



PRISM JOHNSON LIMITED

Ref. : ASK/UD/2022-23/Q-3 IU

February 1, 2023

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 February 1, 2023.

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: +91-22-61042200 / 66754142 / 43 / 44
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

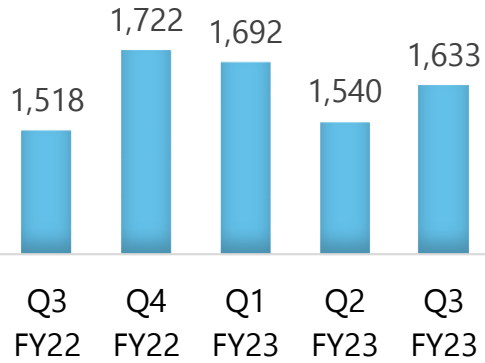
Q3 FY23 INVESTOR UPDATE

1 February 2023

Executive Summary

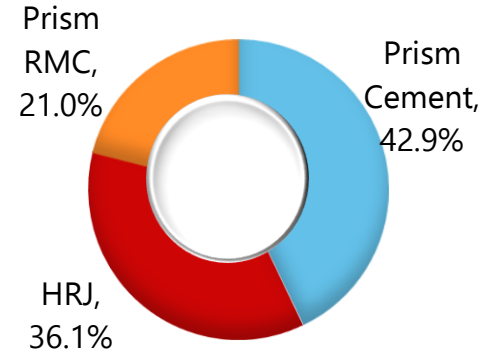
Consolidated (Ex. RQBE) Q3 FY23 Financial Performance Snapshot (1/2)

Revenue (₹ Crores)



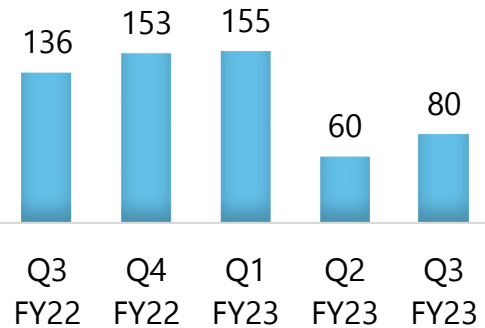
Q3 FY23 revenue grew by 7.6% YoY led by strong double digit growth in Prism Cement; HRJ revenues declined 6.9% YoY mainly due to lower volumes, while Prism RMC revenues grew 8.4% YoY

Revenue Mix



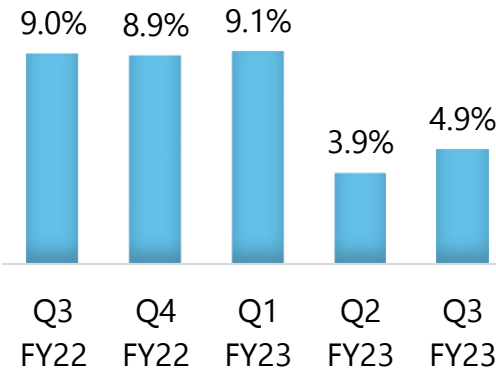
Prism Cement constituted 42.9% of Q3 FY23 revenues; HRJ constituted 36.1% and Prism RMC constituted 21.0%

EBITDA (₹ Crores)



Q3 FY23 EBITDA declined by 40.9% YoY; Prism Cement EBITDA / ton declined from ₹ 385 in Q3 FY22 to ₹ 295 due to sharp increase in costs; HRJ EBITDA declined by 53.8% YoY to ₹ 37 Crores in Q3 FY23

EBITDA Margin (%)

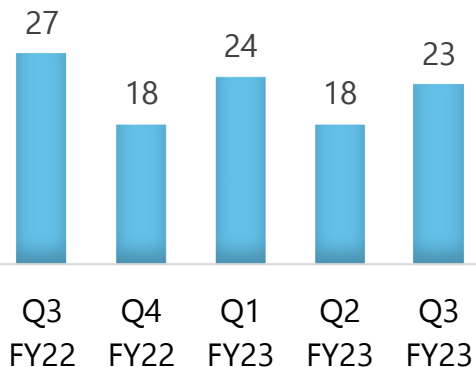


410 bps YoY decline in EBITDA margin due to cost pressures across all divisions; HRJ reported EBITDA margin of 6.3%; Prism RMC EBITDA margin declined by 150 bps YoY to 0.8%

Executive Summary

Consolidated (Ex. RQBE) Q3 FY23 Financial Performance Snapshot (2/2)

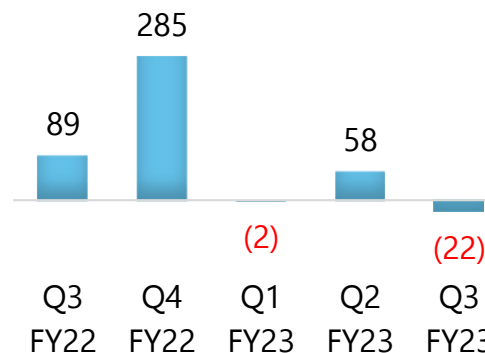
Working Capital (Days)



Efficient management of Working Capital; Working Capital Days declined from 27 days in Q3 FY22 to 23 days

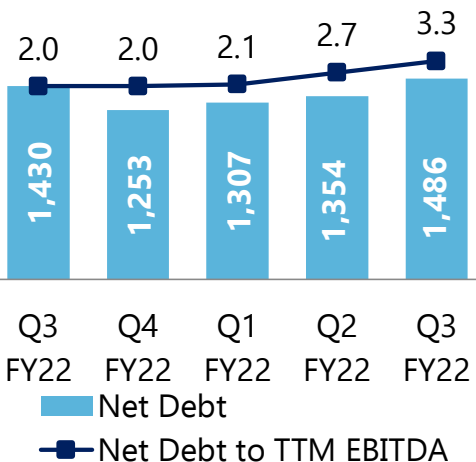
Cash Conversion Cycle*

Operating Free Cash Flows (₹ Crores)



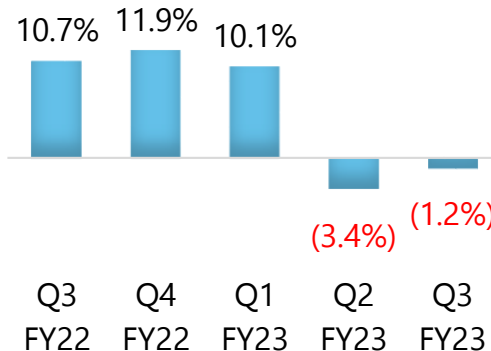
Operating Free Cash Flow (FCF) (pre-capex and investments) was ₹ (22) Crores in Q3 FY23

Net Debt (₹ Crores)



Net Debt to TTM EBITDA at 3.4x as on December 31, 2022; Net Debt / Equity stood at 1.1x as of December 31, 2022




Annualised ROCE (%)



Sharp decline in EBITDA Margin YoY led to ROCE# contraction from 10.7% in Q3 FY22 to (1.2)% in Q3 FY23; Capital Employed decreased by 1.0% YoY to ₹ 2,691 Crores in Q3 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 9.4% YoY to 1.37 million tons in Q3 FY23; Share of premium cement increased from 29.0% in Q3 FY22 to 32.7% in Q3 FY23</p>	<p>Prism Cement's Q3 FY23 revenues grew 23.4% YoY from ₹ 568 Crores in Q3 FY22 to ₹ 700 Crores in Q3 FY23</p>	<p>Significant increase in costs led to decline in EBITDA per ton from ₹ 385 in Q3 FY22 to ₹ 295; Power and fuel costs per ton increased from ₹ 1,035 in Q3 FY22 to ₹ 1,788</p>
 <p>JOHNSON Not just tiles, Lifestyles.</p>	<p>Tiles sales volume (consolidated) declined 6.8% YoY in Q3 FY23 to 14.0 million m²; Domestic tiles sales volume declined 4.4% YoY</p>	<p>HRJ's consolidated revenues declined 6.9% YoY from ₹ 633 Crores in Q3 FY22 to ₹ 589 Crores in Q3 FY23</p>	<p>Q3 FY23 consolidated EBITDA margin declined 640 bps YoY to 6.3% primarily 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 12.0% YoY during Q3 FY23</p>	<p>Prism RMC revenues grew 8.4% YoY from ₹ 317 Crores in Q3 FY22 to ₹ 343 Crores in Q3 FY23</p>	<p>EBITDA margin declined by 150 bps YoY to 0.8% in Q3 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; Supply agreements in place for sourcing of cement from 3 suppliers with aggregate grinding capacity of 0.82 MTPA in the states of Uttar Pradesh and Bihar

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

Capital Employed & ROCE

Capital Employed at around US\$ 36 per ton; Q3 FY23 annualised ROCE at **(2.0%)**

Product Mix

Superior product mix; Share of premium products (Champion Plus, Duratech and Champion All Weather) in total cement volume increased from ~15% in FY18 to 32.7% in Q3 FY23; Launched Champion All Weather Cement during December 2022

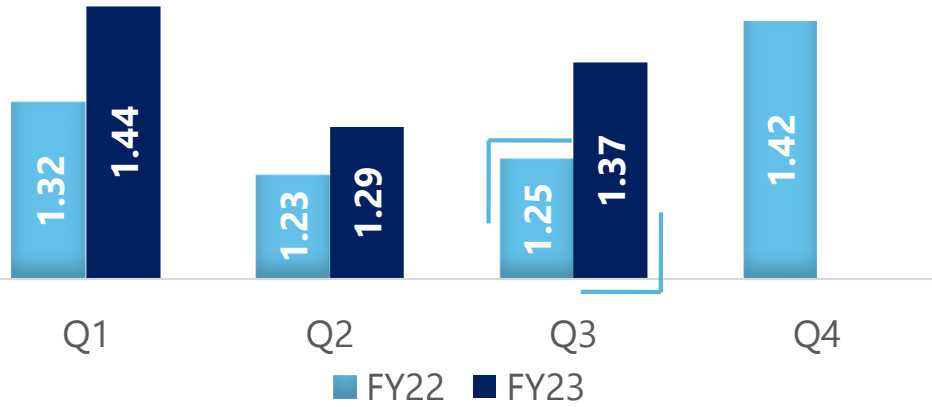
Distribution Network

Wide distribution network of over 3,000 active dealers and around 5,000 active retailers

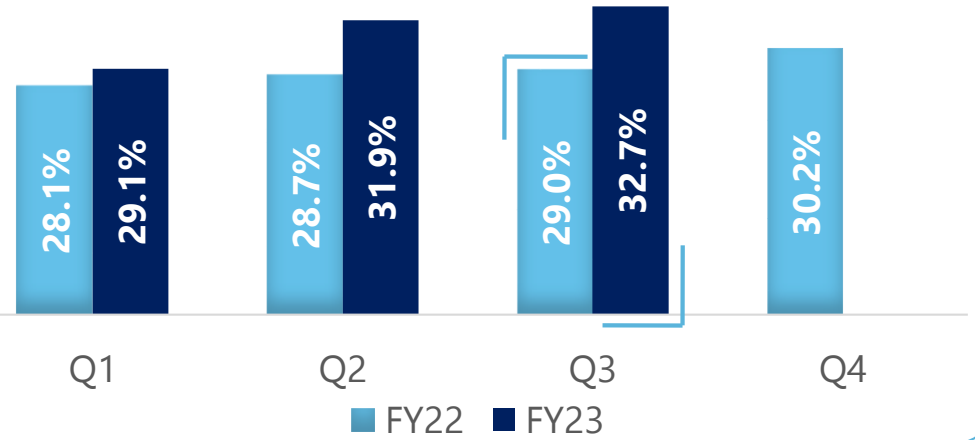
Sustainability Focus

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

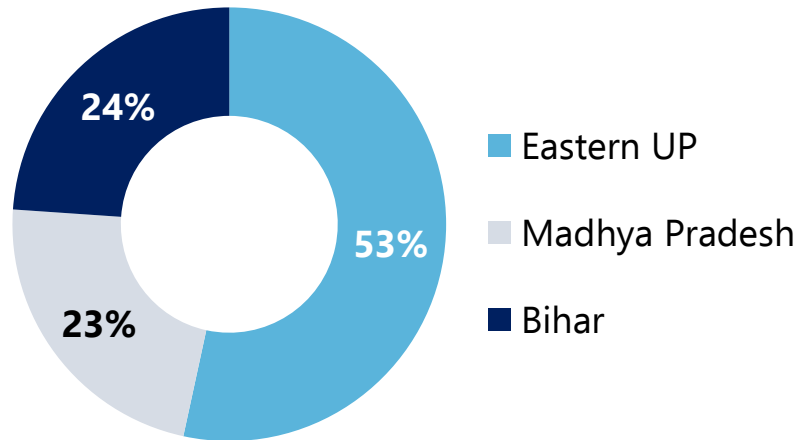
Cement & Clinker Sales Volume (mn tons)



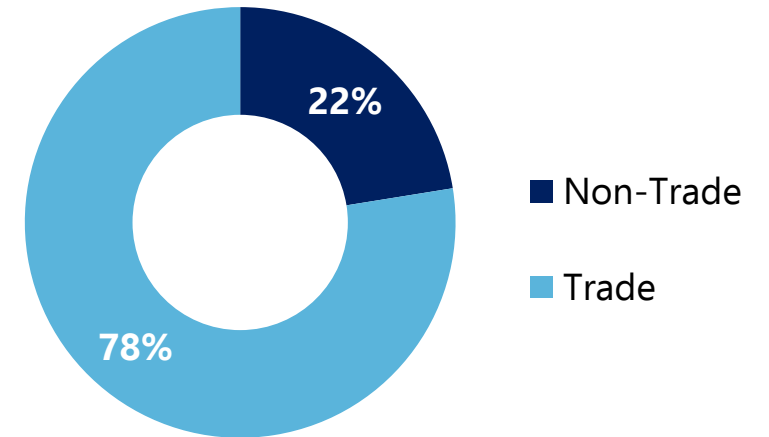
Premium Products %



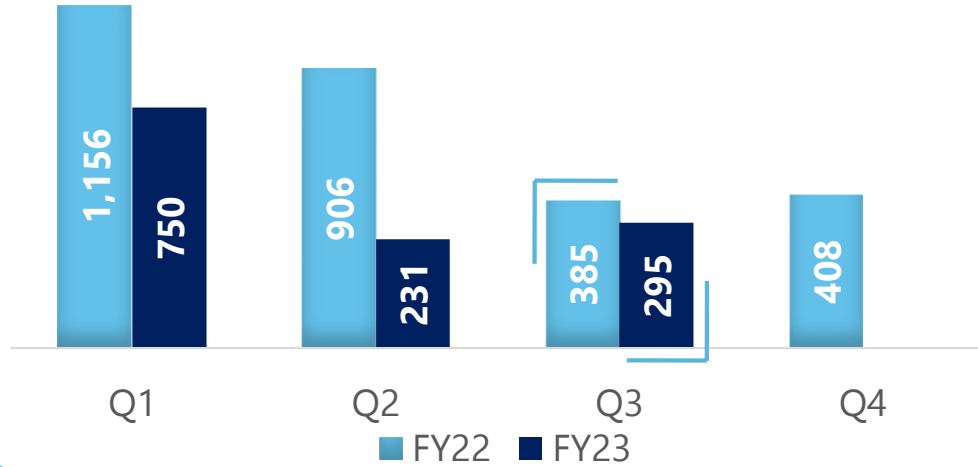
Q3 FY23 Regional Sales Breakup



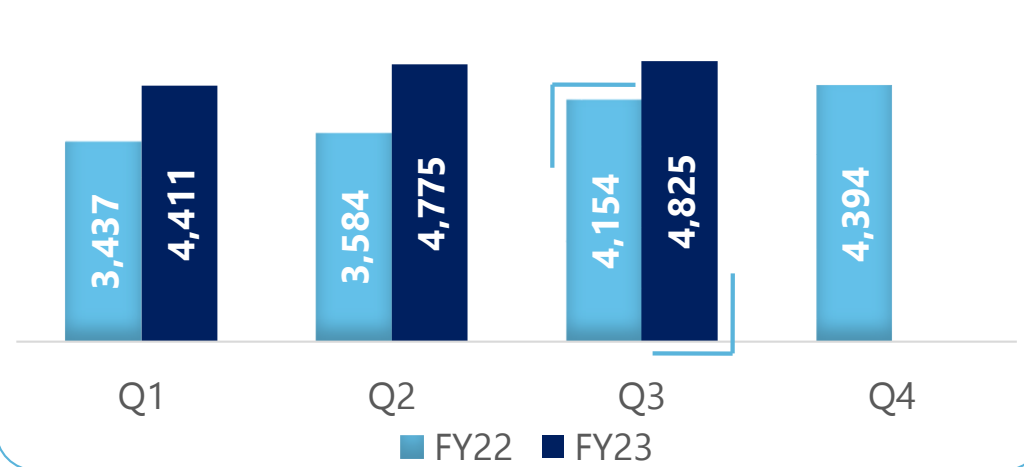
Q3 FY23 Sales: Trade vs. Non Trade



EBITDA per ton (₹)



Cost per ton (₹)



Cost per ton (₹)

Cost per ton (₹)	Q3 FY22	Q2 FY23	Q3 FY23	% QoQ	% YoY
Power & Fuel	1,035	2,020	1,788	(11.5%)	72.8%
Freight & Forwarding	929	916	1,021	11.5%	9.9%
Raw Material	622	622	636	2.4%	2.3%
Employee Cost	353	333	353	6.1%	0.0%
Other Costs	787	884	904	2.2%	14.8%
Change in Inventory & Stock in Trade	428	0	123	n/m	(71.4%)
Total	4,154	4,775	4,825	1.1%	16.2%

- Cement revenue grew 23.4% YoY to ₹ 700 Crores in Q3 FY23 led by cement & clinker sales volume growth of 9.4% YoY to 1.37 million tons and higher realisation YoY
- Share of premium cement increased from 29.0% in Q3 FY22 to 32.7% in Q3 FY23
- EBITDA per ton declined 23.4% YoY to ₹ 295 in Q3 FY23 on account of higher costs; Power and fuel costs increased from ₹ 1,035 per ton in Q3 FY22 to ₹ 1,788 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.

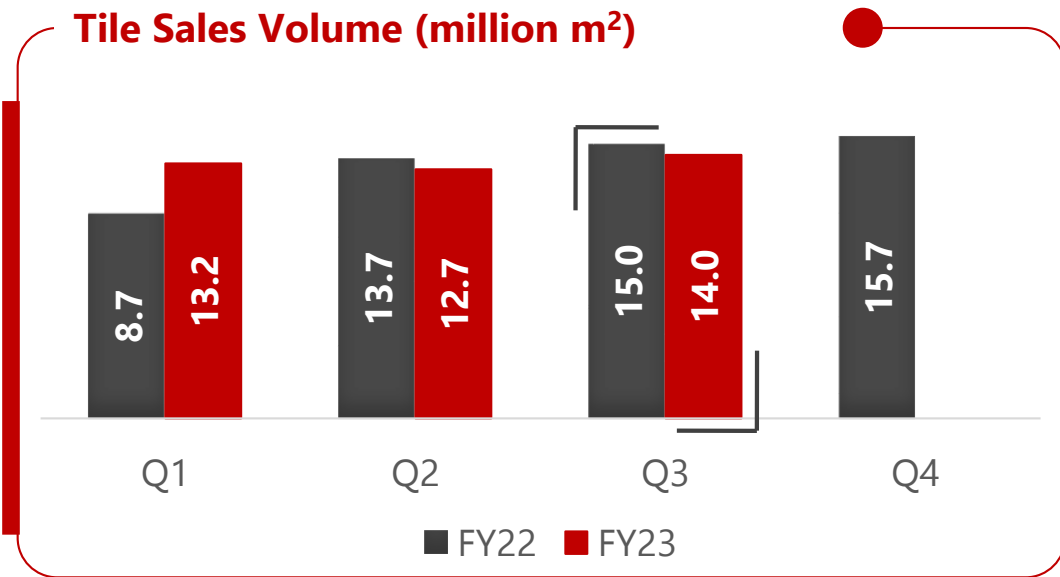
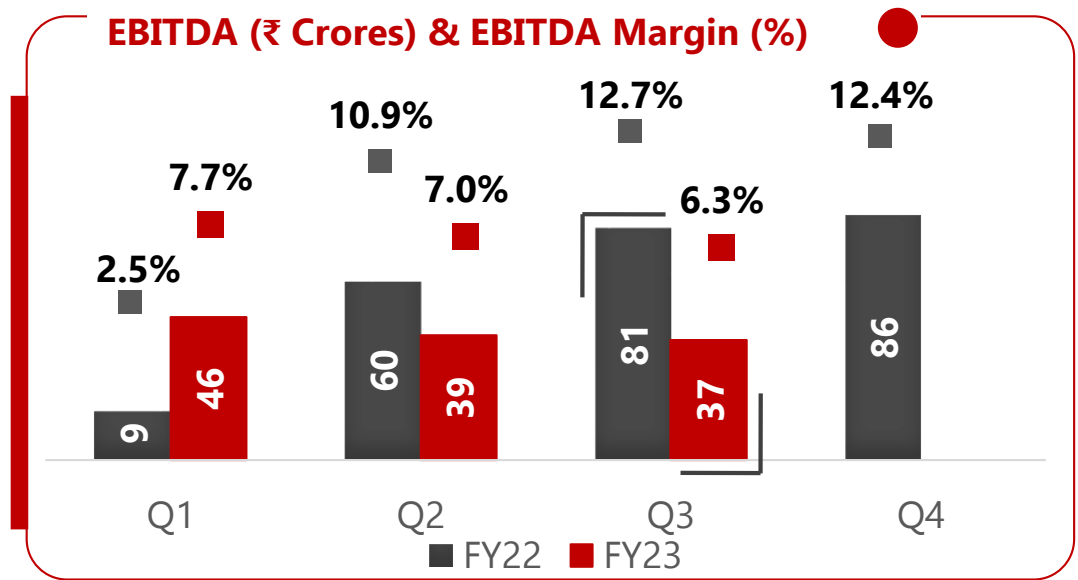
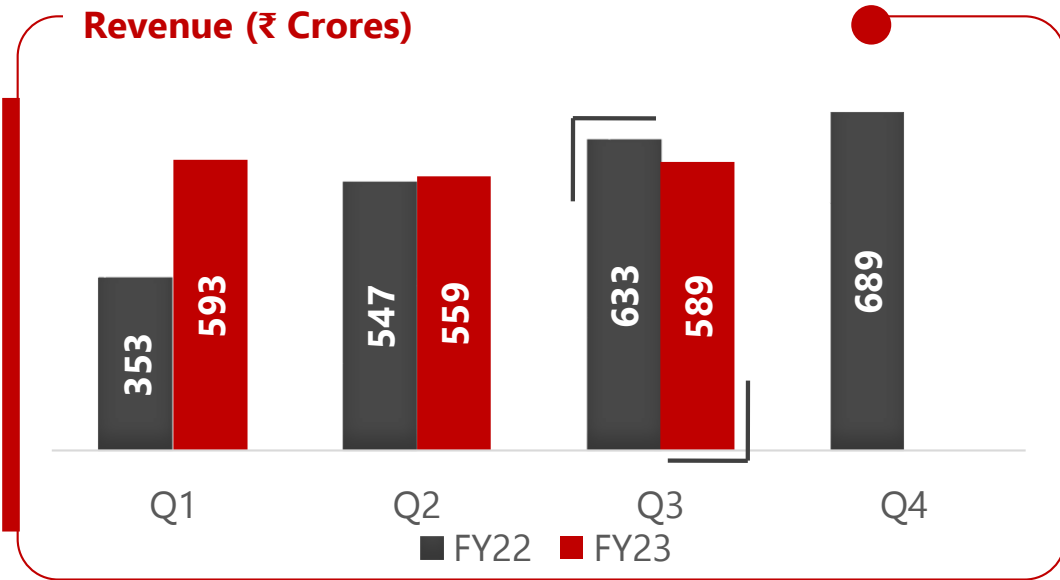
Expansion Plan

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

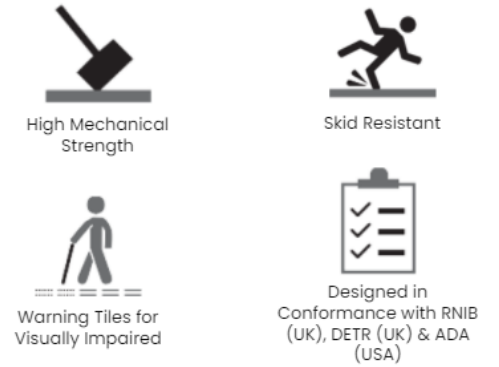


- Domestic tiles sales volume declined by 4.4% YoY while exports sales volume declined by 33.5% YoY
- Capacity utilisation declined from 75.4% in Q3 FY22 to 72.1% in Q3 FY23
- Q3 FY23 consolidated EBITDA margin declined 640 bps YoY to 6.3% due to lower capacity utilisation and higher input costs, especially due to significant increase in gas prices across many plants
- Revenue from sanitary ware & bath fittings was flat on YoY basis during Q3 FY23

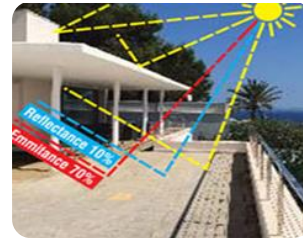
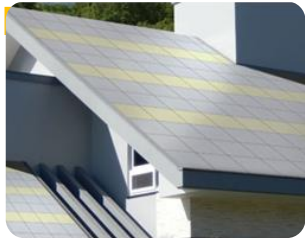
Innovations That Differentiate HRJ



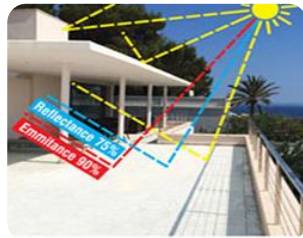
Tac Tiles



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 Centre – Bhubaneshwar



Pan India Presence

Amongst the top three players in the RMC sector with pan India presence: Prism RMC operates 87 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 is running 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.

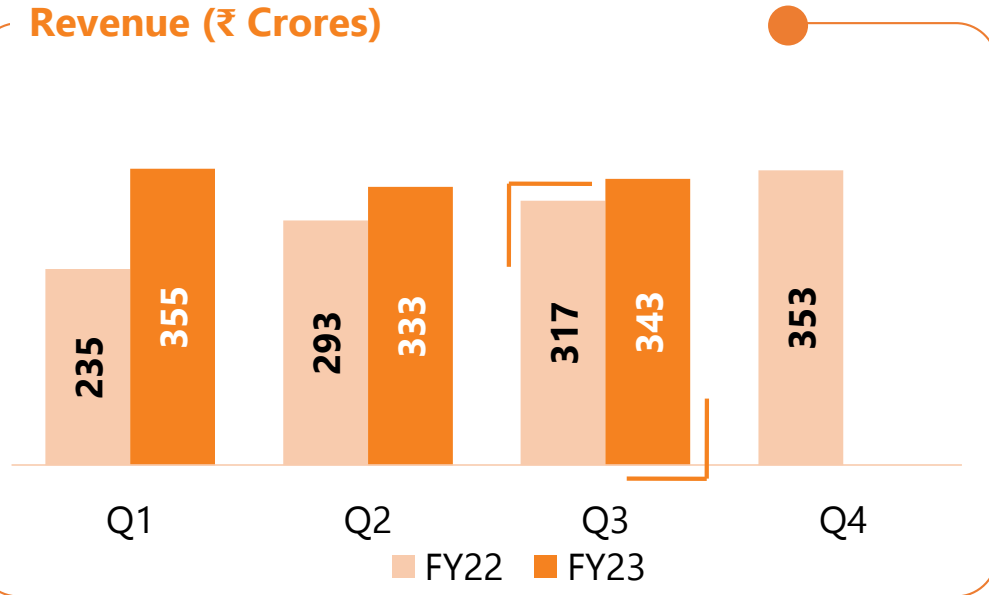
Aggregates



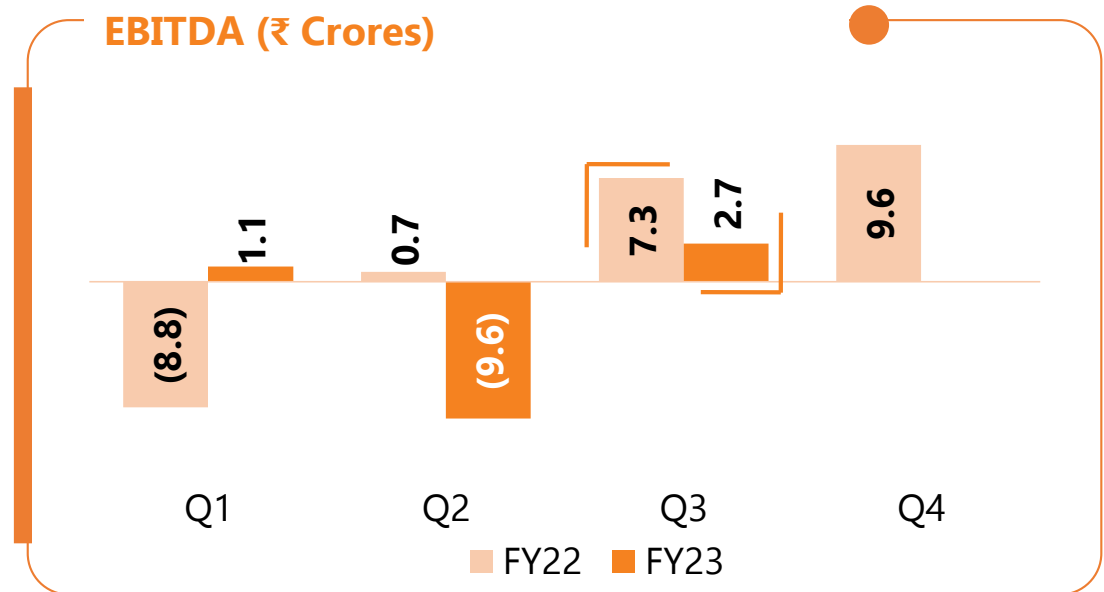
Aggregates occupy 65-75% of the concrete volume; Backward integration: Three quarries (Aggregates & Manufactured sand)

BUSINESS VERTICALS

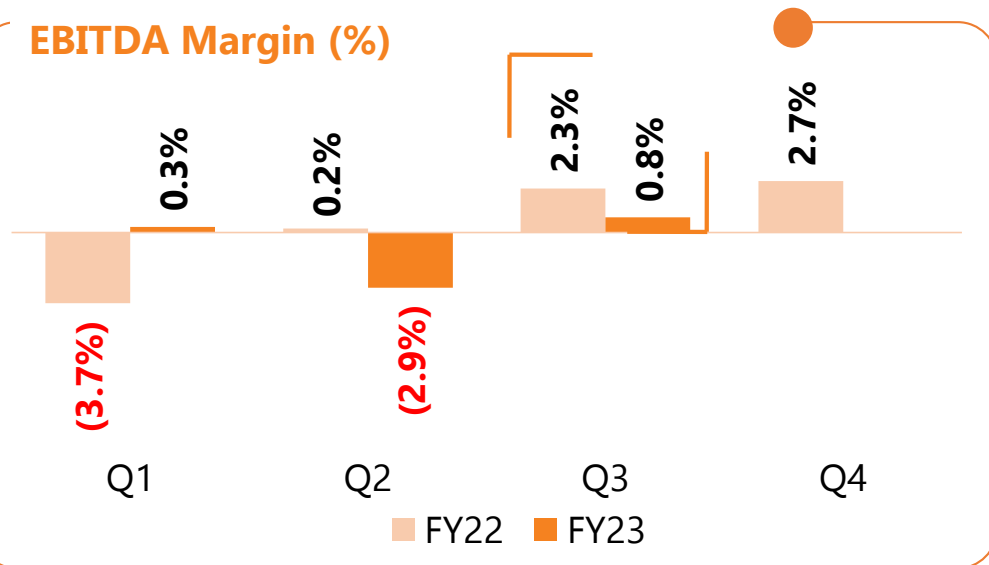
Revenue (₹ Crores)



EBITDA (₹ Crores)

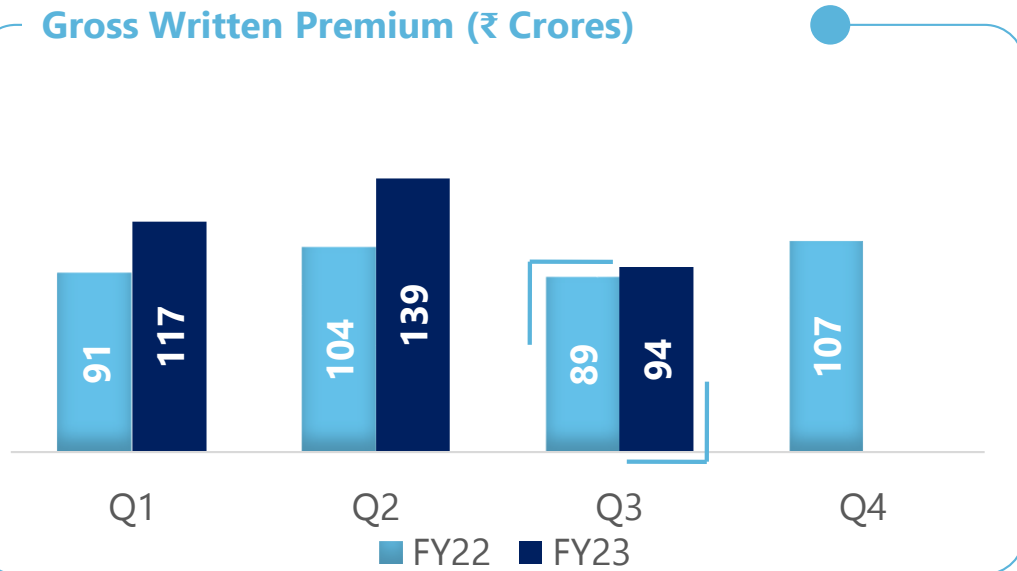


EBITDA Margin (%)

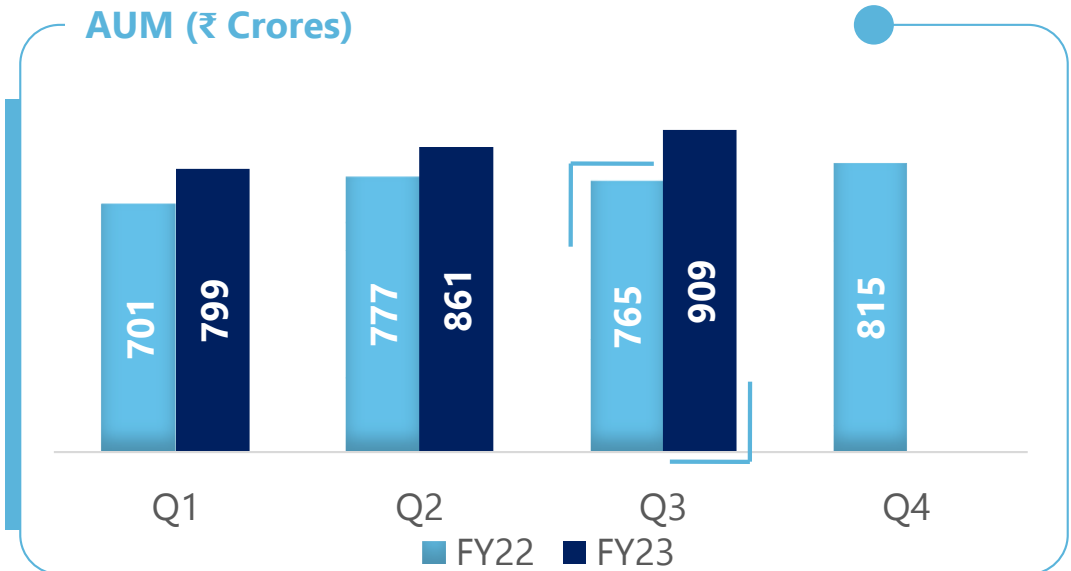


- Revenue grew 8.4% YoY from ₹ 317 Crores in Q3 FY22 to ₹ 343 Crores in Q3 FY23 contributed by strong demand from the infrastructure sector
- EBITDA Margin declined 150 bps YoY to 0.8% led by sharp increase in input costs; EBITDA margin improved by 370 bps QoQ due to several cost saving initiatives taken by the Company to optimise fleet and pump efficiency
- 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)



RQBE added 23 partners during Q3 FY23 taking the count of total partners to 3,346 including Agents, Brokers, POSP, IMF, MISP, Web Aggregators and OEM

Q3 FY23 Financial Highlights:

- Gross Written Premium: ₹ 94 Crores, growth of 7% over Q3 FY22
- Profit / (Loss) Before Tax: ₹ (22) Crores vs. ₹ (21) Crores in Q3 FY22
- Profit / (Loss) After Tax: ₹ (21) Crores vs. ₹ (22) Crores in Q3 FY22
- Combined Ratio stands at 154% (vs. 146% in Q3 FY22)
- Well capitalized with solvency ratio of 2.21x against regulatory minimum of 1.50x
- AUM of ₹ 909 Crores as on December 31, 2022



Environment

- Prism Cement's Emissions Intensity at **633 kg CO₂** per ton of cementitious material during 9M FY23
- 32.1% of Prism Cement's total power requirement met through green power and renewable sources during 9M FY23
- Plan to invest ₹ 25.20 Crores for setting up 24MW captive wind power
- 1,43,746 m³ ground water recharged by Prism Cement during 9M FY23
- Planted over 1,60,000 saplings during 9M FY23, with a survival rate of ~73%

CSR Initiatives

- Free medical facilities provided to over 4,500 people from the near-by villages at Prism Cement's Satna Plant Medical Centre
- Installation of smart classes at a Government School at Malgaon
- Vocational skills trainings (namely Stitching and Embroidery, Beautician and Driver training) organised at Sijahata, Baghai and Hinauti villages in the Satna district and at Rewa

Health & Safety

- Provided over 100 on-site safety trainings to around 3,000 participants during the quarter at Prism Cement's Satna plant
- Lost Time Injury Frequency Rate (LTIFR) during 9M FY23: 0.22
 - Prism Cement – 0.00
 - HRJ – 0.14
 - Prism RMC – 1.08

Construction of Bus Shelter at Richhahari



Stitching Training at Rewa



Development of Playground at Satna

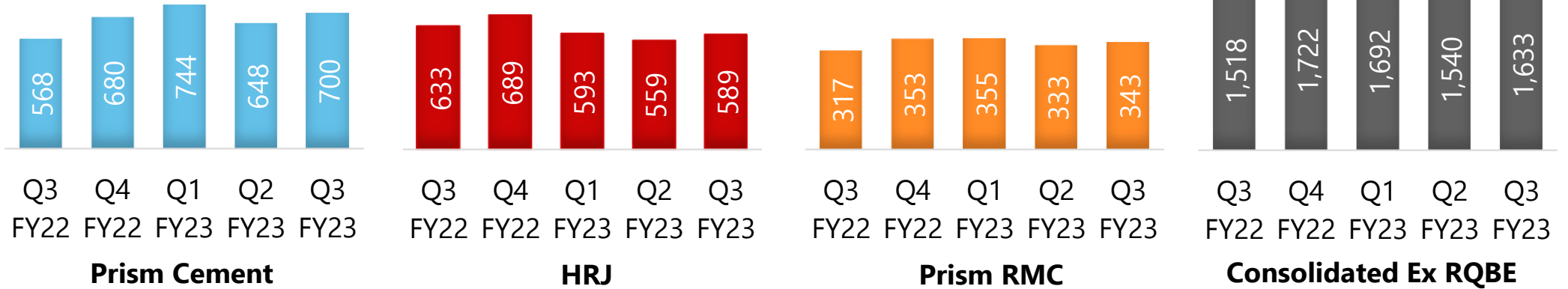


Installation of Smart Class at Malgaon

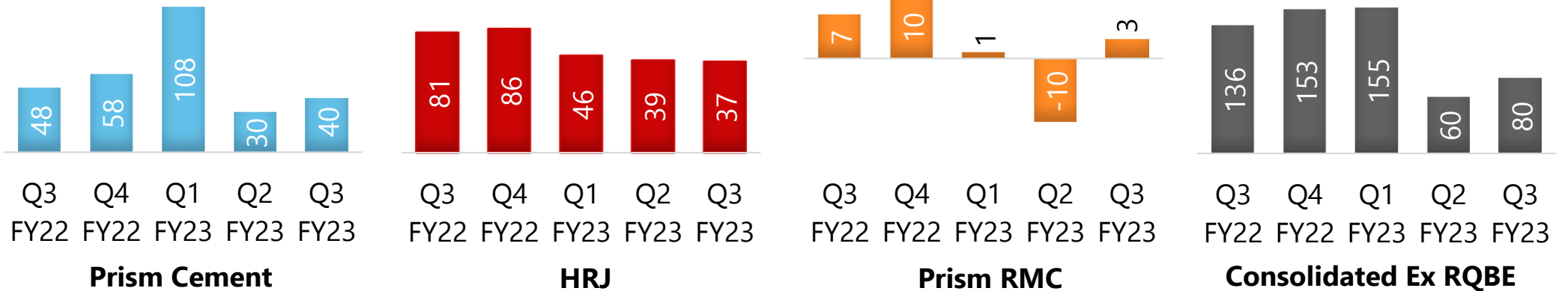


Division Wise Financial Performance Summary: Consolidated (Ex. RQBE)

Revenue (₹ Crores)

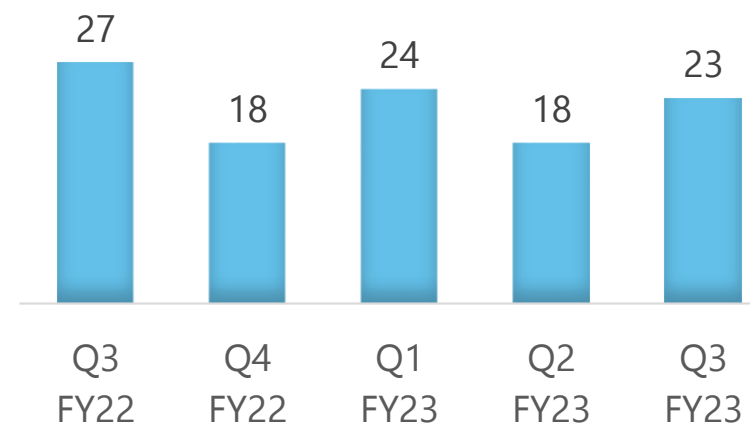


EBITDA (₹ Crores)

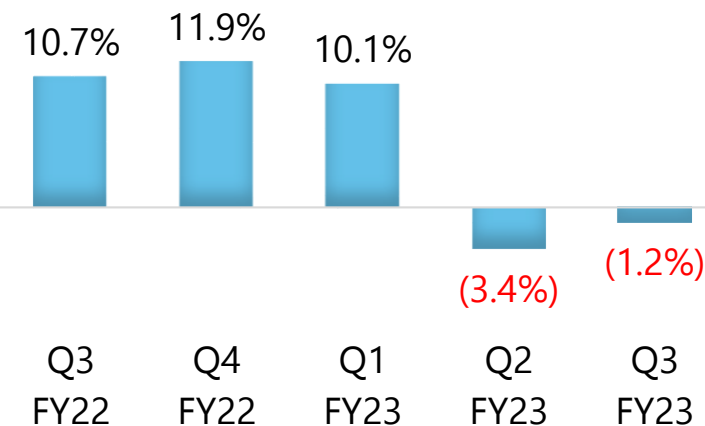


Particulars (₹ Crores)	Q3 FY22	Q2 FY23	Q3 FY23	% QoQ	% YoY
Revenue from Operations	1,518	1,540	1,633	6.0%	7.6%
EBITDA	136	60	80	34.9%	(40.9%)
EBITDA Margin %	9.0%	3.9%	4.9%		
Depreciation & Amortisation	74	89	100	12.4%	34.8%
Other Income	11	7	11	73.6%	3.5%
EBIT (Incl. Other Income)	73	(23)	(8)	64.1%	(111.1%)
Finance Cost	45	44	49	11.2%	9.2%
Net Profit	21	(54)	(43)	20.6%	(305.9%)
Net Profit Margin %	1.4%	(3.5%)	(2.6%)		
Net Debt	1,430	1,354	1,486	9.7%	3.9%
FCF (Pre-Capex & Investments)	89	58	(22)	(137.7%)	(124.7%)

Working Capital (Days)*



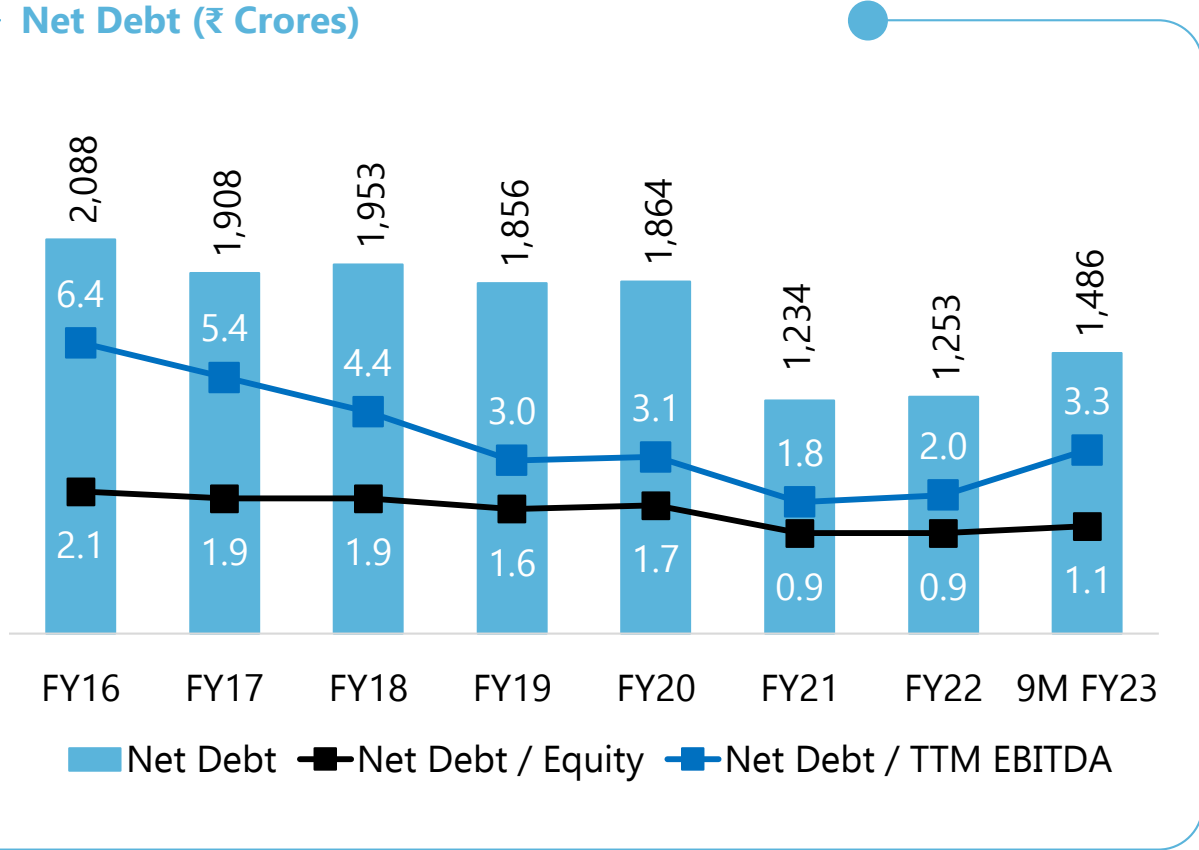
Annualised ROCE# (%)



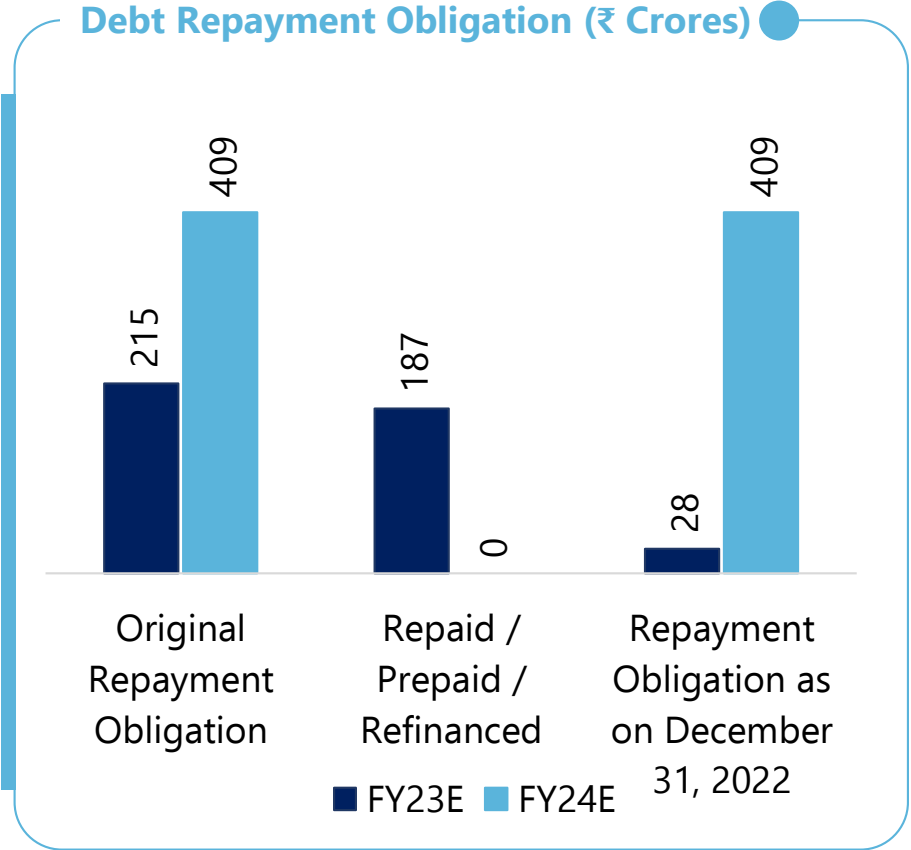
* Cash Conversion Cycle = Inventory Days + Debtor Days – Creditor Days

EBIT includes Other Income and is annualised for ROCE calculation

Net Debt (₹ Crores)



Debt Repayment Obligation (₹ Crores)



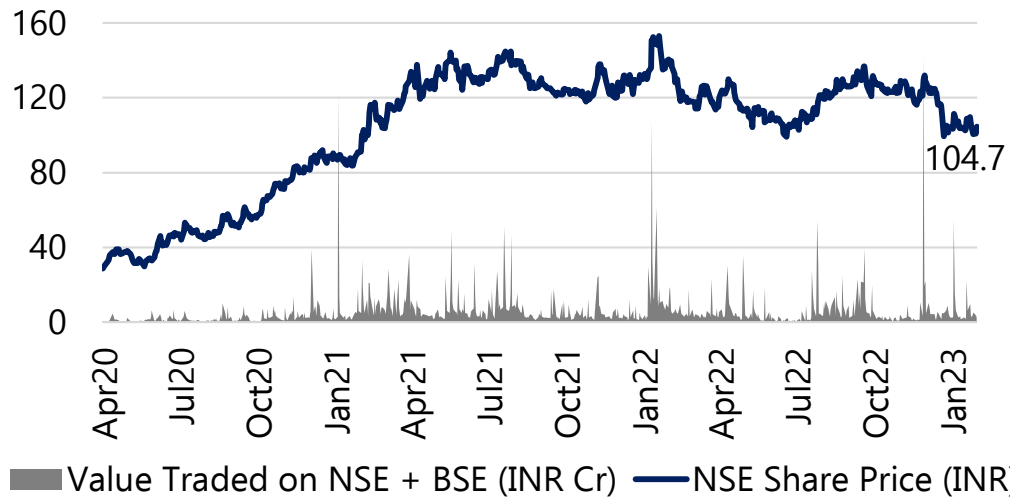
Consolidated (Ex-RQBE) Net Debt / Equity stood at 1.1x as of December 31, 2022

Consolidated (Ex-RQBE) Net Debt to TTM EBITDA stood at 3.3x as of December 31, 2022

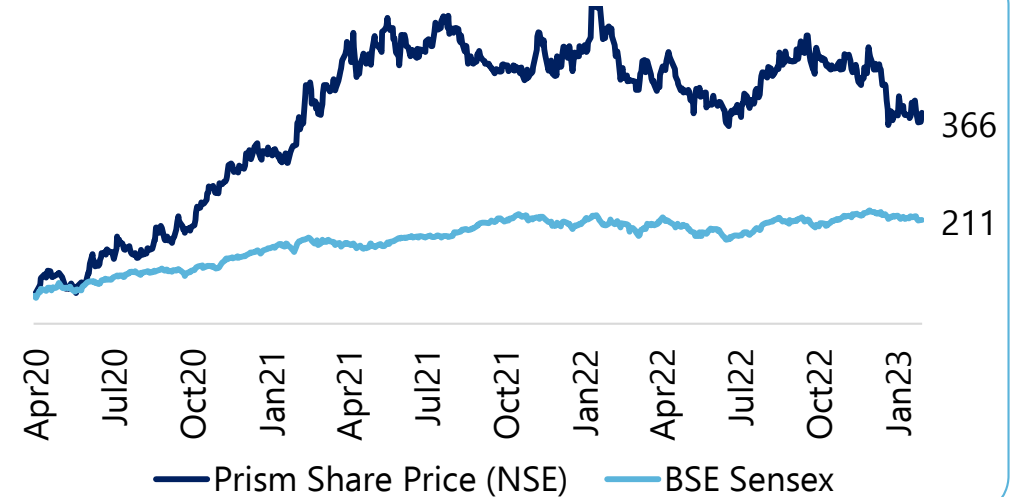
Standalone Financial Summary

Particulars (₹ Crores)	Q3 FY22	Q2 FY23	Q3 FY23	% QoQ	% YoY	9M FY22	9M FY23	% YoY
Revenue from Operations	1,456	1,513	1,611	6.5%	10.6%	3,908	4,764	21.9%
- Prism Cement	568	648	700	8.1%	23.4%	1,727	2,092	21.1%
- HRJ	579	533	570	6.8%	(1.5%)	1,353	1,646	21.3%
- Prism RMC	317	333	343	3.0%	8.4%	844	1,031	21.9%
- Inter segment revenue	(7)	(1)	(2)			(16)	(6)	
EBITDA	121	52	63	21.6%	(47.6%)	428	266	(38.0%)
EBITDA Margin %	8.3%	3.4%	3.9%			11.0%	5.6%	
Depreciation & Amortisation	67	81	91	11.1%	35.8%	190	245	28.9%
Other Income	11	7	11	61.8%	1.1%	25	24	(6.6%)
EBIT (Incl. Other Income)	66	(22)	(16)	29.0%	(124.1%)	263	44	(83.3%)
Finance Cost	41	40	44	10.7%	6.4%	131	122	(7.0%)
Exceptional Items	0	7	0			2	7	
Net Profit After Tax	18	(52)	(45)	13.2%	(347.3%)	98	(63)	(165.0%)
Net Profit Margin %	1.2%	(3.4%)	(2.8%)			2.5%	(1.3%)	
Net Debt	1,225	1,147	1,269	10.6%	3.6%	1,225	1,269	3.6%
Net Debt to TTM EBITDA (x)	1.8	2.4	3.1			1.8	3.1	

Absolute Share Price Performance



Share Price Performance vs. BSE Sensex *

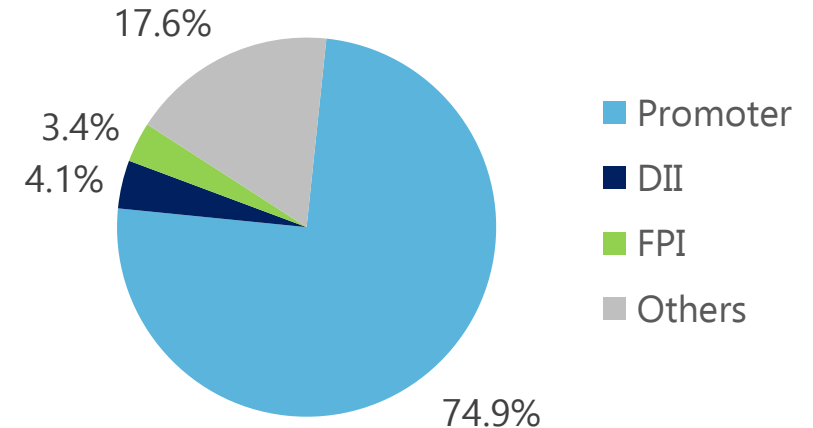


Particulars

31-Jan-2023

NSE Ticker	PRISMJOHNSN
Share Price (₹)	104.70
52 Week Low – High	96.65 – 144.50
Market Cap (₹ Crore)	5,270
3-Month Avg. Value Traded (₹ Crore)	7.8
Indices Prism Johnson is a member of	NIFTY 500, NIFTY SMALLCAP250

Shareholding Pattern – December 31, 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', 'Duratech' and 'Champion All Weather'. It caters mainly to markets of Eastern Uttar Pradesh, Madhya Pradesh and Bihar, with an average lead distance of 371 kilometers in Q3 FY23 from its plant at Satna, Madhya Pradesh. Prism Cement has a wide distribution network of over 3,000 active dealers serviced from 160 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 87 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

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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.