



Dated : 14th November, 2022

The National Stock Exchange of India Limited
Exchange Plaza, C-1, Block-G
Bandra Kurla Complex,
Bandra (E),
Mumbai – 400 051

The BSE Limited
Phiraze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai – 400 001

Sub: Presentation to be released before investors and Analysts:-

Ref: Scrip- EQ, Code: 533104

Dear Sir,

In terms of Regulation 30 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are attaching herewith a copy of the earnings presentation to be released before Investors & Analysts.

Kindly take note of the same & acknowledgement the receipt of the same.

Thanking you,

Yours faithfully,

For Globus Spirits Limited


Company Secretary



Globus Spirits Limited

(Corporate Identity Number: L74899DL1993PLC052177)

Registered & Corporate Office:

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Works(2): Haryana Organics (A Unit of Globus Spirits Limited) 4 KM., Chulkana Road, Samalkha 132101 Distt.: Panipat (Haryana) Telefax: +91-180-2570122

Works(3): Associated Distilleries (A Unit of Globus Spirits Limited) Hisar Bye-Pass, National Highway, Hisar 125044 (Haryana) Tel.: +91-09896398187

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ENABLING EXCELLENCE

GLOBUS SPIRITS LIMITED

Result Presentation | Q2 FY23



Q2FY23 - Revenue Growth Trajectory Continues...

Net Revenue at Rs 4,803 Mn grew 26% YoY but lowered marginally QoQ (-3%) due to change of mix in value spirits

Manufacturing (66% share)

↑
Rs 3,172
57% YoY & 5% QoQ

- Bulk Alcohol revenue at Rs. 2,534 Mn, up 84% YoY and 8% QoQ, led by enhanced capacities and improved realizations .
- Highest ever quarterly sales of 4.33 Cr litres, up 62% YoY and 6% QoQ, backed by expanded capacity (West Bengal capacity addition)
- Improved bulk alcohol realisations at ~Rs 59 per litre, up 14% YoY and 2% QoQ

Consumer (34% share)

↓
Rs 1,631
10% YoY & 16% QoQ

- Haryana – Increased focus profitable sale has resulted in a temporary softening of market share in Q2FY23 and increased margin by 26 per case. Strategy starting to bear fruit and market share is building up
- Rajasthan – change of business mix due to policy change. Value segment market up by 25% yoy, Value Plus segment market down by 35%. GSL market share up by 2% points and 8% points in Value and Value plus segments respectively. Overall business volume up by 4%, from 5.3m cases H1FY22 to 5.5 million H1FY22
- Premium segment showing positive signs

Margins lower on account of high fuel costs & change of business mix

Gross Margin stable QoQ at ~41%; EBITDA margin at ~10%

- **Gross Margin at ~41% was largely maintained on a QoQ basis**
 - Higher Bulk Alcohol realization from ~Rs. 57 in Q1FY23 to ~Rs. 59 per litre
 - Higher Consumer segment realization from ~Rs 490 per case in Q1FY23 to ~Rs. 510 per case in Q2FY23 on account of better mix and lower trade spends in Haryana.
- **EBITDA Margin at ~10%**
 - Bulk Spirits range- cost push has been mitigated to better ethanol and ENA realization rate
 - Softening of market share in Haryana & change of business mix Rajasthan in Q2 impacted profitability.
 - High costs of Power & Fuel continued, up 80 % YoY and 22 % QoQ in Q2FY23.
- **Cost reduction initiatives** including purchase of grain from FCI, reduction of energy consumption, backward integration for PET Bottles, which was put in place earlier this year, mitigated part of the rise in costs by approx Rs 12 Crs
- Finance cost remained stable; **Credit Rating improved to 'CARE A+/Stable' from 'CARE A/Stable'**
- **Effective Tax Rate** - Based on cash outflow of tax paid, it is at ~ 17.47% for Q2FY23

Other Key Business Highlights

- **Jharkhand Project (greenfield) - Commenced commercial production in Sept'22, adding incremental capacity of 140 KLPD; Likely to operate at optimum utilization in Q2FY23**
- **Consumer business – Premium Segment (IMFL)**
 - Showing signs of positive traction – Premium segment revenue up 297% YoY to Rs 44 Mn in Q2FY23
 - Expecting full year revenue contribution to grow to 6% of total consumer segment, from 3% currently
 - Geared up Innovations teams with core skills in product and packaging development – expect to see new brand launches in the next 12 months
 - New market launches expected in H2FY23
- **Inflationary pressure on input (grain and fuel) costs expected to soften with new crop season, aiding profitability**

Status of Projects

	Location	Capacity Addition in KLPD	Total Capacity after Completion	Status
1	West Bengal – II	140	240	Completed Q4FY22
2	Jharkhand	140	140	Completed Q2FY23
3	West Bengal - III	60	300	Q1FY24
4	Jharkhand - II	60	200	Q1FY24
5	Bihar	19	110	Q4-FY23
6	Orissa - greenfield	200*	-	Approvals in process
7	Uttar Pradesh - greenfield	200*	-	Approvals in process

* To be finalised after approvals are in place.

- At end of Q2FY23 total installed capacity is 760KLPD
- Strategically expanding capacities into new geographies which allows participation in the Consumer market of that state while ensuring capacity utilization through offtake of ethanol and ENA.
- Post the expansion (by FY25), we will have access to 100 Mn cases per annum Consumer market (combined market size of all the GSL states).

Consumer Business Performance Trend

Description	Q2			H1		
	FY 2023	FY 2022	YOY Gr %	FY 2023	FY 2022	YOY Gr %
IMFL Volume in '000 cases	30	5	500%	70	10	600%
Prestige & Above	30	5	500%	70	10	600%
Regular & Others	0	0	0	0	0	0
Non IMFL Volume in '000 cases	3160	3800	-17%	7100	7180	-1%
<i>IMFL as % of total consumer volume</i>	<i>1%</i>	<i>0.1%</i>	<i>616%</i>	<i>1%</i>	<i>0.1%</i>	<i>603%</i>

Description	Q2			H1		
	FY 2023	FY 2022	YOY Gr %	FY 2023	FY 2022	YOY Gr %
IMFL Net Revenue in Rs. Cr	4.44	1.1	304%	11.64	2.11	452%
Prestige & Above	4.44	1.1	304%	11.64	2.11	452%
Regular & Others	0	0	0	0	0	0
Non-IMFL Net Revenue in Rs. Cr	158.6	179.4	-12%	345.4	333.94	3%
Total Consumer Revenue in Rs. Cr	163.04	180.5	0.26	357.04	336.05	0.3
<i>IMFL Revenue as % of Consumer Revenue</i>	<i>3%</i>	<i>1%</i>	<i>200%</i>	<i>3%</i>	<i>1%</i>	<i>200%</i>
<i>Consumer Revenue as % of Operating Revenue</i>	<i>34%</i>	<i>47%</i>	<i>-27%</i>	<i>37%</i>	<i>45%</i>	<i>-18%</i>

Focussing on building momentum in growing IMFL Revenue as a % of Consumer Business

Premium Segment - Unique Value Proposition

Focus on niche segments | Building blocks for a high margin brand play



Brands that offer a distinctive **value proposition for our strategic markets**



Crafted a range of **premium and super premium whiskies** blended with scotch and French blended **grape brandy**



Strong Pipeline of brands to be launched to complete product offering



Governor's Reserve
Semi-premium whisky
Segment is ~50m cases



Oakton
Premium whisky
Segment is ~15m cases



Seventh Heaven*
Super-premium whisky
Segment is ~2m cases



L'Affaire Napoleon
3 years Brandy
Premium brandy
Segment is ~0.5m cases



Terai - India Dry Gin
Premium Gin Segment

*To be launched

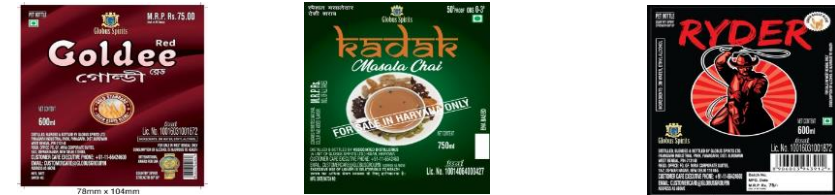
Non IMFL – GSL is One of the Largest Value Liquor Player

Product innovation and focus on brand building has enabled growth

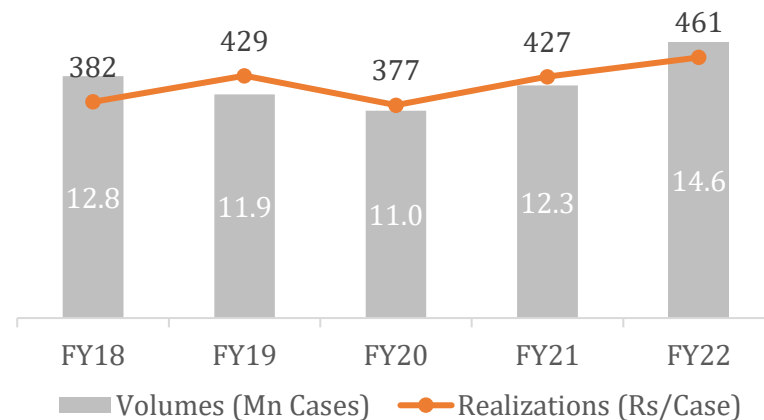
Select Product Portfolio



Focus on Innovation through Investment in R&D



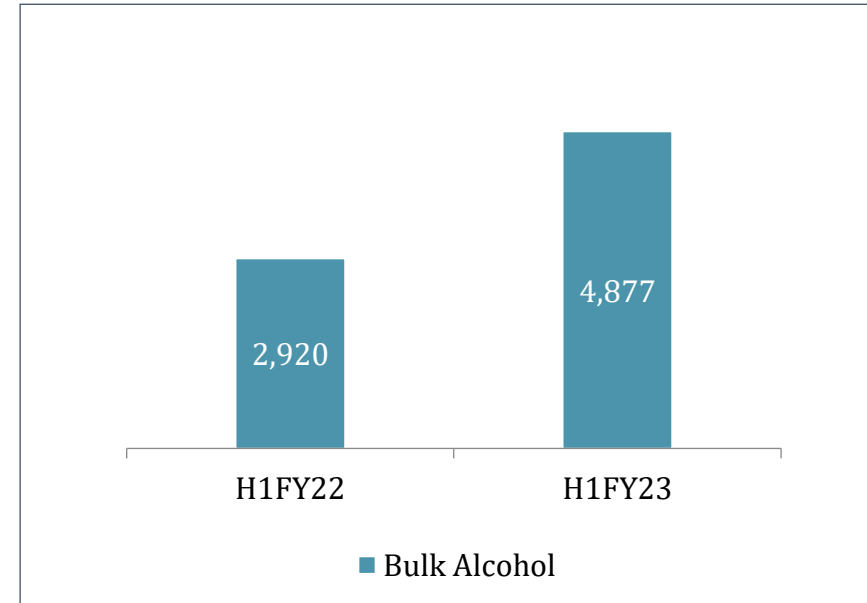
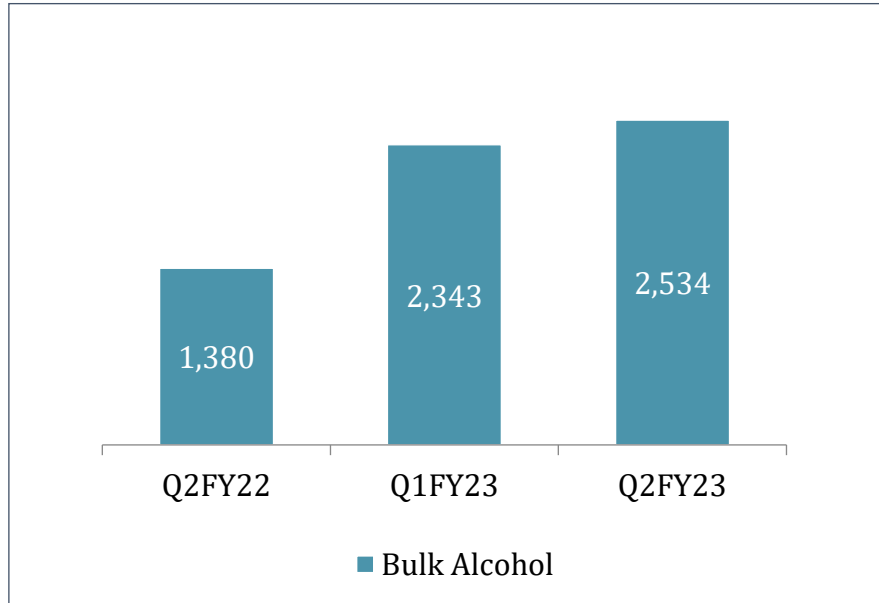
Value & Value Plus Segment



Manufacturing Business – Strong Backbone

Capacity utilisation at ~90% in H1FY23 with an expanded capacity

Bulk Alcohol (ENA and Ethanol) – Revenue Trend (Rs. Mn)



Bulk Alcohol sales in Q2FY23 at 43.33 Mn litre (up 62% YoY and 6% QoQ), on account of new capacity at West Bengal effective Q4FY22
Average realization in Q2FY23 at Rs 58.5 per litre (up 14% YoY and 2% QoQ), on account of Ethanol price hike and better ENA realization

Note : Manufacturing segment includes revenue from Bulk Alcohol, Franchise Bottling, Hand Sanitisers and Others (by-products)



Company Overview

A Well Entrenched Distillation Business

01

**Well
entrenched
consumer
business**

- Strong economy portfolio
- Disruptive premium portfolio
- Presence in 7 strategic markets

02

**Widest
product
portfolio in
industry**

- Products ranging from Rs 100 – Rs 3000
- Covering rural consumption and aspirational urban consumption

03

**Innovations
dedicated
towards
consumption
patters**

- Healthy pipeline of products based on local tastes and preferences
- Allow business to react quickly as well as set trends

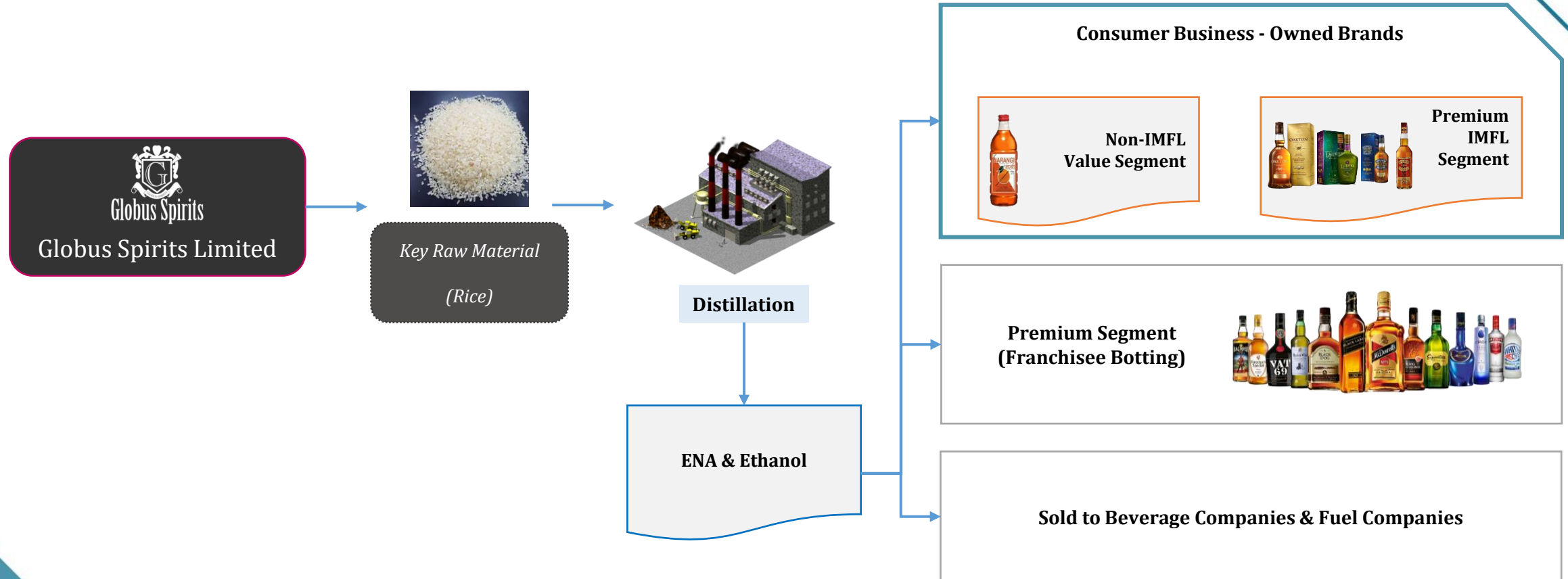
04

**Hedged
distillation
business**

- Strong operational platform
- Relationships with key alcohol buyers
- Ethanol play to ensure capacity utilization

Presence Across the Value Chain

Well integrated operations aid in ensuring quality and cost control



Business Segments

Divided into Manufacturing and Consumer segments



Manufacturing Business (~59% of Revenue*)
Strong Backbone...

Bulk Spirits	Franchisee Bottling	By Products
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Consumer Business (~41% of Revenue*)
High Margin...

Value	Value Plus	Premium
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Rs.40-60 per 180 ml



Rs.80-95 per 180 ml



Rs.125-700 per 180 ml

**Revenue break up (FY22)*





Financials

Profit & Loss Highlights | Q2 & H1 FY23

Particulars (Rs Mn)	Q2FY23	Q2 FY22	YoY (%)	Q1FY23	QoQ (%)	H1FY23	H1FY22	YoY (%)
Gross Revenues	6,335	5,939	6.7%	6,830	-7.2%	13,164	11,446	15.0%
Less- Excise duty	1,532	2,118	-27.7%	1,875	-18.3%	3,407	3,919	-13.1%
Net Revenues from Operations	4,803	3,822	25.7%	4,954	-3.1%	9,757	7,527	29.6%
Other Income	21	16	33.4%	17	22.2%	38	27	43.4%
Total Income	4,824	3,837	25.7%	4,971	-3.0%	9,795	7,553	29.7%
Total Expenditure	4,354	2,944	47.9%	4,268	2.0%	8,622	5,668	52.1%
Consumption of Material	2,829	1,972	43.4%	2,921	-3.1%	5,750	3,812	50.8%
Employee Cost	137	107	27.9%	142	-3.1%	279	252	10.5%
Other Expenditure	1,388	865	60.5%	1,206	15.1%	2,593	1,604	61.7%
EBITDA	470	893	-47.4%	703	-33.2%	1,173	1,885	-37.8%
Depreciation	129	104	24.0%	125	3.5%	254	208	22.4%
EBIT	341	789	-56.8%	578	-41.1%	919	1,677	-45.2%
Finance Cost	25	24	5.1%	22	14.1%	47	63	-25.4%
PBT	316	765	-58.8%	556	-43.3%	872	1,614	-46.0%
Tax Expense (Current, Deferred)	94	240	-60.7%	183	-48.5%	278	533	-47.9%
PAT (From ordinary activities)	221	525	-57.9%	373	-40.7%	594	1,081	-45.1%
EPS	7.68	18.28	-58.0%	12.94	-40.7%	20.62	37.61	-45.2%

Key Ratios | Q1FY23

Particulars (% of Total Income)	Q2FY23	Q2 FY22	Q1FY23	H1FY23	H1FY22
Other Income (% of Net Revenue)	0.4%	0.4%	0.3%	0.4%	0.4%
Raw material	59%	51%	59%	59%	51%
Employee Cost	3%	3%	3%	3%	3%
Other Expenditure	29%	23%	24%	27%	21%
Total Expenditure	90%	77%	86%	88%	75%
EBITDA	10%	23%	14%	12%	25%
Depreciation	3%	3%	3%	3%	3%
Finance Cost	1%	1%	1%	1%	1%
Tax Expense (% of PBT)	30%	31%	33%	32%	33%
PAT	5%	14%	8%	6%	14%

Gross Margin at ~41% was largely maintained on a QoQ basis, on account of Higher Bulk Alcohol realization and Higher Consumer segment realization (incremental contribution from Premium segment sales).

EBITDA Margin at ~10% was lower QoQ, on account of Lower operating leverage due to lower share of higher margin, Consumer Segment in Q2FY23 to ~34% of Net Revenue, caused by an aberration in consumer liquor sales in Rajasthan and Haryana and continuing high costs of Power & Fuel

Balance Sheet Highlights

Liabilities (Rs mn)	Mar-22	Sept-22
Networth	7,723	8,230
LT borrowings	1,105	1,247
Provisions	33	37
Deferred tax liabilities	887	1,013
Other non-current liabilities	67	64
Total Non Current Liabilities	9,816	10,591
ST borrowings	635	1,239
Trade payables	1,383	1,708
Provisions	67	65
Other financial liabilities	147	283
Current tax liabilities	24	55
Other current liabilities	294	439
Total Current Liabilities	2,549	3,790
Total Liabilities	12,365	14,381

Assets (Rs mn)	Mar-22	Sept-22
Fixed assets (incl. CWIP)	7,676	8,170
Investments	0	0
Other financial assets	189	328
Income tax assets	10	55
Other non-current assets	534	724
Total Non Current Assets	8,410	9,277
Inventories	1,085	1,465
Trade receivables	1,180	1,843
Cash & cash equivalents	820	590
Other financial assets	76	204
Other current assets	794	1,003
Total Current Assets	3,955	5,104
Total Assets	12,365	14,381

Annual | Profit & Loss Statement

Particulars (Rs Mn)	FY20*	FY21	FY22
Gross Revenues	12,674	16,721	23,438
Less- Excise duty	986	4,414	7,647
Net Revenues from Operations	11,688	12,308	15,791
Other Income	37	66	66
Total Income	11,726	12,373	15,858
Total Expenditure	10,441	9,756	12,506
Consumption of Material	7,176	6,532	8,384
Employee Cost	343	384	501
Other Expenditure	2,922	2,840	3,621
EBITDA	1,285	2,618	3,352
Depreciation	380	407	426
EBIT	905	2,211	2,926
Finance Cost	236	188	114
PBT	669	2,023	2,812
Tax Expense (Current, Deferred)	172	583	940
PAT (From ordinary activities)	497	1,440	1,872
EPS	17.33	50.01	65.06

Note: * Restated to include the effect of the merger of Unibev with Globus Spirits Limited

Annual | Key Ratios

Particulars (% of Total Income)	FY20	FY21	FY22
Other Income (% of Net Revenue)	0.3%	0.5%	0.4%
Raw material	61%	53%	53%
Employee Cost	3%	3%	3%
Other Expenditure	25%	23%	23%
Total Expenditure	89%	79%	79%
EBITDA	11%	21%	21%
Depreciation	3%	3%	3%
Finance Cost	2%	2%	1%
Tax Expense (% of PBT)	26%	29%	33%
PAT	4%	12%	12%

Note: * Restated to include the effect of the merger of Unibev with Globus Spirits Limited

Annual | Balance Sheet

Liabilities (Rs mn)	Mar-20*	Mar-21*	Mar-22
Networth	4,500	5,907	7,723
LT borrowings	1,328	1,067	1,105
Provisions	28	30	33
Deferred tax liabilities	263	494	887
Other non-current liabilities	37	77	67
Total Non Current Liabilities	6,156	7,575	9,816
ST borrowings	449	721	635
Trade payables	1,085	1,187	1,383
Provisions	54	68	67
Other financial liabilities	62	48	147
Current tax liabilities	0	10	24
Other current liabilities	197	322	294
Total Current Liabilities	1,846	2,355	2,549
Total Liabilities	8,002	9,930	12,365

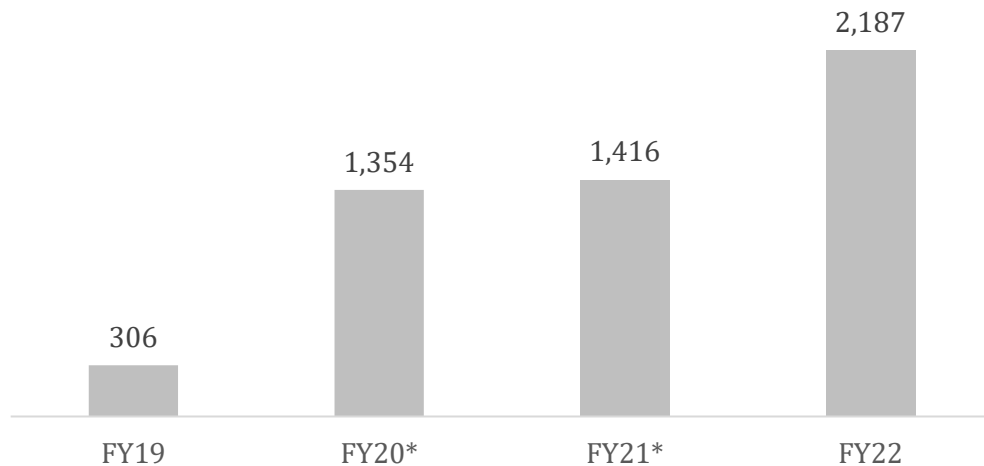
Assets (Rs mn)	Mar-20*	Mar-21*	Mar-22
Fixed assets (incl. CWIP)	5,985	6,269	7,676
Investments	0	0	0
Other financial assets	183	176	189
Income tax assets	10	10	10
Other non-current assets	61	438	534
Total Non Current Assets	6,239	6,892	8,410
Inventories	1,063	1,021	1,085
Trade receivables	338	879	1,180
Cash & cash equivalents	200	581	820
Other financial assets	28	50	76
Other current assets	134	506	794
Total Current Assets	1,764	3,037	3,955
Total Assets	8,003	9,930	12,365

Note: * Restated to include the effect of the merger of Unibev with Globus Spirits Limited

Enhanced Net Cash Flow from Operations

The business mix and focus on costs have led to strong operating cash flow generation

Net Cash Flow from Operations (Rs Mn)...



...Driven by the Following Key Factors

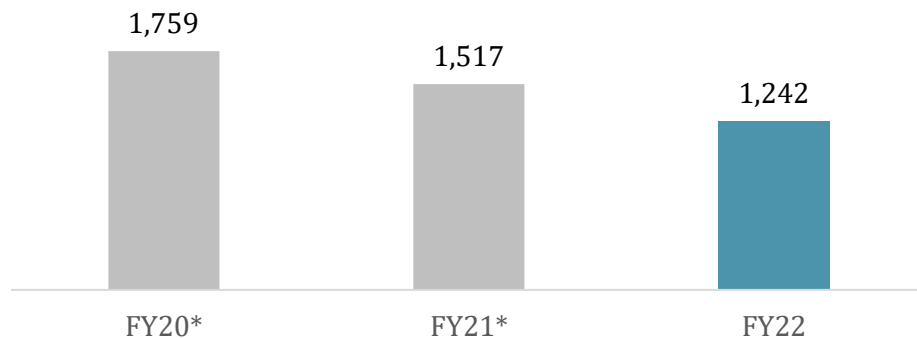
- **Growth in business and improved profitability**
- **Lower Finance costs** due to paring of debt & lower cost of debt

Note: * Restated to include the effect of the merger of Unibev with Globus Spirits Limited

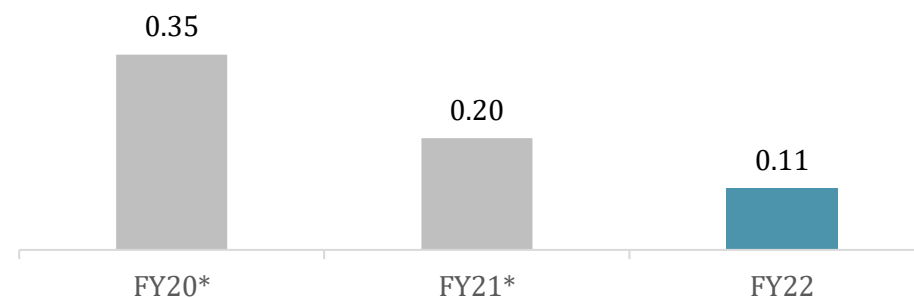
Key Financial Ratios

Consistent focus on reducing debt from business cashflow; improving return ratios

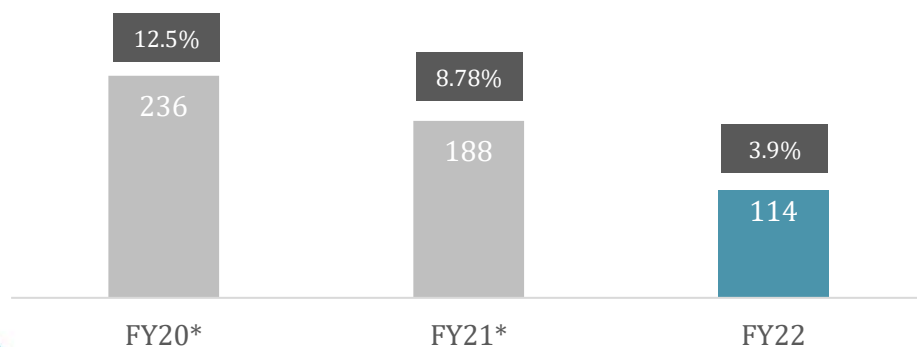
Long Term Borrowing (Rs Mn)



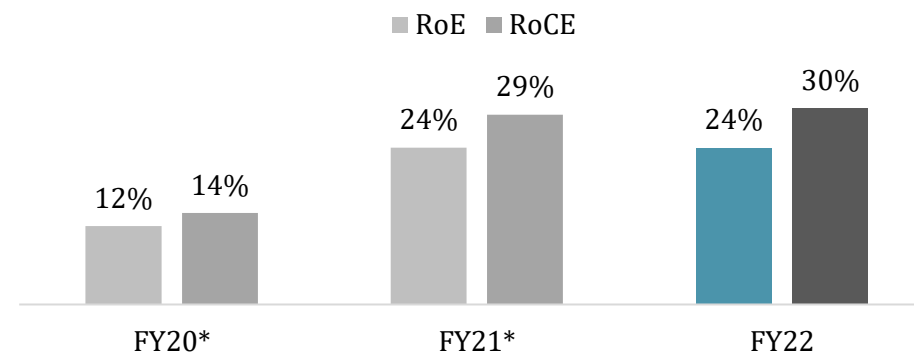
Net Debt/Equity (x)



Finance Cost (Rs Mn) and Avg. Cost of Debt (%)



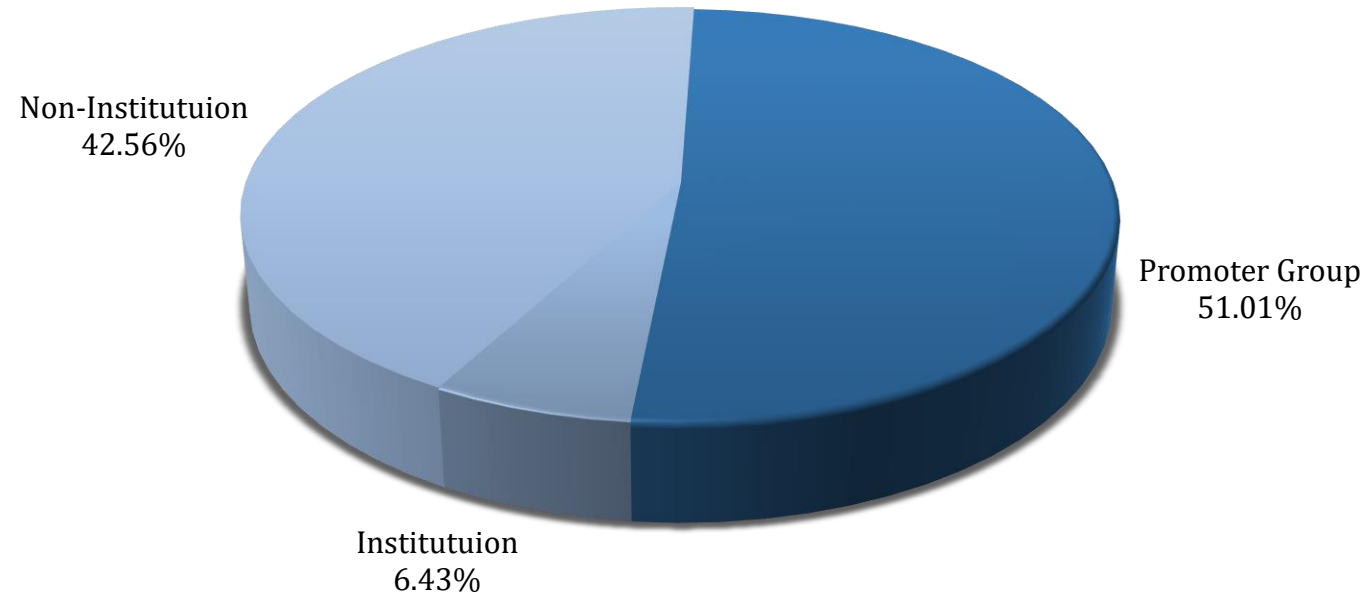
Return Ratios (%)



- Restated to include the effect of the merger of Unibev with Globus Spirits Limited
- Note: Cost of debt is less due to lower interest rate

Shareholding Pattern

Total outstanding equity shares as of September 30, 2022, stand at 28.8 Mn shares



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