



PRISM JOHNSON LIMITED

Ref. : ASK/UD/2022-23/Q-2 IU

November 10, 2022

The National Stock Exchange (India) Ltd., Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051.	BSE Limited, Corporate Relationship Department, P. J. Towers, Dalal Street, Fort, Mumbai – 400 023.
Code : PRSMJOHNSN	Code : 500338

Dear Sir,

Pursuant to Regulation 30 and 51 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith a copy of the Investor Update dated November 10, 2022.

Thanking you,

Yours faithfully,

for **PRISM JOHNSON LIMITED**

ANEETA S. KULKARNI
COMPANY SECRETARY

Encl. : As above



Corporate Office: "Rahejas", Main Avenue, V.P. Road, Santacruz (W), Mumbai – 400 054. India. T: +91-22-66754142/43/44/45
Registered Office: Prism Johnson Limited, 305, Laxmi Niwas Apartments, Ameerpet. Hyderabad – 500 016, India.
w: www.prismjohnson.in, E: info@prismjohnson.in

CIN: L26942TG1992PLC014033



Safe

PRISM RMC
Complete Concrete Solutions
For Concrete Enquiries:
9881731921 / 8805024011

For Concrete Enquiries:
8805024011
9881731921

PRISM
CEMENT
दूर की सोच

JOHNSON
Not just tiles, *Lifestyles*.

PRISM RMC
Complete Concrete Solutions



Amongst India's Leading
Integrated
Building Materials Companies

PRISM JOHNSON LIMITED

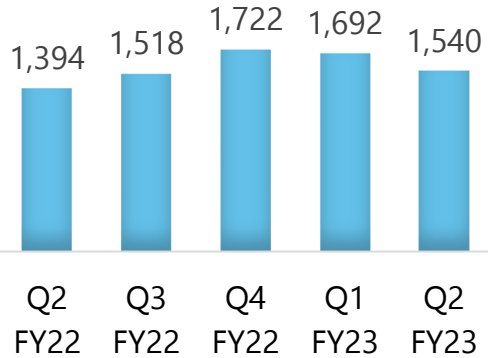
Q2 FY23 INVESTOR UPDATE

10 November 2022

Executive Summary

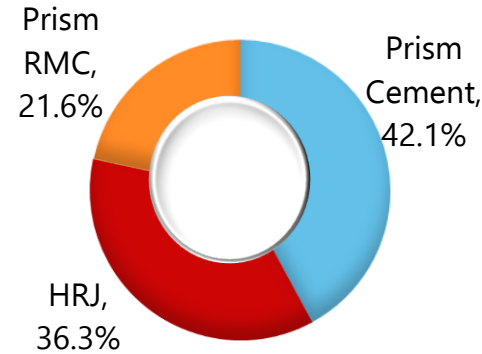
Consolidated (Ex. RQBE) Q2 FY23 Financial Performance Snapshot (1/2)

Revenue (₹ Crores)



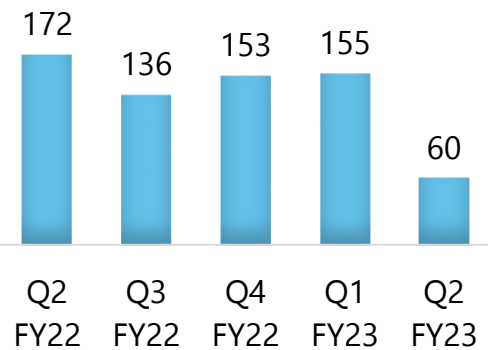
Q2 FY23 revenue grew by 10.5% YoY led by strong double digit growth in Prism Cement and Prism RMC divisions; HRJ revenue grew 2.1% YoY, mainly due to lower volumes

Revenue Mix



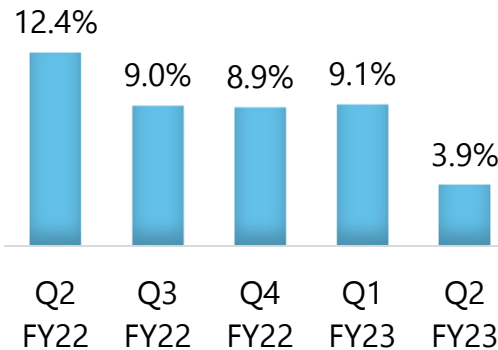
Prism Cement constituted 42.1% of Q2 FY23 revenues; HRJ constituted 36.3% and Prism RMC constituted 21.6%

EBITDA (₹ Crores)



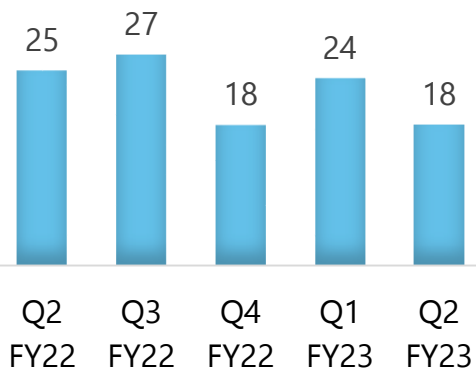
Q2 FY23 EBITDA declined by 65.4% YoY; Prism Cement EBITDA / ton declined from ₹ 906 in Q2 FY22 to ₹ 231 due to sharp increase in costs; HRJ EBITDA declined by 34.6% YoY to ₹ 39 Crores in Q2 FY23

EBITDA Margin (%)



850 bps decline in EBITDA margin due to cost pressures across all divisions; HRJ reported EBITDA margin of 7.0% (-390 bps YoY); Prism RMC EBITDA Margin declined by 310 bps YoY to (2.9%)

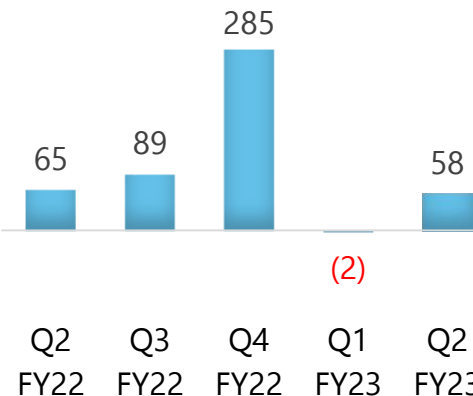
Working Capital (Days)



Efficient management of Working Capital; Working Capital Days declined to 18 days

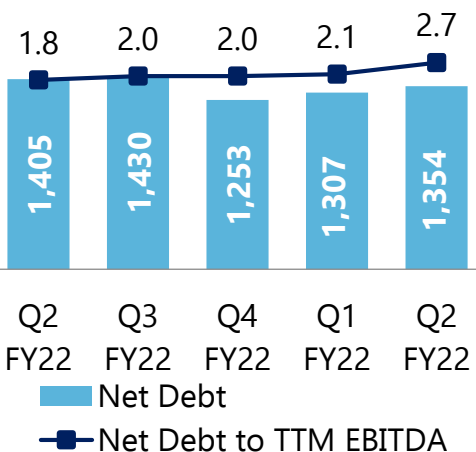
Cash Conversion Cycle*

Operating Free Cash Flows (₹ Crores)



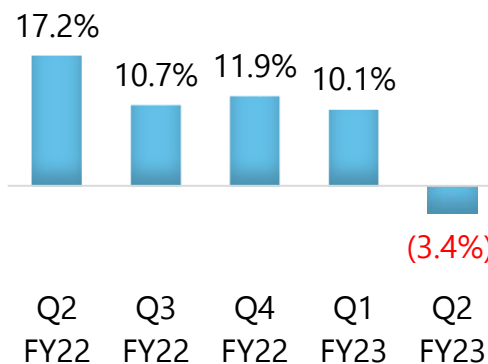
Operating Free Cash Flow (FCF) (pre-capex and investments) was ₹ 58 Crores in Q2 FY23

Net Debt (₹ Crores)



Net Debt to TTM EBITDA at 2.7x as on September 30, 2022; Net Debt / Equity stood at 1.0x as of September 30, 2022




Annualised ROCE (%)



Sharp decline in EBITDA Margin led to ROCE# contraction from 17.2% in Q2 FY22 to (3.4)% in Q2 FY23; Capital Employed decreased by 0.5% YoY to ₹ 2,629 Crores in Q2 FY23

* Cash Conversion Cycle = Inventory Days + Debtor Days – Creditor Days

EBIT includes Other Income and is annualised for ROCE calculation

	SALES VOLUME	REVENUE	EBITDA & EBITDA MARGIN
 <p>PRISM CEMENT दूर की सोच®</p>	<p>Cement & clinker sales volume grew 4.9% YoY to 1.29 million tons in Q2 FY23; Share of premium cement increased from 28.7% in Q2 FY22 to 31.9% in Q2 FY23</p>	<p>Prism Cement's Q2 FY23 revenues grew 16.9% YoY from ₹ 554 Crores in Q2 FY22 to ₹ 648 Crores in Q2 FY23</p>	<p>Significant increase in costs led to decline in EBITDA per ton from ₹ 906 in Q2 FY22 and ₹ 750 in Q1 FY23 to ₹ 231; Power and fuel costs per ton increased from ₹ 1,363 in Q2 FY22 to ₹ 2,020</p>
 <p>JOHNSON Not just tiles, Lifestyles.</p>	<p>Tiles sales volume (consolidated) declined 7.3% YoY in Q2 FY23 to 12.7 million m²; Domestic tiles sales volume declined 2.7% YoY</p>	<p>HRJ's consolidated revenues grew 2.1% YoY from ₹ 547 Crores in Q2 FY22 to ₹ 559 Crores in Q2 FY23</p>	<p>Q2 FY23 consolidated EBITDA margin declined 390 bps YoY to 7.0% due to lower sales volume and increase in input costs, especially gas prices</p>
 <p>PRISM RMC Complete Concrete Solutions</p>	<p>Ready-mixed concrete sales volume grew 16.0% YoY during Q2 FY23</p>	<p>Prism RMC revenues grew 13.8% YoY from ₹ 293 Crores in Q2 FY22 to ₹ 333 Crores in Q2 FY23</p>	<p>EBITDA margin declined by 310 bps YoY to (2.9)% in Q2 FY23 due to rise in operating costs</p>

Capacity

Prominent cement company in the Satna cluster with an installed cement capacity of 5.6 MTPA

Product Mix

Superior product mix; Share of premium products (Champion Plus and Duratech) in total volumes has increased from around 15% in FY18 to 31.9% of cement volumes in Q2 FY23

Demand Scenario

Strong medium-term outlook for cement demand in India led by demand from housing and infrastructure sectors; Recent / upcoming capacity additions in Central India by cement companies to intensify competition subject to healthy demand growth

Distribution Network

Wide distribution network of around 3,000 active dealers and nearly 4,800 active retailers

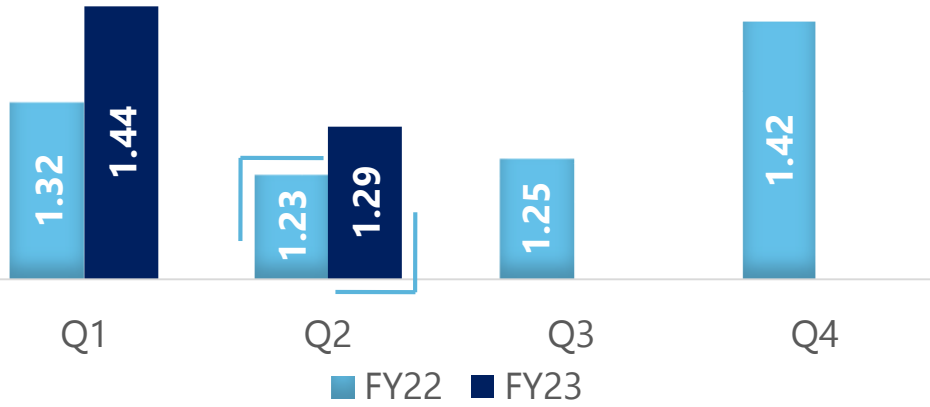
Capital Employed & ROCE

Capital Employed at around US\$ 35 per ton;
Q2 FY23 ROCE at **(4.8%)**

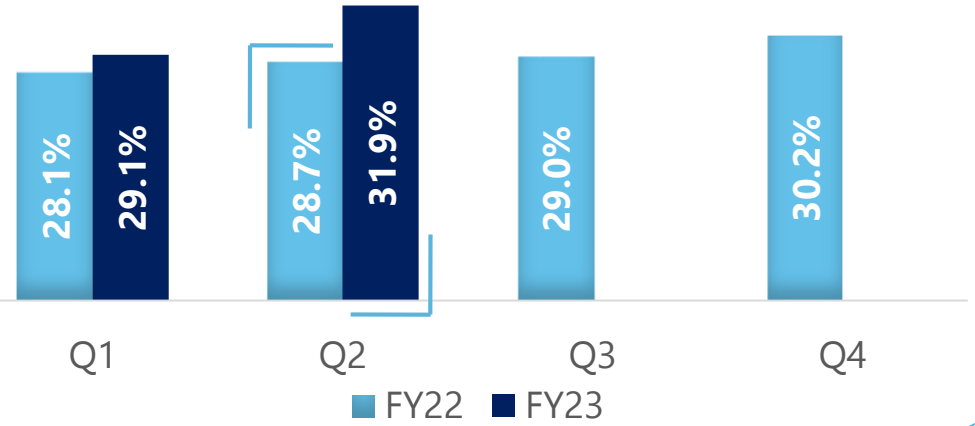
Sustainability Focus

WHRS Capacity of 22.4 MW and Solar Capacity of 22.5 MW at Satna; Plan to invest ₹ 25.20 Crores for setting up captive wind power project aggregating to 24 MW for supply by December 2023

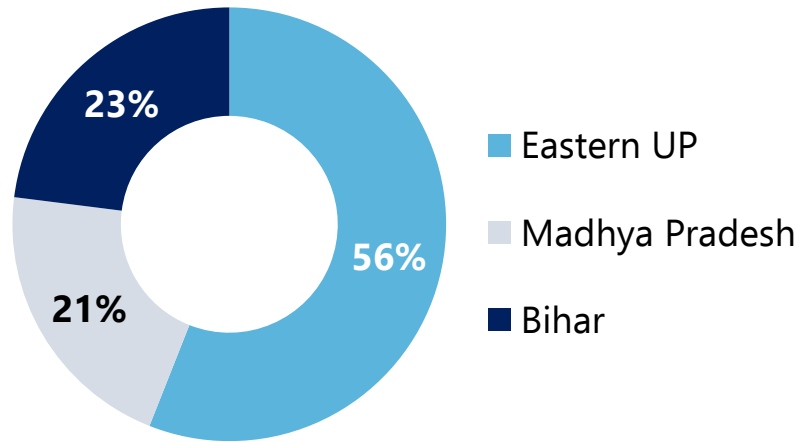
Cement & Clinker Sales Volume (mn tons)



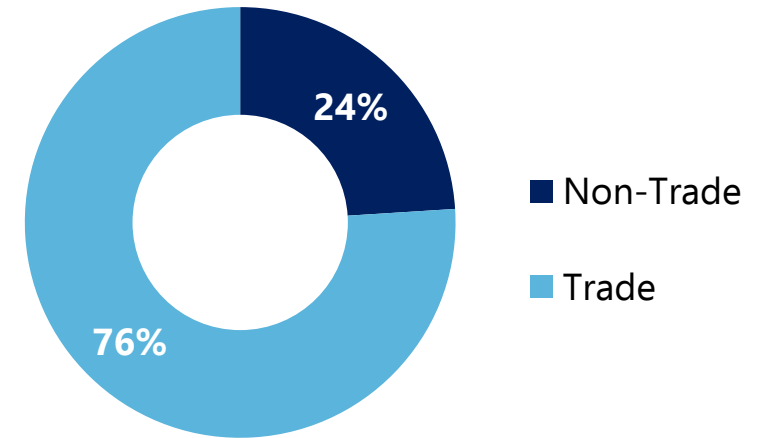
Premium Products %



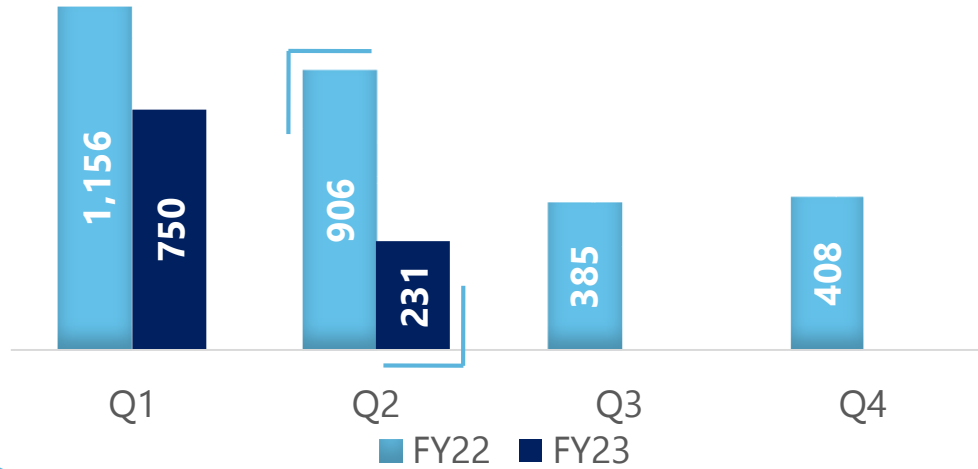
Q2 FY23 Regional Sales Breakup



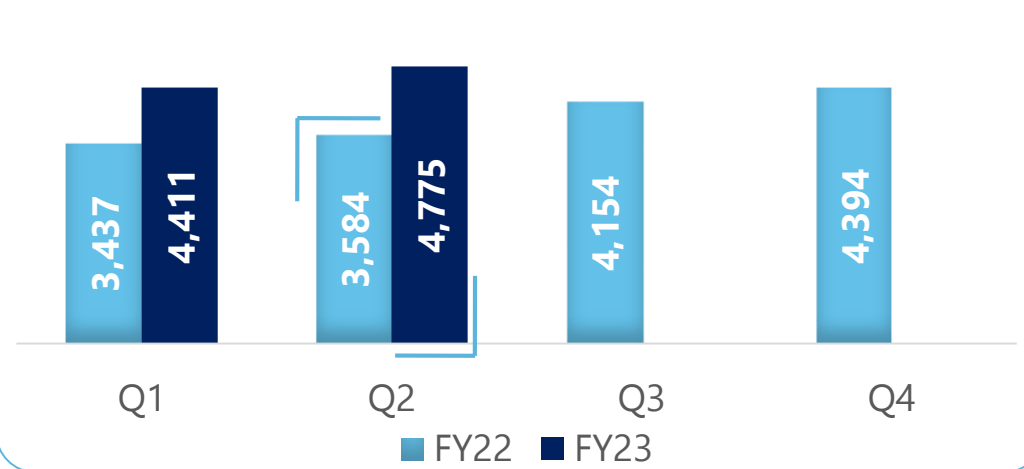
Q2 FY23 Sales: Trade vs. Non Trade



EBITDA per ton (₹)



Cost per ton (₹)



Cost per ton (₹)

Cost per ton (₹)	Q2 FY22	Q1 FY23	Q2 FY23	% QoQ	% YoY
Power & Fuel	1,363	2,113	2,020	(4.4%)	48.2%
Freight & Forwarding	870	960	916	(4.6%)	5.2%
Raw Material	621	684	622	(9.1%)	0.0%
Employee Cost	342	330	333	0.9%	(2.5%)
Other Costs	632	767	884	15.3%	39.8%
Change in Inventory	(244)	(443)	0	n/m	n/m
Total	3,584	4,411	4,775	8.3%	33.2%

- Cement revenue grew 16.9% YoY to ₹ 648 Crores in Q2 FY23 led by cement & clinker sales volume growth of 4.9% YoY to 1.29 million tons and higher realisations
- Share of premium cement increased from 28.7% in Q2 FY22 to 31.9% in Q2 FY23
- EBITDA per ton declined 74.5% YoY to ₹ 231 in Q2 FY23 on account of higher costs; Power and fuel costs increased from ₹ 1,363 per ton in Q2 FY22 to ₹ 2,020 per ton

Strong Brand

Strong brand with a long standing history of tile manufacturing in India; Operating since 1958

Wide Product Range

Wide Product Range: Tiles, Sanitary-ware & Bath-fittings, Quartz & Engineered Marbles

Distribution

Wide Distribution Network with over 1,200 dealers and around 8,000 to 10,000 retail outlets; 18 large format Experience Centres displaying HRJ's product range

Manufacturing Capacity

10 tile manufacturing plants (including joint ventures) with total capacity of around 60 million m² and 2 faucet manufacturing plants with total capacity of 3.6 mn pieces p.a.

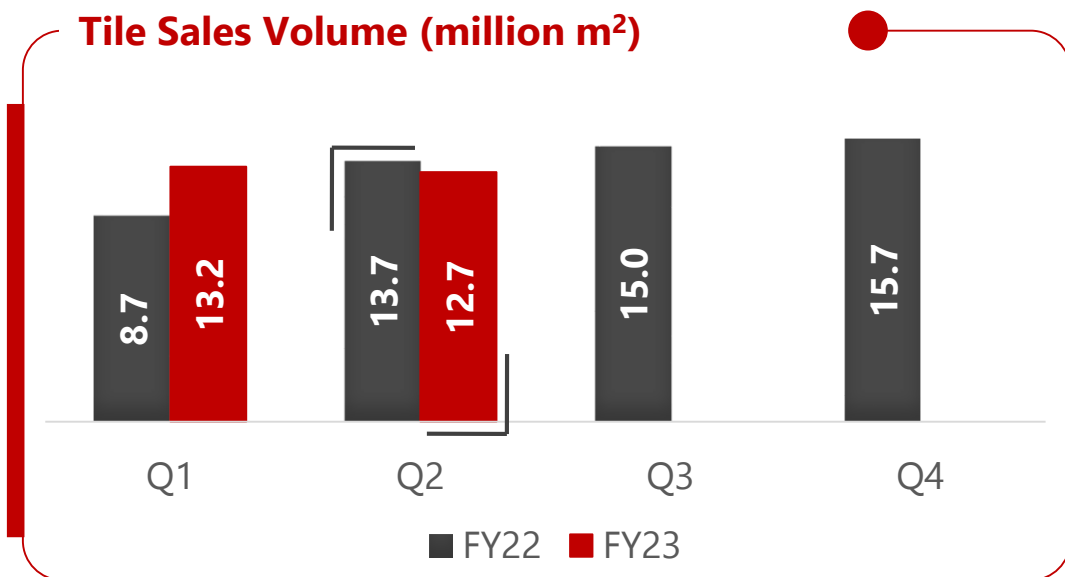
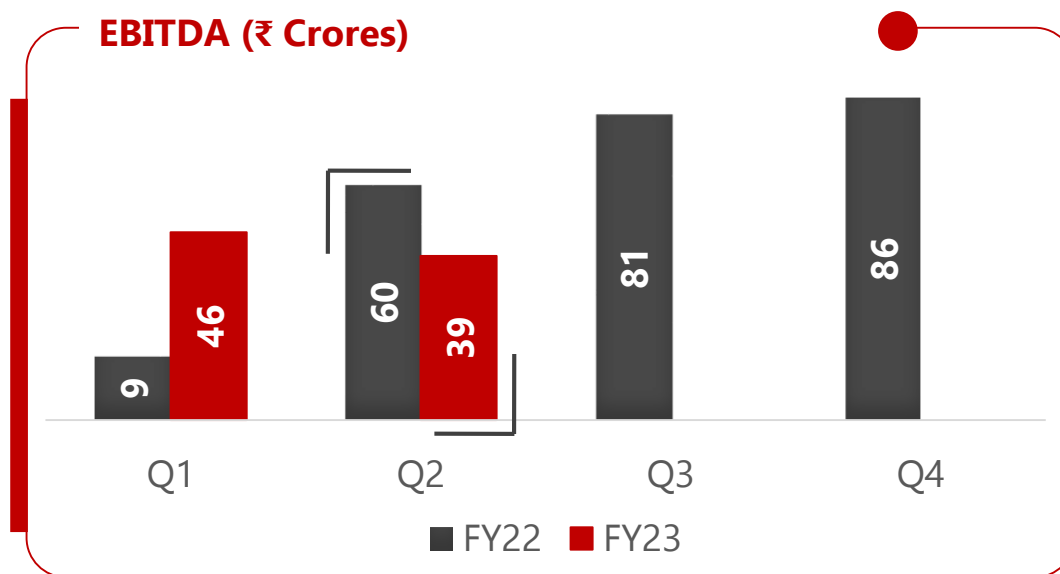
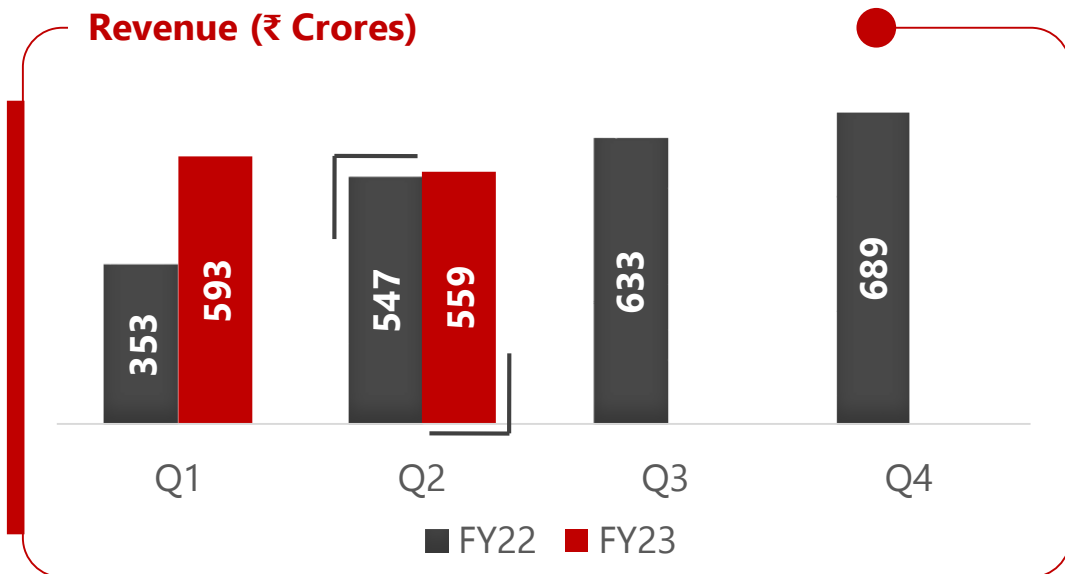
Expansion Plan

Greenfield tile capacity addition of 5.5 million m² at Panagarh, West Bengal by June 2023; Tile capacity expansion of 1.2 million m² at Morbi, Gujarat by one of the joint ventures by March 2023



- H & R Johnson Plant
- H & R Johnson Office
- Experience Centre

HRJ: Lower Capacity Utilisation and High Gas Prices Impacted EBITDA Margin



- Domestic tiles sales volume declined by 2.7% YoY while exports sales volume declined by 52.8% YoY
- Capacity utilisation declined from 69.9% in Q2 FY22 to 60.8% in Q2 FY23
- Q2 FY23 consolidated EBITDA margin declined 390 bps YoY to 7.0% due to lower capacity utilisation and higher input costs; Average gas price increased by 74.8% YoY to ₹ 66.7 at Morbi, Gujarat
- Revenue from sanitary ware & bath fittings grew 0.6% YoY during Q2 FY23

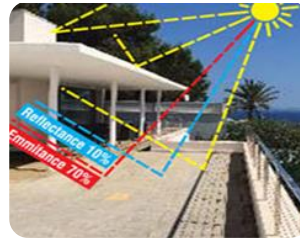
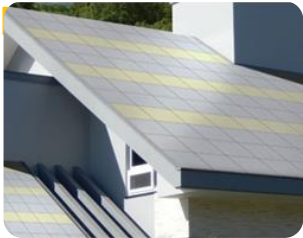
Innovations That Differentiate HRJ



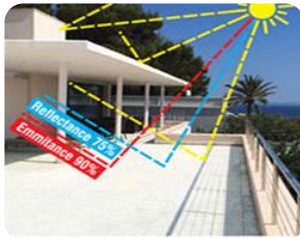
Tac Tiles



Cool Roof SRI (Solar)



Ordinary Roof



Roof having Endura Cool Roof SRI

Germ-Free Product Range



NOT JUST A BATHROOM BUT
YOUR GERM FREE COMFORT ZONE.
PRESENTING GERM FREE SANITARYWARE FROM JOHNSON.



Come home to comfort
& **warmth. Not Germs.**
Presenting germ free tiles from Johnson.



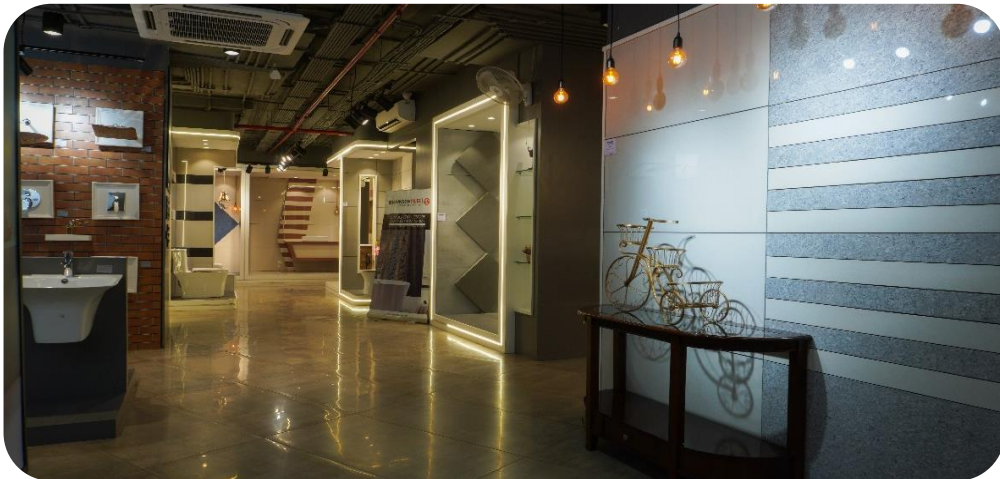
Experience Showroom - Coimbatore



Experience Showroom – Chennai



Experience Showroom - Trivandrum



Experience Showroom – Varanasi



Pan India Presence

Amongst the top three players in the RMC sector with pan India presence: Prism RMC operates 92 plants at 44 locations and 3 aggregates quarries

Quality Control

Three technical labs that are certified by National Accreditation Board for Testing and Calibration Laboratories to ensure strict adherence to quality

Strong Growth Potential

Beneficiary of demand recovery from real estate and infrastructure segments; Good traction in mega business as Prism RMC won several infrastructure projects that will be executed over the next 2-3 years; Strong ROCE potential for existing business with improvement in plant capacity utilization levels

Commercial Concrete



Core business catering to the concrete requirements of metro cities and semi-urban areas; serves as a steadfast contributor to the prolific development of urbane India

Mega Projects



Meets the growing demand of high quality ready-mixed concrete in infrastructure sub-sectors, such as Highways, Power Plants, Refineries, Ports and Jetties, etc.

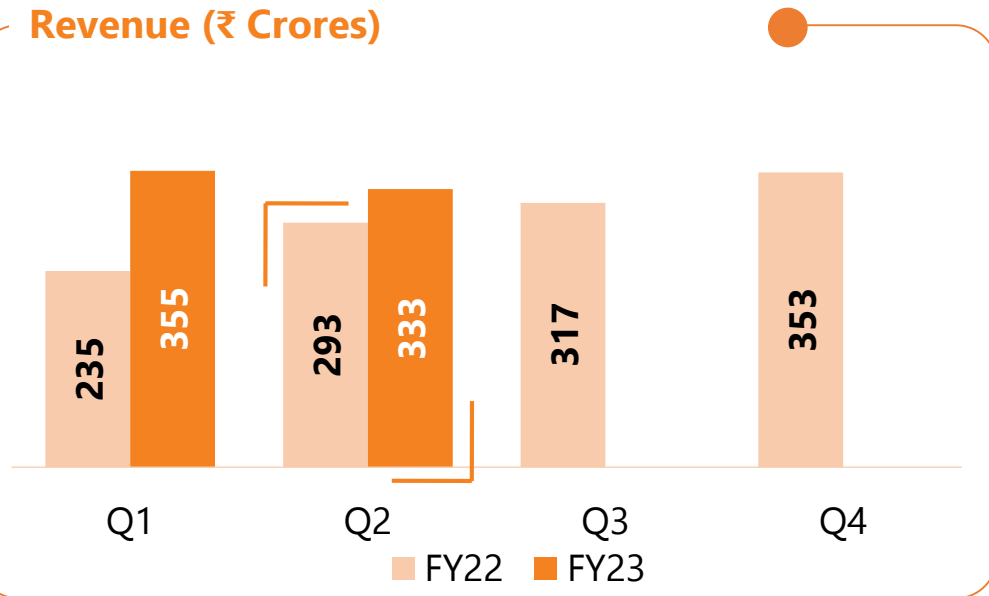
Aggregates



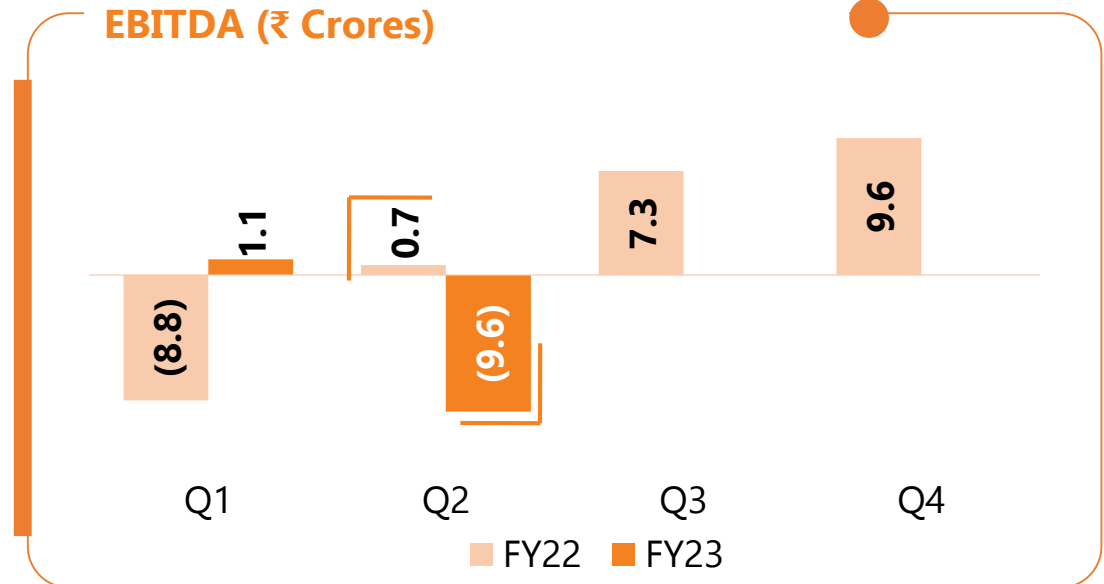
Aggregates occupy 65-75% of the concrete volume; Backward integration: Three quarries (Aggregates & Manufactured sand)

BUSINESS VERTICALS

Revenue (₹ Crores)

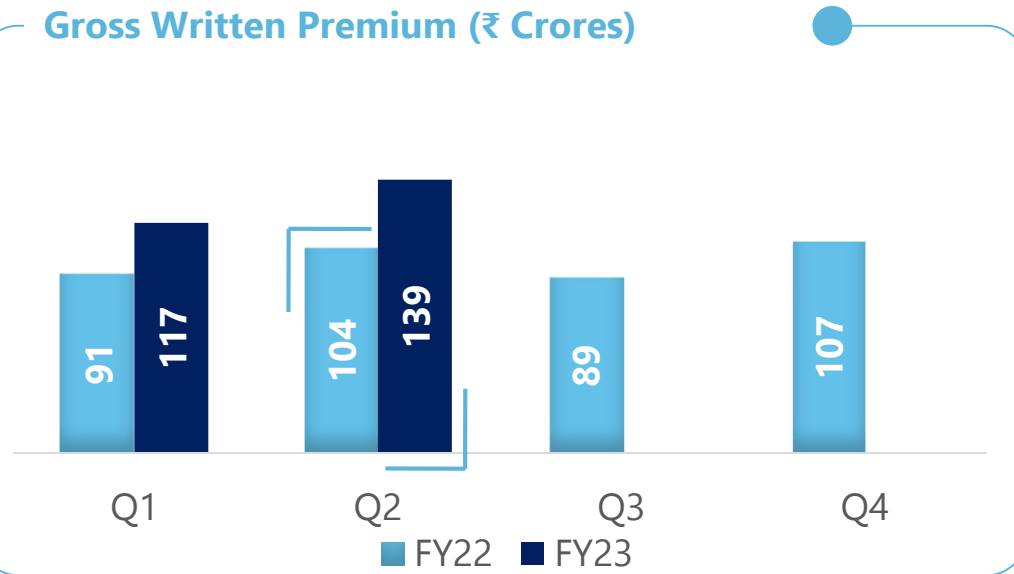


EBITDA (₹ Crores)

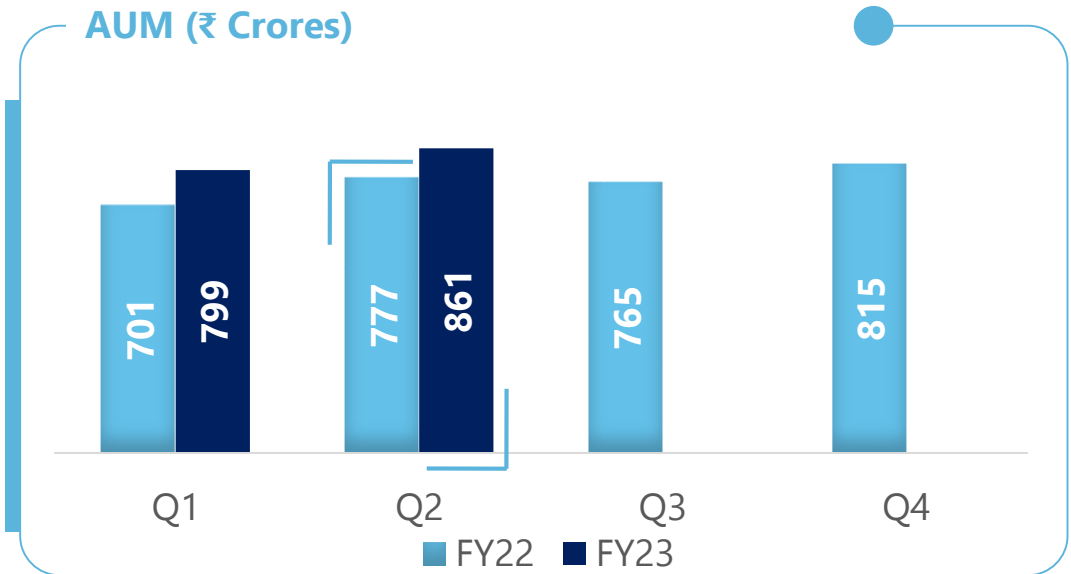


- Strong revenue growth on YoY basis from ₹ 293 Crores in Q2 FY22 to ₹ 333 Crores in Q2 FY23 contributed by strong demand from the infrastructure sector
- EBITDA Margin declined 310 bps YoY to (2.9)% led by sharp increase in input costs; During the quarter, Prism RMC implemented several initiatives to optimise fleet and pump efficiency as well as reduce costs
- Key Focus Areas: Increase plant utilisation levels, increase share of value added products and focus on individual home builder segment

Gross Written Premium (₹ Crores)



AUM (₹ Crores)



New products launched during the quarter:

Commercial Line: Money Insurance Policy (Commercial), Fidelity Guarantee Insurance (Commercial)

Retail Line: Group Health Super Top Up

RQBE added 55 partners during Q2 FY23 taking the count of total partners to 3,323 including Agents, Brokers, POSP, IMF, MISP, Web Aggregators and OEM

Q2 FY23 Financial Highlights:

- Gross Written Premium: ₹ 139 Crores, growth of 37% over Q2 FY22
- Profit / (Loss) Before Tax: ₹ (29) Crores vs. ₹ (23) Crores in Q2 FY22
- Combined Ratio stands at 130% (vs. 140% in Q2 FY22)
- Well capitalized with solvency ratio of 1.82x against regulatory minimum of 1.50x



Environment

- Prism Cement's Emissions Intensity at **653 kg CO2** per ton of cementitious material during H1 FY23
- 34.3% of Prism Cement's total power requirement met through green power and renewable sources during H1 FY23
- Plan to invest ₹ 25.20 Crores in Renew Green (MPR Two) Private Limited for setting up 24MW captive wind power
- 1,33,966 m³ ground water recharged by Prism Cement during H1 FY23
- Planted over 1,00,000 saplings during H1 FY23

CSR Initiatives

- Constructed nearly 200 perforated drum-based water conservation structures for rainwater harvesting at Chulhi and Malgaon, Satna
- Plantation in 20 hectare of forest land under forest restoration scheme, an initiative of Madhya Pradesh Government
- Nearly 65 solar street lights installed in the villages Badarkha, Sijhata, Mankahari, Semara and Bamhauri

Health & Safety

- Provided over 100 on-site safety trainings to over 3,500 participants during the quarter at Prism Cement's Satna plant
- Lost Time Injury Frequency Rate (LTIFR) in Q2 FY23: 0.12

Availability of Safe Drinking Water



Fruits Plantation Drive



Construction of Water Harvesting Structures



Installation of Solar-Powered Lights

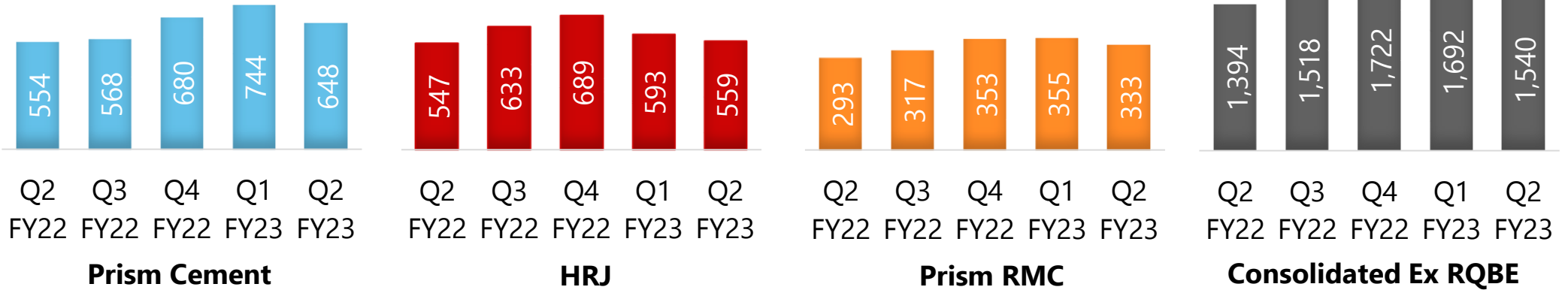




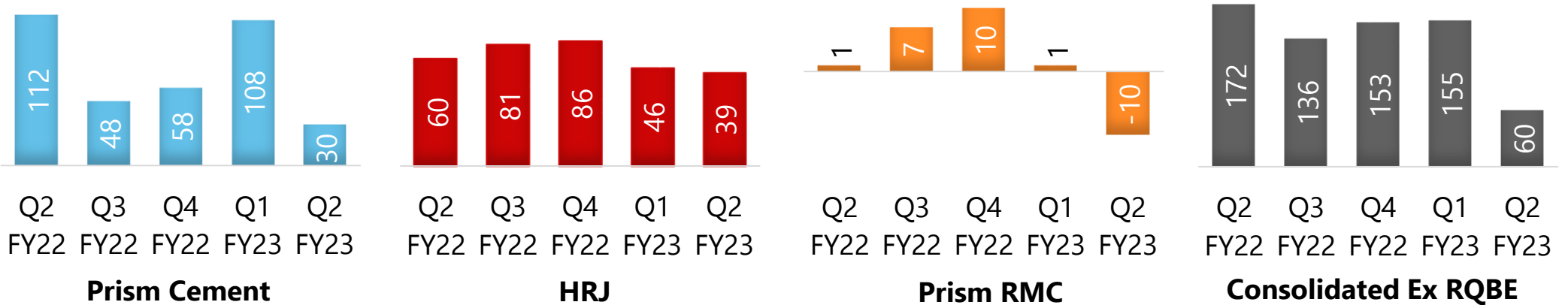
Prism Johnson’s Cement Division declared winner of “22nd Greentech Environment Award 2022” by Greentech Foundation for outstanding achievements in Environment Protection and Green Belt Development

Division Wise Financial Performance Summary: Consolidated (Ex. RQBE)

Revenue (₹ Crores)

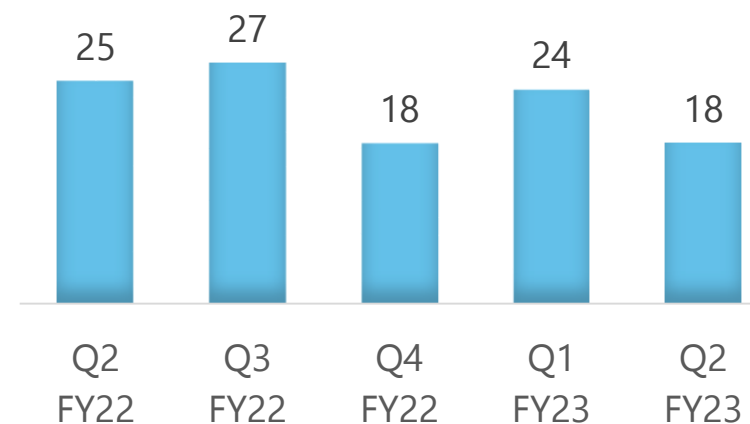


EBITDA (₹ Crores)

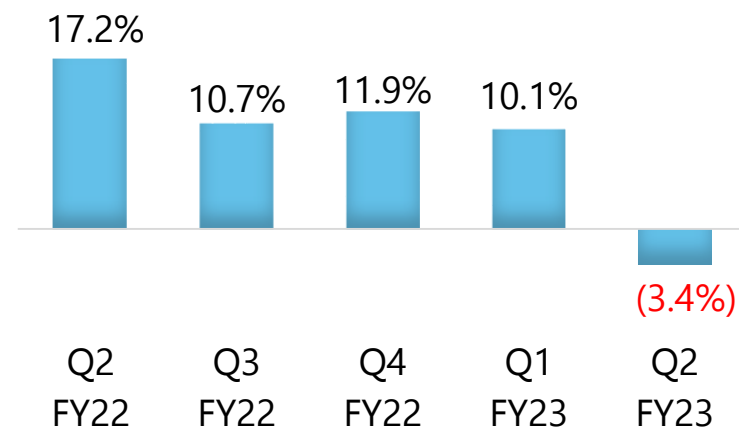


Particulars (₹ Crores)	Q2 FY22	Q1 FY23	Q2 FY23	% QoQ	% YoY
Revenue from Operations	1,394	1,692	1,540	(9.0%)	10.5%
EBITDA	172	155	60	(61.5%)	(65.4%)
EBITDA Margin %	12.4%	9.1%	3.9%		
Depreciation & Amortisation	69	93	89	(4.2%)	28.0%
Other Income	11	6	7	14.3%	(38.2%)
EBIT (Incl. Other Income)	114	68	(23)	(133.3%)	(119.9%)
Finance Cost	49	42	44	4.3%	(8.9%)
Net Profit	52	19	(54)	(378.6%)	(203.4%)
Net Profit Margin %	3.8%	1.1%	(3.5%)		
Net Debt	1,405	1,307	1,354	3.6%	(3.7%)
FCF (Pre-Capex & Investments)	65	(2)	58	n/m	(10.1%)

Working Capital (Days)*



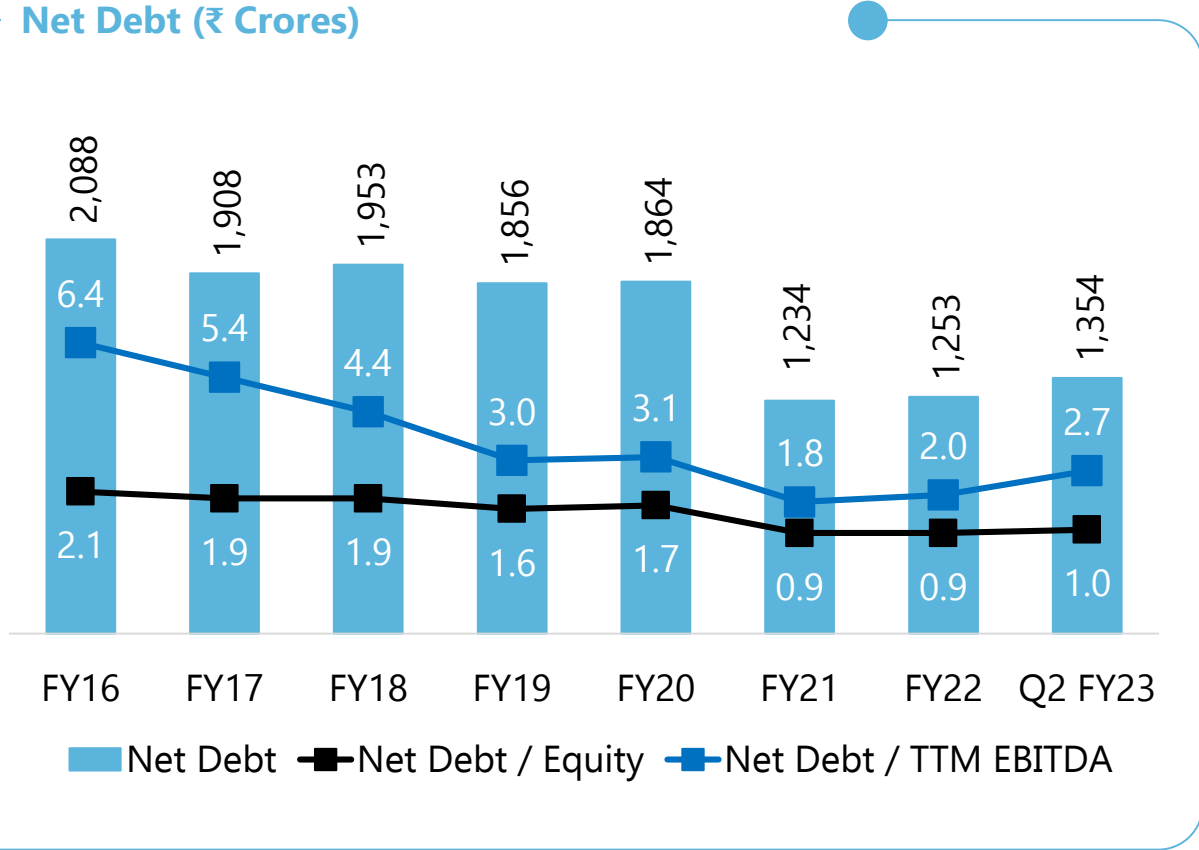
Annualised ROCE# (%)



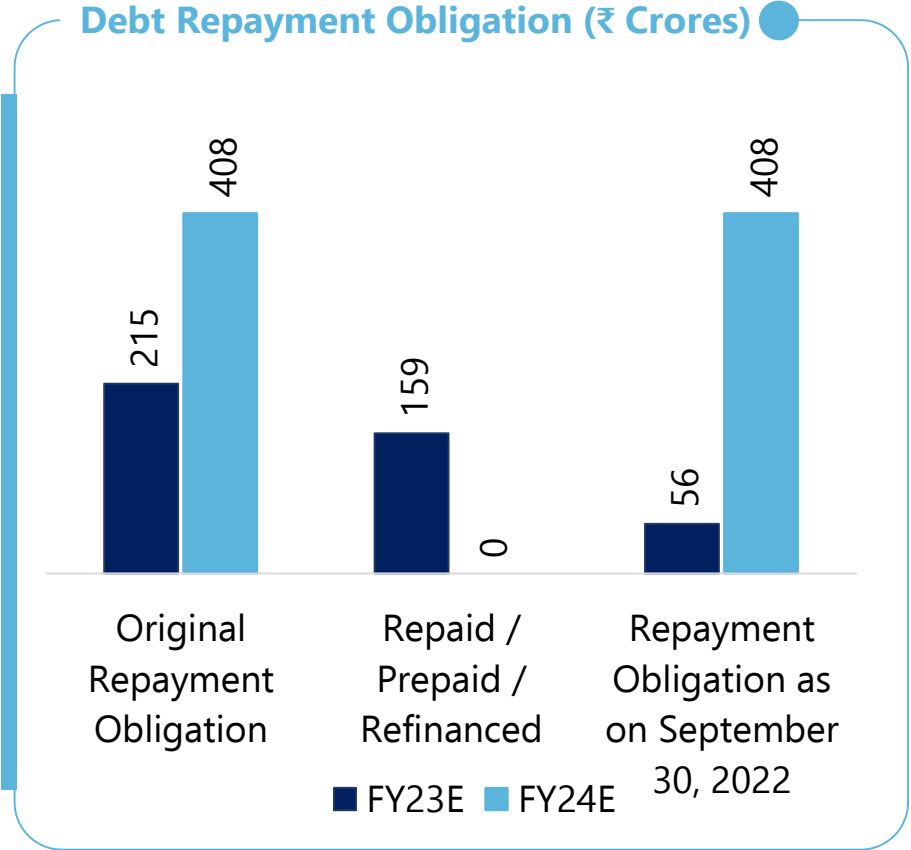
* Cash Conversion Cycle = Inventory Days + Debtor Days – Creditor Days

EBIT includes Other Income and is annualised for ROCE calculation

Net Debt (₹ Crores)



Debt Repayment Obligation (₹ Crores)



Consolidated (Ex-RQBE) Net Debt / Equity stood at 1.0x as of September 30, 2022

Consolidated (Ex-RQBE) Net Debt to TTM EBITDA stood at 2.7 as of September 30, 2022

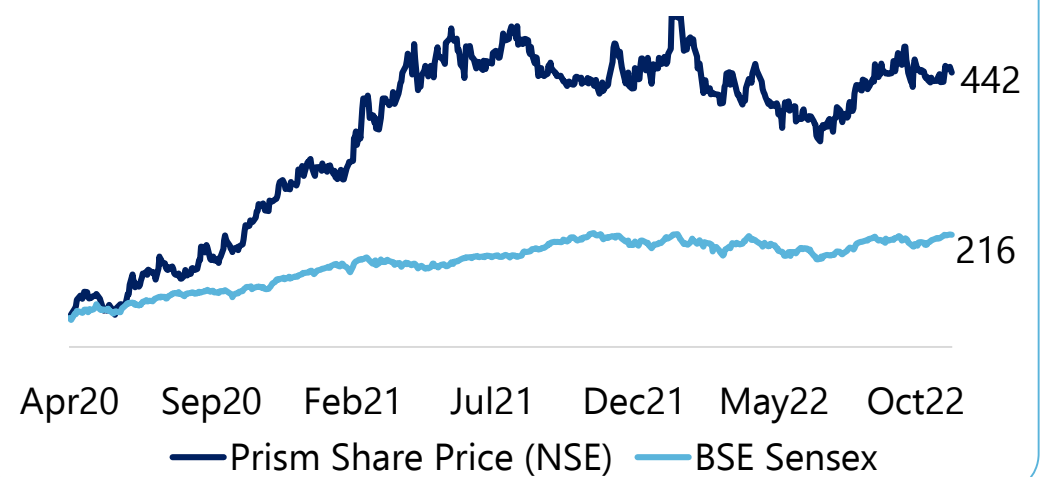
Standalone Financial Summary

Particulars (₹ Crores)	Q2 FY22	Q1 FY23	Q2 FY23	% QoQ	% YoY	H1 FY22	H1 FY23	% YoY
Revenue from Operations	1,335	1,640	1,513	(7.7%)	13.3%	2,452	3,153	28.6%
- Prism Cement	554	744	648	(12.9%)	16.9%	1,160	1,392	20.0%
- HRJ	493	543	533	(1.8%)	8.1%	774	1,076	39.0%
- Prism RMC	293	355	333	(6.1%)	13.8%	528	688	30.4%
- Inter segment revenue	(5)	(2)	(1)	(20.2%)	(72.9%)	(10)	(3)	(69.1%)
EBITDA	161	150	52	(65.2%)	(67.5%)	307	202	(34.2%)
EBITDA Margin %	12.0%	9.1%	3.4%			12.5%	6.4%	
Depreciation & Amortisation	62	74	81	10.0%	31.0%	124	155	25.3%
Other Income	9	6	7	18.2%	(26.6%)	14	13	(12.5%)
EBIT (Incl. Other Income)	108	82	(22)	(127.2%)	(120.6%)	198	60	(69.8%)
Finance Cost	45	38	40	4.5%	(12.3%)	90	78	(13.3%)
Exceptional Items	2	0	7			2	7	263.8%
Net Profit After Tax	45	33	(52)	(256.9%)	(213.6%)	80	(19)	(123.5%)
Net Profit Margin %	3.4%	2.0%	(3.4%)			3.2%	(0.6%)	
Net Debt	1,224	1,103	1,147	4.0%	(6.3%)	1,224	1,147	(6.3%)

Absolute Share Price Performance



Share Price Performance vs. BSE Sensex *

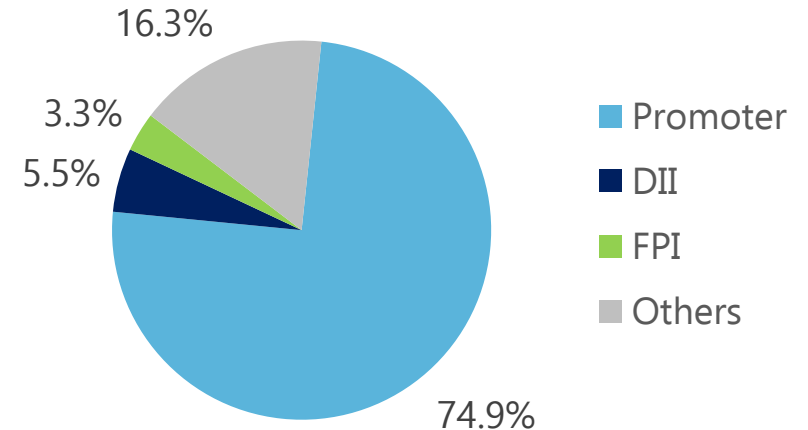


Particulars

9-Nov-2022

NSE Ticker	PRSMJOHNSN
Share Price (₹)	126.45
52 Week Low – High	96.65 – 160.00
Market Cap (₹ Crore)	6,365
3-Month Avg. Value Traded (₹ Crore)	7
Indices Prism Johnson is a member of	NIFTY 500, NIFTY MIDCAP250

Shareholding Pattern – September 30, 2022



* 1 April 2020 prices rebased to 100

PRISM JOHNSON LIMITED is one of India's leading integrated building materials' companies, with a wide range of products from cement and ready-mixed concrete to tiles and bathroom products.

Prism Cement

Prism Cement manufactures Cement with the brand name 'Champion' and premium quality grade of cement under brand names 'Champion Plus' and 'Duratech'. It caters mainly to markets of Eastern Uttar Pradesh, Madhya Pradesh and Bihar, with an average lead distance of 382 kilometers in Q2 FY23 from its plant at Satna, Madhya Pradesh. Prism Cement has a wide distribution network of around 3,000 active dealers serviced from 159 stock points.

H & R Johnson (India)

Established in 1958, H & R Johnson (India) is one of the leading ceramic tiles companies in India. HRJ offers end-to-end solutions of tiles, sanitary ware, bath-fittings and engineered marble & quartz. HRJ products are sold under several strong brands, viz. Johnson Tiles, Johnson Marbonite, Johnson Porselano, Johnson Endura, Johnson International and Johnson Marble & Quartz. HRJ along with its Joint Ventures currently have a tile manufacturing capacity of around 60 million m² per annum spread across 10 tile manufacturing plants across the country.

Prism RMC

Prism RMC is the amongst the top three players in the ready-mixed concrete sector, with a pan-India presence as it operates 92 plants at 44 locations. Prism RMC also mines aggregates and operates 3 quarries. Further, it has three technical labs that are certified by National Accreditation Board for Testing and Calibration Laboratories and ensures strict adherence to the quality of concrete manufactured at Prism RMC plants.

PRISM JOHNSON LIMITED is committed to creating long-term sustainable shareholder value through successful implementation of its growth plans. The company's investor relations mission is to maintain an ongoing awareness of its performance among shareholders and financial community.

PRISM JOHNSON LIMITED

For additional information, please contact:

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Safe Harbour

Certain statements in this release concerning our future growth prospects are forward-looking statements which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company.