



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

**Corporate
Presentation**

November 2022

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India Macroeconomic Context

India remains one of the fastest growing economies globally with strong demographic dividend



Driver 1 - Income Growth

Middle-class expansion and emergence of a sizeable high-income segment

Transformation of consumption profile

Driver 2 - Rapid Urbanization

Dispersed urbanization and an rural income growth

Growth of rural consumption and breakdown of the urban-rural paradigm

Driver 3 - Favorable Demographics

A working age majority

A more aware and aspirational young millennials

Driver 4 - Technology and Innovation

Existing technology backbone

New technology and business model innovations

Driver 5 - Evolving Consumer Attitudes

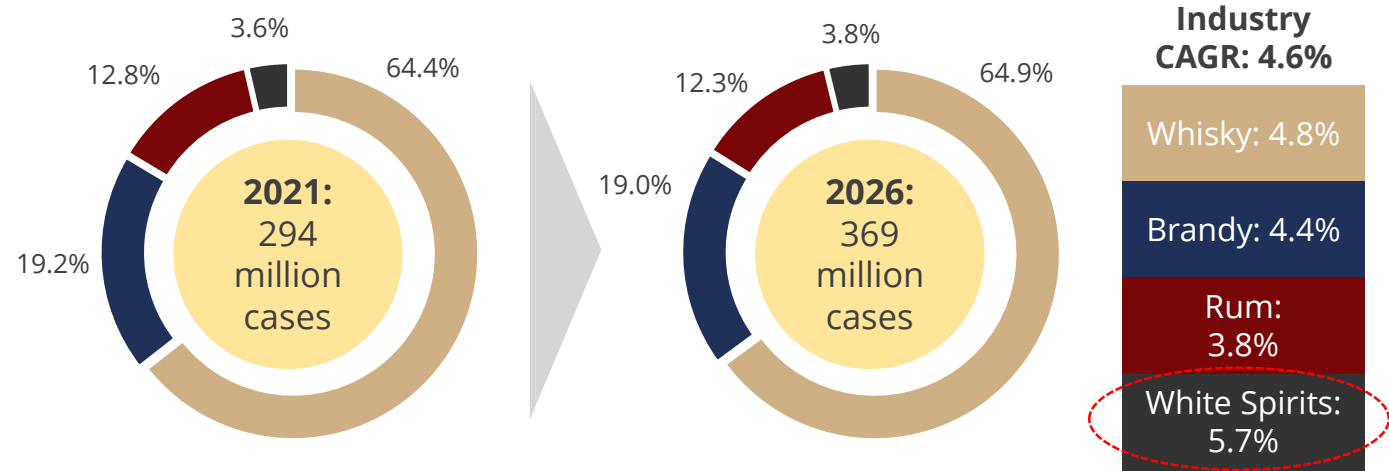
Preferences led by lifestyle and premiumization in addition to necessities, health, and leisure

Alcobev becoming more acceptable socially

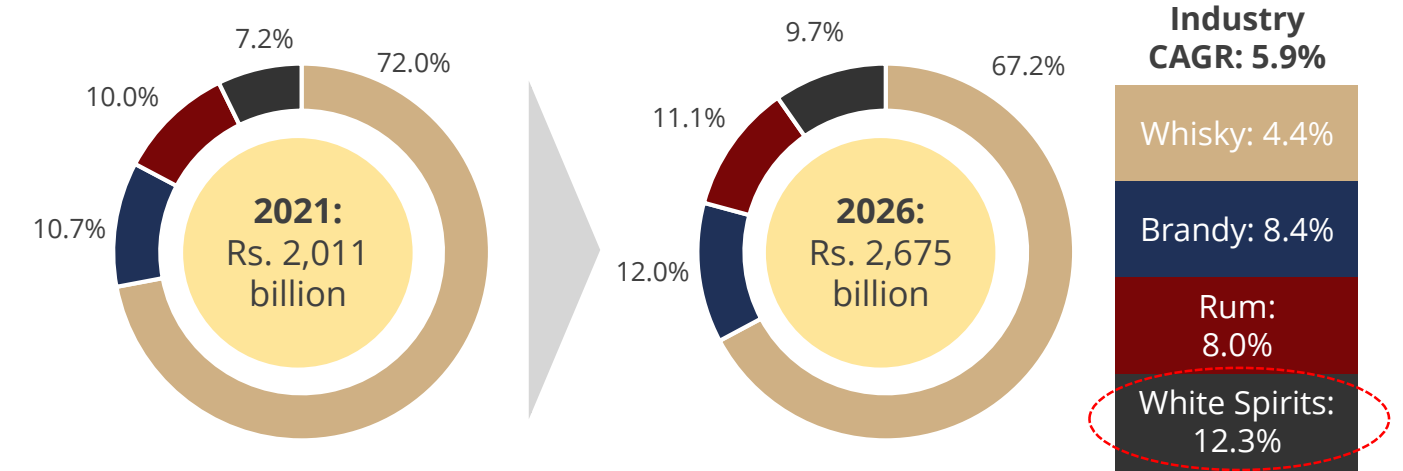
Spirits Industry in India

Strong premiumisation trend is expected to continue driven by favourable demographics

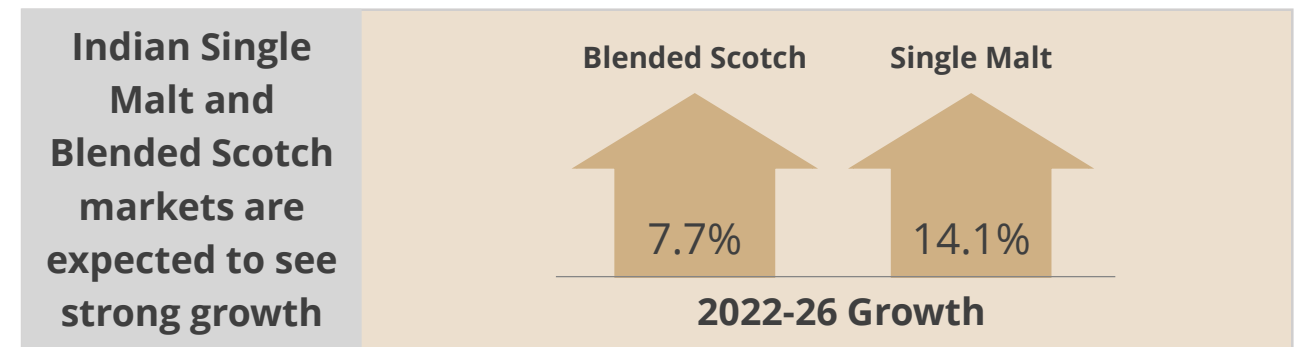
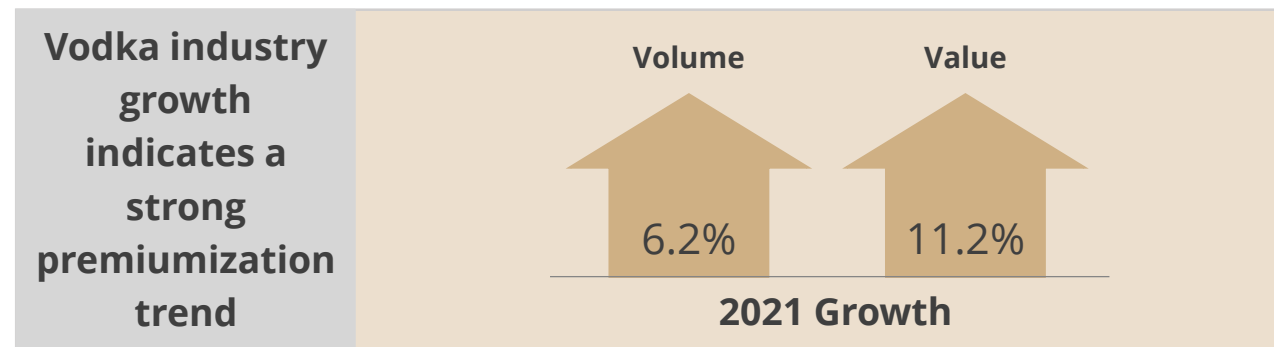
Sales of Spirits by Category (Volume)



Sales of Spirits by Category (Value)



- Spirits sales in India is expected to be 294 million cases in CY2021 representing an increase of 7.2% over CY2020
- During 2021-26 period, IMFL sales value is expected to grow at a CAGR of 5.9% and sales volume at 4.6%



Source: Euromonitor International (May 2022)

During the first half of FY2023, Vodka industry has grown 50%

Spirits Industry in India

Strong structural growth drivers in place

- Structural change towards premiumization during COVID
- Progressive state excise policy framework
- Increasing importance of liquor towards state revenues after the implementation of GST
- Low per capital IMFL consumption of 2.5 liters in India
- Country liquor represents an equally large market segment which is eventually expected to convert into IMFL
- White spirits (vodka and craft gin) represents a large opportunity size
- Improved consumer shopping experience being a focus in the state policies
- Focus on value engineering, including more sustainable alternative packaging options

Consumers are ready to experiment with experiences beyond the functional social benefits of alcohol

Company Overview

One of the largest and oldest spirit manufacturers in India



1943

Year of
Incorporation

Around 80 years of experience in spirits making. One of the most recognized IMFL brands in India

327

Million liters

One of the largest spirits manufacturers. Capacity expansion underway from 160 mn liters to 327 mn liters

33

Bottling
units

Strategically limiting interstate taxes and transport costs. Five own and 28 contract bottling units spread across the country

75,000

Retailers

Strong distribution network. Sale through over 75,000 retail and 8,000 on premise outlets

31%

FY2022
Premium
volume
share

Consistently increasing Prestige & Above brand contribution to total IMFL volumes; 53% in value terms

FY2022
Net Revenue

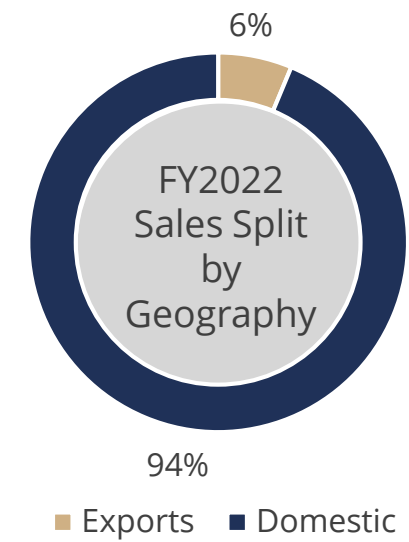
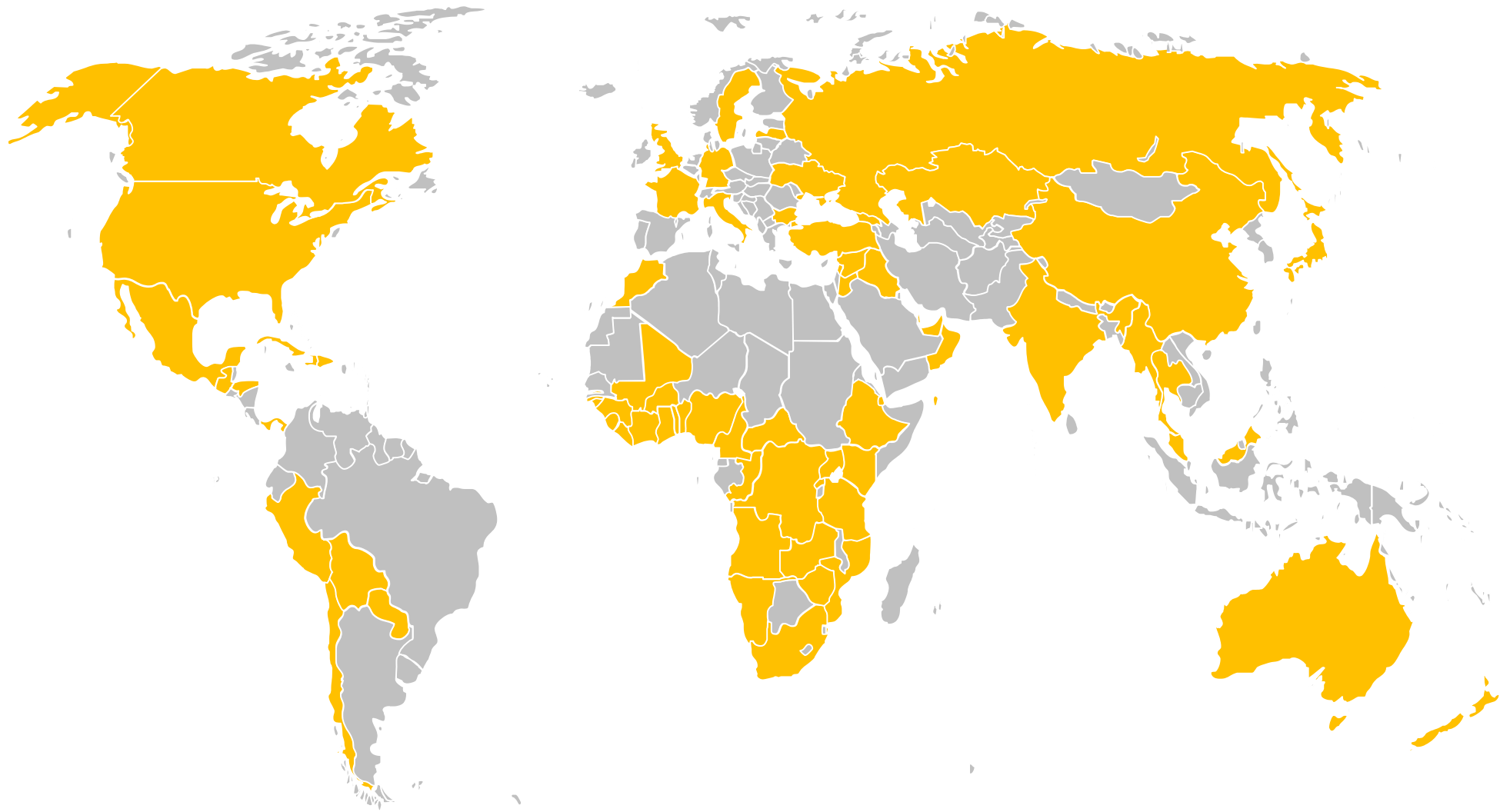
2,868

(Rs. Crore)

With EBITDA margin of 14% of Net Sales

Global Presence

Significant progress in building the brand equity in the overseas markets

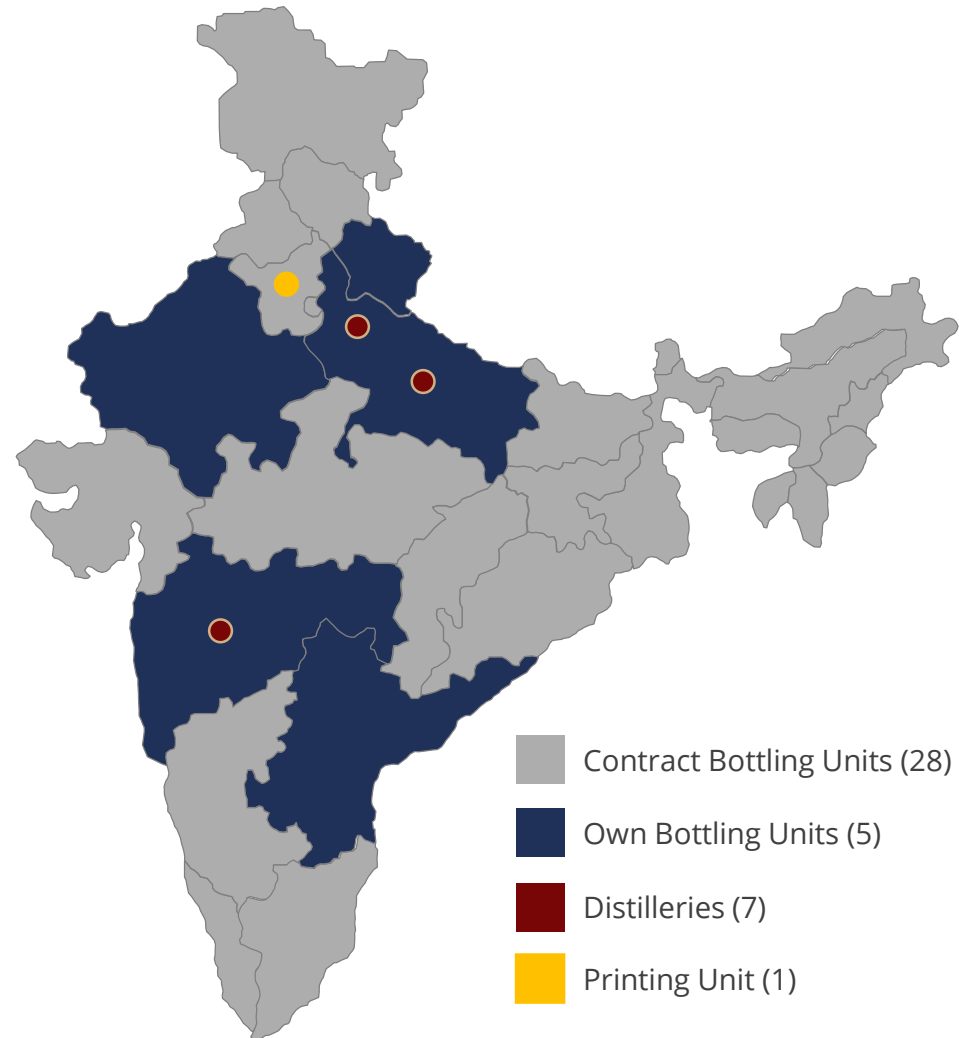


Exports to over 85 countries across the world

Manufacturing and Distribution Platform

Strong backward integration to secure quality long term raw material supply

Pan India manufacturing platform to cater to customer needs



Location	Distilleries	Molasses	Grain	Malt	Total
	Capacity (million litres)				
Rampur ¹	3	19.3	82.5	2.6	107.4
Sitapur ²	1	NA	108.9	NA	109.9
Aurangabad ³	3	42.0	66.0	NA	110.0
Total	7	61.3	257.4	2.6	327.3

Note:

1. Rampur – conversion of existing molasses into dual feed by Q3 FY23
2. Sitapur – new greenfield grain based distillery which will be operational by Q4 FY23
3. Aurangabad – new 140 KLPD grain based distillery is being set up which will be operational by Q3 FY23

Global Rankings 2022

Some of the top brands of Radico Khaitan are leading brands globally

The
Millionaires'
Club

1st Fastest
growing
whisky
globally

9th Largest
whisky
globally
by
volume

12th Largest
vodka
globally
by
volume

8th Largest
rum
globally by
volume

3rd Largest
brandy
globally by
volume



Senior Management

Experienced management team with in-depth industry experience

Key Executives

Background



Dr. Lalit Khaitan, Chairman & Managing Director

- Has over 50 years of industry experience
- He is on the managing committee of a number of associations, including the PHD Chamber of Commerce and Industry, the Associated Chamber of Commerce and Industry of India, All India Distillers Association, Uttar Pradesh Distillers Association and Confederation of Indian Industry
- Received the lifetime achievement award by the Confederation of Indian Alcoholic Beverage Companies in 2005 and by Alcobev in 2008. Most recently been awarded the 'Legend of the Industry' at Spiritz 2014



Abhishek Khaitan, Managing Director

- Has over 25 years of industry experience
- Started the IMFL division of the Company and has played an instrumental role in the brand creation journey of the Company
- Was named the 'Top Entrepreneur of the Year' by Inspirit in 2008
- Also received the Inspirit 2014 'Young Entrepreneur of the Year' Award



K. P. Singh, Director – Production

- Has over 45 years of industry experience and has been with the Company for over three decades
- He is also the Occupier (as defined under the Factories Act) of the Company's factory in Rampur, Uttar Pradesh

Senior Management

Experienced management team with in-depth industry experience

Key Executives

Background



Dilip. K. Banthiya, Chief Financial Officer

- Has over 35 years of in corporate finance, treasury, international finance and corporate mergers and acquisitions
- Invited to the CFO100 Roll of Honour 2012 in recognition of excellence
- Has been associated with various professional bodies and committees



Amar Sinha, Chief Operating Officer

- Has over 35 years of experience of heading reputable Indian and multinational FMCG companies and in the field of sales & marketing
- Prior to joining Radico in April 2017, he was the Executive Director at Wave Industries
- Has also served Shaw Wallace where his last position was MD and CEO
- He has also served in leadership positions at White & Mackay India, BDA Ltd (now ABD) and Playwin, among others



Sanjeev Banga, President - International Business

- Has over 30 years of industry experience
- Previously worked with Seagram India, Nestle India, Kohinoor Foods, Mason and Summers Alcobev, and Godfrey Phillips India
- Joined Radico Khaitan in 2008

Senior Management

Experienced management team with in-depth industry experience

Key Executives

Background



Ankur Sachdeva, President - Operations (Sales)

- Has over 25 years of in operations strategy, sales & marketing, and business development
- Prior to joining Radico in 2022, he was COO of Kajaria Plywoods
- Has previously worked with William Grants, heading South Asia operations



Subodh Sharma, President - Manufacturing Operations

- Has over 35 years of experience in the alcobev manufacturing operations
- Prior to joining Radico in 2022, he was heading the operations at CDBL Group



Amar Singh, Executive Vice President - Manufacturing Operations

- Has over 35 years of experience in the alcobev manufacturing operations
- Prior to joining Radico in 2022, he was heading the operations at Sentini Group

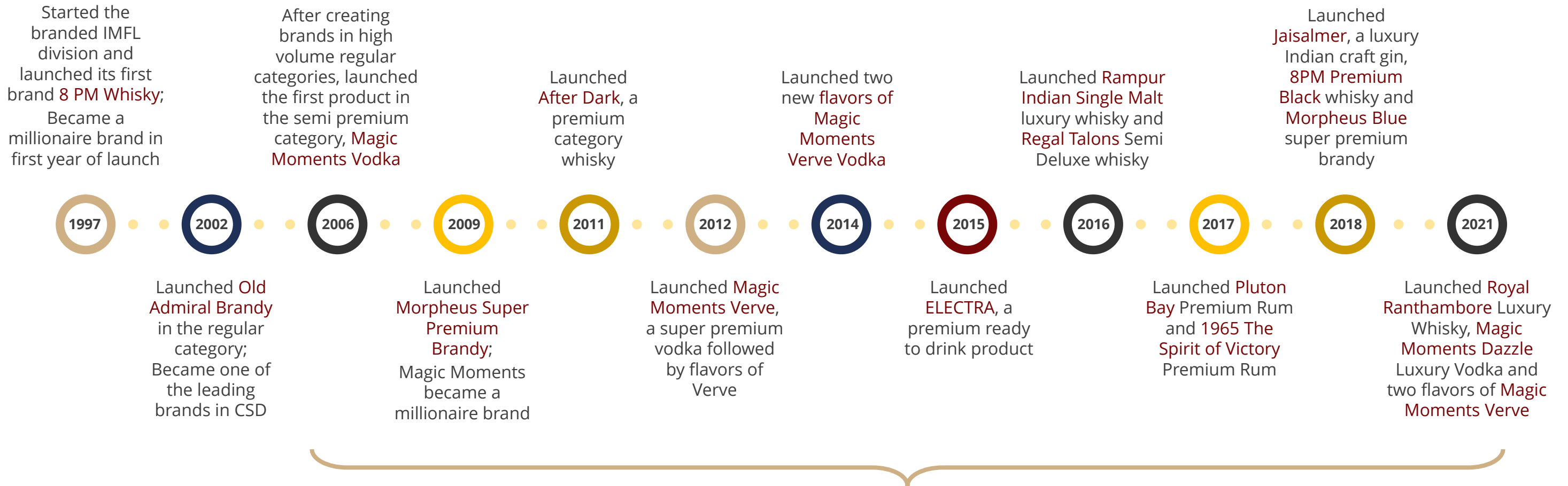
Strategic Growth Drivers

Focus on developing brands, building scale and driving a profitable growth

1. A strong and growing **premium product portfolio** driven by consumer preferences
2. Successful launches in the **luxury space** with Indian single malt and Indian craft gin
3. Robust brand equity, with well-recognized **products across various categories** and segments of IMFL industry in India
4. Strategically located, well equipped quality driven **manufacturing facilities**
5. Technology-driven **research and development capabilities**, led by market insights and focused on innovation
6. Pan-India **sales and distribution network** with an efficient supply chain management system
7. Exports to over **85 countries**, which provides access to a global scale
8. Value growth with **focus on profitability, lean cost structure and strong cash flow generation**
9. Experienced **Board and Senior Management** team, supported by committed and competent employees

Brand Portfolio

















Most brands launched in the last fifteen years have been in the premium category



One of the few companies in India to have developed its entire brand portfolio organically with in house capabilities
Five millionaire brands – 8 PM Whisky, Contessa Rum, Old Admiral Brandy, Magic Moments Vodka and 8 PM Premium Black Whisky

Brand Portfolio

Broad choice for consumers with focus on premium brands

MRP	Whisky	Rum	Brandy	Vodka	Gin
Luxury (US\$ 40+)					
Semi Luxury (US\$ 12+)			 MS: 58%		
Super Premium (US\$ 10-12)			 MS: 90%		
Semi-Premium / Premium (US\$ 7-10)	 MS: 5%				
Deluxe (US\$ 5-7)		 CSD MS: 10%		 Vodka cocktail RTD	
Regular (<\$US 5)	 MS: 20%	 CSD MS: 22%			

Rampur Indian Single Malt

A Salute to the Royal Heritage

Select Expressions

- Rampur Trigun (Travel Retail Exclusive): An amalgamation of fruity aromas and smoothness topped with crispiness coming from balanced maturation in three different casks; Matured in American Bourbon barrels and, finished in Champagne and Sauterne Wine casks
- Rampur Asāva: World's first whisky finished in Indian red wine casks; matured in American Bourbon Barrels and finished in Indian Cabernet Sauvignon Casks
- Rampur Double Cask: Matured in hand-picked American Bourbon barrels and European Oak Sherry casks
- Rampur PX Sherry: Limited 48 cask batch where American Oak were handpicked and transferred to PX Sherry Butts from Jerez, Spain

Recent Awards

- Rampur Indian Single Malt featured in Jim Murray's Whisky Bible 2022
- Ranked No. 1 New World Single Malt Whisky by the Whisky Advocate Magazine
- Rampur Asāva ranked 7 among the top 20 whiskeys of the world of 2021 by the Whiskey Advocate Magazine
- Rampur Asāva won the Gold Medal at The Fifty Best awards in 2021
- Rampur Double Cask received the Gold rating at the Whiskies of the World, 2021
- Rampur Double Cask was rated amongst Top 100 Best Spirits of 2021 by Wine Enthusiast (94 pts)





RAMPUR

INDIAN SINGLE MALT WHISKY
NON-CHILL FILTERED

TRIPLE TRIGUN CASK

An amalgamation of fruity aromas and smoothness topped with *irresistible crispiness* coming from a balanced maturation in *three different casks*.

त्रिगुणः / Harmony of Three



TASTING NOTES

NOSE: Tropical fruity notes with hints of apricot, lychee, pear and mango. Crispiness from Champagne Cask followed by glorious layers of zesty citrusy notes from Sauterne Wine Cask.

PALATE: Initial vanilla notes transform to delicate sweetness, topped with irresistible crispiness.

FINISH: The Indian trail lingers with an amazingly long finish.





RAMPUR

INDIAN SINGLE MALT WHISKY
NON-CHILL FILTERED

JUGALBANDI #1

A velvety melody of tropical fruity notes from *American Bourbon Barrels* and an array of dark dried fruits and complex spiciness from *Moscatele Casks*.

◆ **MOSCATEL CASK FINISH** ◆
a medley of aromas

NOSE

Fruity top notes of lychee, mango and hint of banana as the cask imparts sweet and spicy malt notes, adding depth to the aroma and body

PALATE

Sweet vanilla from first-fill Bourbon followed by zesty, floral and spiciness of muscatel cask, leaving a balanced creamy mouthfeel and sweet taste that lingers

FINISH

A satisfying aftertaste: a never-ending Jugalbandi





RAMPUR

INDIAN SINGLE MALT WHISKY
NON-CHILL FILTERED

JUGALBANDI #2

A magical duet of tropical fruity notes from *American Bourbon Barrels* and aroma of sweet baked apple from *Calvados Casks*.

♦ **CALVADOS CASK FINISH.**
a medley of aromas

NOSE

The cask lends sweet and spicy malt notes, adding depth to the aroma and body where fruity top notes like Lychee, mango and hint of banana make a statement

PALATE

Dried apple, apricots, raisins, and the Calvados cask finish contributes to the body and complexity making the whisky deliciously fruity

FINISH

The finish is long and exuberant: a Jugalbandi like no other



Jaisalmer Indian Craft Gin

The Royalty Awaits

- A triple-distilled neutral grain spirit, it is re-distilled in a traditional copper pot still, with its recipe handcrafted in a time-honoured way.
- Derived from the ancient Indian knowledge of herbs, retaining the classic gin flavour of juniper berries, a refreshing twist has been added with hand-picked Indian botanicals. Of the 11 botanicals used in the distillation, 7 have been sourced from all four corners of India.
- The Coriander and Vetiver, a complex spice with intriguing peppery notes, are grown in the fields around Jaisalmer in Northern India. The Sweet Orange Peel, which complements the citrus and floral tones of the gin, comes from Central India, the Cubeb Berries and Lemon Grass from Southern India, the Darjeeling Green Tea leaves from Eastern India, and the Lemon Peel from Western India. Other botanicals include Angelica Roots, Licorice and Caraway Seeds, lending a spicy, slightly anise-tinged flavour to the gin.

Recent Awards

- Gold Medal for the Best Gin by The Fifty Best New York 2022
- Gold Medal at the Spirits Selection by Concours Mondial 2022
- Grand Gold at the Monde Selection for the third consecutive year (2020, 2021 and 2022), and International High-Quality Trophy
- Gold Medal Winner at International Spirit Challenge 2021
- Scored 94 points at Ultimate Spirits Challenge 2021
- Best Gin in Asia 2019 by the Gin Guide, UK





JAISALMER
INDIAN CRAFT GIN

a million tales on a

GOLDEN
CANVAS

The Indian wisdom of ancient herbs, infused with 18 handpicked botanicals including finest quality Juniper Berries, Angelica, Coriander from Jaisalmer, Nagpur Orange Peel, Darjeeling Green Tea, Licorice, Lemongrass, Bay Leaves, Gandharaj Lemon Peel, Saffron, Nutmeg, Cinnamon Bark, Black Pepper & Rose Petals is further enhanced with Gold filtration.

A refreshing burst of Indian summer on your palate.



Royal Ranthambore

Heritage Collection-Royal Crafted Whisky

- **Blended Malt Scotch & Scotch Grain from Malted Barley:** Crafted from different bespoke Blended Malt Scotch from various regions of Scotland. Scotch grain is also blended to harmonize the Whisky. Though by definition it's a Scotch Grain, however this Scotch Grain is made from 100% Malted Barley
- **Oak Infused Grain Neutral Spirit:** We take pride to introduce a unique oak infusion process for the very first time in India to the Grain Neutral Spirit, which literally transform the fresh and dry grain neutral spirit to a subtle and mild oak tonality
- **A Beautiful Whisky Making Craft called Blending:** A complex whisky, i.e., six Blended Malt Scotches, one Scotch Grain from Malted Barley and Oak Infused Grain Neutral Spirit, reserved for a specific time to assimilate the blend

India's finest blend...



Royal Ranthambore

Heritage Collection-Royal Crafted Whisky



Tasting Notes:

Visual/Colour: Golden hue complemented by tint of amber

Nose/Aroma: Warm and intense malty aromas make their presence felt followed by sweet floral notes and hints of citrus. At the end subtle forest honey and spicy dried fruits leaves a lasting trail

Palate/Taste: Once you allow a sip to linger in the palate it reveals many delicate attributes and holding it long in the mouth, the warmth of the palate entices out a flurry of rich flavours like English muffins, melted butter, plum cake, apple pie, cocoa and a hints of spicy peaty smoke in the background

Finish: A long finish that smoothens out with time

Magic Moments Dazzle Vodka

Razzle with the Magic of Dazzle



The 7 stage filtration process

Single Grain Rice Vodka

Gold	Silver
<ul style="list-style-type: none"> Filters: Carbon, Silver, Platinum and Gold 	<ul style="list-style-type: none"> Filters: Carbon, Silver and Platinum
<ul style="list-style-type: none"> A delightful blend infused with crispy textures and a hint of peppery notes Giving an ultra smooth, fresh, and luxurious taste in every sip 	<ul style="list-style-type: none"> An exquisite blend of rich, creamy vanilla mixed with the complex notes of floral, butterscotch, and a hint of white chocolate Giving it a well-balanced flavor of sweetness and sophistication
<ul style="list-style-type: none"> The tall, white glossy bottle lends elegance and richness to the product with the metallic dancing figurines It's recognizable brand mascot – the dancing figurines The two-color tone of the canister accentuates the sophistication and modishness this product reflects The unique metallic cap of Dazzle has a tamper-evident ring 	

Magic Moments Verve Vodka

The Smooth Blend of Sophistication



- Verve super-premium vodka is refined through a slow five-stage filtration process, using silver and platinum filters that ensure purity till the last drop. A high-end blend produced by India's biggest vodka brand, this Magic Moments casts a spell of Verve.
- Discover the finest of what one can experience when a perfect medley of superior grains and a distinct distillation process come together to create a smooth test, and a blend of its flavour so exquisite that the taste lingers on. From zesty orange and crispy green apple to luscious cranberry and citrusy lemon, Verve lends a flavour of smoothness till the last drop.

Recent Awards

- Won Gold in nine calendar years - 2013, 2014, 2015, 2016, 2017, 2019, 2020, 2021 and 2022 at the Global Monde Selection Awards
- Verve Lemon Lush won Gold for the second consecutive year at the Monde Selection, 2022

Magic Moments Vodka

Make Every Moment a Magic Moment



- Launched in 2006, Magic Moments is India's largest premium vodka brand with around 60% market share (~90% in the relevant segment).
- The magic of every party begins here. Magic Moments Vodka undergoes a triple distillation process for purity and a refined taste, reflecting the best of spirits. The flavour category is what makes Magic Moments Remix more significant and alluring to individuals with its flavor offerings - Orange, Green Apple, Lemon, Lemongrass and Ginger, Raspberry, Chocolate, Grapefruit and Watermelon, and Cucumber and Wild Green Lemon.
- Magic Moments brings life to every party and brings magic in every moment.

Recent Awards

- Ranked 12th largest vodka globally by the Millionaires' Club, 2022
- Ranked 9th best-selling vodka globally by The Spirits Business Brand Champions, 2022
- Magic Moments Premium Grain Vodka won Gold award for the second consecutive year at the Monde Selection, 2022
- Lemongrass & Ginger Vodka won Gold award at the Monde Selection, 2022

Morpheus Super Premium Brandy

Dare to Dream



Morpheus Blue XO Brandy

- It takes one sip of Morpheus Blue to understand that not all brandies are created equal. Crafted by our master blenders, Morpheus Blue is perfection in a bottle, created for the most deserving of dreamers.
- Launched recently, this is an aged brandy and leads the super-premium brandy segment. Named after the Greek God of Dreams, it provides an exotic experience to the premium brandy lovers. Its goblet packaging and brand positioning have helped create a niche as a spirit that is intense and sophisticated.

Recent Awards

- Won the Gold award (for the fourth consecutive year) at the Monde Selection, 2022

Morpheus XO Brandy

- With around 60% market share, Morpheus is India's largest selling premium brandy.
- Morpheus is unlike any other. Its fruity and floral top notes combine with sweet and heavy bodied traces of matured wood, vanilla and raisin, to leave you with a truly exquisite aftertaste. Containing the texture of warm soils, fragrant scents and all the richness of tropical weather, its rich blend is truly irresistible.

Recent Awards

- Won Gold six times at the Monde Selection Awards in the calendar years – 2011, 2015, 2016, 2017, 2018 and 2021



8PM Premium Black Whisky

At 8PM, Rivals Become Friends



- A premium variant of one of the most popular whisky brands, 8PM, this uber rich and smooth blend was launched in 2019. Made with the finest quality grains, this whisky is the epitome of lavishness and quality drinking.
- In just a short span of time, it has received a strong consumer response owing to its rare balance of strength and smoothness. 8PM Premium Black offers a rare signature of blend of scotch and Indian grain spirits. Once you've experienced its full-bodied yet silky taste, you know why all around the world, at 8PM, rivals become friends over 8PM Premium Black.
- Launched in 2018, 8PM Premium Black achieved two million case sales.

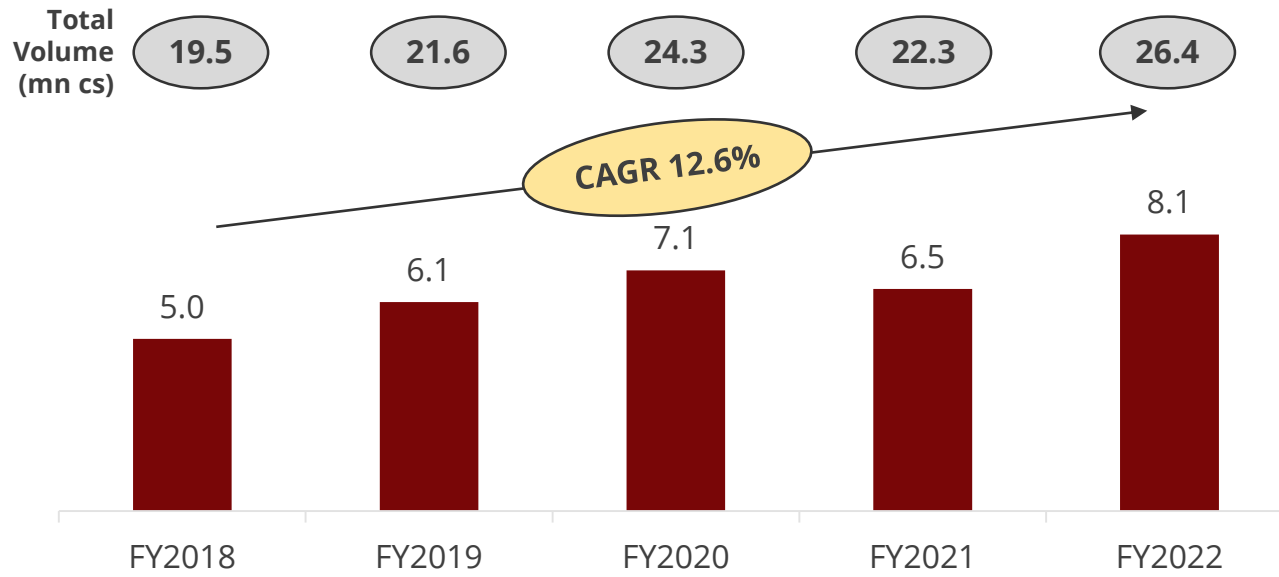
Recent Awards

- Ranked as the second fastest growing brand (across categories) and the fastest growing whisky globally by The Millionaires' Club, 2022
- Won the Gold award (for the fourth consecutive year) at the Monde Selection, 2022

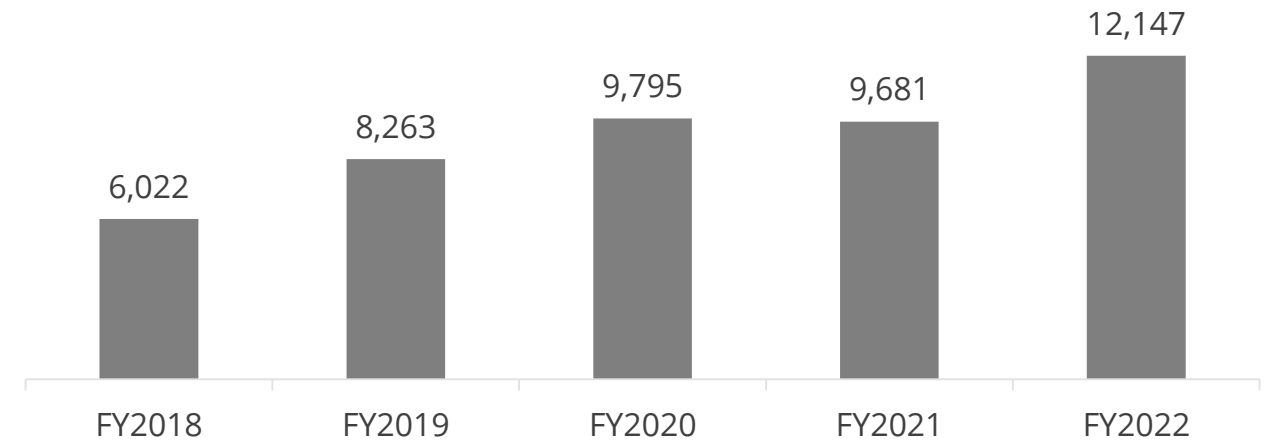
Historical Financial Trend

Outperformed the industry for six consecutive years

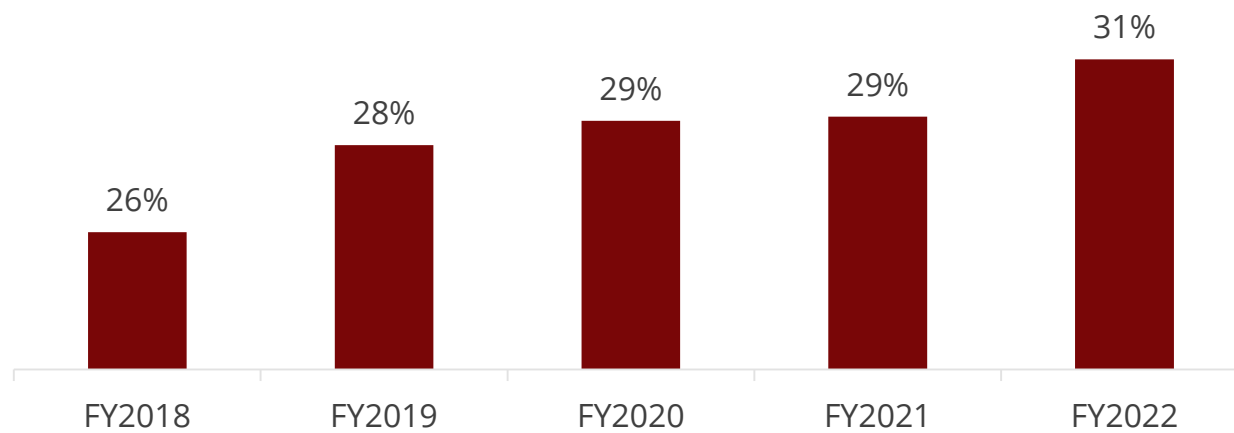
Prestige & Above brands (Million cases)



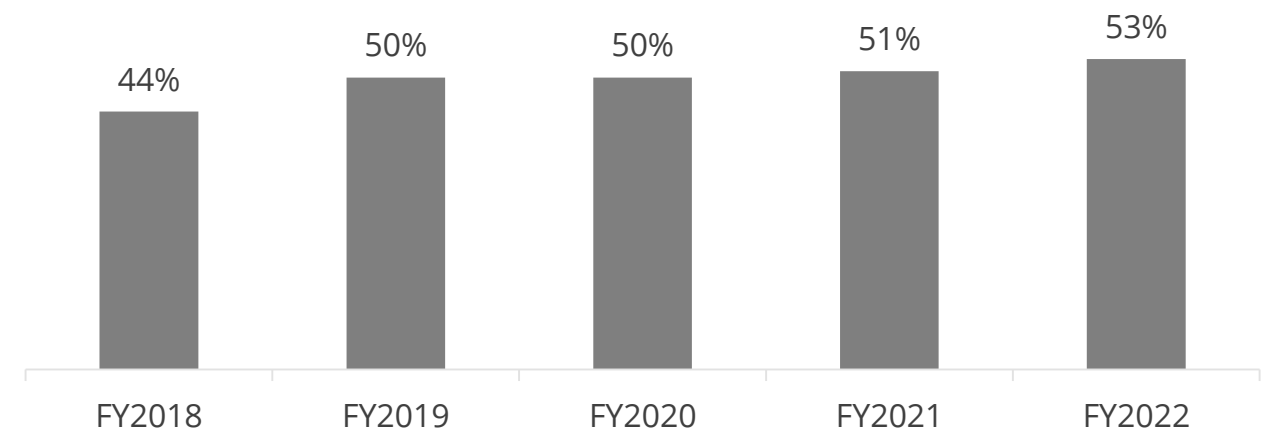
Prestige & Above brands (Rs. million)



Prestige & Above volume as % of Total volumes



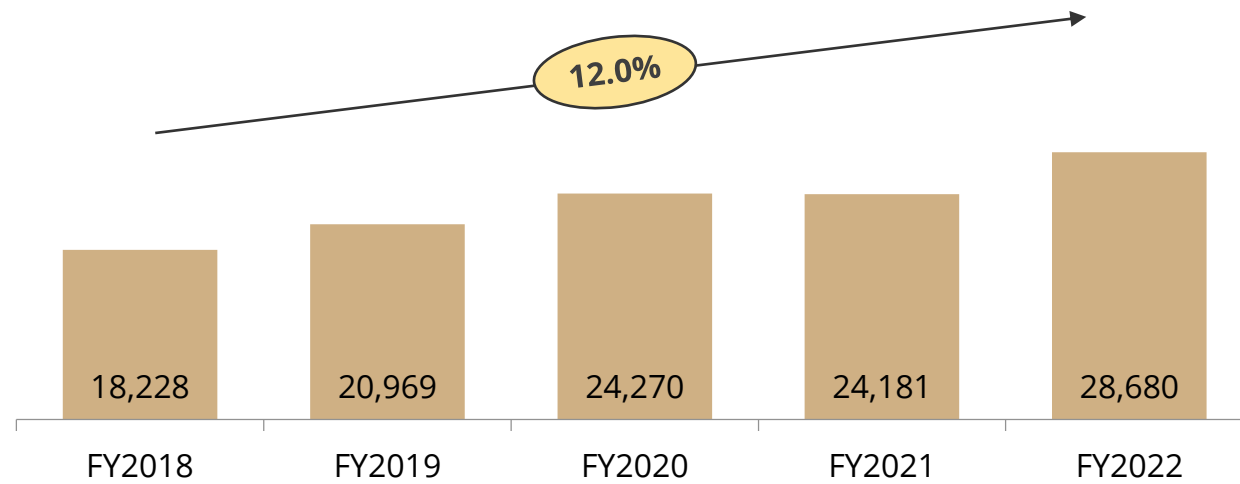
Prestige & Above Sales as % of IMFL Sales



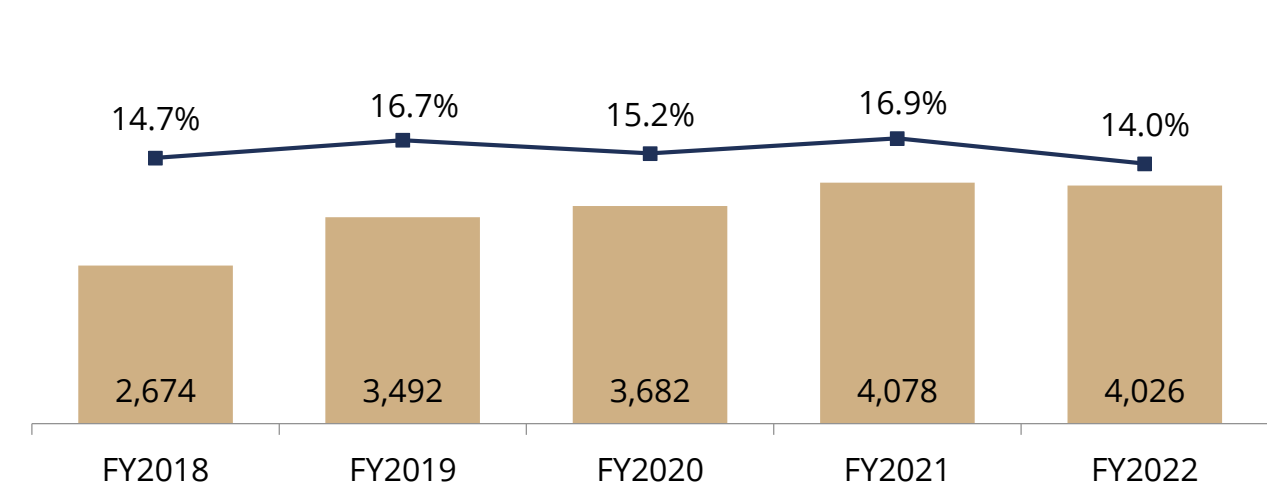
Historical Financial Trend

Consistent revenue growth with robust profitability

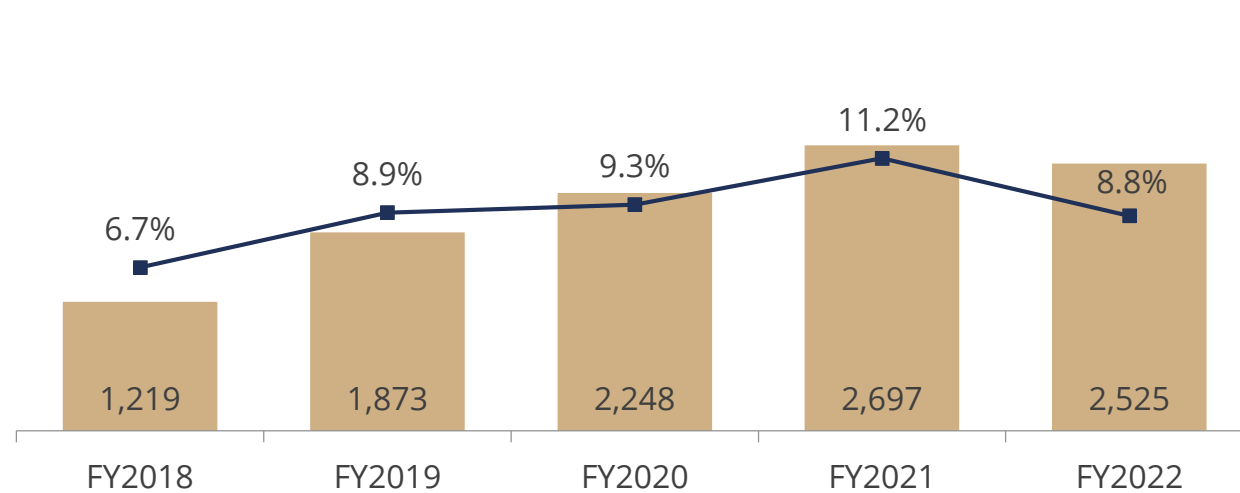
Net Sales (Rs. Million)



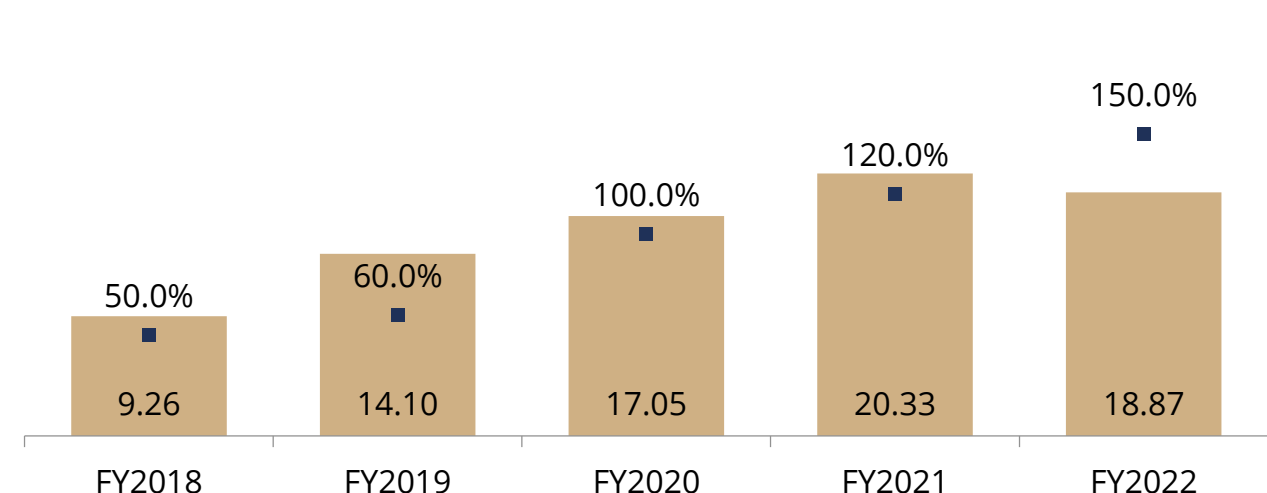
EBITDA (Rs. Million) and Margin (%)



Net Comprehensive Income (Rs. Million) and Margin (%)



EPS (Rs.) and Dividend Trend (%)



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.

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