



RKL/SX/2023-24/47
August 03, 2023

BSE Ltd. Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400 001 Scrip Code: 532497	National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor Plot no. C/1, G Block Bandra-Kurla Complex, Bandra (E) Mumbai – 400 051 Symbol: RADICO
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Sub: Investor's presentation on Unaudited Financial Results for the quarter ended June 30, 2023

Dear Sir / Madam,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulation 2015, we enclose herewith a copy of Investor's presentation on Unaudited Financial Results for the quarter ended June 30, 2023 for your reference and records.

Thanking you,

Yours faithfully,
For Radico Khaitan Limited

(Dinesh Kumar Gupta)
Vice President - Legal &
Company Secretary

Email Id: investor@radico.co.in

Encl.: As above

RADICO KHAITAN LIMITED

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CIN No-L26941UP1983PLC027278



Radico Khaitan Ltd.
(BSE: 532497; NSE: RADICO)

**Q1 FY2024 Earnings
Presentation**

Happiness
in a bottle

HAPPILY CRAFTED GIN

The Joy of Sharing



Q1 FY2024 Performance Highlights

Sustained strong operating performance led by Prestige & Above category portfolio

Q1 FY2024 vs. Q1 FY2023

- Total IMFL volume* of 7.36 Million Cases (+7.9%)
- Prestige & Above brands volume of 2.39 Million Cases (+27.2%)
- Prestige & Above brands net sales of ₹419.5 Cr (+40.3%)
- Prestige & Above brands contribution to the IMFL volumes of 36.5% (vs. 29.6%)
- Prestige & Above brands contribution to the Total IMFL sales value of 59.5% (vs. 50.0%)
- Revenue from Operations (Net) of ₹953.9 Cr (+25.9%)
- Gross Profit of ₹415.9 Cr (+26.1%)
- EBITDA of ₹118.9 Cr (+29.1%) at 12.5% margin
- Total comprehensive income of ₹62.8 Cr (+8.4%)

* Including brands on Royalty



Commenting on the results and performance, Dr. Lalit Khaitan, Chairman & Managing Director said:

“FY2024 started on a strong note, in line with our expectations, as we delivered strong operational and financial performance. This year can be characterized as a year of transformation for Radico Khaitan as we continue to focus on our luxury and premium portfolio. Although, we have faced raw material pressure in the short term but the mid to long-term growth and margin trajectory remains intact. Going forward, we will continue to invest in strengthening our brand portfolio and deliver value to our discerning consumers. Radico Khaitan is very well placed to benefit from the strong premiumization trend of the Indian spirits industry. Our Sitapur greenfield distillery project is progressing well and is in the last stage of implementation. We expect to start commercial production during Q2 FY2024.”

Commenting on the results and performance, Abhishek Khaitan, Managing Director said:

“I am pleased to report that we have delivered another quarter of a strong double-digit Prestige & Above volumes growth which has exceeded our earlier guided growth rate of 15-18%. Overall, we have recorded significant improvement in sequential margins, which have been sustained on year-on-year basis. This was aided by strong efforts on driving premium value growth, price increase received over the last four quarters supported by easing inflation in certain raw materials. In line with our strategy of expanding the premium portfolio, we have recently launched a new super-premium gin called ‘Happiness in a Bottle’. This brand will also go on to create a unique position for itself and become a category creator as many of our previous launches. We continue to monitor the business environment cautiously and remain committed to driving growth and profitability while navigating market challenges and capitalizing on the industry opportunities for the remainder of the financial year.”

Performance Trend

	Q1		y-o-y	Q4	q-o-q	Twelve Month		y-o-y
	FY2024	FY2023	Growth (%)	FY2023	Growth (%)	FY2023	FY2022	Growth (%)
Operational Performance (Million Cases)								
Prestige & Above	2.39	1.88	27.2%	2.55	(6.5)%	9.35	7.81	19.8%
Regular & Others	4.15	4.47	(7.2)%	3.80	9.1%	15.62	18.02	(13.3)%
Total Own Volume	6.53	6.34	3.0%	6.35	2.8%	24.97	25.83	(3.3)%
<i>Prestige & Above as % of Total</i>	36.5%	29.6%		40.2%		37.5%	30.2%	
Royalty Brands	0.83	0.48		0.89		3.26	0.53	
Total Volume	7.36	6.83	7.9%	7.24	1.7%	28.24	26.35	7.1%
Revenue Break up (₹ Crore)								
IMFL (A)	705.5	597.9	18.0%	658.9	7.1%	2,501.4	2,308.4	8.4%
<i>Prestige & Above</i>	419.5	298.9	40.3%	433.6	(3.3)%	1,496.2	1,207.7	23.9%
<i>Regular & Others</i>	278.3	294.4	(5.5)%	217.5	28.0%	978.0	1,091.9	(10.4)%
<i>Other</i>	7.7	4.6		7.7		27.3	8.8	
Non IMFL (B)	248.4	159.6	55.7%	172.9	43.6%	641.4	559.7	14.6%
Revenue from Operations (Net) (A+B)	953.9	757.4	25.9%	831.8	14.7%	3,142.8	2,868.1	9.6%
<i>Prestige & Above as % of Total IMFL Revenue</i>	59.5%	50.0%		65.8%		59.8%	52.3%	
<i>IMFL as % of Total Revenue</i>	74.0%	78.9%		79.2%		79.6%	80.5%	

Above financials are on Standalone basis

Performance Trend

	Q1		y-o-y Growth (%)	Q4		q-o-q Growth (%)	Twelve Month		y-o-y Growth (%)
	FY2024	FY2023		FY2023	FY2022				
Financial Performance (₹ Crore)									
Revenue from Operations (Gross)	4,023.3	3,183.8	26.4%	3,375.4	19.2%	12,743.9	12,470.5	2.2%	
Revenue from Operations (Net)	953.9	757.4	25.9%	831.8	14.7%	3,142.8	2,868.0	9.6%	
Gross Profit	415.9	329.9	26.1%	337.4	23.3%	1,314.9	1,290.6	1.9%	
<i>Gross Margin (%)</i>	43.6%	43.6%		40.6%		41.8%	45.0%		
EBITDA	118.9	92.1	29.1%	80.1	48.4%	358.2	402.7	(11.1)%	
<i>EBITDA Margin (%)</i>	12.5%	12.2%		9.6%		11.4%	14.0%		
Profit Before Tax	84.0	77.2	8.9%	51.4	63.6%	274.8	335.3	(18.0)%	
Total Comprehensive Income	62.8	58.0	8.4%	36.5	72.1%	202.6	252.5	(19.8)%	
<i>Total Comprehensive Income Margin (%)</i>	6.6%	7.7%		4.4%		6.4%	8.8%		
Basic EPS (₹)	4.73	4.36	8.5%	2.79	69.7%	15.29	18.87	(19.0)%	

Above financials are on Standalone basis

Performance Trend

₹ Crore)	Q1		y-o-y	Q4	q-o-q	Twelve Month		y-o-y
	FY2024	FY2023	Growth (%)	FY2023	Growth (%)	FY2023	FY2022	Growth (%)
Revenue from Operations (Gross)	4,023.3	3,183.8	26.4%	3,375.4	19.2%	12,743.9	12,470.5	2.2%
Revenue from Operations (Net)	953.9	757.4	25.9%	831.8	14.7%	3,142.8	2,868.0	9.6%
Other Income	1.1	4.4	(74.4)%	1.4	(18.4)%	9.4	11.0	(14.6)%
Income from Operations	955.0	761.8	25.4%	833.2	14.6%	3,152.2	2,879.0	9.5%
Cost of Goods Sold	538.0	427.5	25.8%	494.4	8.8%	1,827.9	1,577.4	15.9%
Employee Benefit	41.3	36.4	13.5%	44.5	(7.2)%	166.7	141.3	18.0%
Selling & Distribution	107.8	94.0	14.6%	83.2	29.5%	329.0	313.7	4.9%
Depreciation	24.3	16.7	45.4%	19.9	22.2%	70.9	64.9	9.3%
Interest	12.3	3.0	312.9%	9.0	36.2%	22.1	13.1	68.8%
Other Operating Expenses	147.3	106.9	37.7%	128.5	14.6%	458.5	433.4	5.8%
Total Expenses	871.0	684.6	27.2%	779.6	11.7%	2,875.2	2,543.8	13.0%
Profit Before Exceptional Item & Tax	84.0	77.2	8.9%	53.6	56.7%	277.0	335.3	(17.4)%
Exceptional Items	0.0	0.0		(2.3)		(2.3)	0.0	
Profit Before Tax	84.0	77.2	8.9%	51.4	63.6%	274.8	335.3	(18.0)%
Current Tax	22.8	22.0		8.6		68.9	87.2	
Previous Year Adjustments	0.0	0.0		0.0		0.0	(0.6)	
Deferred Tax	(2.0)	(3.1)		5.5		1.5	(3.5)	
Net Profit	63.2	58.3	8.5%	37.3	69.7%	204.4	252.2	(18.9)%
<i>Net Income Margin (%)</i>	6.6%	7.7%		4.5%		6.5%	8.8%	
Other Comprehensive Expenses / (Income)	0.4	0.3		0.8		1.9	(0.3)	
Total Comprehensive Income	62.8	58.0	8.4%	36.5	72.1%	202.6	252.5	(19.8)%
<i>Total Comprehensive Income Margin (%)</i>	6.6%	7.7%		4.4%		6.4%	8.8%	

Q1 FY2024 Highlights

- Revenue from Operations (Net) grew by 25.9% y-o-y. Total IMFL volume* increased 7.9% whereas Prestige & Above category volume grew 27.2%. Prestige & Above net revenue growth was 40.3% compared to Q1 FY2023. Non-IMFL revenue growth was due to incremental country liquor volumes from our Sitapur bottling unit coupled with the country liquor price increases received w.e.f. 1-April-2023.
- Gross Margin during the quarter was 43.6% compared to 40.6% in Q4 FY2023 and flat Y-o-Y. On Q-o-Q basis, our gross margin improved significantly due to the price increases received in the Country Liquor business coupled with price increases and ongoing premiumization in the IMFL business. On Y-o-Y basis, despite significant commodity inflation across ENA and glass bottles (accounting for over 65% of our cost of production) we have been able to sustain Gross Margins.
- Although, prices of certain packaging materials have softened recently, we cautiously monitor the trends of ENA and glass bottles where volatility persists.
- The Company's strategy is to continue to make prudent marketing investments over existing core brands and new launches to sustain the growth and market share. During Q1 FY2024, A&SP as % of IMFL sales was 5.9% vs. 5.0% in FY2023. On a quarterly basis, the amount may vary but we expect to maintain A&SP spend around 6% to 8% of our IMFL revenues to be able to drive the sales momentum.
- The Company has incurred ₹776.7 Crore on the Rampur Dual Feed and Sitapur Green Field projects since inception.

As of June 30, 2023	₹ Crore	Comment
Total Debt	800.6	Long Term ₹ 372.8 Crore, Short Term (including current maturities) ₹ 427.8 Crore
Cash & Cash Equivalents	(80.4)	
Net Debt	720.2	Increase in Net Debt of ₹ 109.3 Cr after Capex on new projects of ₹ 99.2 Crore since Mar-2023



Awards & Recognitions Icons of Whisky India 2023



THE AWARD-WINNING
LEGACY OF EXCELLENCE

Awards & Recognitions

Monde Selection Global Quality Awards 2023

Brand Name	Awards
Rampur Indian Single Malt	GRAND GOLD (2 nd Consecutive Year)
Jaisalmer Indian Craft Gin	GRAND GOLD (4 th Consecutive Year)
Royal Ranthambore Whisky	GRAND GOLD (2 nd Consecutive Year)
M2 Dazzle Premium Vodka	GRAND GOLD (2 nd Consecutive Year)
Morpheus Blue Brandy	GRAND GOLD
M2 Dazzle Vanilla Premium Vodka	GOLD (2 nd Consecutive Year)
1965 SOV Premium XXX Rum	GOLD (6 th Consecutive Year)
8PM Premium Black Whisky	GOLD (5 th Consecutive Year)
M2 Verve Premium Vodka	GOLD (5 th Consecutive Year)
M2 Premium Grain Vodka	GOLD (3 rd Consecutive Year)
M2 Verve Lemon Lush Vodka	GOLD (3 rd Consecutive Year)
Morpheus XO Premium Brandy	GOLD (3 rd Consecutive Year)
After Dark Whisky	GOLD
1965 SOV Lemon Dash Rum	GOLD (Debut)
M2 Cocktails Cola	SILVER (Debut)
M2 Cocktails Cosmopolitan	SILVER (Debut)
M2 Cocktails Mojito	SILVER (Debut)
M2 Verve Cranberry Vodka	SILVER

**Awards &
Recognitions**
**15th Edition of
INDSPIRIT
Awards 2023**



Disclaimer



This presentation contains statements that contain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Radico Khaitan’s future business developments and economic performance.

While these forward-looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance.

Radico Khaitan undertakes no obligation to publicly revise any forward-looking statements to reflect future / likely events or circumstances.

For further information, please contact:

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Q1 FY2024 Earnings Call Details

Date: Friday, August 4, 2023 | Time: 12:30 PM IST

Universal Access: +91 22 6280 1116, +91 22 7115 8017

[Pre-Register to avoid wait time and Express Join with Diamond Pass](#)



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