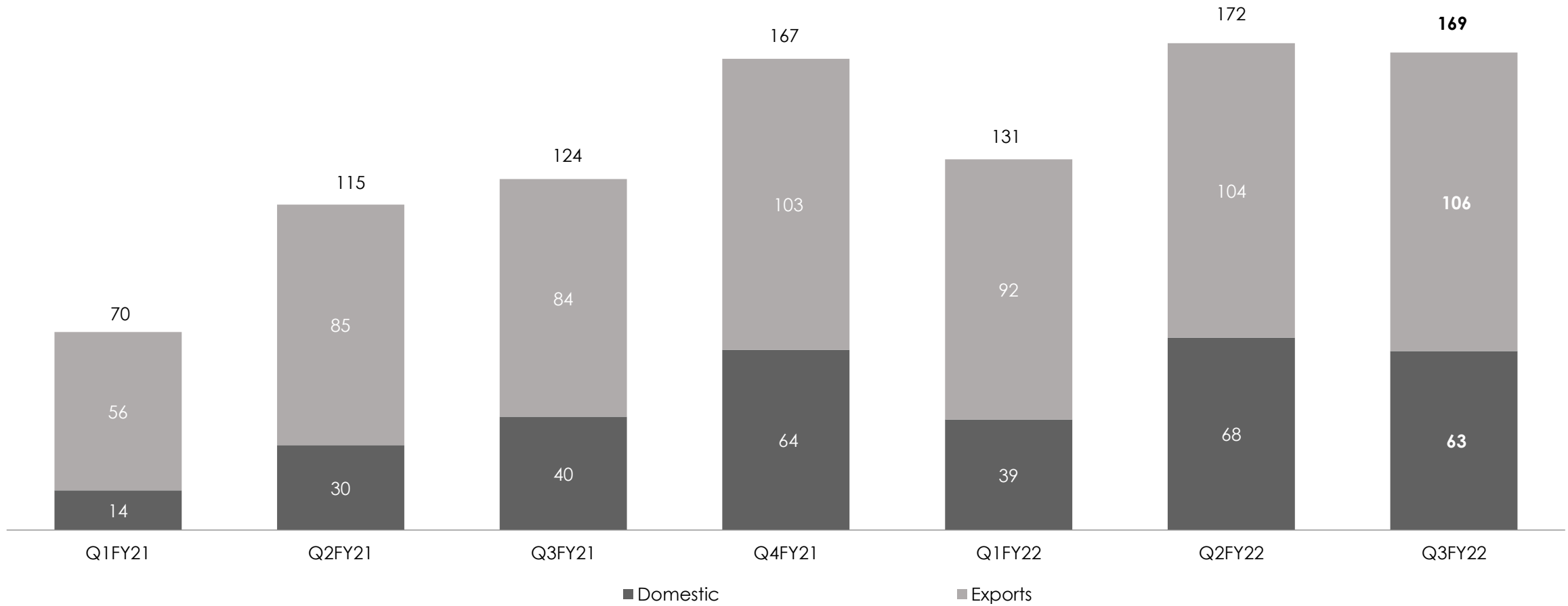
Summary Financial Performance (Consolidated)



| (₹ crore) | Q1FY22 | Q2FY22 | Q3FY22 | Q4FY22 | YTD FY22 |
|-------------|--------|--------|--------|--------|----------|
| Net Revenue | 131 | 172 | 169 | - | 471 |
| EBITDA | 26 | 24 | 25 | - | 76 |
| PAT | 14 | 15 | 16 | - | 45 |

| (₹ crore) | Q1FY21 | Q2FY21 | Q3FY21 | Q4FY21 | FY21 |
|-------------|--------|--------|--------|--------|------|
| Net Revenue | 70 | 115 | 124 | 167 | 476 |
| EBITDA | 15 | 24 | 25 | 31 | 95 |
| PAT | 6 | 14 | 12 | 23 | 55 |

Quarterly Sales Performance



Figures in ₹ crore unless mentioned otherwise

Profit and Loss (Consolidated)



| (₹ crore) | Q3FY22 | Q2FY22 | Q3FY21 | 9MFY22 | FY21 |
|--------------------------------|-------------|-------------|-------------|-------------|-------------|
| Net Revenue | 169 | 172 | 124 | 471 | 476 |
| Material Consumption | 99 | 101 | 63 | 268 | 247 |
| Contribution | 70 | 71 | 61 | 203 | 229 |
| Contribution Margin (%) | 41.5 | 41.5 | 49.5 | 43.1 | 48.2 |
| Employee Expenses | 15 | 14 | 11 | 41 | 38 |
| Other Expenses | 31 | 33 | 25 | 87 | 96 |
| EBITDA | 25 | 24 | 25 | 76 | 95 |
| EBITDA Margin (%) | 14.8 | 14.2 | 20.5 | 16.0 | 20.0 |
| Other Income | 5 | 4 | 1 | 9 | 5 |
| Finance Costs | 2 | 2 | 1 | 6 | 6 |
| Depreciation and Amortization | 6 | 6 | 7 | 18 | 23 |
| Less: Exceptional Items | - | - | - | - | - |
| PBT | 21 | 21 | 17 | 61 | 71 |
| PBT Margin (%) | 12.7 | 12.1 | 14.0 | 13.0 | 14.8 |
| Tax Expense | 6 | 6 | 5 | 17 | 16 |
| PAT | 16 | 15 | 12 | 45 | 55 |
| PAT Margin (%) | 9.0 | 8.5 | 10.0 | 9.3 | 11.5 |
| Sheets Sold (# mn) | 2.4 | 2.7 | 1.9 | 6.9 | 6.9 |

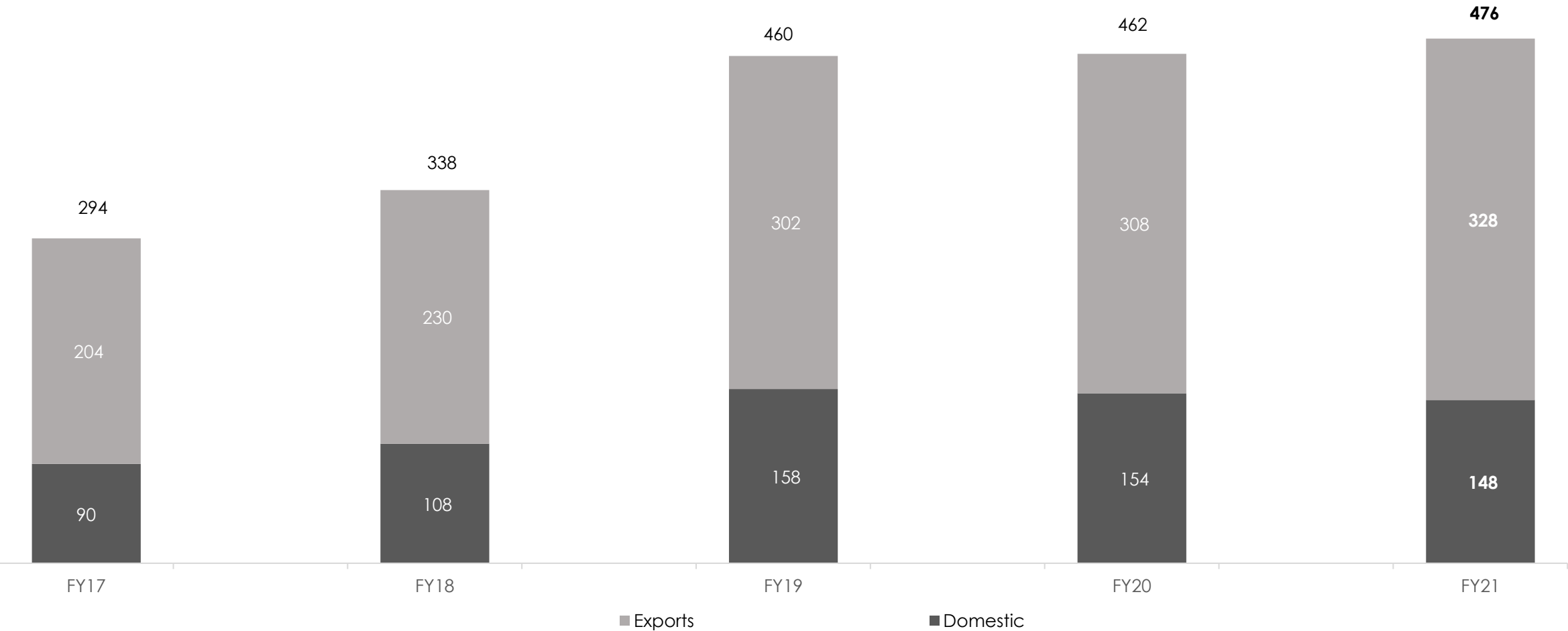
Balance Sheet (Consolidated)



| ASSETS (₹ crore) | 9MFY22 | FY21 | LIABILITIES (₹ crore) | 9MFY22 | FY21 |
|---------------------------------|------------|------------|-------------------------------------|------------|------------|
| Fixed assets | 180 | 188 | Equity share capital | 8 | 8 |
| Capital work in progress | - | - | Other equity | 292 | 251 |
| Investment in property | - | - | Net Worth | 300 | 260 |
| Other non-current assets | 5 | 6 | Long term borrowings* | 24 | 21 |
| Total non-current assets | 185 | 193 | Short term borrowings | 63 | 38 |
| Inventory | 122 | 72 | Total Debt | 87 | 59 |
| Trade receivables | 124 | 99 | Trade payables | 53 | 51 |
| Cash and bank | 11 | 15 | Other current liabilities | 18 | 16 |
| Other current assets | 38 | 27 | Other non - current liabilities | 22 | 21 |
| Total current assets | 296 | 213 | Total liabilities | 93 | 88 |
| Total assets | 481 | 407 | Total equity and liabilities | 481 | 407 |

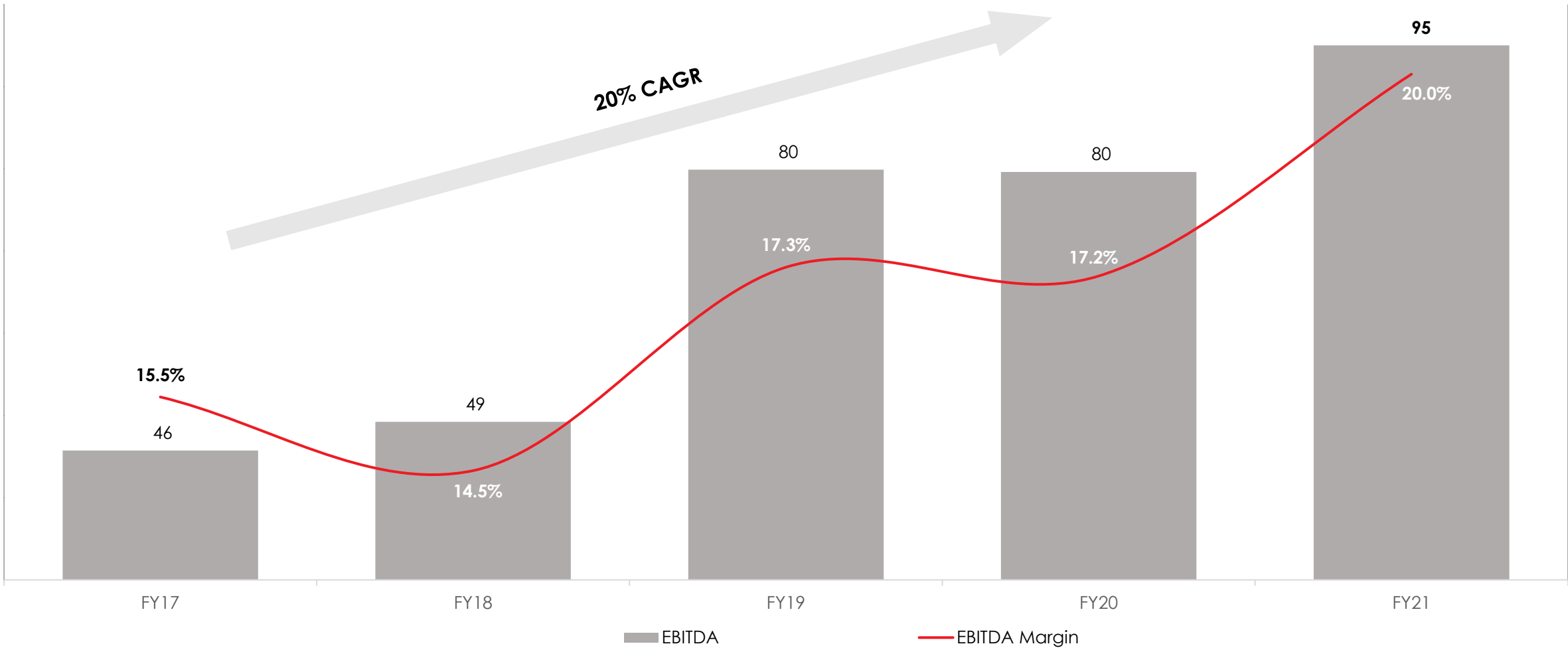
Note - *Long Term Borrowings include current maturities

Historical Sales Performance



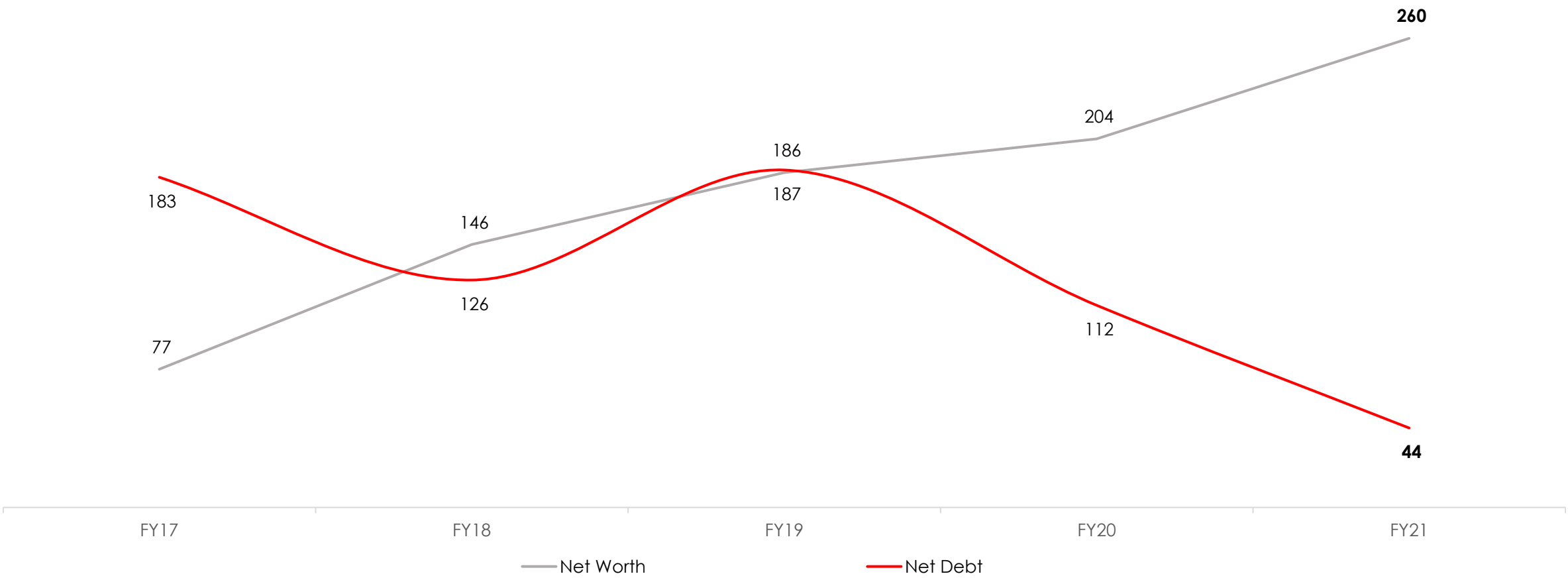
Figures in ₹ crore unless mentioned otherwise

Improving Margin Profile



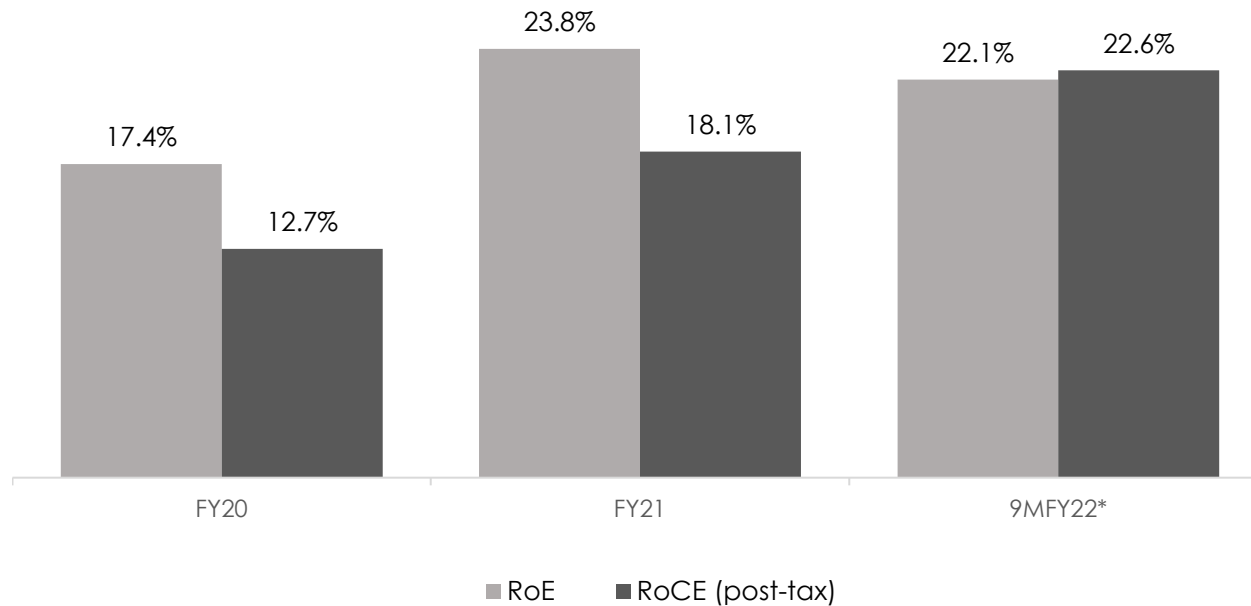
Figures in ₹ crore unless mentioned otherwise

Balance Sheet Transformation



Figures in ₹ crore unless mentioned otherwise

Improving Return Profile



*Note – RoE and RoCE for FY20 has been computed without considering exceptional item for better comparison; *9MFY22 RoE and RoCEs are on an annualised basis.*

Review of Financial Performance (Q3FY22)



- Stylam maintained its strong performance in the third quarter with sales of INR 169 crore, a solid 36.0% YoY growth.
- Sales growth during the quarter was backed primarily by exports, which were INR 106 crore (25.6% YoY and in line with Q2FY22). Domestic sales witnessed strong YoY growth to INR 63 crore (57.8% YoY), but de-grew QoQ given the pick-up of the third wave of Covid and the omicron variant.
- The Company sold 2.4 million laminate sheets during the third quarter of FY22 (vs. 1.9 million in Q3FY21; a 24.5% YoY growth). Per sheet average realizations vary based on the product mix during the period.
- The industry continues to witness pressure in raw materials, significantly impacting margins. This is attributable to the supply chain constraints witnessed globally. To exacerbate the situation logistics and freight costs have also witnessed significant increases.
- Consequently, our contribution margin witnessed pressure and stands at 41.5% for Q3FY22. Despite these challenges, EBITDA for the quarter stood at INR 25 crore. In terms of margins, it stood at 14.8% (vs. 14.2% in Q2FY22 and 20.5% in Q3FY21).
- Stylam has maintained its working capital despite adversities; the cycle stands at 93 days for the third quarter (vs. 92 days for Q2FY22).
- Net debt witnessed a slight uptick and stood at INR 76 crore as on 31st December 2021. Net worth stands at INR 300 crore

Update: Foray into Plywood



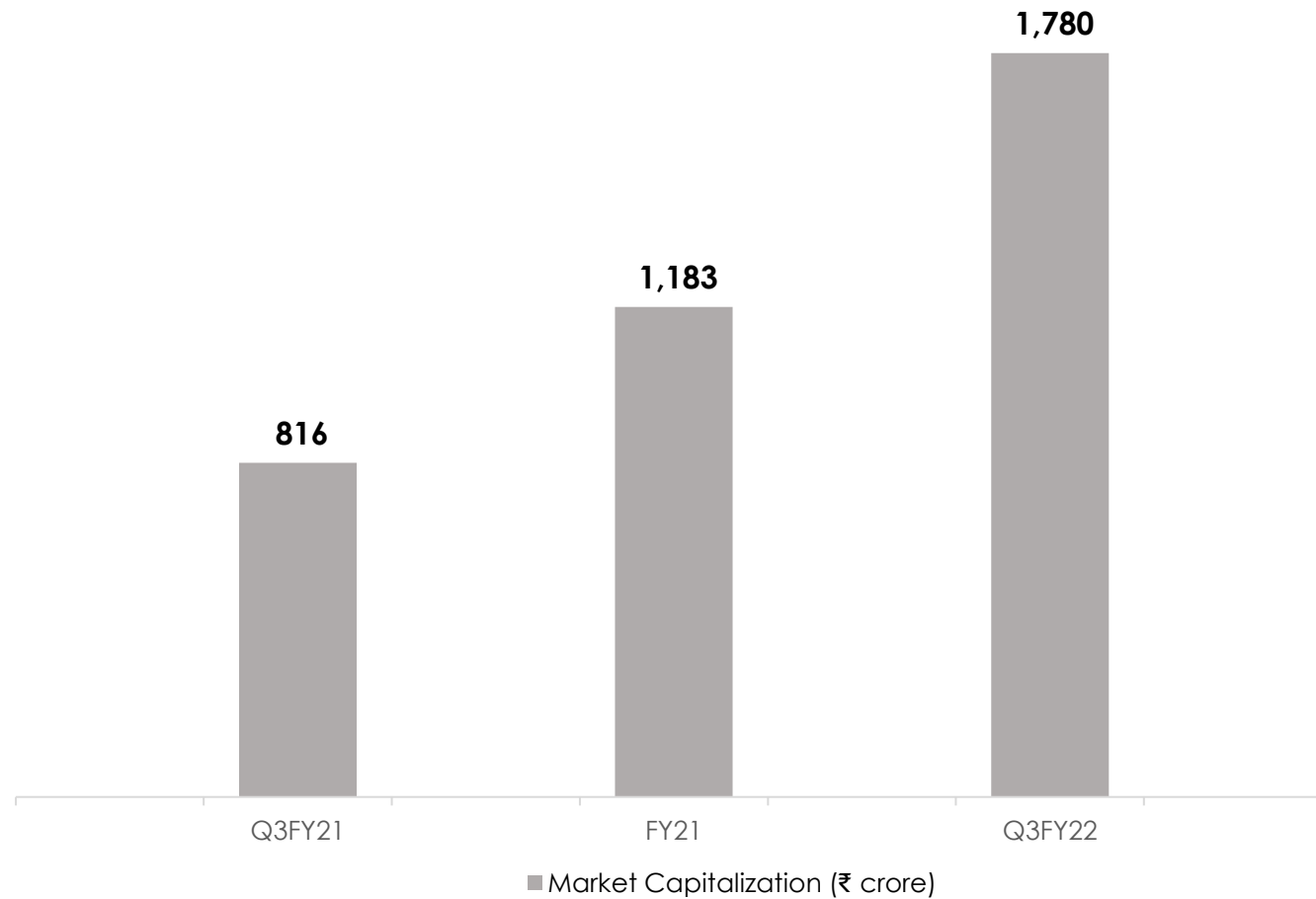
- The global Plywood market is estimated at USD 43 billion in 2020 and is projected to reach USD 58 billion by 2026.
- The Indian Plywood market is estimated at approximately INR 25,000 crore (as per *Plyreporter*) as compared to other panels (MDF, Particle board etc.) which is about INR 6,000 crore.
- India is predominantly a Plywood consuming market with the mix of Plywood to other panels (MDF, PB etc.) being about 80:20.
- Given the long-term thesis and the recent pick-up in construction activity, home renovations and the building materials sector as a whole, we are confident of setting up and scaling this new vertical.
- Stylam received an approval from the Board on the 27th of May 2021 to expand into the Plywood segment with an estimated outlay of upto INR 60 crores.
- Consequently, the Company set up a wholly owned subsidiary, Stylam Panels Limited with an authorized capital of INR 2 crores with a face value of INR 10 each.
- The Company envisages its entry into the premium plywood segment in addition to the mass consumption market and the industrial commercial segment.

Vision 2021-2025



- Increase capacity utilisation on the back of completed expansion (capacities in place to double revenues).
- Improve and enhance share of value-add products in the product mix as well as expanding the product range.
- Strengthen domestic presence with a deeper reach and penetration and creation of a strong brand.
- Expand coverage across newer exports regions along with increasing business with existing partners.
- Setting up the Plywood manufacturing facility - Stylam Panels Limited incorporated.
- To be a net debt free Company.

Value Creation for Shareholders



- During Q4FY21, the Company completed its sub-division of shares (i.e. share split).
- One share with Face Value INR 10 was split into two shares of INR 5 each.
- The total outstanding shares of the company increased from 84,74,030 to 1,69,48,060.

Safe Harbor Statement



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THANK YOU

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