

**Date: 12<sup>th</sup> November 2024**

To,

**National Stock Exchange of India Limited (“NSE”),**

The Listing Department  
“Exchange Plaza”, 5<sup>th</sup> Floor  
Plot No. C/1, G Block, Bandra-Kurla Complex  
Bandra (East), Mumbai – 400 051.

**NSE Symbol: SULA**  
**ISIN: INE142Q01026**

To,

**BSE Limited (“BSE”),**  
Corporate Relationship Department,  
2<sup>nd</sup> Floor, New Trading Ring,  
P.J. Towers, Dalal Street,  
Mumbai – 400 001.

**BSE Scrip Code: 543711**  
**ISIN: INE142Q01026**

Dear Sir/Madam,

**Sub: Submission of Investor Presentation Q2 & FY25**

Please find attached herewith the investor presentation on the Financial Results of Sula Vineyards Limited for the quarter ended 30<sup>th</sup> September 2024.

This is being submitted in compliance with Regulation 30(6) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended.

The same is also made available on the Company’s website, at <https://sulavineyards.com/investor-relations.php>

You are requested to kindly take the same on your records.

**Thanking you,  
For Sula Vineyards Limited**

**Abhishek Kapoor  
Chief Financial Officer**



**Sula Vineyards Limited**

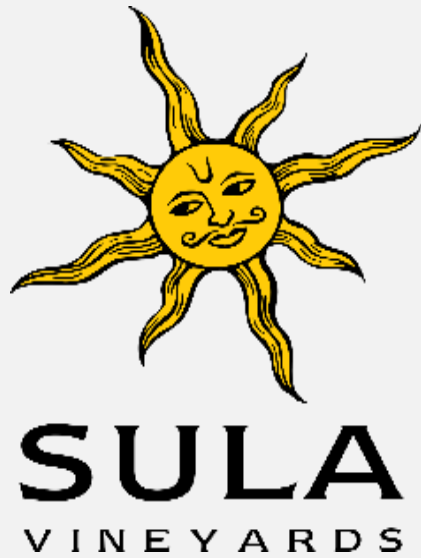
(formerly known as Sula Vineyards Private Limited)

**Regd. Office:** 901, Solaris One, N.S. Phadke Marg, Andheri (E), Mumbai 400069, Maharashtra, India.

Tel: 022-6128 0606/607 Email: [info@sulawines.com](mailto:info@sulawines.com) CIN: L15549MH2003PLC139352

**Winery:** Gat 36/2, Govardhan Village, Gangapur-Savargaon Road, Nashik 422 222, Maharashtra, India Tel: +91 253 3027777/701

[www.sulavineyards.com](http://www.sulavineyards.com)



# Q2 & H1 FY25 Earnings Call Presentation



# Safe Harbour

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# SULA MERLOT

Smooth, Soft, Berrylicious!



Enjoy Responsibly!

# *Performance Highlights*

## *Q2 & H1 FY25*

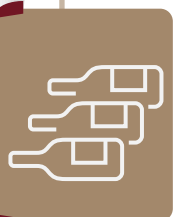


# Key Highlights – Q2 FY25



## Financials

- \* Net Revenue: Rs. 142.0 Cr ↓ 1.2% YoY
- \* Gross Profit: Rs. 104.4 Cr ↓ 0.1% YoY
- \* Gross Margin: 73.9% ↑ 78 bps YoY
- \* EBITDA: Rs. 34.4 Cr ↓ 23.8 % YoY



## Own Brands

- \* **Own Brands Revenue: Rs. 127.2 Cr ↑ 0.4% YoY**
- \* Elite & Premium performed well (+7% YoY) led by healthy double-digit growth in Iconic brands – The Source, RASA and Dindori. Share of Elite & Premium at all-time high of 78.5% (vs. 73.5% LY)
- \* Revenue ex-Maharashtra and Karnataka grew 6% YoY. Telangana, Madhya Pradesh, West Bengal, Himachal, Chandigarh among others performed robustly with high double-digit growth



## Wine Tourism

- \* **Wine Tourism revenue: Rs. 12.2 Cr ↑ 1.0% YoY**
- \* Higher Occupancy (74% vs 66% LY) and Spend Per Head (+9% YoY) offset impact of lower footfalls
- \* **Planned expansions to add further impetus to H2 FY25 performance**
  - \* *ND Wines: Expanded Bottle Shop operational from Nov'24, Tasting Room & Restaurant to open in Q4*
  - \* *Domaine Sula: Expansion of wine tourism facilities slated to open in Q3FY25*



# Own Brands – Delivered 10<sup>th</sup> Consecutive Quarter of Growth

## Q2 FY25

Value

+0.4%

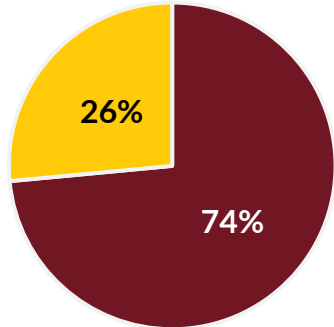
Elite & Premium  
+7.1%

Volume

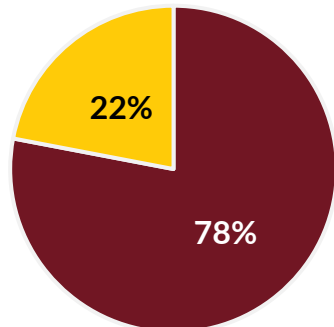
-7.6%

Elite & Premium  
+4.1%

Q2FY24 Portfolio Mix



Q2FY25 Portfolio Mix



■ Elite & Premium

■ Economy & Popular

## H1 FY25

Value\*

+5.9%

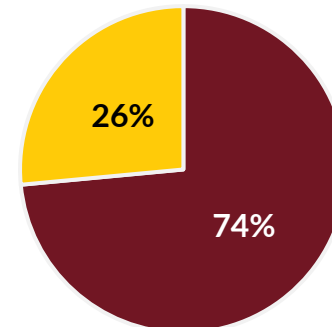
Elite & Premium  
+7.8%

Volume

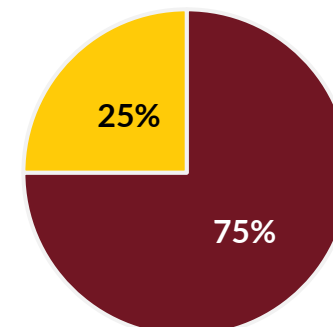
-4.5%

Elite & Premium  
-1.0%

H1FY24 Portfolio Mix



H1FY25 Portfolio Mix



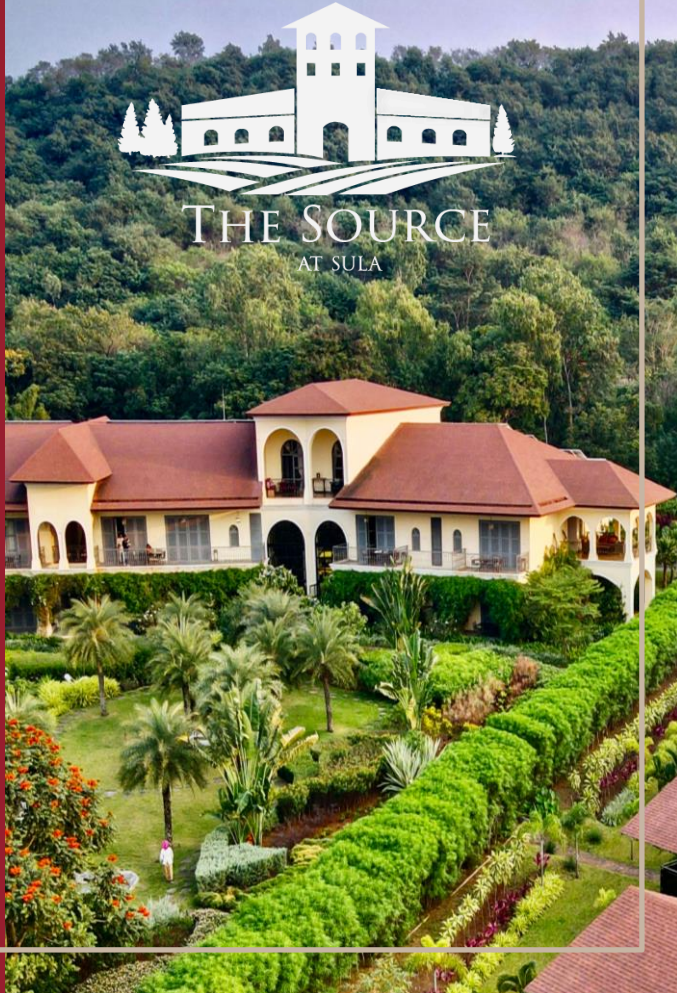
■ Elite & Premium

■ Economy & Popular

Note: \*Value Change includes WIPS unwinding benefit of INR 10 Cr



# Wine Tourism Update – Q2 FY25



## All-Time High Second Quarter Revenue in Q2 FY25



**74%**

Avg. Room Occupancy  
up ~800 bps YoY



**INR 9,700+**

Avg. room revenue  
down 3% YoY



**~89,450\***

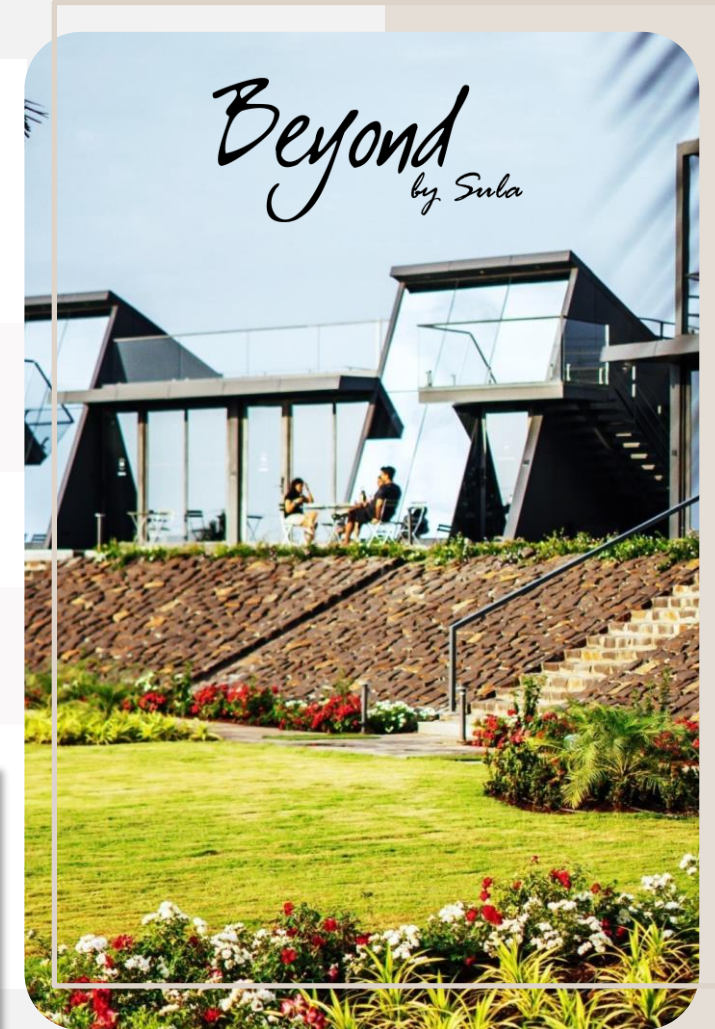
Footfall of visitors  
down 12% YoY



**52,800+**

Pan-India Tastings  
up 6% YoY

- Lower footfalls given deterioration in road infra during monsoon and high base of last year which saw record footfalls
- Pan-India Tastings up 6% as tastings outside Sula campuses up 47% YoY
- Near-term Expansion Plans and SulaFest to provide a fillip in H2
- New Resort with 30 keys near York winery slated to open in Q3 FY26 expanding total room capacity by 30% to 130+ keys



Note: \*Footfall includes visitors at The Source, Beyond (Nashik) and Domaine Sula (Karnataka)



# Profit & Loss Statement – Q2 & H1 FY25

Particulars (in INR Cr)	Q2FY25	Q2FY24	Y-o-Y	H1FY25	H1FY24	Y-o-Y
- Own Brands	127.2	126.8	0.4%	241.9	228.5	5.9%
- Wine Tourism	12.2	12.1	1.0%	23.5	23.6	-0.6%
- Others	2.5	4.8	-48.3%	6.3	9.8	-35.5%
<b>Net Revenue</b>	<b>142.0</b>	<b>143.7</b>	<b>-1.2%</b>	<b>271.7</b>	<b>261.9</b>	<b>3.7%</b>
Excise Duty	8.9	9.1	-3.2%	16.4	17.2	-5.1%
Cost of Goods Sold	28.0	29.2	-4.3%	51.4	52.1	-1.5%
<b>Gross Profit</b>	<b>104.4</b>	<b>104.5</b>	<b>-0.1%</b>	<b>201.9</b>	<b>190.1</b>	<b>6.3%</b>
<i>Gross Margin %</i>	<i>73.9%</i>	<i>73.1%</i>	<i>78bps</i>	<i>74.9%</i>	<i>73.3%</i>	<i>163bps</i>
Employee Cost	23.8	21.6	10.0%	47.6	43.2	10.3%
Other Expenses	47.0	38.6	21.6%	86.8	72.3	20.0%
<b>EBITDA</b>	<b>34.4</b>	<b>45.1</b>	<b>-23.8%</b>	<b>69.6</b>	<b>77.0</b>	<b>-9.7%</b>
<i>EBITDA Margin %</i>	<i>24.2%</i>	<i>31.4%</i>	<i>-718bps</i>	<i>25.6%</i>	<i>29.4%</i>	<i>-380bps</i>
Depreciation & Amortisation	8.7	7.6	14.2%	17.3	15.2	14.2%
Finance Costs	7.6	6.5	16.4%	14.7	11.8	24.1%
<b>PBT</b>	<b>18.1</b>	<b>31.0</b>	<b>-41.6%</b>	<b>37.6</b>	<b>50.0</b>	<b>-24.9%</b>
Tax	3.6	7.9	-54.3%	8.5	13.2	-36.1%
<b>PAT</b>	<b>14.5</b>	<b>23.1</b>	<b>-37.3%</b>	<b>29.1</b>	<b>36.8</b>	<b>-20.9%</b>
<i>PAT Margin %</i>	<i>10.2%</i>	<i>16.1%</i>	<i>-587bps</i>	<i>10.7%</i>	<i>14.0%</i>	<i>-333bps</i>
<b>Basic EPS (INR Rs.)</b>	<b>1.72</b>	<b>2.74</b>	<b>-37.3%</b>	<b>3.45</b>	<b>4.36</b>	<b>-20.9%</b>

## Q2 FY25 Performance Update

- **Own Brands revenue only marginally higher YoY**, impacted by the transitory slowdown in urban consumer demand. Additional impact from temporary disruptions in Karnataka (Excise policy change) and Delhi (Excise portal shutdown in 2<sup>nd</sup> half of Sep'24)
- **Gross Profit flat YoY** as gross margins improved led by a favourable product mix
- **EBITDA** decline mainly due to higher S&D and marketing spends
- **Finance Costs** higher by 16% YoY on account of higher debt (INR 330 Cr in Sep'24 vs. INR 260 Cr LY)
- **Outlook:** Mindful of soft consumer environment and Maharashtra Elections in Nov'24, remain cautiously optimistic for H2 FY25. Will benefit from festive demand and specific structural tailwinds - reopening of Andhra Pradesh after hiatus of 5 years, introduction of 4 new brands in CSD, resumption of shipments to BSF and the return of SulaFest

Note: Gross Profit = Net Revenue from Operations - Excise Duty - Cost of Goods Sold. EBITDA includes Other Income

# Balance Sheet – H1 FY25



## Total Assets

Particulars (in INR Cr)	Sep'24	Mar'24
Tangible Fixed Assets	471.1	453.0
Intangible Fixed Assets	5.6	6.1
Other non-current assets	41.6	65.0
Inventories	180.0	197.8
Trade Receivables	199.2	169.6
Cash & Bank Balance	15.1	104.9
Other current assets	97.7	29.9
<b>Total Assets</b>	<b>1,010.3</b>	<b>1,026.3</b>

## Total Liabilities

Particulars (in INR Cr)	Sep'24	Mar'24
Shareholders Equity	543.2	550.0
Total Borrowings	330.2	299.6
Trade Payables	47.3	83.5
Lease Liabilities	21.2	24.6
Provisions	5.4	3.9
Other Non-current Liabilities	21.3	19.0
Other Current Liabilities	41.7	45.7
<b>Total Liabilities</b>	<b>1,010.3</b>	<b>1,026.3</b>

- **Working Capital Update:** NWC investment increased by INR 48 crore during H1 FY25 mainly on account of seasonality (*farmer payments for wine grapes typically made in H1*) and strong growth in Telangana (+60% YoY) which has relatively higher DSO
- **Debt Update:** Debt rose by INR 30.7 crore in H1 FY25 to INR 330.2 crore as of 30<sup>th</sup> Sep'24, primarily due to –
  - Higher working capital investment in H1
  - Slight delay in receipt of WIPS credit of INR 22 crore (received in Oct'24 instead of during Q2 FY25)
  - ND Wines acquisition (~INR 13 crore)
- **Net Debt-to-EBITDA comfortable at 1.8x as of 30<sup>th</sup> Sep'24**

Note: Net Working Capital = Receivables + Inventory - Payables



# Business Overview



# Executive Summary



Market leader with close to **60%+ market share** in premium wines<sup>1</sup>



**29.8%** EBITDA margin for FY24 vs. **28.9%** for FY23



India's **best-selling** red, white, rosé & sparkling wines



Winery capacity of **16.7 Mn** liters, amongst the **top 5** wineries in Asia



Sourcing from **2,800+** acres of vineyards, significantly higher than the next two wine producers in India



Sula's Shiraz Cabernet - India's **largest selling** wine by value



One of the world's most visited vineyards; **~435,000+** visitors<sup>2</sup>



Strong focus on **sustainability**. Asia's first to receive **IWCA Gold Certificate**



Certified as **Great Place to Work** in **CY21, CY22 & CY23**



Source: Company data

Notes: 1) Includes Elite and Premium wine categories; 2) As of FY24

# “Our Brands” – Wide & Diverse Portfolio across Price Points to Choose From



Brands



RĀSĀ

3 Labels



6 Labels



12 Labels



dindori

3 Labels



27 Labels



17 Labels

- Wide portfolio of **68 labels across 14 brands**
- Category Split: Elite - 21 labels, Premium - 14 labels, Economy - 10 labels, Popular – 6 labels, and 17 Import labels

# Sustainability is Key Focus Area



**~3MW** installed solar PV capacity - Provided **60%+** of energy needs in **H1FY25**



Generated around 4 million kWh from solar energy at Sula's owned and leased facilities in Maharashtra and Karnataka in FY24



Rainwater harvesting reservoirs at all facilities with storage capacity of over 36.8 mn liters; Reduced water usage per case produced by over 11% in last three fiscal years



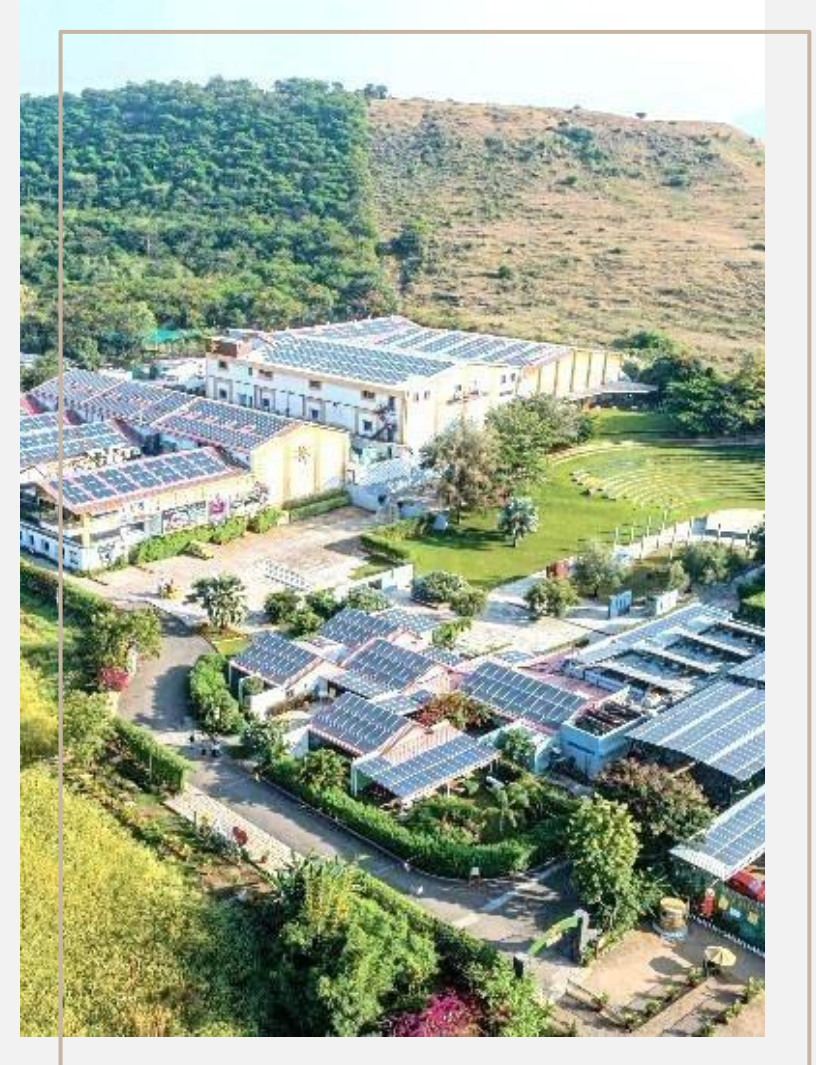
Gold member of International Wineries for Climate Action ("IWCA"), a global campaign, led by UN and its member wineries committed to achieve net zero emissions by 2050



Sourcing 100% of glass bottles locally



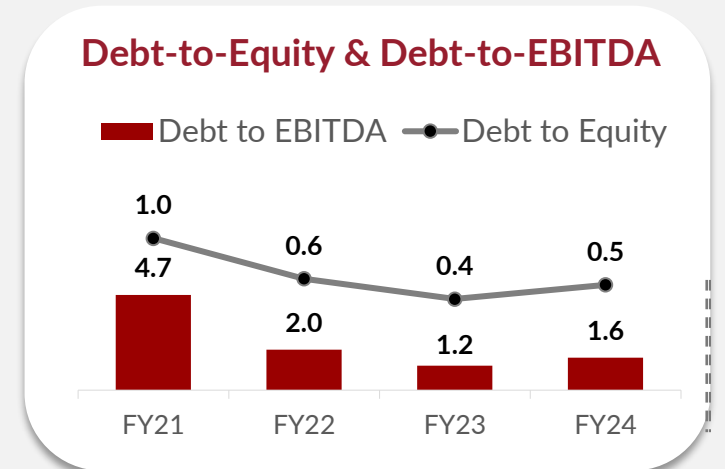
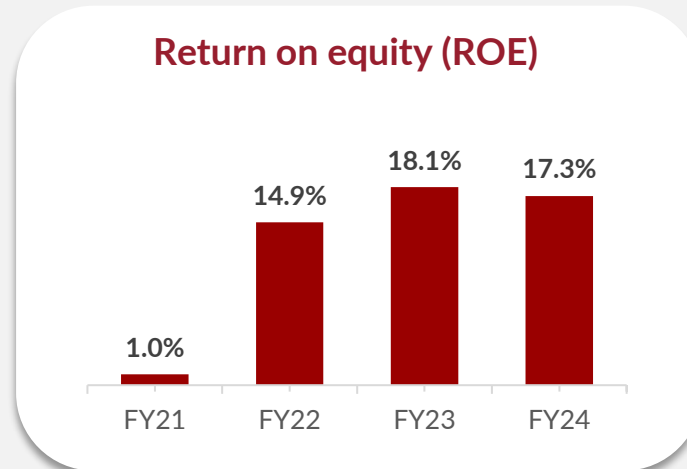
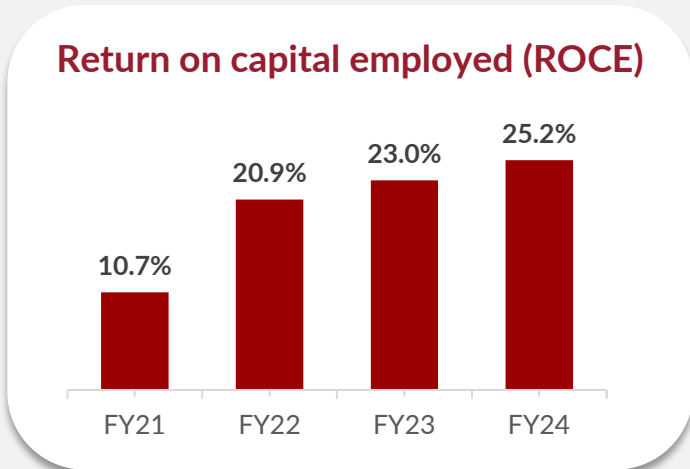
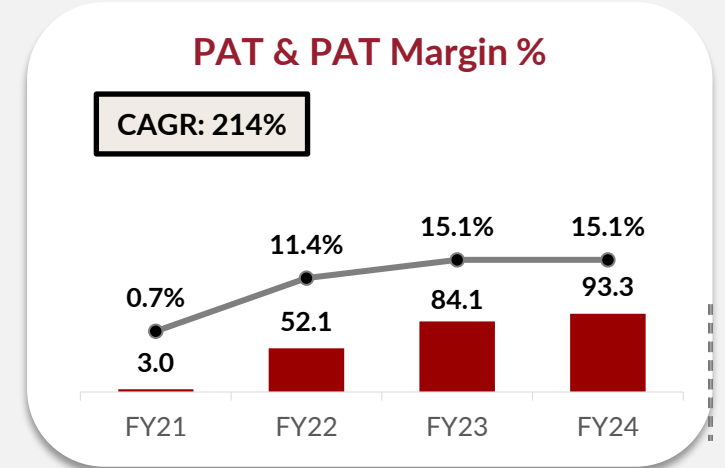
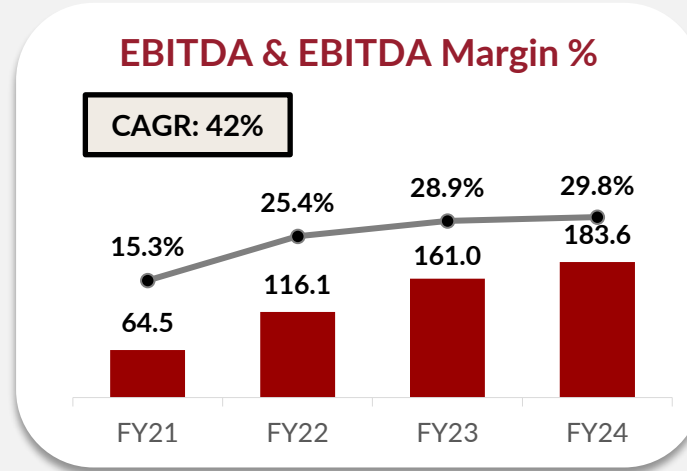
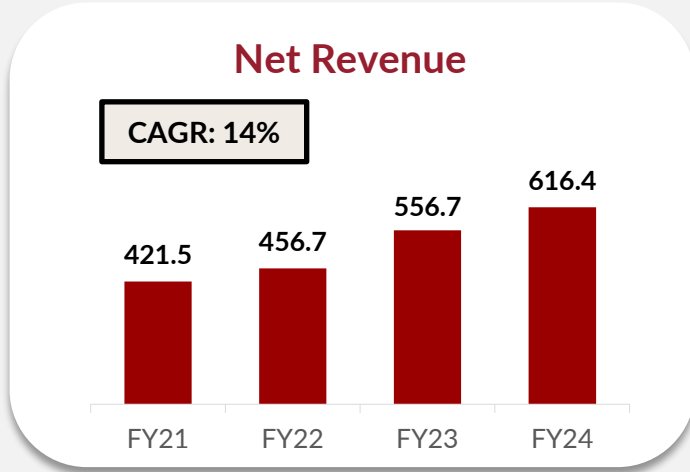
Optimizing packaging materials using lightweight bottles



# Strong Performance Track Record on All Metrics

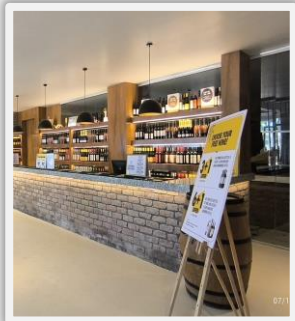


(INR Cr)





# Growth Strategy



- Pursue strategic investments and acquisitions in the Indian AlcoBev Industry

Strategic M&A

Product Development

- Continue launching new products to meet evolving consumer demands



- Targeted marketing & promotion campaigns
- Pan-India tastings
- Events such as SulaFest

Augment Wine Adoption & Brand Visibility

Calibrated Capacity Expansion

- On-track to expand Cellar capacity by 2.5 Mn Liters by FY26 at 33% lower capex

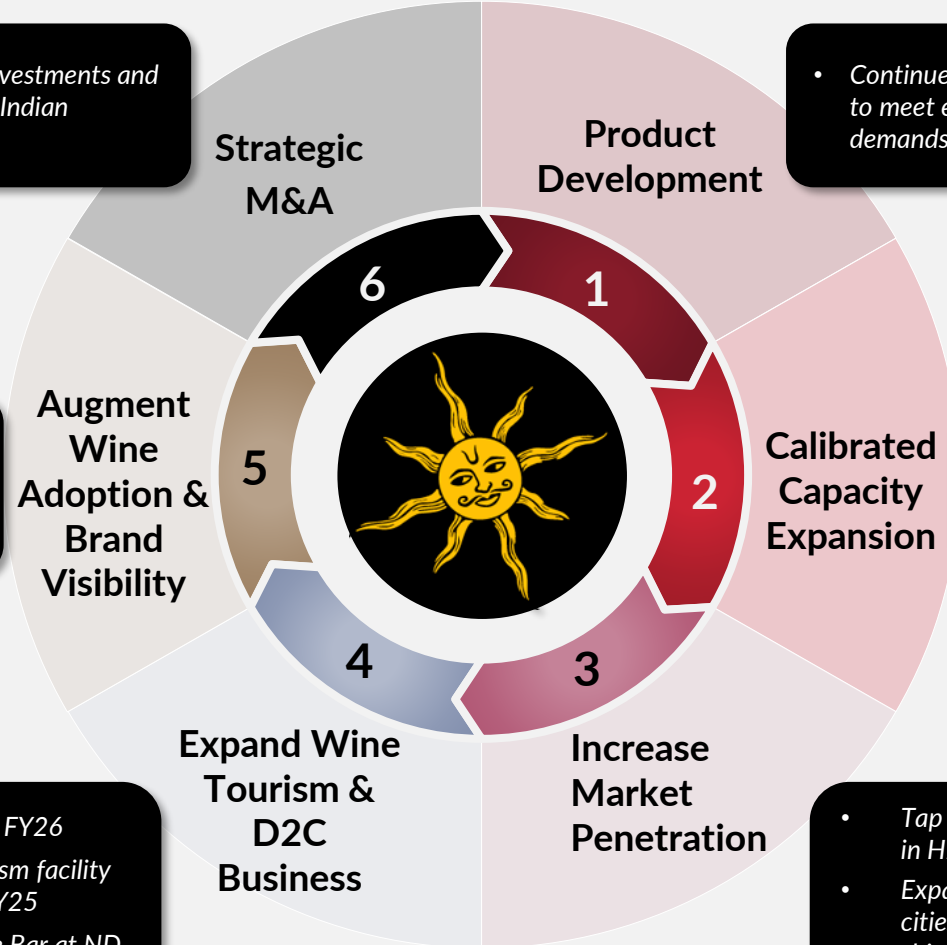


- 30 Key Resort at York in FY26
- Expansion of Wine Tourism facility at Domaine Sula in H2FY25
- New Bottle Shop & Wine Bar at ND Wines in H2FY25

Expand Wine Tourism & D2C Business

Increase Market Penetration

- Tap new markets (Andhra Pradesh in H2 FY25)
- Expand recent launches in more cities, on-trade outlets. Resume shipments to BSF, Introduce more labels in CSD in H2FY25



# Thank You



**Sula Vineyards**

**Mandar Kapse | IR Head**

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