TTK Prestige
LIMITED

TÜVRheinland CERT ISO 9001

Corporate Office: 11th Floor, Brigade Towers, 135, Brigade Road, Bangalore – 560 025. INDIA
Phone: 91-80-22217438/39, Fax: 91-80-22277446, E-mail: ttkcorp@ttkprestige.com
www.ttkprestige.com CIN : L85110TZ1955PLC015049

November 04, 2022

National Stock Exchange "Exchange Plaza", C-1, Block G, Bandra- Kurla Complex, Bandra (E), Mumbai – 400 051.	BSE Limited 27th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001.
Scrip Symbol : TTKPRESTIG	Scrip Code : 517506

Dear Sir,

<u>Sub: Data to be shared with Analysts for the Second Quarter and Half Year ended September 30, 2022</u>

We are enclosing herewith a copy of information to be shared with Analysts. The said information will be published in our website also.

Please take this information on record.

Thanking you,

Yours faithfully,
For TTK Prestige Limited,

KRISHNAMURTHY SHANKARAN

Digitally signed by KRISHNAMURTHY SHANKARAN
DN: c=IN, o=PERSONAL,
pseudonym=5fc7014cd4e444cfb0c35e6327af61ca,
2.5.4.20=57fa897fa7439130577968b7c167e0fe397c05f1ade9a8542622561fd186a4bc, postalCode=560076,
st=KARNATAKA,
serialNumber=1397577c565e4ab6423d0607b4d1eb48acecfbcaffaf471017f7d31543669be3, cn=KRISHNAMURTHY SHANKARAN
Date: 2022.11.04 13:18:42 +05'30'

K. Shankaran
Wholetime Director & Secretary

TTK PRESTIGE LIMITED

Gist of Information to be shared with Analysts

Quarter Ended 30th September 2022

Financial Results for Quarter ended 30th September 2022

GENERAL BACKDROP FOR Q2 OF FY 2022-23

A. GENERAL ECONOMY

- With extended geo-political crisis and the resultant rise in the inflation the global economy was facing recessionary conditions.
- While the Indian economy alone continues to shine amongst all large global economies, inflationary conditions especially on the items of day-to-day consumption continues to be a cause for concern having impact on Private Final Consumption. The inflation had higher impact on low-income group than on the middle & large income groups.
- Availability of alternate avenues for spending like travel, entertainment and tourism continued its pressure on the customer spending on consumer sectors including consumer durable products.
- Most of the companies in the consumer durable space had to put up with the higher base of the previous year as last year’s Q2 was propelled by pent-up demand following removal of covid related lockdowns. The growth was muted to a large extent coupled with drop in margins both at gross level and at EBITDA level.

GENERAL BACKDROP FOR Q2 OF FY 2022-23

A. GENERAL ECONOMY (Continued …)

- All Channels were active throughout the quarter though the e-commerce felt the impact of re-emergence of offline channels. Both online and large format off-line channels have been competing with each other with huge discounts especially with reference to entry level products. This is giving room for channel conflicts. The discounts were unusually extremely high.
- Smaller players are able to get into online platform with lower price points especially with reference to entry level products.
- The commodity price softened during the quarter though not significant compared to the price increases in the past few months. Also, there is a lag effect due to higher cost opening inventory.
- Automobile sector revived during Q2 FY23 after its impact in the last 2 years over pandemic and chip shortages.
- Headwinds from geopolitical tensions, tightening global financial conditions, slowing global economy and higher logistics costs impacted the growth in exports.

GENERAL BACKDROP FOR Q2 OF FY 2022-23

B. SPECIFIC TO COMPANY

- During the quarter all the channels were active and their contribution to the total sales of the Company by and large remained similar to contribution seen in the previous quarters. The exclusive retail channel has shown a robust growth reflecting a strong presence in the market
- There has been unusual and predatory discounting in the online channels by smaller players and in the overall interest we have played a balanced hand.
- Given the higher base of Q2 of FY22 which was propelled by pent-up demand following removal of Covid related lockdowns, the growth was flat. However, the company maintained its margins at healthy levels.
- Export was impacted due to global recession and inflationary pressures in developed markets.

Financial Results for Quarter ended 30th September 2022

KEY PERFORMANCE HIGHLIGHTS OF QUARTER ENDED 30TH SEPTEMBER 2022 (AS COMPARED TO Q2 OF PREVIOUS YEAR)

- Domestic Sales grew by 0.8% from Rs 784.6 Crores to Rs 790.5 Crores.
- Export Sales for the quarter was down by 27.7% to Rs 17.3 Crores from PY Rs 23.9 Crores.
- Total Sales remained flat at around Rs 808 crores
- EBITDA was at Rs 127.1 Crores as compared to PY Rs 143.8 Crores; down by 11.6%
- EBITDA margin was around 15.7% (PY 17.8%)
- Profit before Tax is at Rs 115.0 Crores (PY Rs.132.7 Crores); down by 13.3%
- Profit after Tax is at Rs 85.7 crores (PY Rs 98.64 crores).
- EPS was at Rs 6.18 per equity share of face value Rs 1/- each (PY Rs 7.12)

Financial Results for Quarter ended 30th September 2022

KEY PERFORMANCE HIGHLIGHTS OF QUARTER ENDED 30TH SEPTEMBER 2022 (Continued….)
(AS COMPARED TO Q2 OF PREVIOUS YEAR)

- Consolidated turnover was down by 1.9% to Rs 842.4 Crores from Rs 858.6 Crores.
- Consolidated Profit before Tax stood at Rs 113.7 Crores (PY Rs.138.8 Crores); down by 18.0%
- Consolidated Profit after Tax is at Rs 83.8 Crores (PY Rs 103.5 Crores)
- Consolidated EPS was at Rs 6.05 (PY Rs 7.47).

KEY BUSINESS FACTS FOR Q2 OF FY 2022-23

- Q2 of FY 23 is not strictly comparable with the previous year due to the higher base driven by pent-up demand in Q2 of FY22 following removal of covid related lockdowns. So also the general trends in input costs and overall inflation are significantly higher as compared Q2 of PY.
- The realistic comparable benchmark is with the normal Q2 of FY 19-20. Taking into account the product-mix and price increases, the growth has been significant both in volume and value terms.
- The Company is gradually bringing down the high-cost inventory carried from previous quarters.
- Value added items and new products helped the company to maintain the overall value of sales
- Introduced 16 new SKUs during this quarter across all categories.
- New launches are being received well in the market.

KEY BUSINESS FACTS FOR Q2 OF FY 2022-23 (Continued …)

- Prestige Xclusive chain strength stood at 665 in 376 towns contributing significantly to total sales.
- Trade collections are robust meeting the trade norms of the company.
- The company carries substantial free cash of more than Rs 640 crores as at the end of the quarter even after deploying sufficient amounts in working capital for a cost-effective supply chain as well ongoing capex.

Financial Results for Quarter ended 30th September 2022

KEY PERFORMANCE HIGHLIGHTS OF HALF YEAR ENDED 30TH SEPTEMBER 2022
(AS COMPARED TO 1ST HALF OF PREVIOUS YEAR)

- Domestic Sales grew by 22.0% from Rs 1121.1 Crores to PY Rs 1368.0 Crores.
- Export Sales for the quarter was down by 10.8% to Rs.39.6 Crores from PY Rs 44.4 Crores.
- Total Sales grew by 20.8% from Rs 1165.5 Crores to PY Rs 1407.6 Crores.
- EBITDA was at Rs 216.7 Crores as compared to PY Rs 191.1 Crores; grew by 13.4%
- EBITDA margin was around 15.4% (PY 16.4%)
- Profit before Tax is at Rs 192.7 Crores (PY Rs 169.3 Crores); grew by 13.8%
- Profit after Tax is at Rs 143.3 crores (PY Rs 125.9 crores).
- EPS was at Rs 10.34 per equity share of face value Rs 1/- each (PY Rs 9.08)

Financial Results for Quarter ended 30th September 2022

KEY PERFORMANCE HIGHLIGHTS OF HALF YEAR ENDED 30TH SEPTEMBER 2022 (Continued…)
(AS COMPARED TO 1ST HALF OF PREVIOUS YEAR)

- Consolidated turnover grew by 16.8% from Rs 1259.6 Crores to Rs 1471.4 Crores.
- Consolidated Profit before Tax stood at Rs 186.8 Crores (PY Rs 179.5 Crores); grew by 4.1%
- Consolidated Profit after Tax is at Rs 137.1 Crores (PY Rs.134.1 Crores)
- Consolidated EPS was at Rs 9.89 (PY Rs 9.68).

Financial Results for Quarter ended 30th September 2022

SALES BREAKUP – STANDALONE- FOR SECOND QUARTER

(In Rs. Crores)

	Q2 2022-23	Q2 2021-22	GROWTH	Q2 2020-21	Q2 2019-20
COOKERS	249.45	237.54	5.0%	165.06	182.04
COOKWARE	130.65	138.44	-5.6%	101.97	94.69
APPLIANCES	399.56	404.92	-1.3%	298.44	279.33
OTHERS	28.20	27.66	2.0%	24.76	17.53
TOTAL	807.86	808.56	-0.1%	590.23	573.59

PROPORTION TO SALES	Q2 2022-23	Q2 2021-22	Q2 2020-21	Q2 2019-20
COOKERS	30.9%	29.4%	28.0%	31.7%
COOKWARE	16.2%	17.1%	17.3%	16.5%
APPLIANCES	49.5%	50.1%	50.6%	48.7%
OTHERS	3.5%	3.4%	4.2%	3.1%
TOTAL	100.0%	100.0%	100.0%	100.0%

Financial Results for Quarter ended 30th September 2022

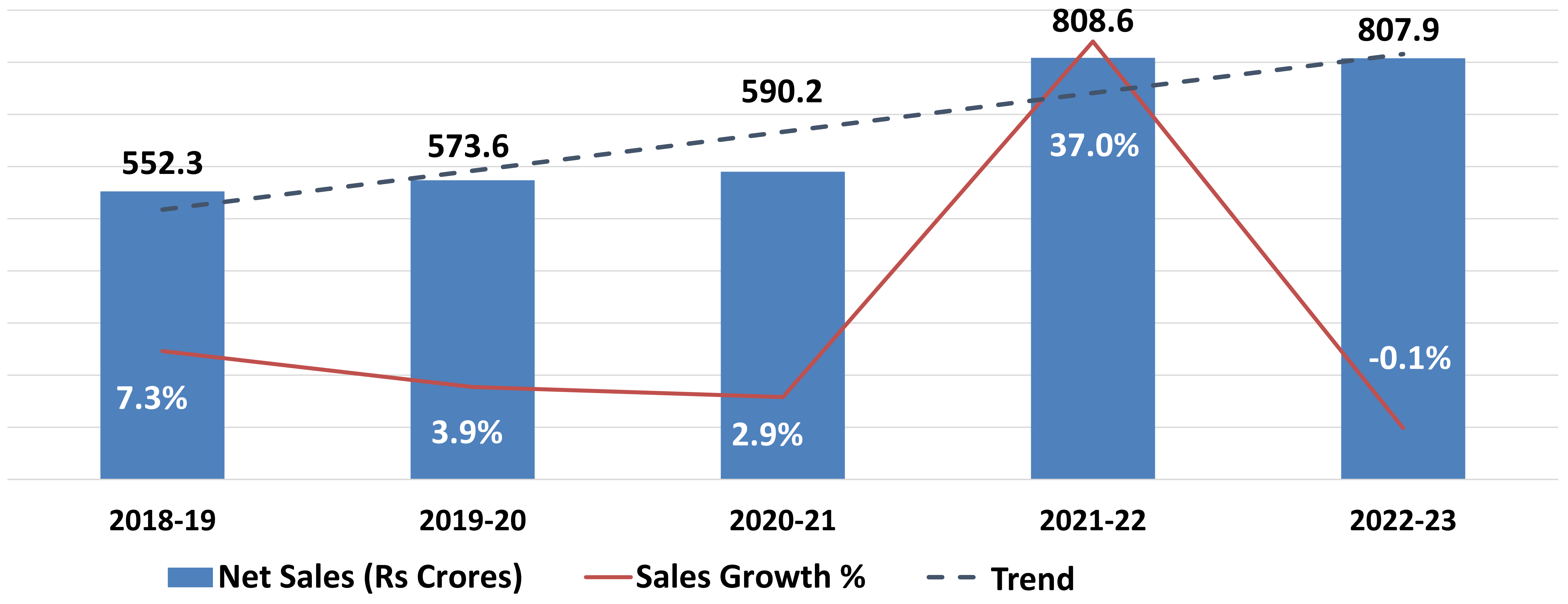
SALES BREAKUP – STANDALONE- FOR FIRST HALF YEAR

(In Rs. Crores)

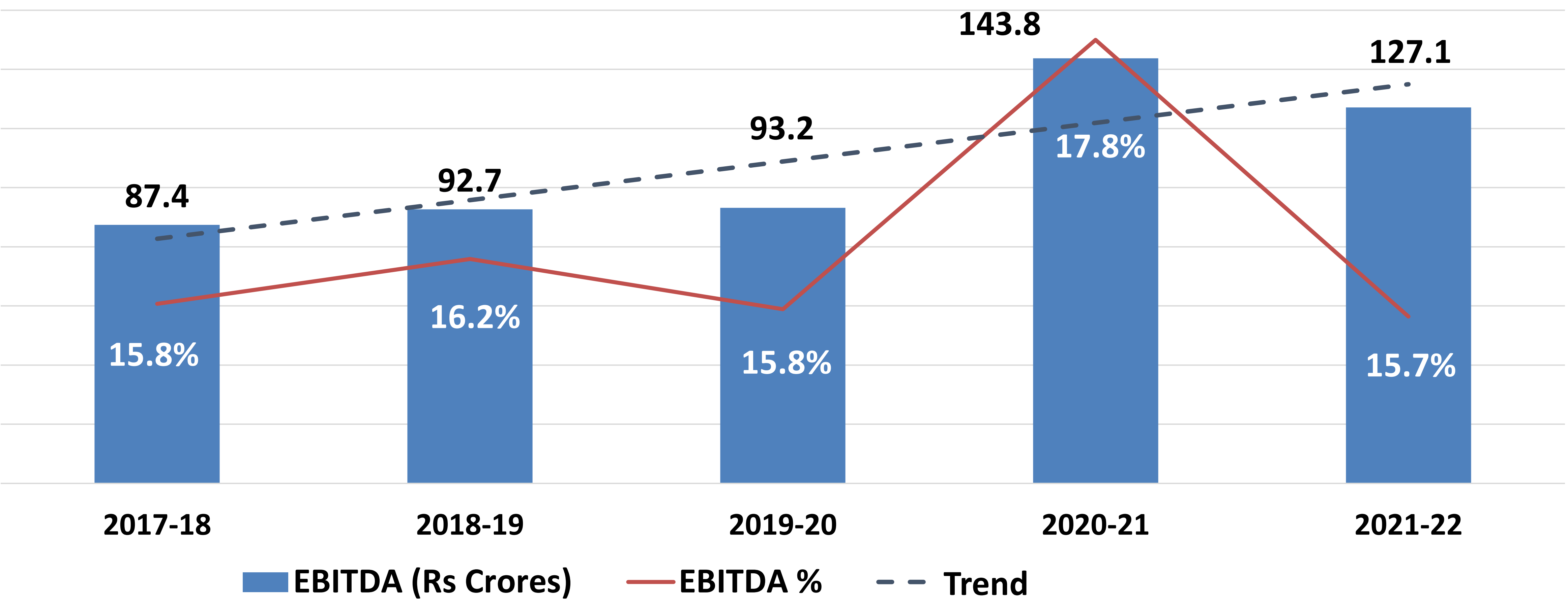
	1st Half 2022-23	1st Half 2021-22	GROWTH	1st Half 2020-21	1st Half 2019-20
COOKERS	443.53	341.57	29.9%	222.97	321.91
COOKWARE	236.29	207.34	14.0%	137.24	159.27
APPLIANCES	671.73	575.62	16.7%	403.99	491.82
OTHERS	56.04	40.95	36.8%	34.57	34.19
TOTAL	1407.59	1165.48	20.8%	798.77	1007.19

PROPORTION TO SALES	1st Half 2022-23	1st Half 2021-22	1st Half 2020-21	1st Half 2019-20
COOKERS	31.5%	29.3%	27.9%	32.0%
COOKWARE	16.8%	17.8%	17.2%	15.8%
APPLIANCES	47.7%	49.4%	50.6%	48.8%
OTHERS	4.0%	3.5%	4.3%	3.4%
TOTAL	100.0%	100.0%	100.0%	100.0%

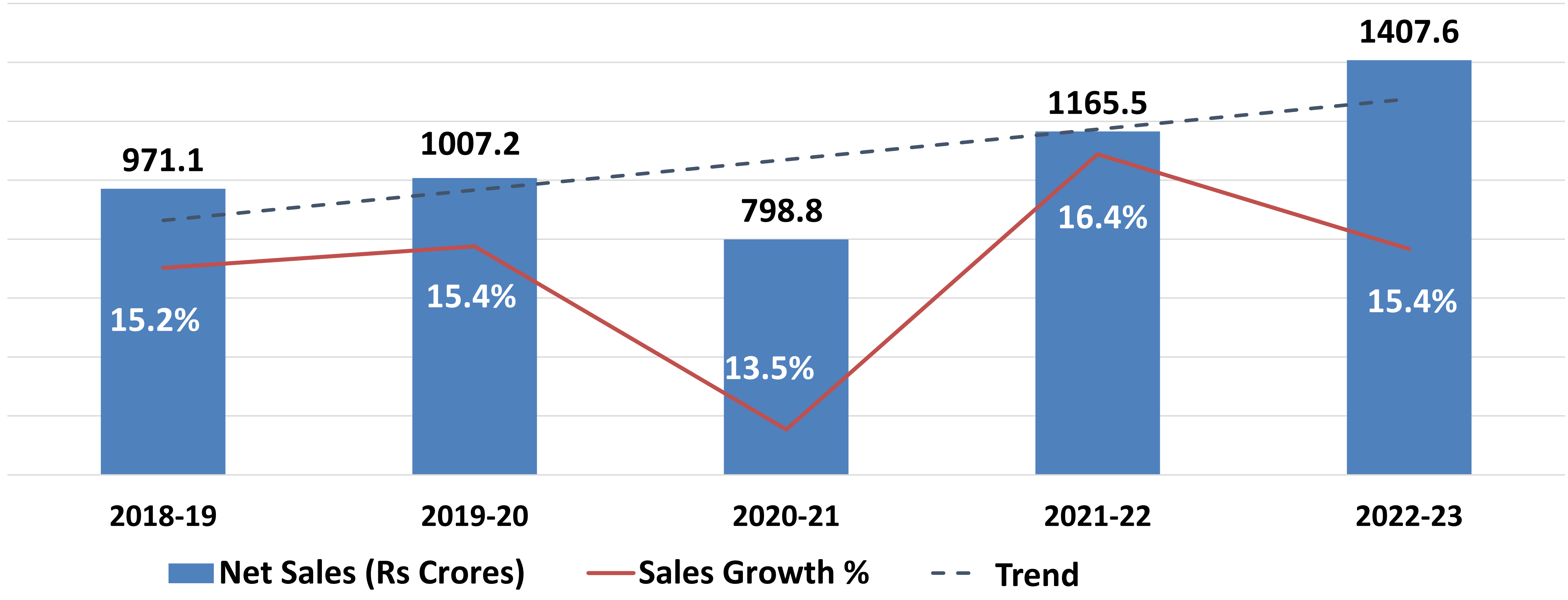
Q2 Top line over 5 years (Standalone)



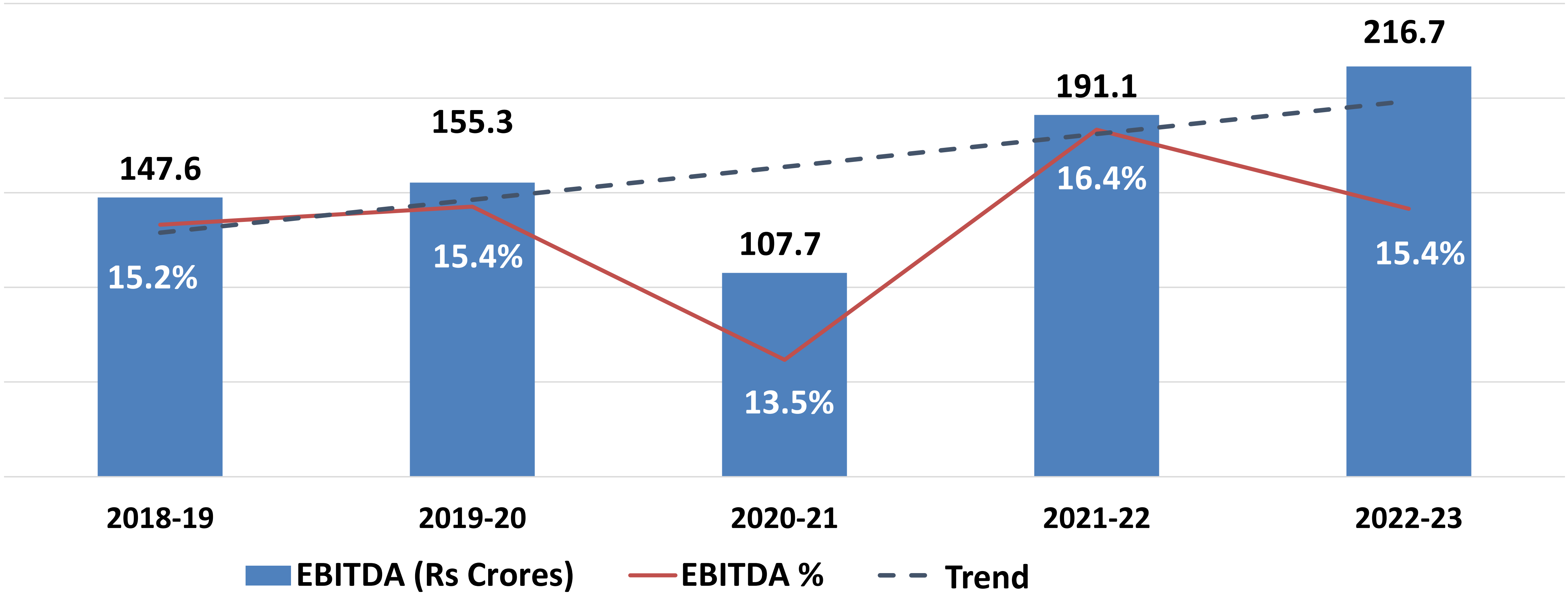
Q2 EBITDA over 5 years (Standalone)



First Half Year Top line over 5 years (Standalone)



First Half Year EBITDA over 5 years (Standalone)



UK SUBSIDIARY – HORWOOD HOMEWARES LTD

- Horwood achieved a sale of £3.7 million during Q2 FY 23 (PY £5.0 million) and £6.9 million during 1st Half of FY 23 (PY £9.3 million).
- The recession and steep inflation due to the ongoing geo-political crisis in UK and Europe coupled with UK's own political issues impacted the customer sentiments and thus impacted the sales of Horwood during the Q2 and first half of FY23.
- Operating EBITDA for Q2 was at £0.03 million (PY £0.71 million) and for 1st Half Year at £(0.3) million (PY £1.0 million).
- This drop in EBITDA was caused by increase in key commodity prices, global supply chain issues and reduced operating leverage due to lower sales.
- The subsidiary is taking all necessary actions to manage this tough period through optimization of costs and through improvement in operational efficiencies.

UK SUBSIDIARY – HORWOOD HOMEWARES LTD (Continued…..)

- The impact of the recession and inflation is expected to continue during Q3 FY23 as well, though all efforts are being made by Horwood to mitigate these impacts.
- The festive season during Q3 is also expected to soften the recessionary impact to some extent.

ASSOCIATE COMPANY – ULTRAFRESH MODULAR SOLUTIONS LIMITED

- Ultrafresh achieved a sale of Rs 6.4 Crores during Q2 FY 23 and Rs 10.8 Crores during 1st Half of FY 23.
- Being an Associate Company from 16th Feb 2022, the loss of Ultrafresh is consolidated appropriately in the Consolidated Financials proportionate to the voting share of the Company – Rs (0.64) Crores in Quarter and Rs (1.41) Crores in Half Year ended 30th Sep 2022.
- Ultrafresh added 50 studios in 1st Half of FY 23 (including 25 in Q2) totalling to 118 active studios as of 30th Sep 2022.

GOING FORWARD

- The overall global economic conditions and the stress on disposable income of middle-income group are not conducive to register significant growth in Q3 whether domestic or exports. Q4 may be more positive if the uncertain conditions ease.
- The Company continues its focus on improvement in efficiencies and management of critical costs to maintain EBITDA margins at a healthy level.
- The company has slated for launch around 32 new SKUs during Q3 of FY 23.
- Given the strong economic base of Indian economy and increase in middle-income households the Company does have a positive outlook for the long-term.

SAFE HARBOUR

THIS PRESENTATION MAY CONTAIN CERTAIN STATEMENTS WHICH ARE FUTURISTIC IN NATURE. SUCH STATEMENTS REPRESENT THE INTENTIONS OF THE MANAGEMENT AND THE EFFORTS BEING PUT IN BY THEM TO REALIZE CERTAIN GOALS. THE SUCCESS IN REALIZING THESE GOALS DEPENDS ON VARIOUS FACTORS BOTH INTERNAL AND EXTERNAL. THEREFORE, THE INVESTORS ARE REQUESTED TO MAKE THEIR OWN INDEPENDENT JUDGMENTS BY CONSIDERING ALL RELEVANT FACTORS BEFORE TAKING ANY INVESTMENT DECISION.

PRODUCT LAUNCHES
Q2 FY23


Prestige
DURASTONE
HARD ANODISED NON-STICK COOKWARE
ELEGANT, DURABLE &
TOUGH AS STONE
INDIA'S FIRST HARD ANODISED COOKWARE
WITH 6-LAYERS NON STICK COATING
ttk
NON-STICK COOKWARE
PFOA-Free
2 YEAR WARRANTY
6-layer Non-stick coating

Prestige®

OMEGA SELECT+ COOKWARE

Superbrands 2021-22

PANIYARAKKAL / APPE PATRA
20 cm (12 pits)

PANIYARAKKAL / APPE PATRA
24 cm (16 pits)

NON STICK COOKWARE

MADE WITH PRIDE IN INDIA

1 YEAR WARRANTY

PFOA-Free

A TTK Product.

Appliances

SMART 1.8-2 RICE COOKER
IoT ENABLED

CleanHome

NATUROFLOW RANGE OF WATER PURIFIERS

NaturoFlow 1.0,2.0 & 3.0

ALPHA MOP

DOUBLE WALL BOTTLES

(500ML,750ML AND 1L IN FOUR COLOURS EACH)


thank you