

Ref. : ASK/UD/2020-21/Q-1 IP

August 13, 2020

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 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith a copy of the Investor Presentation August 2020.

Thanking you,

Yours faithfully,

for **PRISM JOHNSON LIMITED**



ANEETA S. KULKARNI
COMPANY SECRETARY

Encl. : As above



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Complete Concrete Solutions

PRISM JOHNSON LIMITED

(Formerly Prism Cement Limited)

AMONGST INDIA'S LEADING INTEGRATED BUILDING MATERIALS COMPANY

Investor Presentation
For the Quarter ended June 2020

August' 20

Quarter ended June 2020 – Executive Summary and outlook



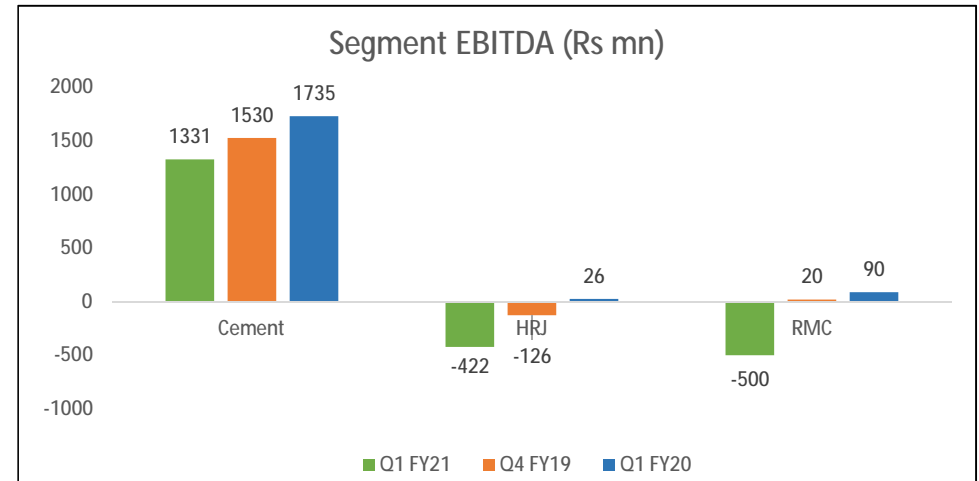
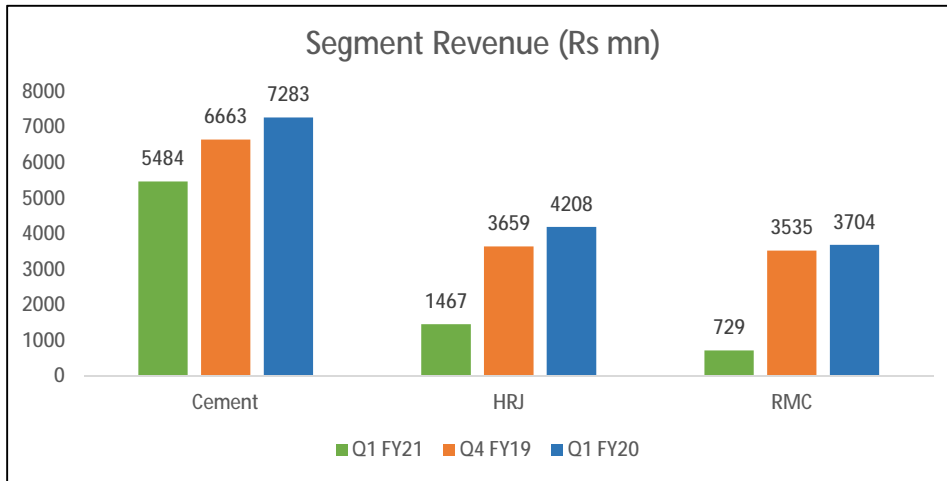
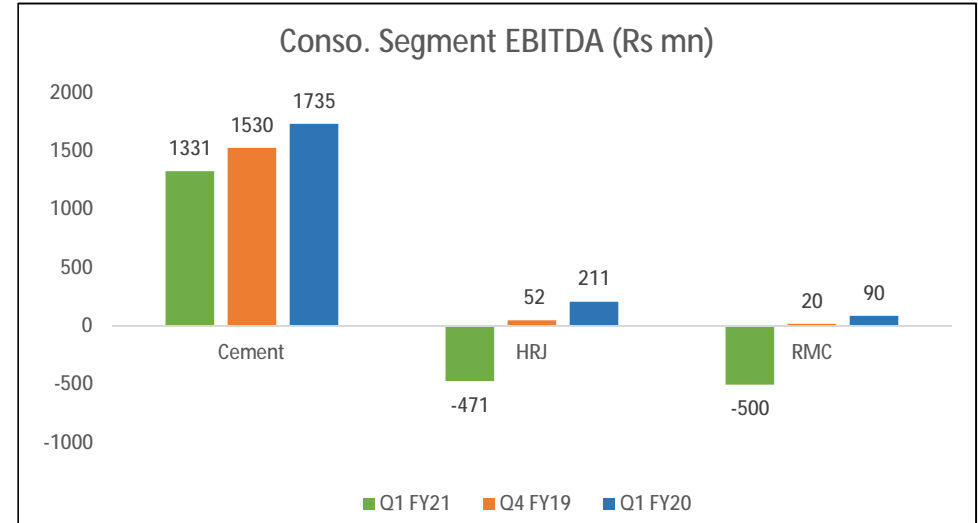
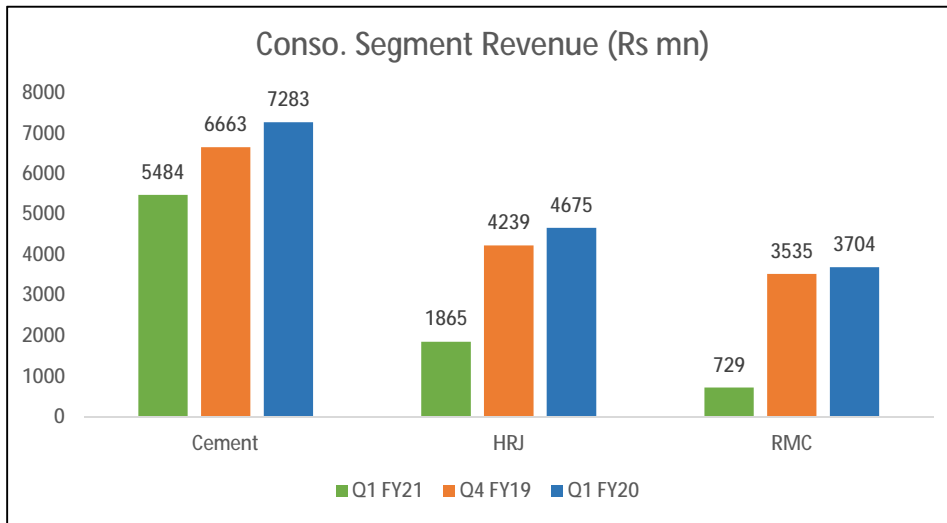
- Key highlight during the challenging quarter was reduction in standalone net debt by ~ ₹ 2,750 mn to ~₹ 12,001 mn, as compared to March 2020. Consolidated net debt declined by ₹ 2,798 mn to ₹ 15,475 mn. This was on account of working capital and cash flow management
- During the quarter India Ratings re-affirmed its existing ratings for Prism Johnson for its long-term loans / NCDs / working capital limits
- During July 2020, Board of Directors approved divestment of Prism Johnson's 51% stake in Raheja QBE General Insurance Co. Ltd, to QORQL Pvt. Ltd, a technology Company with majority shareholding of Vijay Shekhar Sharma and remaining held by Paytm, for an aggregate consideration of ~₹ 2,897 mn, subject to receipt of approval by shareholders of the Company and all other requisite approvals
- Over the years, the Company has been proactively managing its liquidity profile. During FY20 too, the Company had created liquidity buffer to take care of its financial obligations during H1FY21. Given the current challenges, the Company continues to explore its strategy of pre-payment / refinancing so as to fulfil financial obligations till the end of FY22
- During Q1FY21, Consolidated EBITDA (ex of insurance subsidiary, RQBE) was at ~₹ 360 mn as compared to ~₹ 2,036 mn in Q1FY20. The lockdown at the beginning of the quarter and partial lockdown in few States in May and June impacted volumes of all the three Divisions. However all three Divisions' (Cement, HRJ and RMC) witnessed increasing trend in sales volume during the quarter.
- We are experiencing better demand environment with Cement volumes reaching normal levels since May 2020 while HRJ and RMC revenues showing an improving trend
- Prism Johnson is committed towards achievement and maintenance of high standards of Environment, Health and Safety issues at all plants and offices, more so during the current period. Mandatory safety including social distancing and equipment health audit checks were carried out at facilities and appropriate locations before restart of operations

Quarter ended June 2020 – Executive Summary and outlook

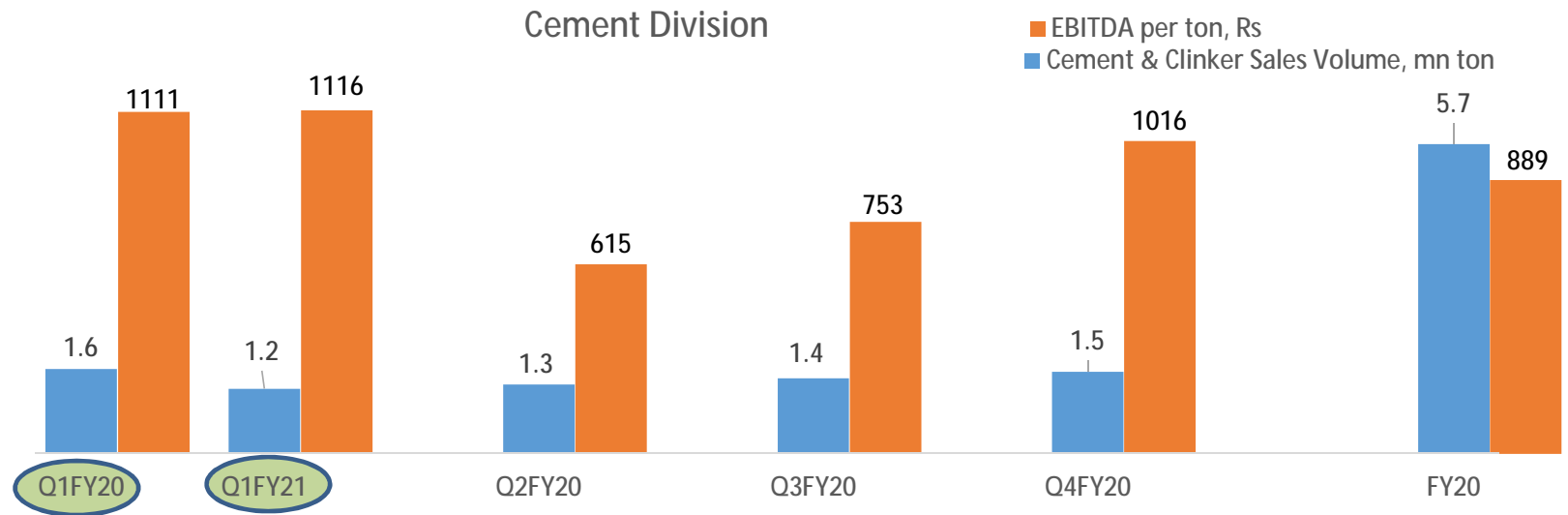


- ❑ Cement volumes declined by ~19% on yoy basis. However combined cement & clinker volume declined by ~23% as compared to quarter ended June 2019. The sales volume in May' 20 and June' 20 were better than same period last year. Premium products volumes continue to improve and were at ~26 % of overall cement volumes
- ❑ Cement Division's EBITDA ₹ per ton improved to ₹ 1,116 as against ₹ 1,111 reported during the quarter ended June 2019. The improvement was on account of lower costs
- ❑ During Q1FY21, Consolidated HRJ revenues declined by ~60% on yoy basis. Sanitaryware & faucets revenues reduced by ~43%. Net working capital has improved due to robust collections during the quarter.
- ❑ The HRJ Division reported Consolidated EBITDA loss of ~₹ 471 mn as compared to EBITDA profit of ~₹ 211 mn reported in Q1FY20.
- ❑ During July 2020, HRJ Division clocked ~ 94 % of July 2019 consolidated revenues, improved performance as compared to decline in Q1FY21
- ❑ Ready Mixed Concrete revenues declined by ~80% to ₹ 729 mn. EBITDA losses were at ₹ 500 mn as compared to positive EBITDA ₹ 90 mn reported during the quarter ended June 2019.
- ❑ During July 2020, RMC Division has achieved ~50% of July 2019 revenues, better as compared to decline in Q1FY21
- ❑ The Company has undertaken initiatives to reduce fixed costs, good part of which would be sustainable. Company is reviewing inefficient and unprofitable operations.
- ❑ Apart from above, a good part of working capital reduction witnessed during the quarter especially in HRJ and RMC Divisions, is likely to sustain in future
- ❑ As a result Prism Johnson expects to emerge as leaner and stronger organization by the end of the year

Quarter ended June 20 – PJI Consolidated (ex RQBE) and Standalone Financials



Prism Cement – EBITDA per ton maintained despite lower volumes

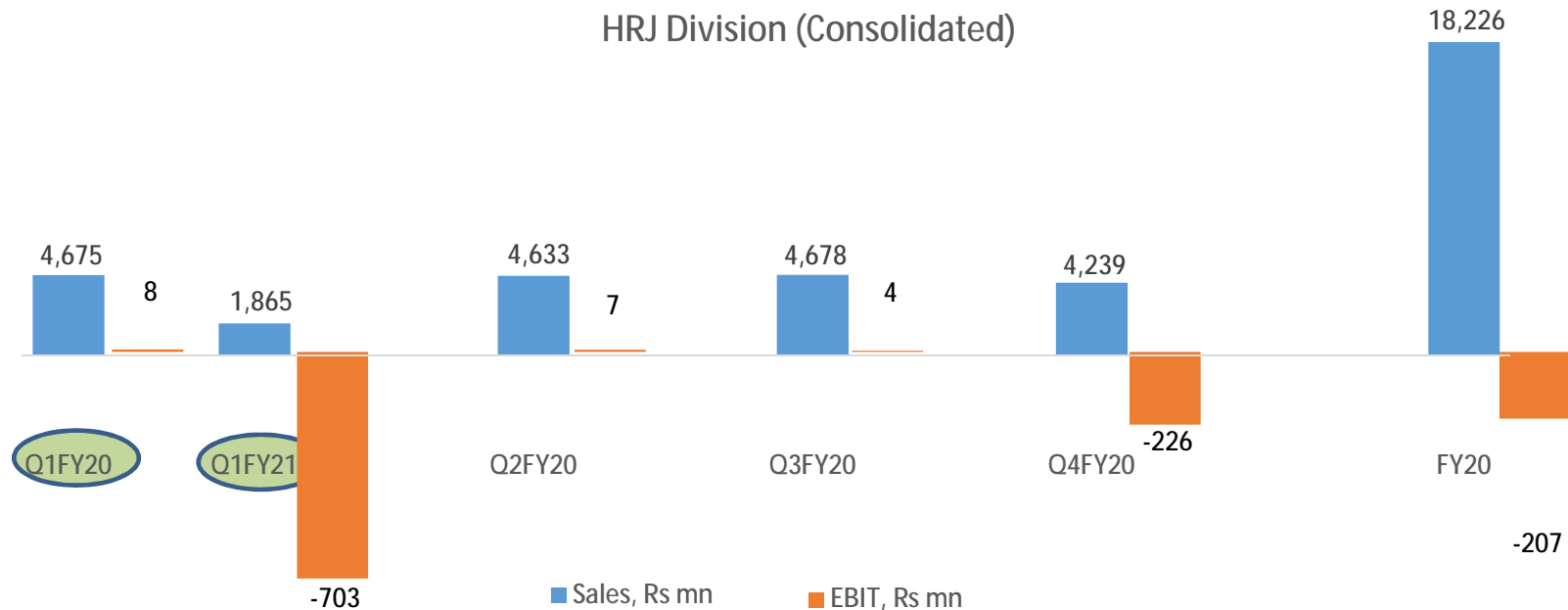


- ❑ Cement demand recovered in rural India due to Government support and Individual Housing Segment. As a result demand for May and June 2020 was better than the same period last year.
- ❑ Cement volumes declined by ~19% on yoy basis due to lockdown. Overall Cement & Clinker volumes were down ~23% yoy. Premium Products contributed ~26% to overall sales
- ❑ EBITDA per ton at ₹ 1,116 inched up marginally on yoy basis on account of lower costs during the quarter

HRJ – operating performance impacted by lockdown

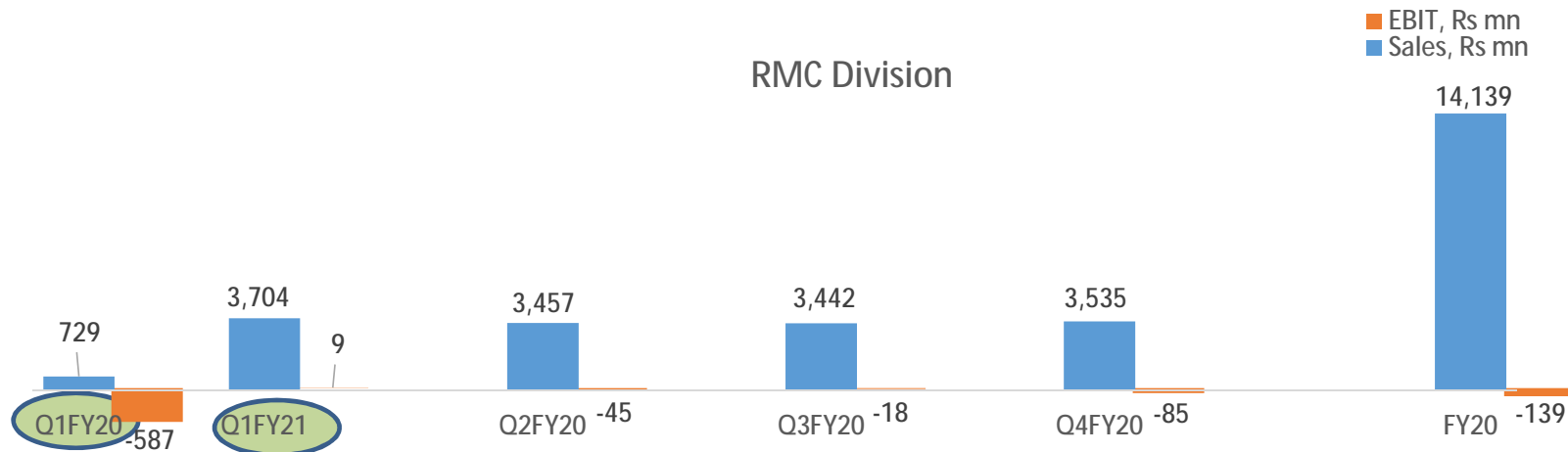


HRJ Division (Consolidated)



- q Consolidated revenues down ~60% yoy to ₹ 1,865 mn. Sanitaryware & faucets revenues declined by ~43%
- q Consolidated EBITDA loss at are at ₹ 471 mn compared to EBITDA profit of ₹ 211 mn for quarter ended June'19. Consolidated EBIT loss was at ₹ 703 mn compared to positive EBIT of ₹ 8 mn
- q During the quarter, Net working capital has improved due to robust collections and inventory reductions

RMC (India) – operating performance impacted by lockdown



- q During the quarter, revenues were down ~80% on yoy basis to ₹ 729 mn
- q Due to lower volumes the Division reported EBITDA and EBIT loss of ₹ 500 mn and ₹ 587 mn respectively
- q Labour shortage and self distancing norms due to COVID-19 pandemic is likely to turn into an opportunity for Ready-Mixed Concrete in the medium to long term manufacturers by replacing site mix, which is labour intensive

Note: Q1FY18 revenues are net of excise

ESG initiatives – efforts to gain momentum

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Environment stands out as a key issue in ESG analysis. Prism Johnson is committed towards achievement and maintenance of high standards of Environment, Health and Safety issues at all plants and offices.

- The Company actively looks for opportunity to replace fossil fuels with green / renewable energy:
 - Cement Division has commissioned 12.5MW Solar Power and plans to commission total of 25MW by March 2021. HRJ Division has plans to commission ~3MW solar power by December 2020
 - Cement Division to commission WHRS in a phased manner by March 2021
- Cement Division has plans to build rain water harvesting structures to improve ground water level
- Johnson Germ Free Tiles has been announced winner by Golden Peacock Awards in the Innovative Product / Service 2020 category
- Total of 19 categories of Johnson Tiles meet the requirements of GreenPro Eoclabbelling and qualifies as Green Tiles. To name a few – Endura Cool Roof, Endura Hi-Traffic, Endura Acid & Alkali Resistant, Endura Industrial, Endura Parking, Endura Hexa Series, Johnson Germfree Wall, Johnson Germfree Floor, Porselano Germfree GVT Slabs & Splits (Elite), Royalcare and Elevation and Smart
- As a ongoing initiative, all the three Divisions conduct various training program including those on safety

ESG – Awards & Recognitions

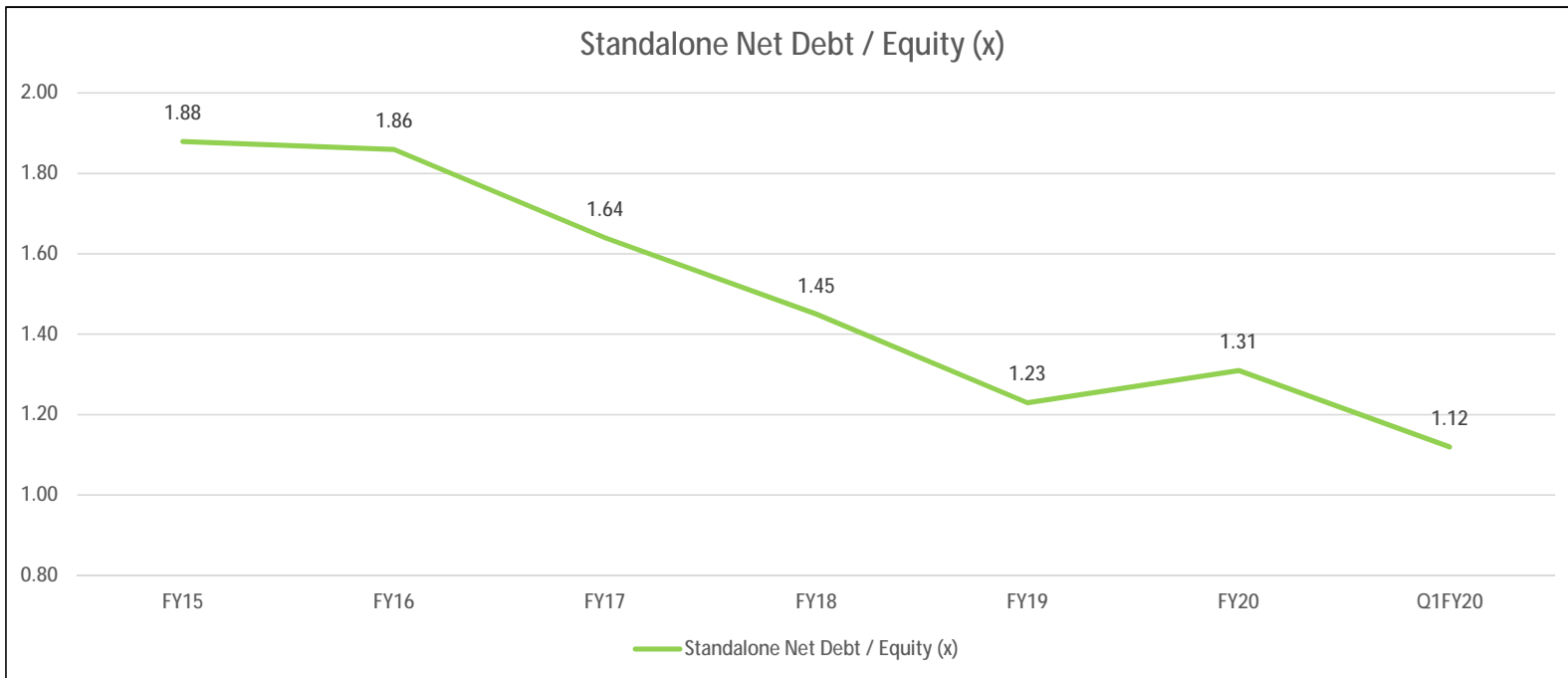


Debt/Equity ratio – Improvement due to better working capital management

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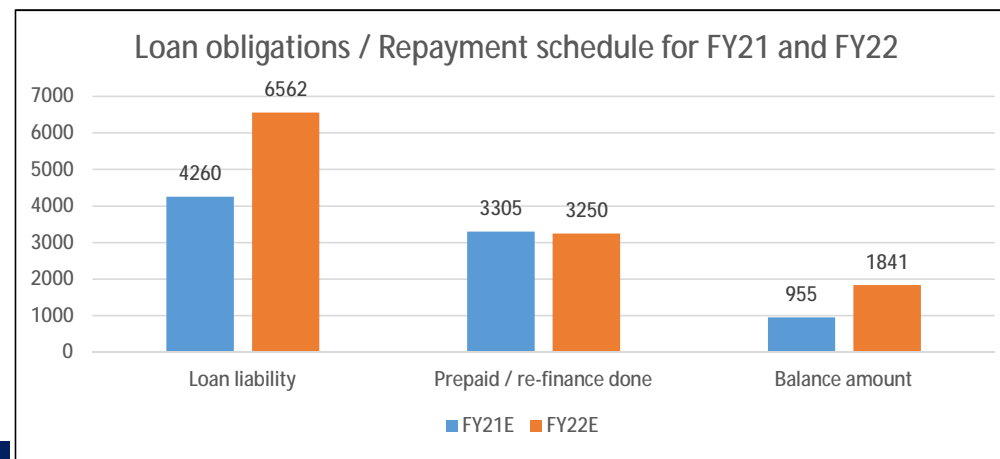


- Despite lower operational performance, the Company has reduced Debt/Equity ratio during the quarter
- Divestment of Prism Johnson's 51% stake in Raheja QBE General Insurance Co. Ltd for an aggregate consideration of ~₹ 2,897 mn, subject to receipt of approval by shareholders of the Company and all other requisite approvals

Treasury / Liquidity management



- q The Company has not opted for moratorium with any banks / FIs for principal or interest payments. The Company did not opt for moratorium on TDS and made all payments in time
- q Over the years, the Company has been proactively managing its liquidity profile. Given the current challenges, the Company continues to explore its strategy of pre-payment / refinancing of loans well in advance
- q As on March 31, 2020 it had cash & cash equivalent (incl undrawn CC limit) of ~ ` 5,100mn. With better than anticipated collection and control on cash, the Company has already repaid / prepaid ~78% and ~50% of its loan obligations for FY21 and FY22 respectively
- q In the forthcoming quarters, Company plans to pre-pay / refinance the balance ~22% for FY21 and further ~37% of its loan obligations for FY22 subject to acceptance of pre-payment by existing lenders
- q The above measures would enable Company to optimize interest cost and take care of loan obligations till March 2022
- q Cash & cash equivalent (incl undrawn CC limit) as on August 9, 2020 was comfortable ~ ` 4,175 mn



Raheja QBE General Insurance (RQBE) – future plans

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- q Joint Venture with QBE group of Australia with Prism Johnson stake at 51%. Raheja QBE till recently had a liability led specialist insurance focus. Foray into retail business
- q New brand identity introduced with the core messaging of 'Your Kind of Insurance'
- q Raheja QBE will strengthen its capabilities, processes and technology to build the foundation for long term profitable and sustainable growth
- q Following Products approval received from the regulator
 - q Private Car Bundled Policy
 - q Private Car Addon Covers - Annual
 - q Group Hospital Daily Cash
 - q Arogya Sanjeevni
 - q Health Qube
- q Private Car Package Policy along with add-ons rolled out in December 2019
- q RQBE will soon start business with MISP's (Dealers) dealing in Hyundai (Private Car), Jeep (Private Car), Tata Motors (Private Car and Commercial Vehicle) apart from others
- q Q1FY21 financials:
 - q Gross written premium - ₹ 398 mn, growth of ~33% over Q1FY20
 - q Profit / (Loss) before tax - ₹ (140 mn) as compared to - ₹ (126 mn) in Q1FY20

About PRISM JOHNSON LIMITED



PRISM JOHNSON LIMITED is one of India's leading integrated Building Materials' Company, with a wide range of products from cement, ready-mixed concrete, tiles and bathroom products.

Prism Cement

Prism Cement manufactures Cement with the brand name 'Champion' and premium quality grade of cement under 'Champion Plus' and 'DURATECH' brand. It caters mainly to markets of Eastern UP, MP and Bihar, with an average lead distance of ~377 kms for cement from its plant at Satna, MP. Wide marketing network with ~4,000 dealers serviced from ~200 stock points.

H & R Johnson (India)

Established in 1958, H & R Johnson (India) is the pioneer of ceramic tiles in India. HRJ offers end-to-end solutions of Tiles, Sanitaryware, Bath Fittings and Engineered Marble & Quartz. All the products are sold under 4 strong brands, viz. Johnson, Johnson Marbonite, Johnson Porselano and Johnson Endura. In ceramic / vitrified tiles, HRJ along with its Joint Ventures and subsidiaries has a capacity of over 63 million m² per annum spread across 11 manufacturing plants across the country which is one of the largest in India.

RMC (India)

RMC (India) is one of India's leading ready-mixed concrete manufacturers. RMC currently operates 99 ready-mixed concrete plants in 45 cities/towns across the Country. RMC has ventured into the Aggregates business and operates large Quarries and Crushers. At present, RMC has 7 Quarries across the country. RMC has been at the forefront in setting high standards for plant and machinery, production, safety standards, quality systems and product services in the ready-mixed concrete industry.

About PRISM JOHNSON LIMITED



Investor Relations

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.

For additional information, please contact:

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PRISM JOHNSON LIMITED

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Safe Harbor

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.