

SHEELA FOAM LIMITED

Earnings Presentation

Q1FY26



Sheela Foam: Safe harbour statement

All statements included or incorporated by reference in this presentation, other than statements or characterizations of historical fact, are forward-looking statements. These forward-looking statements are based on our current expectations, estimates, and projections about our industry, management's beliefs, and certain assumptions made by us. Although Sheela Foam Limited (SFL) believes that the expectations reflected in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. Any forward-looking statement speaks only as of the date on which such statement was made, and SFL undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. No assurance can be given that actual results, performance, or achievement expressed in, or implied by, forward-looking statements within this disclosure will occur, or if they do, that any benefits may be derived from them.



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Founders with pedigree : ably supported by professionals



Rahul Gautam – Executive Chairman

He has been associated with our Company since 1971 and has served as Managing Director for over three decades. He founded and developed 'Sleepwell' as the most coveted and trusted brand in the country. He has over 48 years of experience in the home comfort and PU foam industry and is the Chairman Emeritus of the Indian Polyurethane Association



Rakesh Chahar - Whole time Director

An astute professional with over 35 years of deep experience in operations and marketing of mattresses, bedding products and polyurethane foam and has deep rooted relationships with sales channel and suppliers and vendors. He has been associated with SFL since 1990 and has been a Whole-Time Director since 2003.



Tushaar Gautam - Managing Director

He has been associated with our Company since 2002 and MD since November 2023. He has over 21 years of experience in heading Production, Research and Development. He oversees the operations of Sheela Foam group and our subsidiaries Joyce Foam Pty Ltd and Interplasp while also serving on their Board of Directors. He is instrumental in Kurlon integration and spearheading two largest mattress brands of the country.



Amit Kumar Gupta - Group CFO

He has joined our Company in May 2023. He comes with 25 years of rich experience across companies and industries. His specialization lies in corporate finance, business strategy, merger & acquisitions and capital raising in both domestic and international markets. His previous stints were with groups including Samvardhana Motherson, Ballarpur Industries, and HT Media Ltd, under various capacities.

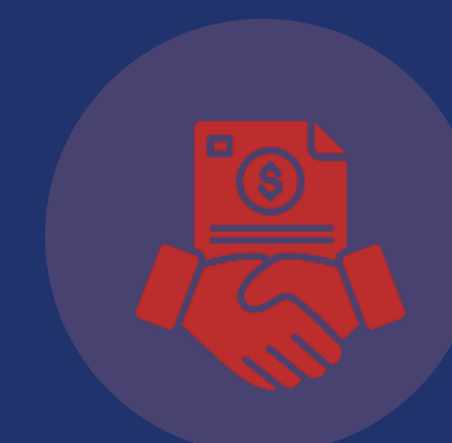
Company Snapshot



Experienced management



Presence across multiple geographies



Proven track record in Acquisitions and Integration



Largest manufacturers of PU Foam in India



Strategic move to focus on high margin products



Consistent Positive cash flow generation



'Sleepwell' 'Kurlon' are amongst the most trusted brands in India



~30% Market Share in the Indian branded mattresses segment



Low Gearing ratio



Backward Integrated Player with a wide product basket



40% market share in Australia



Marquee Investors

Sheela Foam : Group of companies and brands

India business

Mattress & foam business



kurlon

Furniture rental business

FURLENCO

IT business



International business

International subsidiaries



International consumer brand



Operational Highlights | Q1FY26

> **Mattress volume growth of 10% YoY**

Sleepwell volume growth - 22% YoY

Kurlon volume growth - 6% YoY

> **Volume & Value Drivers**

E-com – 66% YoY volume growth

‘Tarang & Aaram’ – 59% YoY volume growth

> **Geographical Footprint**

c.400 new showrooms signed in Q1FY26

Total EBOs at ~6000 and MBOs at ~16000

Company Operated Company Owned (COCO) now at 29

SFL Dubai with 6 EBOs and 7 MBOs

Financial Highlights | Q1FY26

Consolidated

- > Revenue at INR 821 cr – 1.4% growth YoY
- > Core EBITDA* at INR 85 cr – 42% growth YoY
- > Core EBITDA* margins at 10.4% - growth of 300bps YoY
- > Normalized PAT at INR 30 cr; Reported PAT at INR 7 cr

MTM Loss of INR 12 crs^ on Government bonds and INR 10 cr on forex cover

India Business (SFL + KEL + Staqo)

- > Revenue at INR 644 crs – 5% YoY
- > Core EBITDA* at INR 75 crs – 47% growth YoY
- > Core EBITDA* margins at 11.7% - growth of 331bps YoY
- > Normalized PAT at INR 40 cr after adding MTM Loss of INR 12 crs^ on Government bonds and INR 10 cr on forex cover

**before Forex MTM of INR 10 cr (Q1FY26)*

^ Surplus Cash of INR 450 cr parked in govt. bonds

Q1 FY26 | Financial performance – Geography wise (INR Crs)

	India Business (SFL + KEL + Staqo)				International (Spain + Australia)		
	Q1 FY25	Q1 FY26	Variance		Q1 FY25	Q1 FY26	Variance
TOTAL REVENUE	612	644	5%		186	178	(4%)
GROSS MARGIN	44.4%	45.3%	0.9%		38.5%	42.7%	4.2%
CORE EBITDA*	51	75	47%		9	11	22%
CORE EBITDA %*	8.4%	11.7%	331bps		4.9%	6.2%	130bps
Reported EBITDA	51	65	27%		9	11	22%
Reported EBITDA%	8.4%	10.1%	177bps		4.9%	6.2%	130bps

Q1 FY26 | India Business – segment wise

	Volume				Value		
	Q1 FY25	Q1 FY26	Change		Q1 FY25^	Q1 FY26	Change
MATTRESS	737K	813K	10%		294 Cr	320 Cr	9%
TECHNICAL FOAM	4182 Tn	4504 Tn	8%		124 Cr	127 Cr	3%
COMFORT FOAM	5111 Tn	5576 Tn	9%		110 Cr	113 Cr	2%
FURNITURE CUSHIONING	1320 Tn	1273 Tn	(4%)		49 cr	49 Cr	-

Lower value growth conversion in foam due to reduction in raw material prices which are passed on

Q1 FY26 | India Business – segment updates

Mattress

- > 392 new showrooms signed in Q1FY26
- > Emphasis on distributor owned outlet for both Sleepwell and Kurlon
- > New models launched in sub-10K mattress segment for both Sleepwell & Kurlon
- > Dealer meets well received; Revamped monthly & quarterly incentive scheme

Comfort Foam

- > 150+ dealers; 20+ distributors appointed in unrepresented areas
- > Focus on increasing rebonded foam

Q1 FY26 | India Business - segment updates

Technical Foam

- > Maintained share at Generator Acoustics and Footwear Industries
- > Defended entry of competition at exclusive customers in automotive and peeling
- > New Applications— Aviation, Ceramic Filters, Acoustic (high KVA gensets), footwear insoles

Furniture Cushioning

- > Rebuilding Saathi engagement through large format meets and a redeveloped mobile app
- > Deeper involvement with Saathi partners; Strengthening in emerging markets
- > To regain share in North & West markets by leveraging KEL Furniture Cushioning brand
- > New Jumpz range well received by the market

KEL Integration turnaround

6.7%

KEL EBITDA
FY23

9.2%

SFL EBITDA
FY23

11.1%

SFL + KEL
CORE EBITDA
Q1FY26

- > Kurlon has turnaround – from a declining to a growing company; 10% + EBITDA margins achieved
- > 190 crs savings annual run rate achieved , reflected in improved profitability
- > Cost rationalization due to integration

SFL | ESG & CSR Initiatives

ESG | Strategy plan for Sustainability 2030

Out of 17 Sustainable Developmental Goals (SDG) – we have identified 4 SDGs as part of our 2030 Sustainability plan

2025	2030
Air Quality and PPE and Low VOC products	Wellness products innovation through Sleep tech
6.33%	11%
18%SFL Solar	50% Overall
Waste -15%	100% circularity + YOY intensity reduction
Waste Mattress - 1.05 kg/Mattress	Evaluate opportunities
Air Quality and PPE and Low VOC products	Wellness products innovation through Sleep tech
6.33%	11%

SUSTAINABLE DEVELOPMENT GOALS



ESG | Social and governance goals – Glide path

S.No.	GOAL	2023-24	2024-25	2025-26 TARGETTED
1	Sign off on code of conduct and important policies	Not Done	LMS launched. POSH & Code of Conduct modules completed.	Human rights module
2	Improvement in Gender Diversity	Employees – 8.94% Workers – 5.77%	Employees – 8.64% Workers – 4.87%	To improve overall by 1%
3	Improvement in inclusivity	PWD- 1 No	PWD- 6 Nos	
4	Vendors' sensitization program for ESG Principles	Limited numbers covered. Program unstructured.	Have reached out to 45 suppliers and 100% Channel Partners	Continue the business partner engagement
5	Reduce Resolution Time for Consumer complaints	Resolution time:35 days	Resolution Time: 15-18 days	12-15 Days
6	Integrate ESG organization into corporate structure	No formal structure	ESG Champions at Zonal Level and Sustainability lead in each unit. Environment committee set up for compliances.	Plant level Energy and water reduction metrics to be finalized on baseline
7	Adoption of Sustainable Technologies & products		Shown in a separate sheet	Further enhance use of sustainable materials in our products

CSR | Initiatives



Community development focusing on wellness & professional skills

Vocational training on various subjects to enable gainful employment including SFL ecosystem

Educating audience through social media on mental health and importance of counselling

Organizing upskilling programs for teachers, young entrepreneurs and professionals

Social impact and wellbeing

ZINDAGI WITH RICHA – POWERED BY SLEEPWELL FOUNDATION.

A PLATFORM FOR STORIES THAT HEAL, INSPIRE AND CONNECT.

Meet Zindagi with Richa | A celebration of empathy, and real voices.

Massive milestone crosses 5 crore views!

- > Among India's most-watched podcast shows
- > 1,500+ intimate, heartfelt stories
- > Strong connect with youth and changemakers



Meet Zindagi with Richa | A celebration of empathy, and real voices.



Channel milestones

- > Total Views: 5 Cr | 1.48 Lakh+ subscribers
- > Monthly Views: 65L | 10K+ new subs/month
- > 1,500+ episodes of meaningful conversations



Our gratitude

Our guests, viewers, and partners deserve the real credit for making Zindagi with Richa a living archive of India's emotional strength.



Business updates

Retail | Showroom expansion

Expanded footprint.

Focus on Tier 1 and Tier 2 cities

230+

EXCLUSIVE
SLEEPWELL &
KURLON OUTLETS

84+

NEW DEALERS





★★ DEALERS MEET 2025 ★★

- > For both Sleepwell and KurlOn brands
- > Stronger alignment, renewed trust, elevated energy.
- > Dealers committed to growth with clarity.

30+

MEETS

10+

PAN INDIA
LOCATIONS

6000+

RETAIL PARTNER
BUSINESS INTERACTIONS

Campaigns

Strategic Anchor Integration: Media Innovation – Anchor greetings

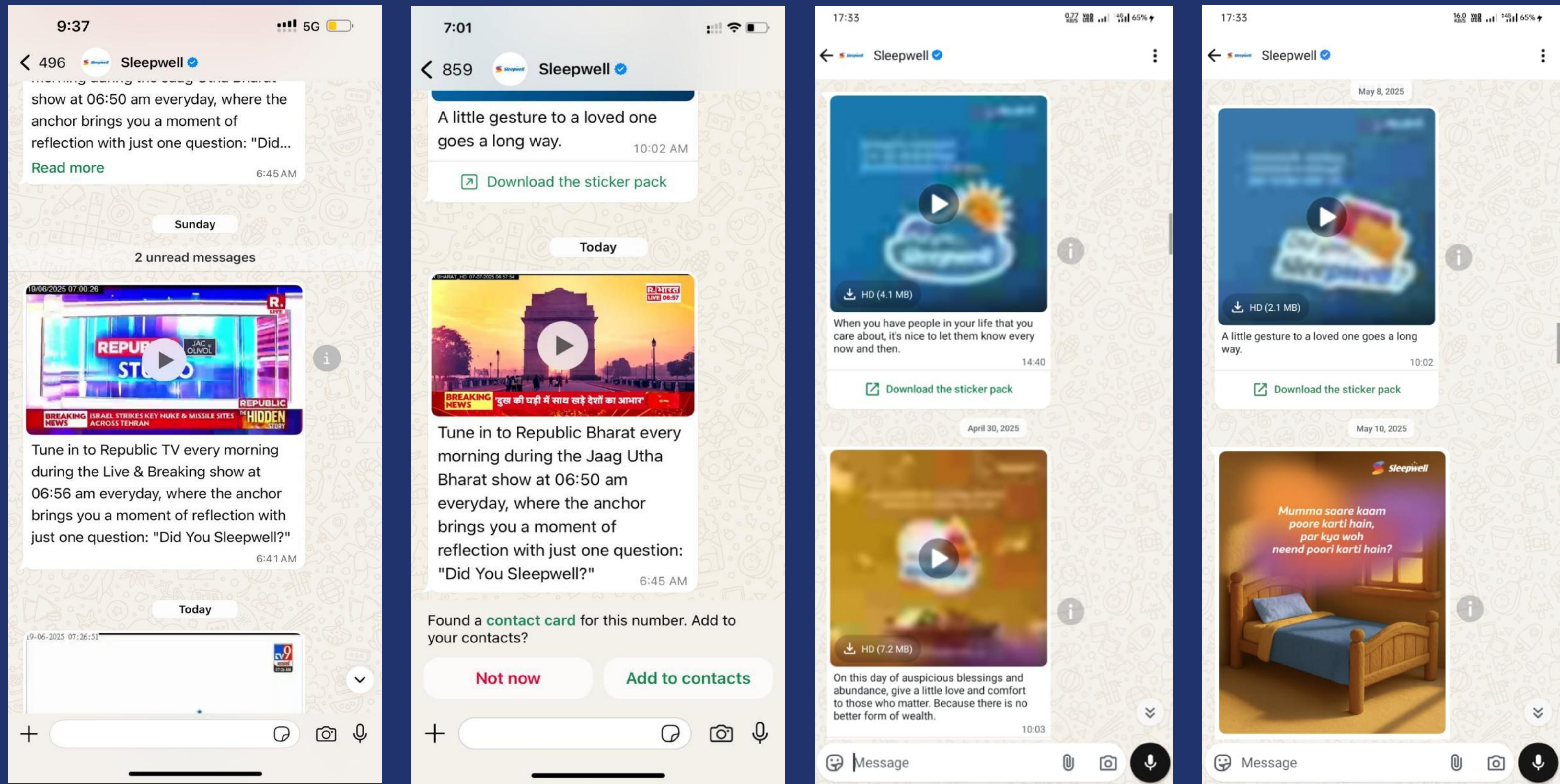
सिर्फ 'गुड मॉर्निंग' ही नहीं, पूछिए, *Did you Sleepwell?*

First-ever: News Anchors on Republic & TV9 greet India with *“Did You Sleepwell?”* instead of “Good Morning” during live show.

Daily presence as a daily ritual moment; building strong brand salience and build equity.



Whatsapp circulation | mass reach



Mattress exchange campaign

- > PAN India Campaign
- > Customised social, WhatsApp, and showroom creatives
- > Omnichannel storytelling kits deployed platform like mygate, zomato, nobroker etc.

44%+

IMPRESSIONS

+30%

CLICKS

100Mn+

REACH



The advertisement features the Sleepwell logo at the top, followed by the 'Exchange Offer*' text with a yellow double-headed arrow. Below this, a purple text block encourages customers to visit their nearest Sleepwell store to receive benefits up to ₹10,000. A central image shows a bed with a blue and white patterned mattress, orange pillows, and a white headboard. A blue circular badge on the right indicates a 'Limited Period' from the 16th to the 30th of June. At the bottom, a blue banner provides the contact information: 'Visit your nearest Sleepwell store today or call on 1800 103 6664'. A small vertical text 'T&C apply' is visible on the left side of the bed image.

Sleepwell
Exchange
Offer*

Time to change your old mattress !
Visit your nearest Sleepwell store and get
benefits* UPTO **₹10,000**

Limited Period
**16th - 30th
JUNE**

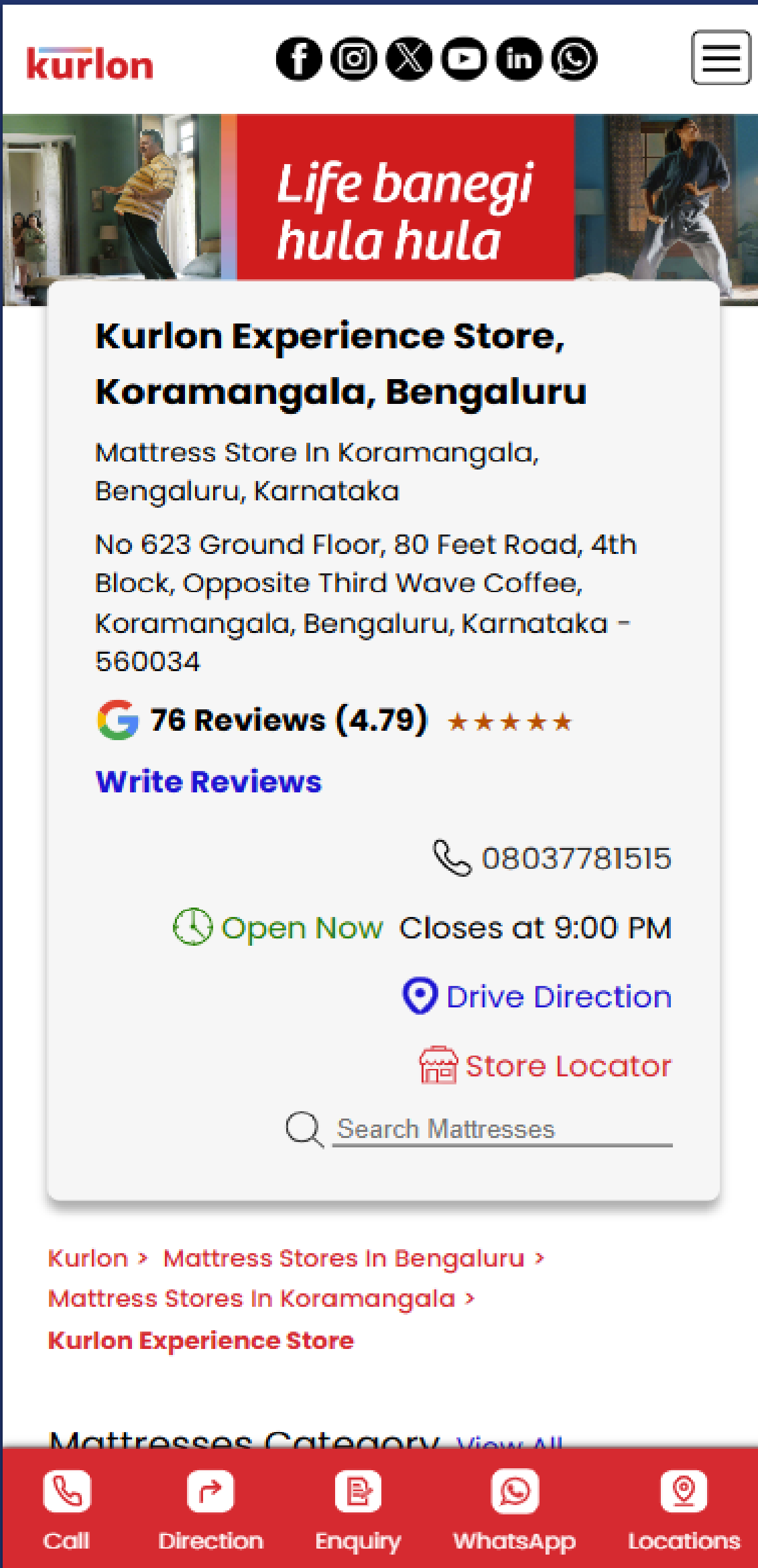
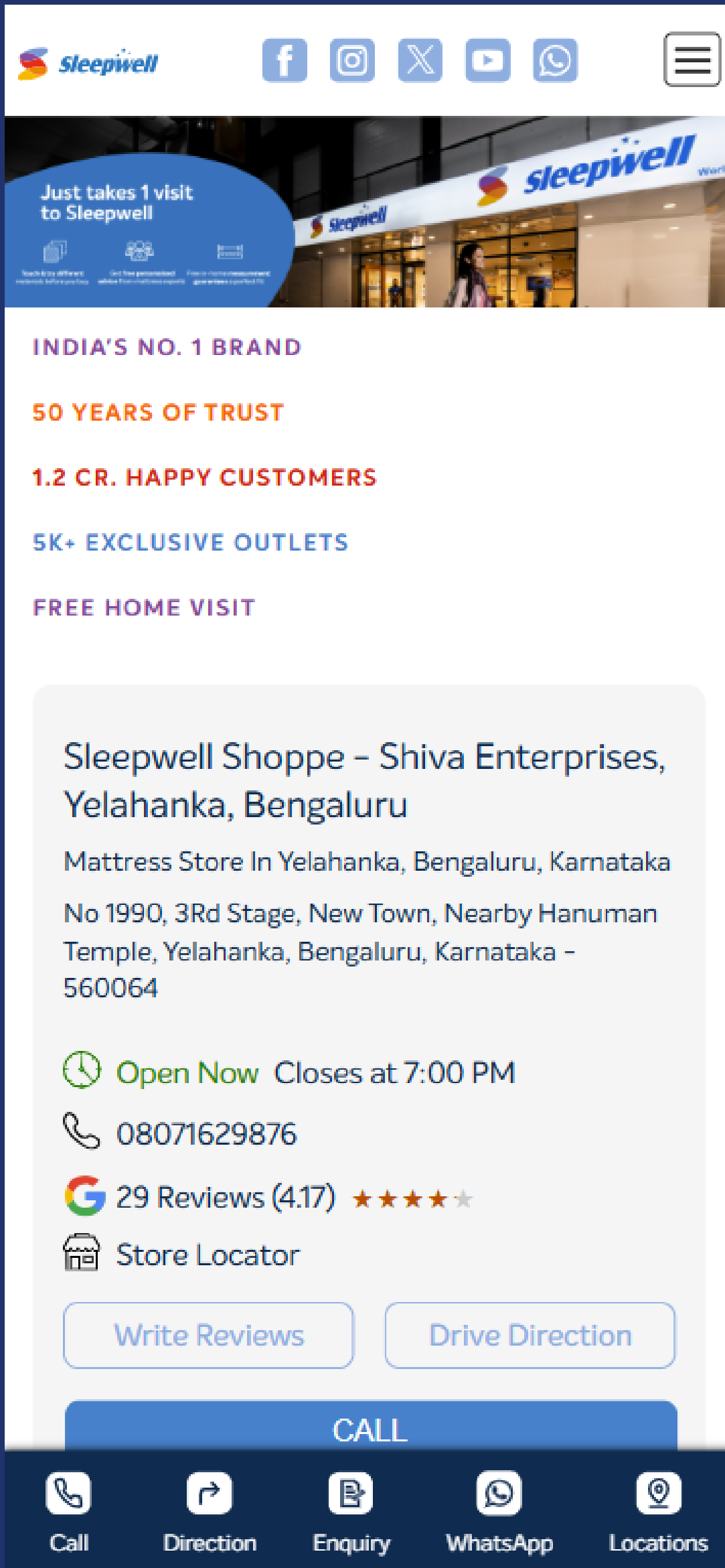
Visit your nearest Sleepwell store today or call on 1800 103 6664

Discoverability and SEO

Google My Business: Significant uplift in search visibility and showroom footfall

4000+ GMB PROFILES

Live dealer profiles for Sleepwell and Kurlon. Increased showroom search and footfall.



Sleepwell | Social and digital campaign engagement

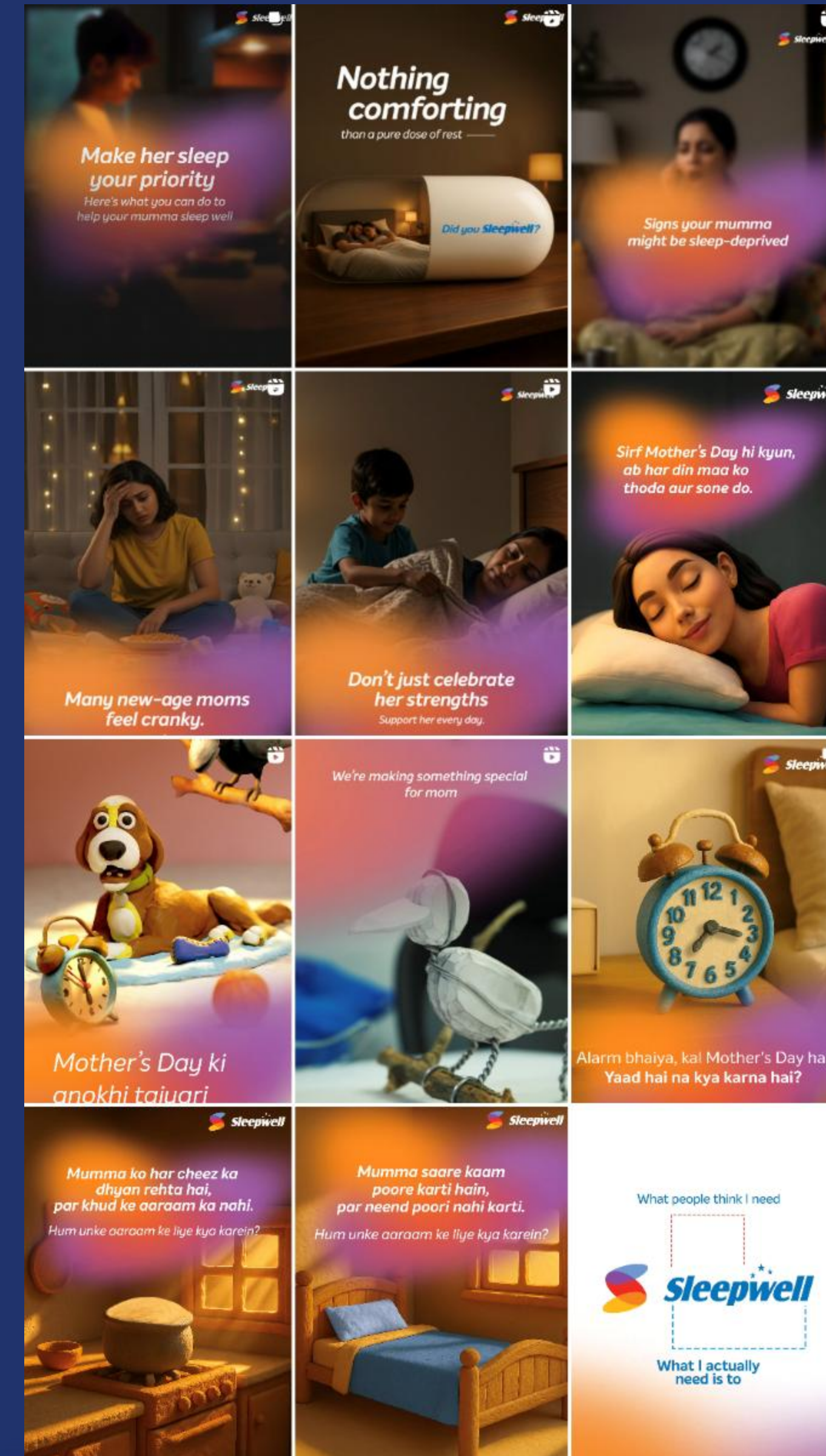
Overall social engagement

213M+ VIEWS

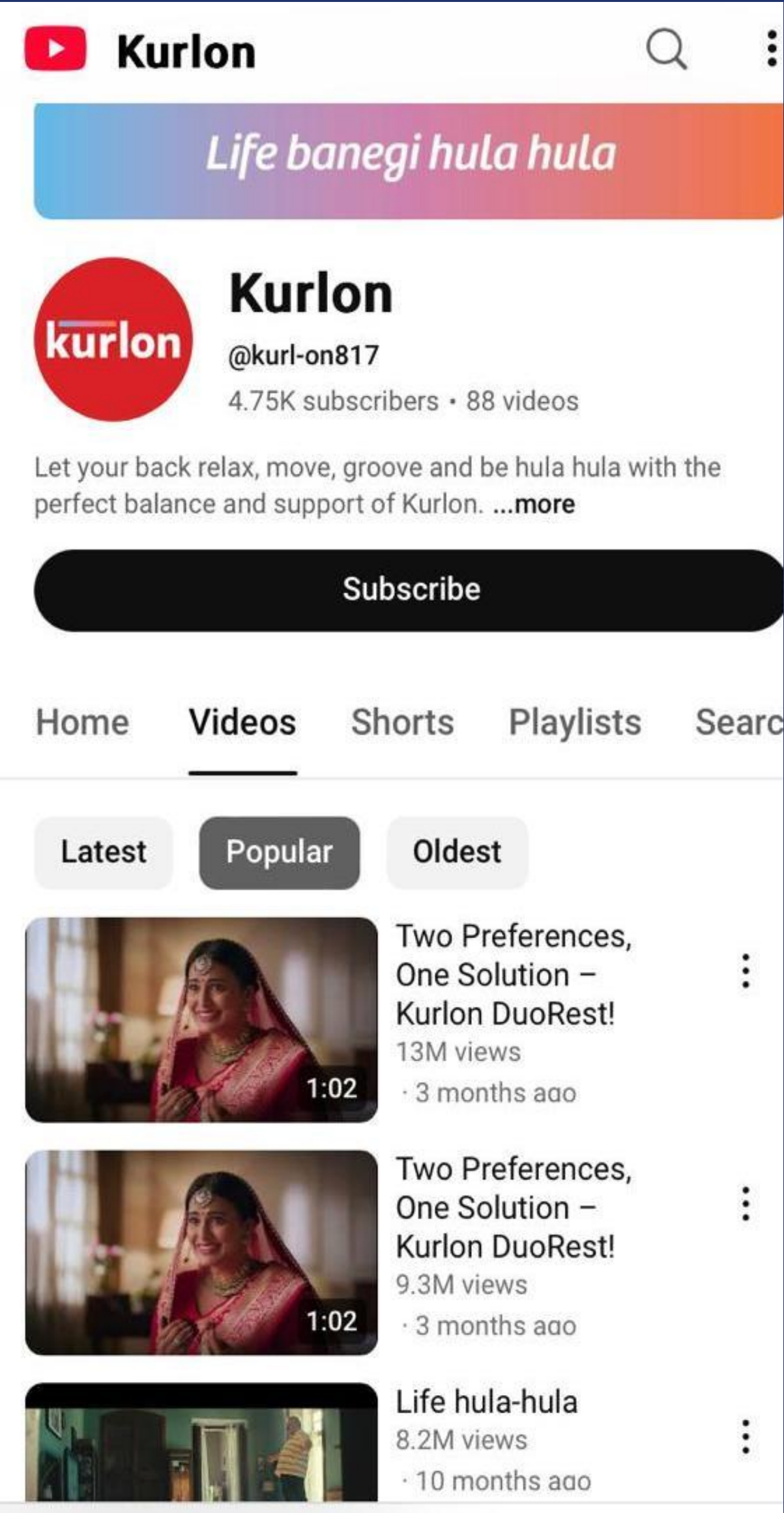
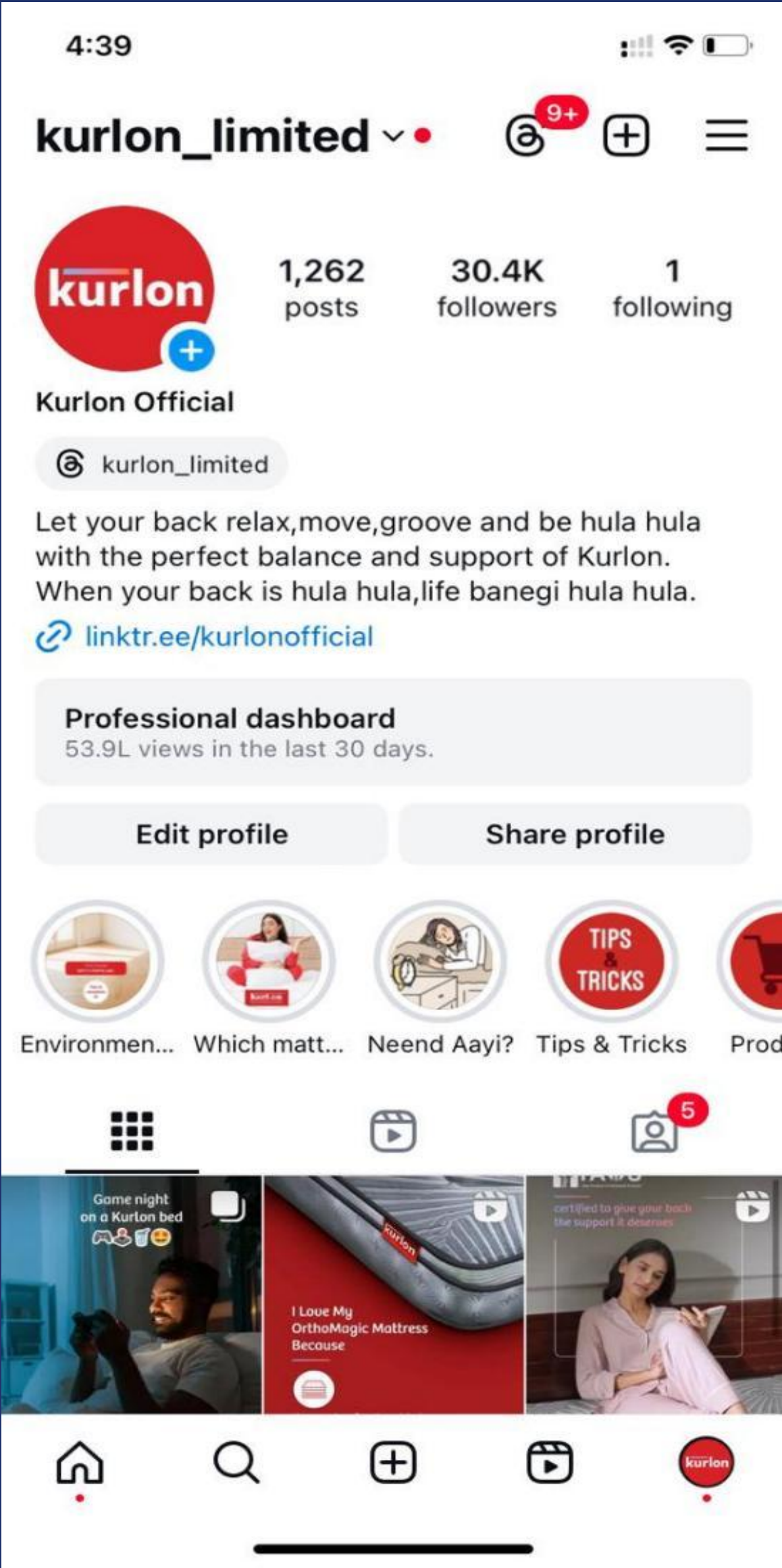
50%+ INCREASE IN FOLLOWERS

Mother's Day campaign

- Resonated strongly with women, sparking cohort-based engagement
- Female followers jumped from 6% → 23.5% post Mother's Day for Sleepwell.



KurlOn | Social and digital campaign engagement



66M+

VIEWS

Brand | Product

Champ Classic Ortho



Rebonded Foam

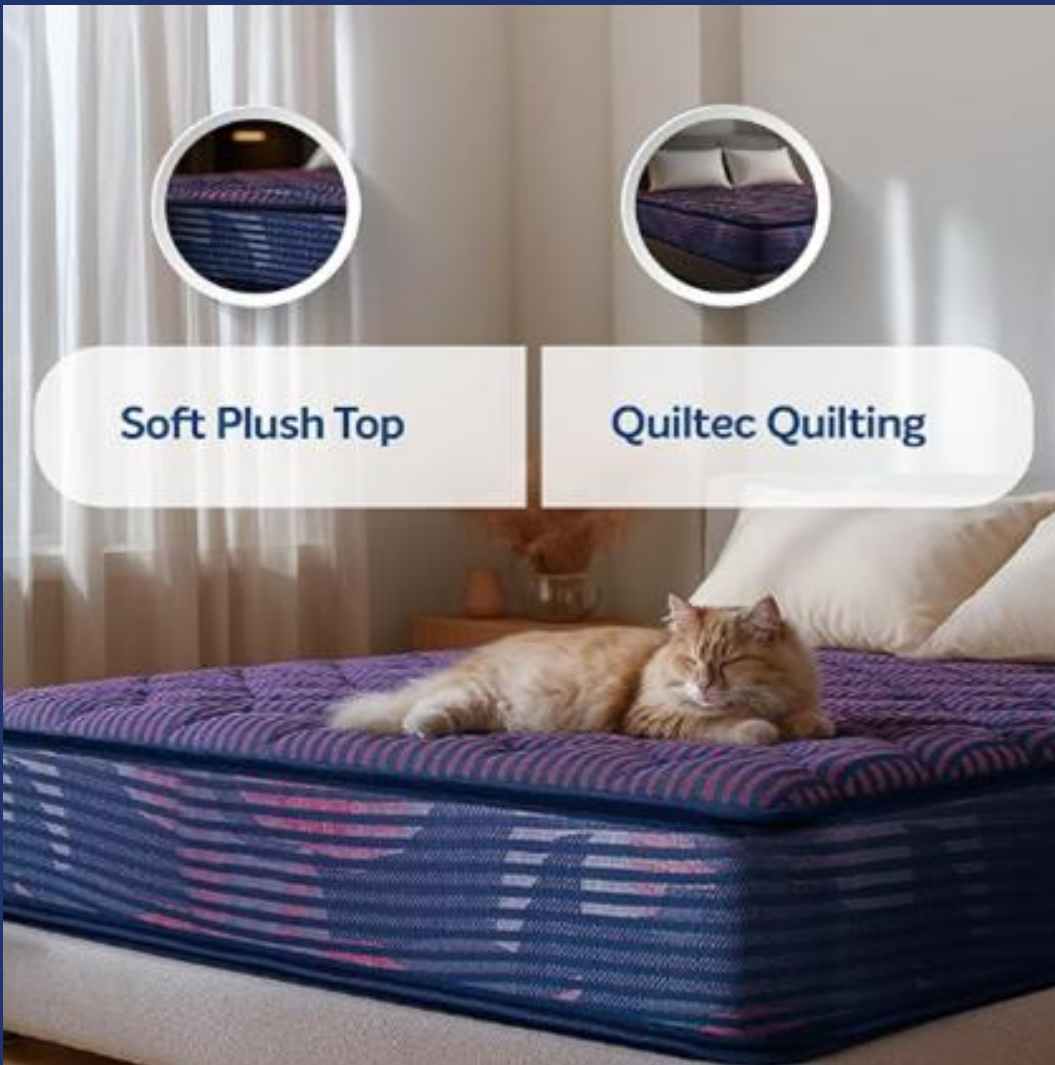
This mattress features a high-density rebonded foam core for firm support and enhanced durability



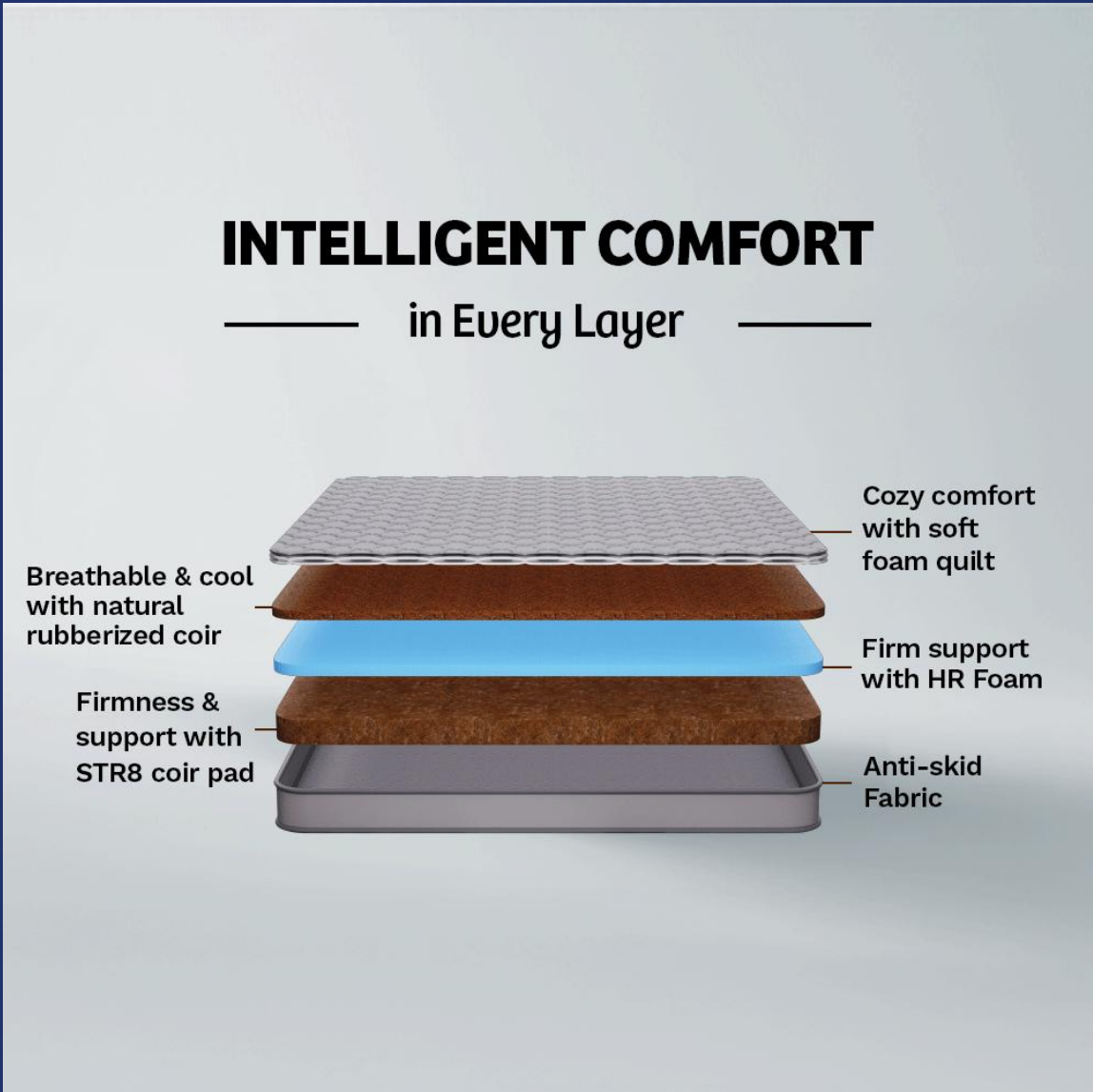
Soft Plush Top



Quilted Quilting



Kurlocoir Essential



Kurl-On Teensy



POSTURE CONTROL

The bonded foam offers ideal spine & body alignment which helps in maintaining posture of the body



BONDED FOAM

This foam helps to maintain proper spinal alignment, reduces back pain & provides body support



PU FOAM QUILTING

This PU foam offers better comfort, durability, airflow & moisture dissipation



Financials

Quarterly | Standalone income statement (INR Cr)

Particulars	Q1-FY26	Q1-FY25	Y-O-Y	Q4-FY25	Q-O-Q
Revenue from Operations	697	504	38%	691	1%
Operating Expenses	620	456		643	
Core EBITDA	77	48	61%	48	61%
Core EBITDA Margin (%)	11.0%	9.5%		6.9%	
Forex MTM Loss	10	-	0%	2	0%
Reported EBITDA	67	48		46	
Other Income	10	25		20	
Depreciation	22	19		24	
Finance Cost	23	22		28	
PBT	32	32	2%	13	147%
Exceptional Item	-	-12		-	
Tax	8	12		1	
PAT	24	32	-25%	12	98%
PAT Margin (%)	3.5%	6.4%		1.8%	
Other Comprehensive Income	-0	-1	0%	1	0%
Total Comprehensive Income	24	31		13	
Basic/Diluted EPS (INR)	2	3	0%	1	0%

Quarterly | Consolidated income statement (INR Cr)

Particulars	Q1-FY26	Q1-FY25	Y-O-Y	Q4-FY25	Q-O-Q
Revenue from Operations	821	810	1%	850	-3%
Operating Expenses	736	750		779	
Core EBITDA	85	60	43%	71	21%
Core EBITDA Margin (%)	10.4%	7.4%		8.3%	
Forex MTM Loss	10	-		2	
Reported EBITDA	75	60		69	
Other Income	10	31		25	
Depreciation	46	40	17%	50	-8%
Finance Cost	29	28		35	
PBT	10	23		9	
Exceptional Item	-	-31	0%	0	0%
Tax	4	7		-12	
Share in profit/(loss) of Joint venture	2	0		1	
PAT	7	47	0%	22	0%
PAT Margin (%)	0.9%	5.8%		2.6%	
Other Comprehensive Income	24	0	0%	13	0%
Total Comprehensive Income	31	47		35	
Basic/Diluted EPS (INR)	1	4	0%	2	0%

Thank you

For further information, please visit www.Sheelafoam.com or contact:

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