



RKL/SX/2021-22/32
July 28, 2021

Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers Dalal Street <u>Mumbai – 400 001.</u> 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) <u>Mumbai – 400 051.</u> Scrip Code: RADICO
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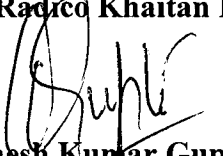
Sub: Investor's presentation

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 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)
Earnings Presentation
First Quarter FY2022



Q1 FY2022 Performance Highlights

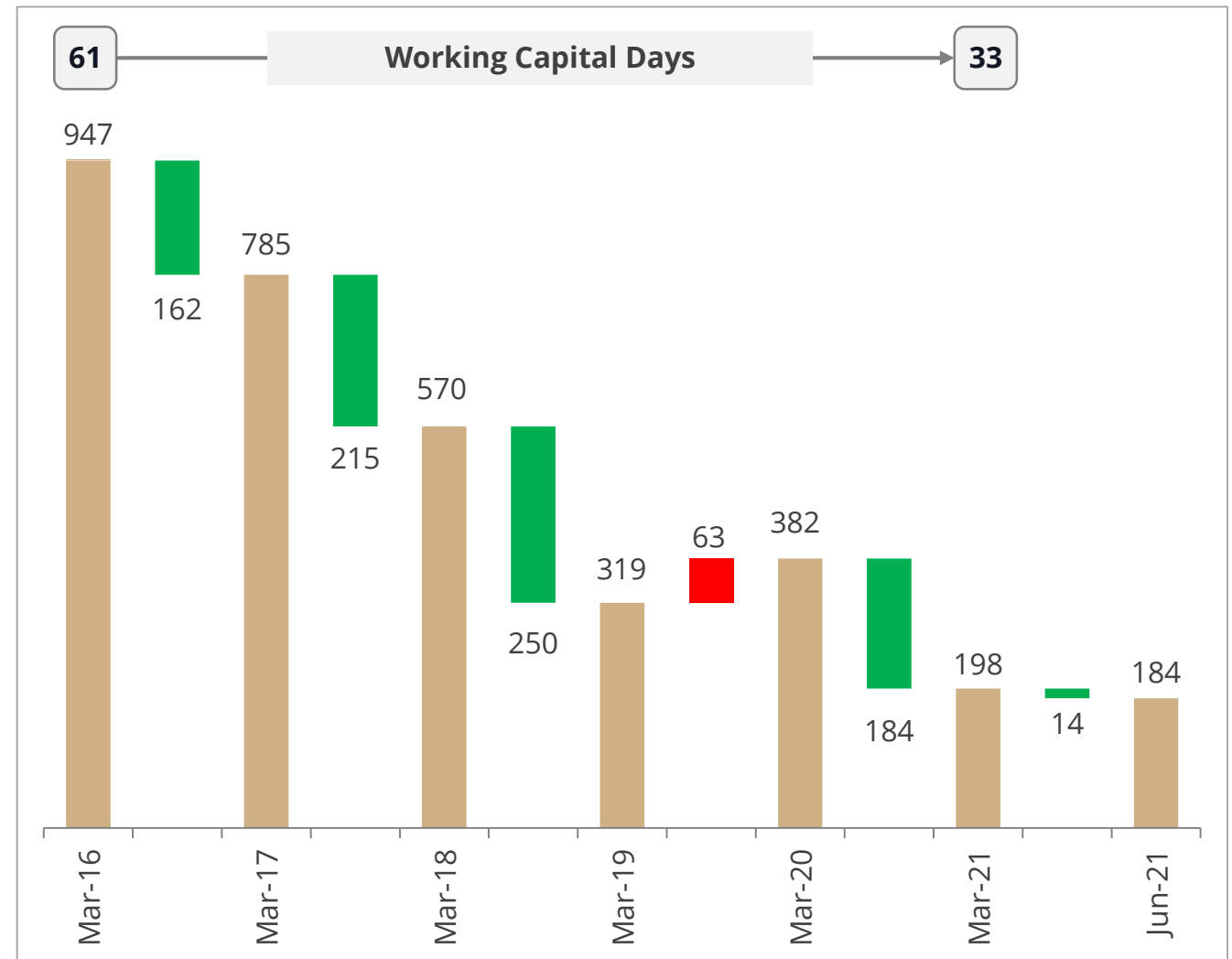
Robust operational and financial performance despite the second wave of pandemic



Key Highlights

- Total IMFL volume of 5.61 Million Cases (+58.8% y-o-y)
- Prestige & Above brands volume of 1.48 Million Cases (+41.1% y-o-y)
- Prestige & Above brands contribution to the total IMFL volumes of 26.4% (vs. 29.7% in Q1 FY2021)
- Revenue from Operations (Net) of ₹602.76 Cr (+47.3% y-o-y)
- Gross Profit of ₹ 286.60 Cr (+28.2% y-o-y)
- EBITDA of ₹ 91.72 Cr (+21.9% y-o-y)
- EBITDA margin of 15.2%, up 54 bps from 14.7% in Q4 FY21
- Reduction in interest costs from ₹6.57 Cr in Q1 FY2021 to ₹4.63 Cr
- Total comprehensive income of ₹59.55 Cr (+36.4% y-o-y)

Net Debt Position (₹ Crore)





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

“After closing FY2021 on a positive note, it is heartening to report a robust performance in Q1 FY2022. The disruptive second wave of the pandemic impacted businesses from the second half of April. However, we noted rebound in volumes by the second fortnight of June 2021. Teams across different divisions came together with resilience and strength to ensure seamless operations and continued dispatches. This has enabled us to outperform the industry yet another quarter.

This pandemic has tested the strength of our business model and we have emerged only stronger. We are looking ahead with a lot of optimism and are confident of making Radico Khaitan a leading global alcobev company.”

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

“Despite state level lock downs and supply chain challenges posed by COVID-19 in Q1 FY2022, we delivered a strong all-round performance. As restrictions are lifted and normalcy resumes, month-on-month volumes indicate a positive trend and we are confident of an improved industry performance, led by Prestige & Above segment, in the coming quarters. I am pleased to report that after a solid performance last year, Radico Khaitan became the largest IMFL exporter out of India during Q1 FY2022.

Radico Khaitan is focused on further strengthening its premium products portfolio through new launches in the coming quarters and ongoing marketing investments. We are progressing well on our strategic growth agenda which will create long term shareholders value.”



Performance Trend



	Q1		y-o-y Growth (%)	Q4		q-o-q Growth (%)	Full Year		y-o-y Growth (%)
	FY2022	FY2021		FY2021	FY2020				
Operational Performance (Million Cases)									
Prestige & Above	1.48	1.05	41.1%	1.77	(16.2)%	6.51	7.05	(7.7)%	
Regular & Others	4.13	2.48	66.2%	4.50	(8.2)%	15.83	17.25	(8.2)%	
Total Volume	5.61	3.54	58.8%	6.27	(10.5)%	22.34	24.30	(8.0)%	
<i>Prestige & Above as % of Total IMFL Volume</i>	26.4%	29.7%		28.2%		29.1%	29.0%		
<i>Prestige & Above as % of Total IMFL Sales Value</i>	46.8%	50.7%		51.8%		50.6%	49.5%		
Financial Performance (₹ Crore)									
Revenue from Operations (Gross)	2,847.46	1,774.66	60.5%	2,881.20	(1.2)%	10,367.36	9,417.89	10.1%	
Revenue from Operations (Net)	602.76	409.15	47.3%	694.73	(13.2)%	2,418.14	2,427.04	(0.4)%	
Gross Profit	286.60	223.53	28.2%	336.37	(14.8)%	1,215.72	1,178.85	3.1%	
<i>Gross Margin (%)</i>	47.5%	54.6%		48.4%		50.3%	48.6%		
EBITDA	91.72	75.23	21.9%	101.93	(10.0)%	407.79	368.19	10.8%	
<i>EBITDA Margin (%)</i>	15.2%	18.4%		14.7%		16.9%	15.2%		
Profit Before Tax	77.62	58.22	33.3%	94.44	(17.8)%	353.10	272.69	29.5%	
Total Comprehensive Income	59.55	43.65	36.4%	73.98	(19.5)%	269.70	224.80	20.0%	
<i>Total Comprehensive Income Margin (%)</i>	9.9%	10.7%		10.6%		11.2%	9.3%		
Basic EPS (₹)	4.48	3.30	35.7%	5.51	(18.7)%	20.26	17.05	18.8%	

Above financials are on Standalone basis



Performance Trend



₹ Crore)	Q1		y-o-y	Q4	q-o-q	Full Year		y-o-y
	FY2022	FY2021	Growth (%)	FY2021	Growth (%)	FY2021	FY2020	Growth (%)
Revenue from Operations (Gross)	2,847.46	1,774.66	60.5%	2,881.20	(1.2)%	10,367.36	9,417.89	10.1%
Revenue from Operations (Net)	602.76	409.15	47.3%	694.73	(13.2)%	2,418.14	2,427.04	(0.4)%
Other Income	5.54	1.87	196.4%	11.90	(53.4)%	20.07	9.19	118.5%
Income from Operations	608.30	411.02	48.0%	706.62	(13.9)%	2,438.21	2,436.23	0.1%
Cost of Goods Sold	316.16	185.62	70.3%	358.35	(11.8)%	1,202.42	1,248.19	(3.7)%
Employee Benefit	43.21	38.72	11.6%	47.09	(8.3)%	176.34	186.08	(5.2)%
Selling & Distribution	76.09	49.44	53.9%	94.56	(19.5)%	316.52	311.25	1.7%
Depreciation	15.38	12.88	19.4%	14.20	8.3%	53.90	52.53	2.6%
Interest	4.63	6.57	(29.5)%	4.62	0.2%	22.02	31.61	(30.4)%
Other Operating Expenses	75.21	59.58	26.2%	93.36	(19.4)%	313.92	309.72	1.4%
Total Expenses	530.68	352.80	50.4%	612.18	(13.3)%	2,085.11	2,139.37	(2.5)%
Profit Before Exceptional Item & Tax	77.62	58.22	33.3%	94.44	(17.8)%	353.10	296.85	18.9%
Exceptional Item	0.00	0.00		0.00		0.00	(24.17)	
Profit Before Tax	77.62	58.22	33.3%	94.44		353.10	272.69	29.5%
Current Tax	20.12	15.06		19.87		84.36	70.95	
Previous Year Adjustments	(0.65)	0.00		(0.12)		(3.89)	0.00	
Deferred Tax	(1.68)	(0.91)		1.13		2.07	(25.76)	
Net Profit	59.83	44.07	35.7%	73.55	(18.7)%	270.56	227.50	18.9%
Net Income Margin (%)	9.9%	10.8%		10.6%		11.2%	9.4%	
Other Comprehensive Expenses / (Income)	0.28	0.42		(0.43)		0.86	2.70	
Total Comprehensive Income	59.55	43.65	36.4%	73.98	(19.5)%	269.70	224.80	20.0%
Total Comprehensive Income Margin (%)	9.9%	10.7%		10.6%		11.2%	9.3%	



Q1 FY2022 Highlights

- Revenue from Operations (Net) grew by 47.3% y-o-y during the quarter. Total IMFL volume growth was 58.8% y-o-y. Regular & Others category growth was higher given this quarter was impacted by the second wave of COVID-19. Total IMFL revenue growth was 56.3% compared to Q1 FY2021. IMFL sales value accounted for 77.7% (vs. 73.2% in Q1 FY2021) of the Revenue from Operations (Net).
- Gross Margin contracted from 54.6% in Q1 FY2021 to 47.5% in Q1 FY2022. Due to an abnormal base quarter, year over year margins are not comparable. On a Q-o-Q basis, Gross Margin contracted by 87 bps due to an unfavorable product mix which was impacted by COVID induced lock downs and scattered market timings. Despite Gross Margin contraction, EBITDA margin expanded by 54 bps from 14.7% in Q4 FY2021 to 15.2% in Q1 FY2022.
- During Q1 FY2022, Advertising & Sales Promotion (A&SP) expenses increased by 70.5% to ₹ 33.48 Crore. As a percentage of IMFL sales, A&SP expenses were 7.2% in Q1 FY2022 compared to 7.3% for the full year FY2021. The Company continues to invest behind brand building to support strategic growth and market share expansion initiatives.
- Finance Cost decreased by 29.5% y-o-y from ₹ 6.57 Crore to ₹ 4.63 Crore. The Company's cost of borrowing is one of the lowest in the industry due to a lower interest environment, stable profitability, strong capital structure and improved liquidity position.
- Balance Sheet: As of June 30, 2021, Net Debt was ₹ 183.89 Crore (vs. ₹ 197.54 Crore as of March 31, 2021).

As of June 30, 2021	Rs. Crore	Comment
Total Debt	212.86	Long Term Rs. 0.22 Crore, Short Term (including current maturities) Rs. 212.64 Crore
Cash & Cash Equivalents	(28.97)	
Net Debt	183.89	Reduction of Rs. 13.65 Crore since March 2021



Rampur Indian Single Malt



- Select expressions:
 - Asāva: World's first whisky finished in Indian red wine casks; matured in American Bourbon Barrels and finished in Indian Cabernet Sauvignon Casks
 - Double Cask: Matured in hand-picked American Bourbon barrels and European Oak Sherry casks
 - PX Sherry: Limited 48 cask batch where American Oak were handpicked and transferred to PX Sherry Butts from Jerez, Spain
- Double Cask is available in select stores in New Delhi; Malt capacity expansion completed
- Double Cask expression has been awarded with the 'Best World Whisky Gold Medal 2020' by The Fifty Best, New York
- Asāva expression has been adjudged as the 'Gold Winner' at the New York International Spirits Festival



Jaisalmer Indian Craft Gin

- A triple-distilled neutral grain spirit, re-distilled in a traditional copper pot still; the recipe is handcrafted in a time-honoured way; Derived from the ancient Indian knowledge on herbs, the botanicals beautifully release pine notes from Juniper
- Available in key European markets at the duty-free stores; also available in select markets in India (e.g. Delhi, Goa, Hyderabad, Bangalore and Mumbai)
- Rated as the Best Gin produced out of Asia in 2019 at The Gin Guide Awards, the most respected Awards for Gin in the world; adjudged as the 'Gold Winner' at the New York International Spirits Festival; 'Double Gold' at the Fifty Best, New York 2021



Morpheus Super Premium Brandy

- A semi luxury variant – Morpheus Blue
- Market leading share of ~60% in the super premium brandy category in India



Magic Moments Vodka

- Magic Moments Verve in a new premium canister packaging
- Marketing campaign with Bollywood stars Kartik Aryan and Jacqueline Fernandez
- Continues to gain market share with Magic Moments now accounting for ~60% of the overall vodka market share and Verve accounting for 20% market share of the premium vodka category
- Two new flavours launched – Lemon Lush and Cranberry Tease



8PM Premium Black Whisky

- A premium variant of 8PM whisky
- Strong initial traction and consumer response
- Signed endorsement deal with Bollywood youth icon, Tiger Shroff
- Currently available in 16 states
- Achieved a million case volume during FY2021

A&SP accounts for 7.2% of IMFL Revenues in Q1 FY2022 and 7.3% in FY2021



Recent Rankings 2021



The Millionaires' Club

9th Largest whisky globally by volume

11th Largest vodka globally by volume

9th Largest rum globally by volume

2nd Largest brandy globally by volume

The Spirits Business Brand Champions

5th Best-selling Indian Whisky
Fastest growing Indian Whisky

13th Best-selling vodka globally

11th Best-selling rum globally

1st Best-selling brandy globally





Awards & Recognitions



Fortune India: India's 17th highest and magnificent wealth creator



Business World: Second Fastest Growing Company of the Country (middleweight category)



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 FY2022 Earnings Call Details

Date: Thursday, July 29, 2021 | Time: 12:30 PM IST

Universal Access: +91 22 6280 1325, +91 22 7115 8226

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





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