



Press Release

Q2 FY23 - Revenues at ₹ 636 Crs;

H1 FY23 - Revenues at ₹ 1,241 Crs;

Performance adversely impacted by sharp correction in PVC prices

Mumbai, November 09, 2022: Prince Pipes and Fittings Limited (PPFL), one of India's largest integrated piping solutions & multi polymer manufacturers with 7 strategically located manufacturing units across the country, today announced its un-audited financial results for the quarter and half year ended 30th September 2022. The un-audited financial results were reviewed by the audit committee and approved by the Board of Directors in their meeting held on November 09, 2022.

Key Financial Highlights: Q2 FY23 and H1 FY23

	Q2 FY23	Q2 FY22	% Change	H1 FY23	H1 FY22	% Change
Revenue (₹ in Crores)	636	761	-16%	1,241	1,092	14%
Volume MT	38,458	42,845	-10%	69,707	61,312	14%

- Performance adversely impacted by sharp correction in PVC prices
- EBITDA for Q2FY23 at ₹ -11 crore
- PAT for Q2FY23 at ₹ -24 crore
- Company continues to be Long Term Debt Free

Key Business and Operating Highlights:

- **Unprecedented inventory loss witnessed on account of once in a multi decade sharp correction**
 - Steep PVC price correction of ₹ 29 per kg in Q2 FY23 and ₹ 55 per kg in H1 FY23
 - Q2FY23 volumes adversely affected due to continuing channel destocking
- **Company continues to be bullish on the medium to long term prospects of the industry**
 - Wide range product portfolio will help serve uptick in demand - PVC, end demand continues to be healthy
 - Plumbing portfolio will benefit from healthy Real Estate environment
 - PVC price correction and good monsoon will aid Agri demand



- **Prince FlowGuard Plus - CPVC segment delivered strong performance in H1FY23, achieved ~ 25% plus YoY growth versus H1FY22**
 - Focus continues optimizing product mix
- **Jaipur plant achieved IGBC Platinum rated Green Building certification**
 - Reiterates commitment to ESG as one of its core pillars of achieving operational excellence
- **Signed a Limited Liability Partnership Agreement with Cleanwin Energy Eight LLP (Cleanwin)**
 - Cleanwin is engaged in the business of generation of renewable energy from conventional and non-conventional sources of energy
 - Company's Kolhapur plant to benefit from this wind power project – Post this Prince will have renewable energy in all its plants
- **Company continues to emphasize on brand building despite challenging environment focusing on long term vision of growth**
 - A&P spends for the quarter at ₹ 14 crore or 2.2% of overall revenue
- **Notable improvement in Debtors days from 60 days in March 2022 to 48 days in September 2022**
 - Inventory days improved from 85 days in March to 65 days in September 2022
- **Progress on Bathware division**
 - In the process of shortlisting vendors for outsourcing and finalizing designs
 - Building a lean and credible team to spearhead the division

Commenting on the results, Mr. Parag Chheda, Joint Managing Director, Prince Pipes and Fittings Limited, said, *“Our performance this quarter factors the impact of an unprecedented inventory loss led by a steep fall in raw material prices adversely impacting margins. This has been an unprecedented, one-off development since our 3-decade presence, that we are navigating with all resilience. I would like to highlight, that our volume performance in H1 has improved and our market share as well as volume performance on an annual basis remains intact. With recent price correction, we believe prices have largely hit the bottom and we will see a gradual improvement in performance from Q3.*

On an overall basis, our volume growth in H1 has been healthy, the CPVC segment continues to deliver strong numbers, while we have maintained our focus on optimizing our product mix which has been serving our customers well. Our expansion into the Bathware segment continues to progress as we build a lean and credible team. As we move into the second half of the fiscal, we expect the current price regime to stabilize. This shall lead to a strong demand environment for the industry across Plumbing, SWR as well as Agri, which we are very well placed to capitalize on.”



About the Company:

Prince Pipes and Fittings Limited (PPFL) (NSE: PRINCEPIPE | BSE: 542907) is one of India's largest integrated piping solutions & multi polymer manufacturers, based in Mumbai, Maharashtra. Incorporated in 1987, Prince is one of the fastest growing companies in the Indian pipes and fittings industry. Over 3 decades, the company has been engaged in the manufacturing of polymer piping solutions in four types of polymers - CPVC, UPVC, HDPE, PPR. In August 2020, the Company announced its association with Lubrizol - inventors and largest manufacturers of CPVC compounds worldwide, headquartered in the United States; and thereafter launched Prince Flowguard Plus CPVC plumbing systems.

With a network of more than 1,500 distributors, PPFL is steadily increasing pan-India distributor base to ensure stronger customer proximity to respond faster to their needs.

Prince Pipes and Fittings Limited has 7 state-of-the-art manufacturing units located across the country at Haridwar (Uttarakhand), Athal (Dadra and Nagar Haveli), Dadra (Dadra and Nagar Haveli), Kolhapur (Maharashtra), Chennai (Tamil Nadu), Jobner (Rajasthan) and Sangareddy (Telangana).

For more information: visit www.princepipes.com or follow us on Twitter [@Prince_Pipes](https://twitter.com/Prince_Pipes)

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