

SOM DISTILLERIES AND BREWERIES LIMITED

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Corporate Office: SOM House, 23, Zone II, M.P. Nagar, Bhopal, Madhya Pradesh – 462011
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CIN : L74899DL1993PLC052787

(BSE : 507514, NSE : SDBL)



SDBL/BSE/NSE/2023-24

18.01.2024

To

The Manager, Listing Department, NATIONAL STOCK EXCHANGE OF INDIA LIMITED 'Exchange Plaza' C-1, Block G, Bandra-Kurla Complex, Bandra (E), Mumbai-400 051. cmlist@nse.co.in <u>Security ID: SDBL</u>	Dy. General Manager, Department of Corporate Services, BSE LIMITED, First Floor, P.J. Towers, Dalal Street, Fort, Mumbai – 400001. corp.compliance@bseindia.com <u>Security ID: 507514</u>
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SUB.: INVESTORS PRESENTATION – UNAUDITED FINANCIAL RESULTS (STANDALONE AND CONSOLIDATED) FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2023

Dear Sir/Madam,

In terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Investors Presentation on Unaudited Financial Results (Standalone and Consolidated) for the for the Quarter and Nine months ended December 31, 2023.

The same has also been uploaded on the Company's website www.somindia.com.

This is for your information and records please.

For Som Distilleries and Breweries Limited

Om Prakash Singh
Company Secretary and Compliance Officer



SOM Distilleries & Breweries Limited
(BSE: 507514, NSE: SDBL)

Earnings Presentation
Q3 and 9M FY2024



Q3 FY2024 Earnings Conference Call



Conference Call Details: Tuesday, 19th January 2024 at 4:00 PM IST

Diamond Pass

[Link](#)

Primary Number

+91 22 6280 1527 / +91 22 7115 8322

The number listed above is universally accessible from all networks and all countries.

Toll Free Number

USA: 1 866 746 2133

UK: 08 081 011573

Singapore: 800 101 2045

Hong Kong: 800 96 4448

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 SOM Distilleries & Breweries’ 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. SOM Distilleries & Breweries undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.



Company Profile

A glass of beer with a thick head of foam, surrounded by fresh hops and barley, set against a rustic wooden background. The beer is golden and bubbly, with a thick white head of foam. The hops are bright green and fresh, and the barley is golden and ripe. The background is a rustic wooden surface with a warm, golden light.

SOM Distilleries: One of the fastest growing beer companies in the India



Business Overview



SOM Distilleries & Breweries Limited (SDBL) is based in Bhopal and is one of the leading alcoholic beverages manufacturers in India



The Company has three key millionaire beer brands (sales more than 1 mn cases per annum) – Hunter, Black Fort and Power Cool



SDBL is primarily engaged in production of beer and blending and bottling of IMFL



Company's overall capacity has grown to 30.2 mn cases after expansion, up from 23.9 mn cases before expansion



Offers a broad line of products at every price point to cater to varied preferences of the consumers. The product portfolio consists of various options across beer, rum, brandy, vodka and whisky



SDBL is among the two listed beer companies in India and it is one of the fastest growing beer companies in the India



SOM Distilleries: One of the fastest growing beer companies in the India



Hunter Refreshing Strong Premium Beer



Woodpecker Beer



Black Fort Lager Premium Beer



Black Fort Super Strong Beer



Power Cool Beer



Legend Beer



Milestone Blue Whisky



Pentagon Gold Edition Whisky



Legend Premium Whisky



Pentagon XO Premium Rum



Black Fort XXX Matured Rum



Legend Rare Brandy



Milestone VSOP Brandy



White Fox Triple Distilled Vodka



White Fox Triple Distilled Vodka Naughty Green Apple



White Fox Triple Distilled Vodka Naughty Orange

Investment Case



Only listed company in India having both Beer and IMFL, which complement each other and reduces the risk of seasonality while providing marketing efficiencies



The company has also tied up with Radico Khaitan Ltd for their IMFL & RTD Brands production at Karnataka plant



Obtained approvals to supply Beer and IMFL in Rajasthan, with added authorization from Karnataka Excise for Beer distribution in Tamil Nadu. Company has also entered Jharkhand



MOU signed with Indian Fashion FZE, UAE for export of Beer and IMFL for West and Central Africa



Expanded market presence in Delhi and Uttar Pradesh, it is also set to cater to markets of Kerala and Pondicherry, short – more market gain



Woodpecker Wheat Beer, India's first filtered wheat beer has created a niche for itself and is expected to gain further momentum



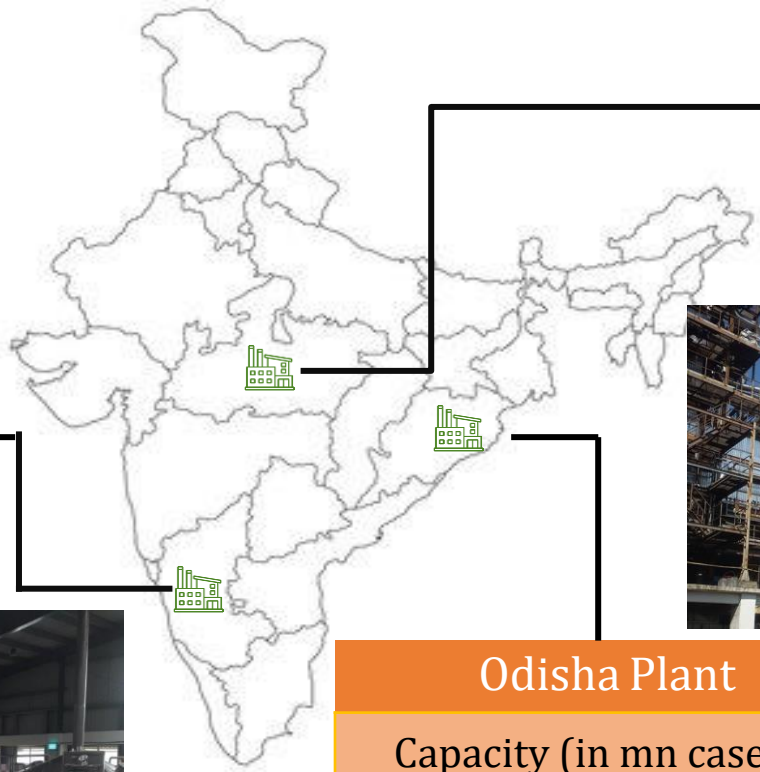
Strategic tie up with Carlsberg for the Odisha Plant, leading to better capacity utilization



Revenue compound annual growth rate (CAGR) of 20% over (FY19-FY23)



Plant Location



Hassan Plant	
Capacity (in mn cases)	
Beer	IMFL
9.0	2.7

Bhopal Plant	
Capacity (in mn cases)	
Beer	IMFL
15.2	0.6

Odisha Plant	
Capacity (in mn cases)	
Beer	IMFL
6.0	0.6



A glass of beer with a thick head of foam, surrounded by fresh hops and barley, set against a rustic wooden background.

Q3 FY2024 Performance

Q3 FY2024 Financial Highlights



Key Highlights: Q3 FY2024 vs Q3 FY2023

Beer Volume
44 Lakh Cases
+69%

IMFL Volume
3 Lakhs Cases
(3) %

Total Volume
47 Lakhs Cases
+62%



Total Income
Rs 2,665 mn
+76 %

EBITDA
Rs. 320 mn
+64 %

PAT
Rs. 180 mn
+71 %



Management Commentary



We are pleased to announce Q3 FY2024 performance. Our total income reached Rs 2,665 million, marking a remarkable 76% YoY growth. EBITDA increased to Rs 320 million, signifying a 64% YoY rise, and our net profit reached Rs 180 million with a 7% margin. Our beer volume recorded a 69% y-o-y growth, while a 62% growth in Total Volume.

In October 2023, our company secured a 45% of market share in Madhya Pradesh's beer industry, highlighting consumer preference in a competitive market. We have secured Karnataka Excise approval to supply premium beer brands in Tamil Nadu. This strategic move significantly expands our market reach and positions us for higher revenue and a competitive advantage in the region.

We aim to finalize the expansion of Hassan plant in Karnataka by Q1 FY2025. This expansion enables us to leverage summer demand and maximize revenue opportunities. Our strategy aims for sustained financial stability and profitable growth in the upcoming fiscal year.

Mr. JK Arora, Chairman (SOM Group of Companies)



Key developments for Q3 FY24



Secured official approval from the Karnataka Excise Department for the distribution of premium beer brands (Hunter, Blackfort and Woodpecker) in the state of Tamil Nadu

Successfully secured a substantial and dominant market share of 45% within the beer industry across the state of Madhya Pradesh for the month of October 2023

Introduced the new strong beer brand "Legend" in the state of Karnataka

Entered into a strategic contract manufacturing agreement in Jammu and Kashmir for the production of IMFL, targeting the delivery of high-quality products to the Canteen Stores Department (CSD)



A glass of beer with a thick head of foam, surrounded by fresh hops and barley, set against a rustic wooden background.

9M FY2024 Financial Highlights

9M FY2024 Financial Highlights



Key Highlights: 9M FY2024 vs 9M FY2023

Beer Volume

151 Lakh Cases
+47%

IMFL Volume

7 Lakhs Cases
+15%

NetDebt / 9M EBITDA

1.2x



Total Income

Rs. 9,012 mn
+62%

EBITDA

Rs. 1,096 mn
+48%

PAT

Rs. 665 mn
+50%



Performance Highlights



	Q3		Y-o-Y	9M		Y-o-Y
(Rs. Million)	FY2024	FY2023	Growth (%)	FY2024	FY2023	Growth (%)
Total Income	2,665	1,510	76.5%	9,012	5,550	62.4%
Gross Profit	970	627	54.8%	3,247	2,351	38.2%
<i>Margin (%)</i>	36.4%	41.5%		36.0%	42.4%	
EBITDA	320	195	64.3%	1,096	740	48.2%
<i>Margin (%)</i>	12.0%	12.9%		12.2%	13.3%	
Interest	27	35	(23.1)%	84	110	(23.9)%
Depreciation	56	43	30.4%	155	128	20.7%
Net Profit	180	105	71.0%	665	444	49.7%
<i>Margin (%)</i>	6.8%	7.0%		7.4%	8.0%	





Operational efficiencies leading to better cost management

Volume and Sales

- Recorded beer volume of **44** lakh cases (**67%** y-o-y)
- Recorded IMFL volume of **3** lakh cases (**(3)%** y-o-y)
- Beer revenue of Rs. **2,306** million; over **80%** of Q3 FY23
- Our mainline brands; Hunter, Black Fort and Power Cool, registered volume growth of **68%**, **59%** and **57%**, respectively as compared to Q3 FY23

Realization

- Beer realization for Q3 FY24 was Rs **518** per case compared to Rs. **484** in Q3 FY23; mainly influenced by the increased mix of SKUs and price hike
- IMFL realization for Q3 FY24 was Rs. **938** per case as compared to Rs. **734** in Q3 FY23

Cost

- The costs were stable in the quarter due to a favorable mix of new bottles and old bottles



Leverage Profile



(Rs. Million)	Dec 31 2023	Mar 31 2023
Secured Borrowings	790	1,330
Unsecured Borrowings	1,050	1,090
Gross Debt-Consolidated	1,840	2,420
Less: Cash & Cash Equivalents	150	130
Net Debt	1,690	2,290
Gross Debt / Equity (x)	0.4x	0.7x
Net Debt / EBITDA (x)	1.2x	2.3x

- Gross Debt reduced by Rs. 580 million, Overall consolidated debt decreased, showcasing an improved total debt position
- Reduced Gross Debt / Equity ratio indicates lower financial leverage, reflecting a healthier debt-to-equity balance
- Improved Net Debt / EBITDA ratio signifies enhanced debt servicing capabilities, demonstrating the company's ability to pay off debts from operating profits



Operational Highlights



Volume Summary



Lakh cases	Q3		Y-o-Y	9M		Y-o-Y
	FY2024	FY2023	Growth (%)	FY2024	FY2023	Growth (%)
Hunter	9.4	5.6	67.7	41.9	34.6	21.2
Black Fort	5.7	3.6	58.9	24.2	14.2	71.9
Power Cool	26.6	17.0	56.6	78.2	52.4	49.1
Total Beer	44.5	26.4	68.6	150.7	102.4	47.1
Total IMFL	2.7	2.8	(3.2)	7.4	6.4	15.4
Total Volume	47.2	29.2	61.7	158.1	108.8	45.2

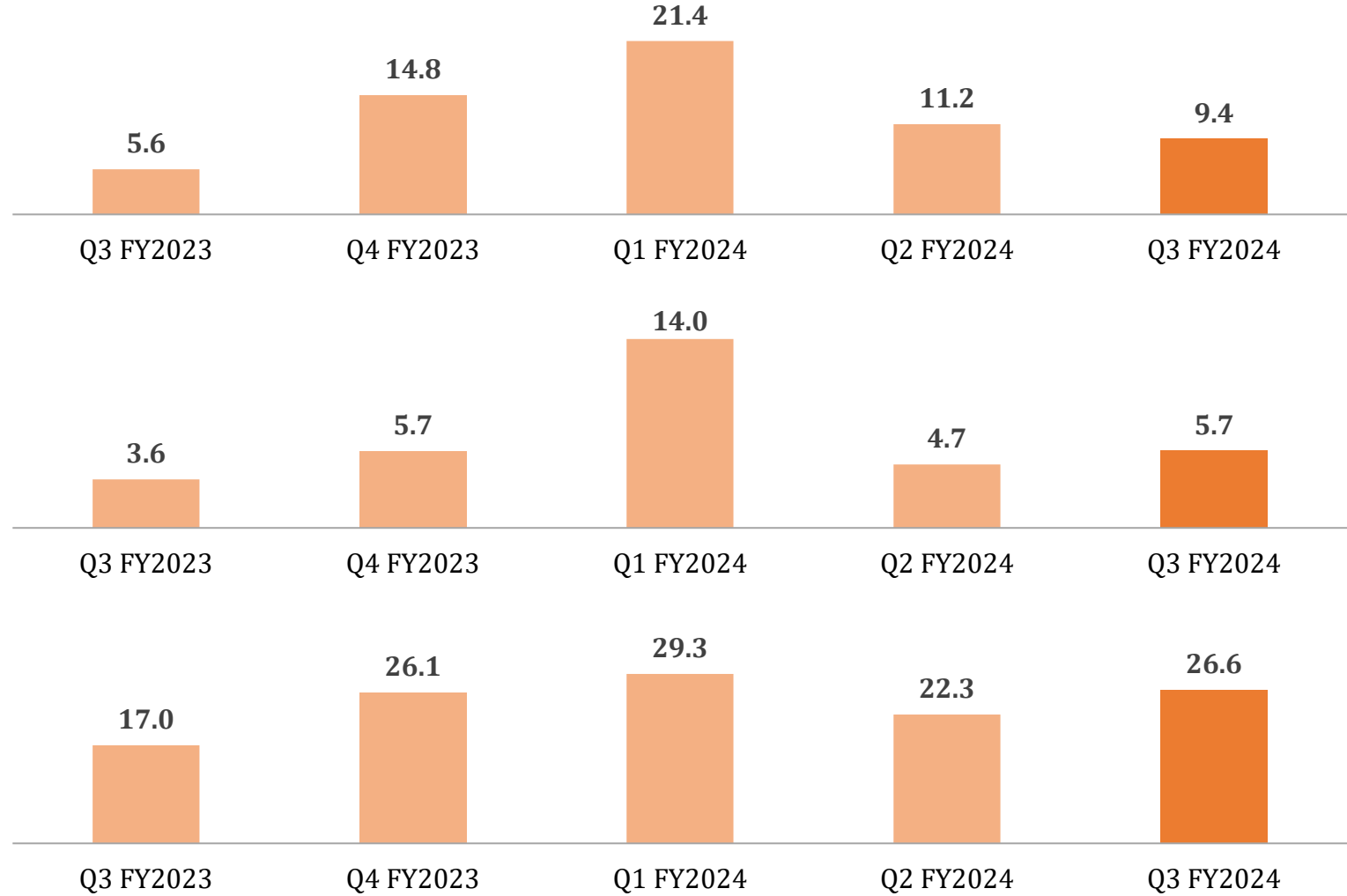
- Hunter beer demonstrated strong expansion in Madhya Pradesh, Odisha and Delhi reflecting its growing presence in the market, with volume increasing by around 68% compared to y-o-y basis
- PowerCool has shown a sustained growth in Madhya Pradesh and Karnataka.
- Beer accounted for **94%** of total volumes and **91%** of the revenue during 9M FY2024
- Price realization for Beer during 9M FY24 was Rs. **518** and IMFL was Rs. **938**; blended realization at Rs. **564**



Millionaire Beer Brands – Volume Consolidation



Quantity Sold (in lakh cases)



Sustainability





Conservation of Energy

Reduce fossil fuel dependency by transitioning to renewables and regular checks on electrical equipment to minimize energy waste

Waste Reduction Initiatives

In FY23, **recycled 277 MT and re-used 31,463 MT of waste**. Committed to responsibly handling plastic waste, either recycling or reselling to approved recyclers, promoting environmental sustainability

Water Stewardship

Promotes responsible drinking, plans 100% water replenishment in stressed areas by 2024 and conserves water through initiatives, reducing wastewater

E



CSR and Donations

In FY23, **donated Rs. 135.98 lacs**, committing 2% of net profit for societal education and welfare activities, including Asha Mohan Foundation through CSR

Well-being of employees

Conducted diverse awareness programs (health, safety, mental/physical well-being). Organized employee engagement, career development, ensuring zero cases of workplace issues

Customer Satisfaction

Implemented proactive customer complaint handling process to promptly address product-related concerns

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Corporate Governance

Corporate governance philosophy is guided by principles like independence, accountability, transparency, ethics, and integrity in relations with stakeholders

Experienced and Skilled Board of Directors

Balanced board with 2 Executives (including MD) and 4 Non-Executive Non-Independent Directors, offering valuable input on strategy and performance

Executive team of ESG

Dedicated ESG Executive team with 4 associates

G



A glass of beer with a thick head of foam, surrounded by fresh hops and barley on a wooden surface. The glass is filled with golden beer and has a thick, white head of foam. It is surrounded by fresh hops and barley on a wooden surface. The background is a blurred wooden wall.

Awards & Accolades

Awards and Accolades



Brand Recognition



Silver Award Winner



Winner of Monde Selection Quality Award

Voted as:



ASIA'S MOST PROMISING BRANDS



Silver Award Winner



Winner of Monde Selection Quality Award

Best Product Debut & Best CSR Award by:





Winner of Monde Selection Quality Award

Awarded Fastest Growing Company by:



The Best of Wine, Beer, Spirits & Allied Industry
The Mega Alcohol Trade Event in Asia

Selected in:



Ranked 86th by:



Awarded Innovative CEO & Excellence for Smart Innovation by:



Included in:



Winner of:






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