



FEEDING YOUR
IMAGINATION



steelite
INTERNATIONAL



INSPIRATIONAL
DESIGN



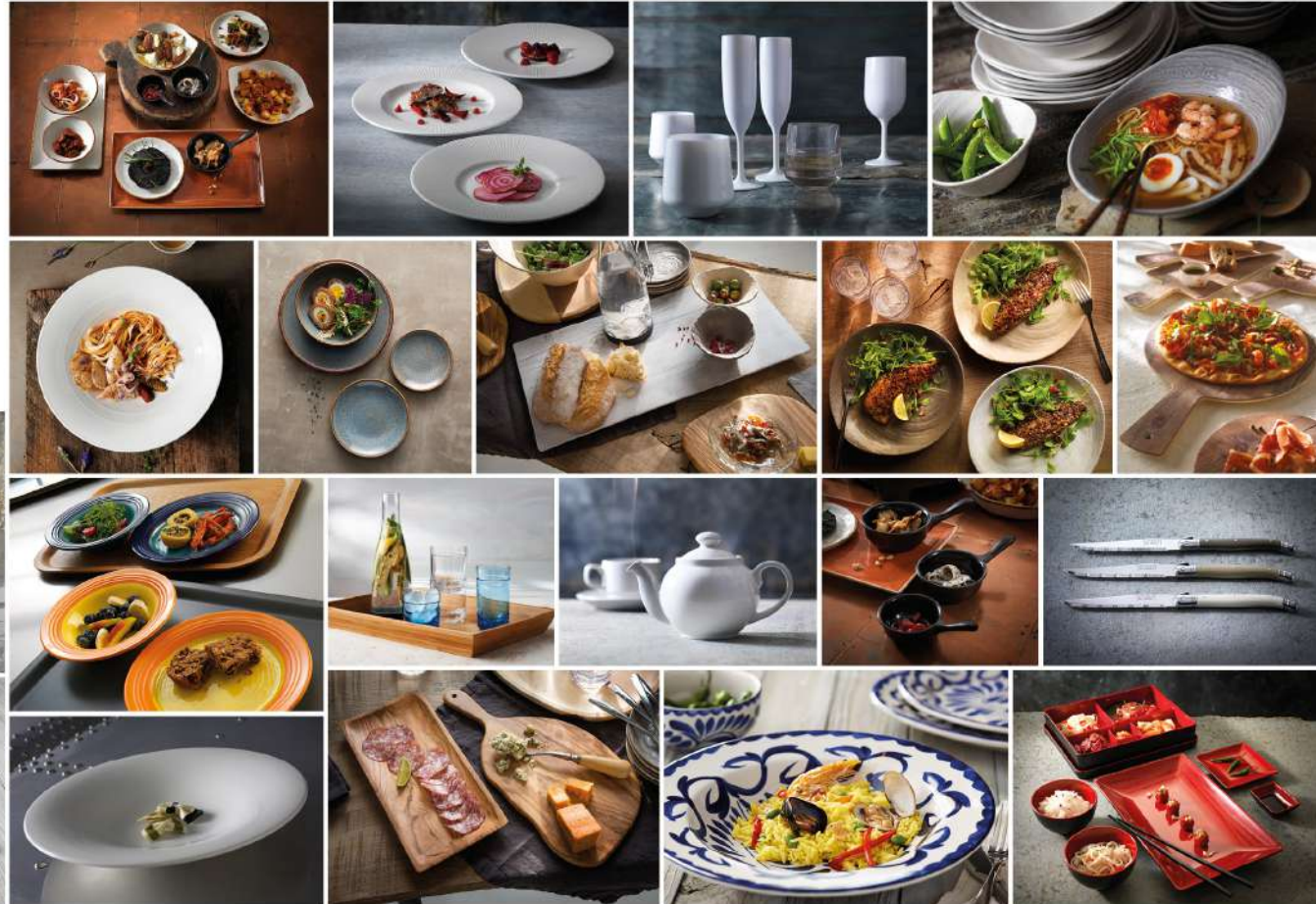
EXCELLENT
QUALITY



OUTSTANDING
SERVICE



MINIMIZING
ENVIRONMENTAL
IMPACT



Innovation Continued



Welcome & Thankyou

Performance

Steelite delivered a superb performance in 2016, with turnover up 19.6% to £117m. This represents the 7th consecutive year of record breaking growth, further strengthening our market leading position. The primary divisions of EMEA and Americas grew by 4.4% and 28.0% respectively.

The Americas growth was made up of a 13.8% increase in core products and an exceptional 42% increase in portfolio products. The portfolio performance really illustrates our future potential as we globalise our differentiated and proprietary products.

EMEA growth was made up of a 4.4% increase in both core and portfolio products. Operational highlights include: acquisition of new national accounts in the UK and continued positive development of the Far East and Australian operations. Continental Europe was the stand out performer with material sales increases in Germany, Iberia, Italy, Russia and the Nordic regions. Importantly, these key markets increased market penetration by providing creative solutions with new and existing products combined.

Portfolio Products

Portfolio product sales have again increased across the EMEA region. Highlights include: melamine buffet and dinnerware items, Stage wood, Creations glass, Varick, Laguiole knives and Drinique. We will continue to leverage our global product offer where appropriate. To support this further we will step up the development of proprietary products from valued supply partners. A global branding strategy will provide the framework and direction for the future.

Welcome & Thankyou

Investment

Our core pillars of Inspirational Design, Excellent Quality, Outstanding Service and Minimising Environmental Impact are always at the forefront of our minds. All our investment through the year and into the future must strengthen these pillars. We identified £3.6m for investment in products, stock, equipment and marketing and I am delighted to report that we have achieved all our planned improvements in 2016. We have made huge progress improving service and product availability as new equipment and processes have been successfully deployed throughout our operations. We will continue to optimise the benefits through 2017.

Innovation

Our progress has created the platform to introduce a significant wave of product innovation in both core and portfolio offers. This is the biggest single launch in the history of the EMEA division. The first full exhibition will be Ambiente, Frankfurt, on the largest stand ever taken in Europe. We believe we have created the perfect storm of innovation, introducing completely new core and portfolio ranges. Many existing ranges have innovative new additions. To say we are excited about 2017 is an understatement.



Welcome & Thankyou

Change of Ownership

It would be remiss of me not to mention Steelite's change of ownership this year. It really is a new chapter for the business. We should be proud of the way the inevitable anxiety of such a significant change has been mitigated. It really has been business as usual and that is solely down to the professionalism and cooperation of our people, partners and customers. We now have a fantastic opportunity through continued and increased investment to further leverage our success and accelerate our future growth. I am personally delighted to be playing a lead role in the next chapter of the Steelite journey alongside John Miles, Jon Cameron and most importantly the whole Steelite International team.

Looking Ahead

So what a year 2016 proved to be! 2017 will be just as challenging but inevitably exciting. There are a number of political and economic uncertainties in some of our core markets. However, our own initiatives and environment should give us more confidence than ever. Our new structure is creating clarity and opportunity moving forward. Innovation will increase penetration into our markets. Globalisation of our proprietary and differentiated products will provide opportunity to strengthen and increase our geographical reach. Could we achieve 8 consecutive years of record performance? – Probably!





Welcome & Thankyou

2017 Key Goals

INNOVATION

Implement the biggest single launch of new products in the history of the EMEA division



PENETRATION

Increase growth of high value table top solutions with new and existing products



GEOGRAPHY

Increasing globalisation of our proprietary and differentiated products.

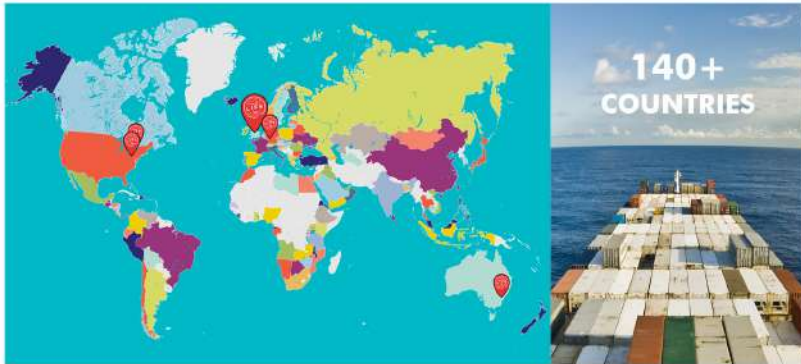
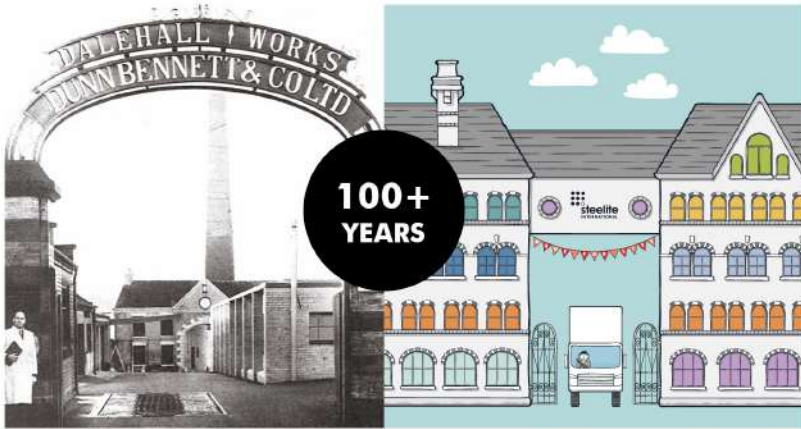


I would like to take this opportunity to thank all Steelite employees and business partners right across the Globe and EMEA region for their tremendous hard work. I have no doubt that everyone will embrace the opportunities ahead with the same enthusiasm and unquestionable talent.

Thanks again!



Neil Hooper
Managing Director EMEA



Steelite International

Innovation continued

- 100+ Years ago manufacturing began on the current Steelite site. The invention of the reinforced plate began here.
- In 2016 John Miles and PNC Riverarch Capital secured Steelite International and continues the promise to put products 'Made in England' into the hands of all hospitality channels worldwide.
- Supplying over 140+ countries. We are wherever you and our customers are. People and expertise in every area of the globe, worldwide partners for life.
- The Group has delivered record breaking growth and out performed revenue targets for the last 7 years.
- 31 Years of sales growth in 34 years.
- 2016 Annual turnover has burst through the £110m barrier.
- Continual reinvestment in the company is at the forefront of the growth strategy and supports our innovative approach to business.
- Worldwide Staff of 1000+ employees.
- Reputation that is acknowledged and respected worldwide. Partners for life.
- Global market leaders - bigger, stronger and considerably more innovative than the competition.
- We are committed to UK manufacturing whilst developing partnerships worldwide that mirror our values and develop a deeper brand story and global position.
- Innovation at the heart of everything we do - Design, Marketing, Manufacturing, Service, Logistics, Relationships.

#newproductlove

Mission Statement

“to be the hospitality industry’s preferred choice for tabletop products”



INSPIRATIONAL
DESIGN

We design our
products for life



EXCELLENT
QUALITY

We make our
products for life



OUTSTANDING
SERVICE

Our customers are
partners for life



MINIMISING
ENVIRONMENTAL
IMPACT

We are helping secure
an environment that is
fit for life

These values remain at the core of our everyday business relationships bringing the best to our customers.



Design Innovation



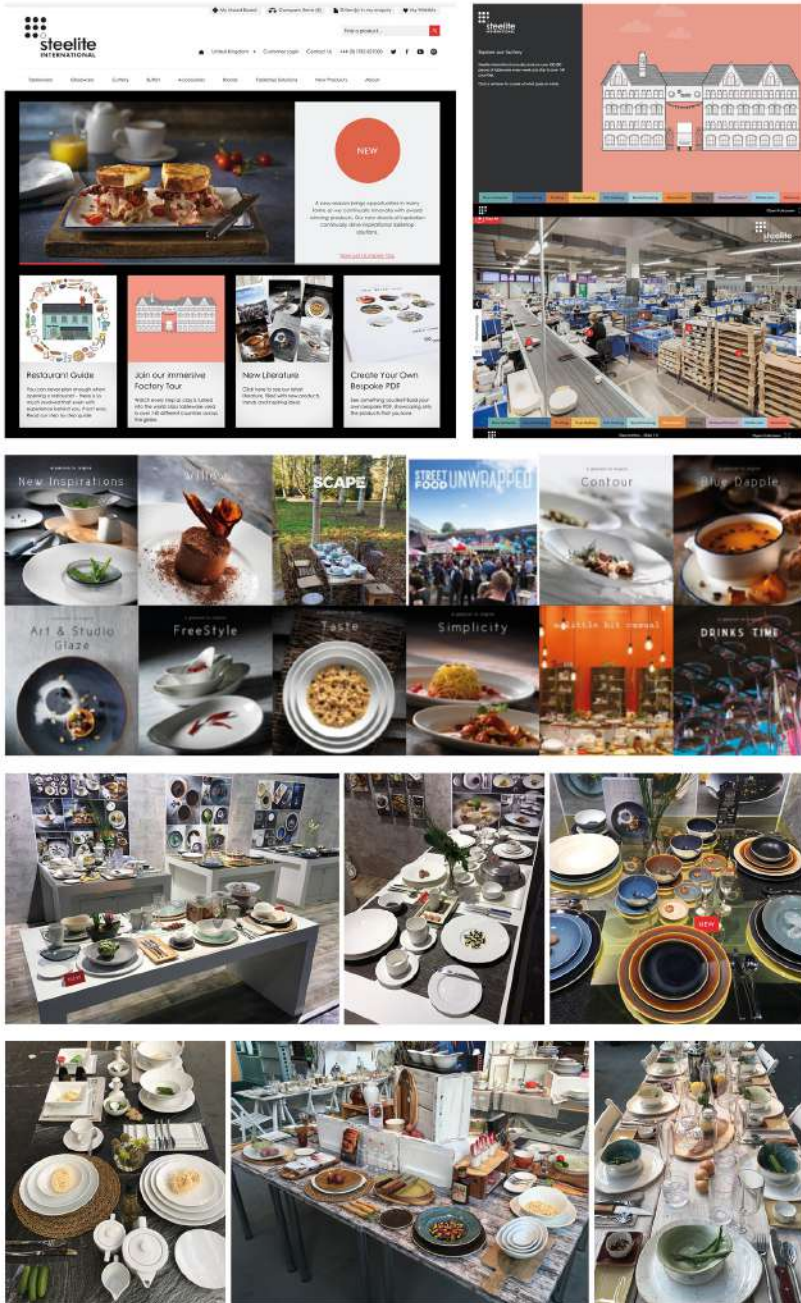
We design our products for life

#newproductlove

INSPIRATIONAL DESIGN



- New product innovation is the lifeblood of our business.
- Circa £800k investment in 1st half new product development.
- Major collaboration of mixed medium approach between core & portfolio creating supreme synergy and story telling creating deeper brands story and global resonance.
- Massive 312 skus to be launched at Ambiente.
- Market disruptive approach through well planned innovation.
- Investment in Creative Services Department to drive innovation and prototyping as part of our global approach to NPD.



Marketing Innovation

- Fully developed multi-channel execution.
 - Website
 - Media – Trade PR
 - Social media
 - Sponsorships
 - E news/broadcasts
 - Exhibitions
 - Printed collaterals

- Website –14.5% global increase in 2016 traffic with a staggering 61% increase since 2014

- Innovation in the volume of marketing collaterals has seen record numbers of catalogues, downloads and sharing.

- Publish more collaterals than any competitor within our field

- Literature downloads increased 21% on prior year

- Our social media profile created a 368% increase in brand advocates.

- Instagram engagement rose by a massive 208%. All others averaged a very respectable 40% growth rate

- Innovation in our exhibition and display platform has seen record leads being generated at trade shows. Brand standards developed to reflect DNA of the business to showcase innovation in products via application.

- Trade media platform delivered 66 pieces of coverage in 22 publications with a total reach of more than 2m readers both on and off line.

- Ground breaking immersive 'virtual factory tour' will take 'Made in England' manufacturing into the hands of our customers through a totally unique experience.

- Video content & story telling will continue to dominate

- £1m Marketing investment.

Manufacturing Innovation



- Capital investment circa £700k for new equipment.
- New cup machine has driven incremental capacity, delivering flexibility and production efficiency on cups and bowls.
- 30% output increase in decorating department through shift pattern introduction has surpassed record levels for the business
- New glaze line has realised available capacity and increased flexibility.
- Model C making machine has increased capacity on XL flat which is a current high demand product stream.
- New B roller will increase bowl capacity by 25-30k pieces per week and additional capacity for flat making.
- Plug and play concept on making machines will realise total flexibility to switch manufacturing output v demand.
- Falcon manufacturing cell incorporating Semi automated sponging machine increasing.
- Shift pattern introduction in Glost department balancing takt time with supplying processes reducing WIP by 98%, improving final select product availability time.
- Introduction of hand grind machine on cup selection tables, enabling at point repair and batch control, reducing manual handling.
- Investment increase in finished stock of 1.2m pieces.
- Investment increase in biscuit stock of 500k pieces.

Next steps:

- Signed off flexible manufacturing cell which will be responsive to demand spikes to facilitate begin ahead of the game and hitting confidence levels.

Service & Supply



Our customers are
partners for life

OUTSTANDING SERVICE

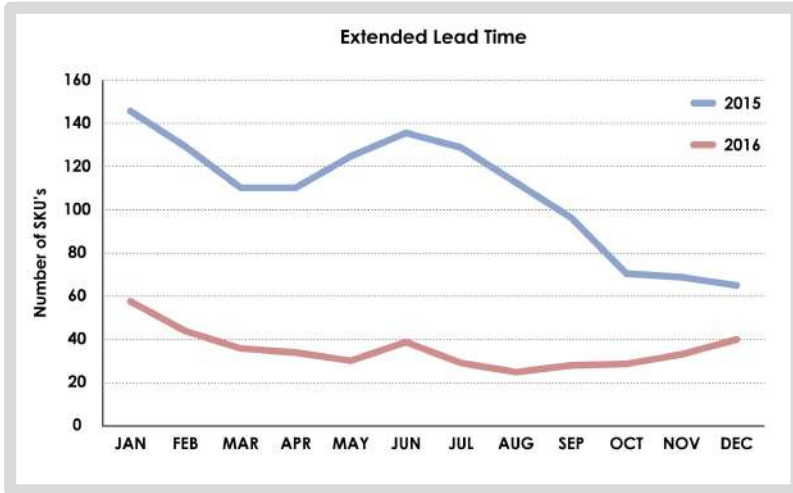
- All our investments to support service have been achieved.
- We are back on track to excellent service.
- We have increased resource in global supply to manage increased sales and complexity.
- We are committed to regular service reviews with our partners to ensure.
- we deliver the best service possible. Our increased product offer will provide better and more innovative solutions.



Service & Supply

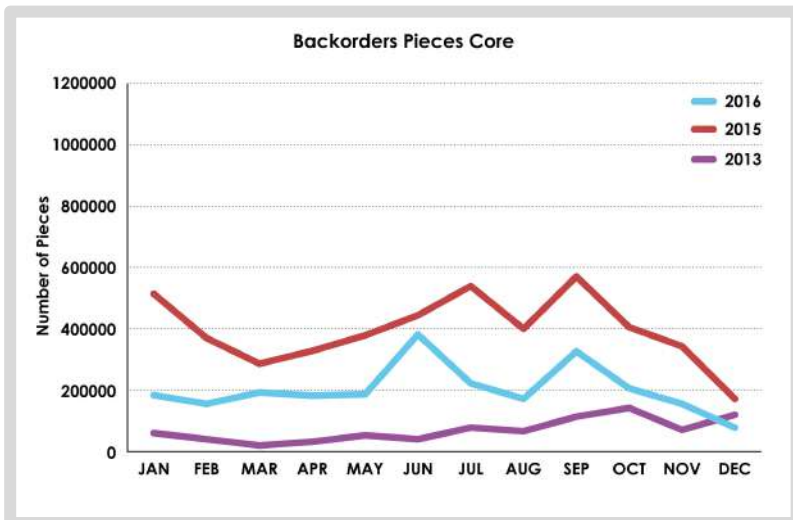
Extended Lead Time

- Average extended lead time items have reduced by 70% in 2016.
- Average extended lead time items were 35 vs 25 target.
- Items on extended lead time amount to circa 3% of all stocked items.



Backorders

- Backorders reduced on average by 50% vs previous year.
- December 2010 reduced the lowest Craft backorders for 3 years.
- We are investing to sustain service.



Warehousing & Logistics Innovation



- 3,236 more cartons picked each week.
- 1,075 additional 'picks' each week.
- Dedicated weekend shift investment.
- An additional £100k invested in 2016
 - Packing productivity GEMBA system.
 - Pallet exchange on packing line 1.
 - Live storage racking within despatch.
 - Fleet management software with safety sensors.
- 2017 – System development with Dynamics AX – our warehouse goes wireless!
 - Consolidated picking.
 - Real-time warehouse information/communication.
- We eagerly await the final decision on the new site.



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partners for life

**OUTSTANDING
SERVICE**

New Relationships Innovation

We are very proud of our increasing brand family which supports our positioning as 'tabletop solution providers'. Just some of the stars from 2016 for the EMEA region...



PROUDLY PARTNERED WITH...



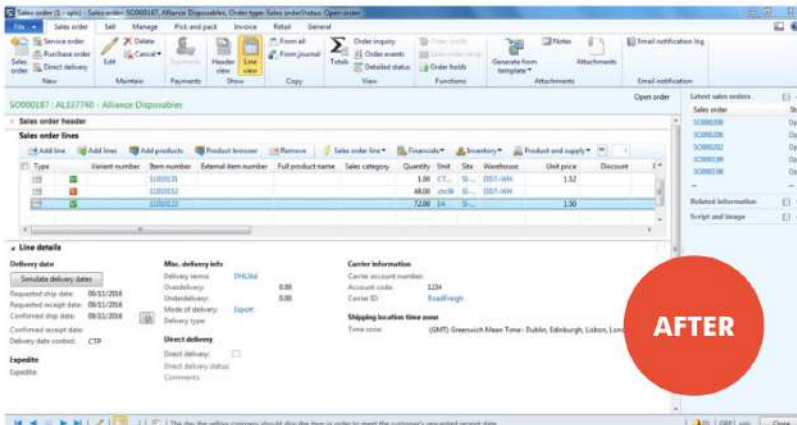
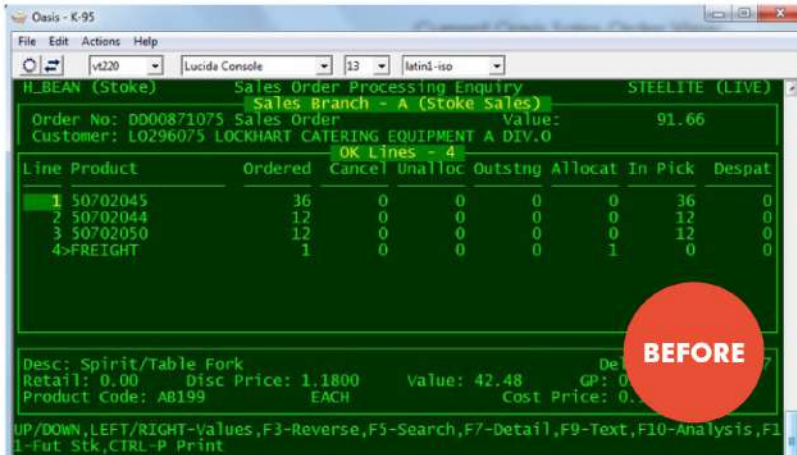
RENE OZORIO



- **EGS 4% growth**
taking us to circa £1.5m making it the largest portfolio category
- **Renee Ozorio 5% growth**
- **3D Glassware 22% growth**
- **Varick 27% growth**
- **Laguiole 25% growth**
- **TG Woodware 57% growth**
- **Other rising stars are:**
 - Drinique
 - MCC
 - Bodum



Future Breakthrough Innovations



Project Voyager

Will revolutionise our global stakeholder experience by transforming our business processes, information and communications, ensuring that we remain the hospitality industry's preferred choice.

In order to unlock the talents of our employees to meet the needs of an evolving market place we need to:

- Integrate process through out the business
- Adopt best practice
- Have real time information
- Improve reporting
- Enhance efficiencies
- £700k Business systems and IT infrastructure.
- Launching mid year 2017

Dish Cell Manufacturing

- Fully developed plan to invest a further £2.5m in manufacturing technology.

Further Warehouse & Logistics Development

- Validated plan through KPMG.
- Whilst some respite can be achieved through continuous improvement /invest it is clear that new facilities will be required.
- Hovering over the green light.

Summary

Investments made to continue our leadership position

- Design - 318 skus in first quarter of 2017 - circa £800k investment.
- We will step up the development of proprietary products from valued supply partners. A global branding strategy will provide the framework and direction for the future.
- Marketing - £1m investment.
- £700k Business systems and IT infrastructure.
- Manufacturing - 1.2 million pieces of finished stock and an incremental 500k in biscuit stock.
- Capital investment of circa £700k new manufacturing equipment.
- Warehouse investment £300k.
- £1.7m Increase in stock value.
- Service is improving with back orders and extended lead times reducing.
- 2017 – System development with Dynamics AX – our warehouse goes wireless!

These innovations have delivered:

- Record breaking growth for the 7th consecutive year.

Thank you for your continued hard work and dedication.



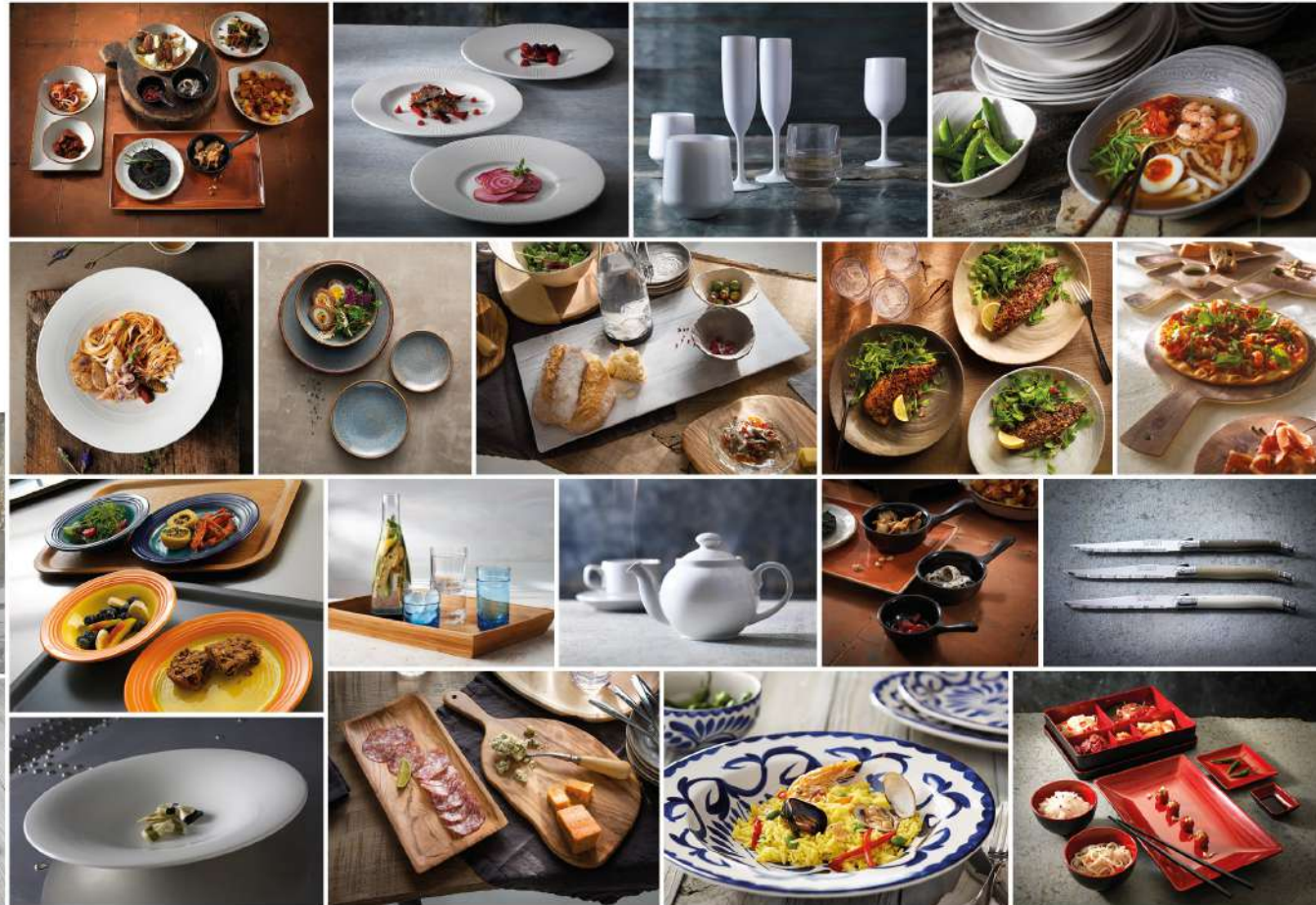


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