



SOM Distilleries and Breweries Limited

Corporate Presentation

August 2023





This presentation contains “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to SOM Distilleries and Breweries’ future business development 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, many of which are beyond our control 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.

Except as required by applicable regulations or by law, SOM Distilleries and Breweries does not undertake any obligation to publicly update or review any forward looking statements to reflect future / likely events or circumstances.

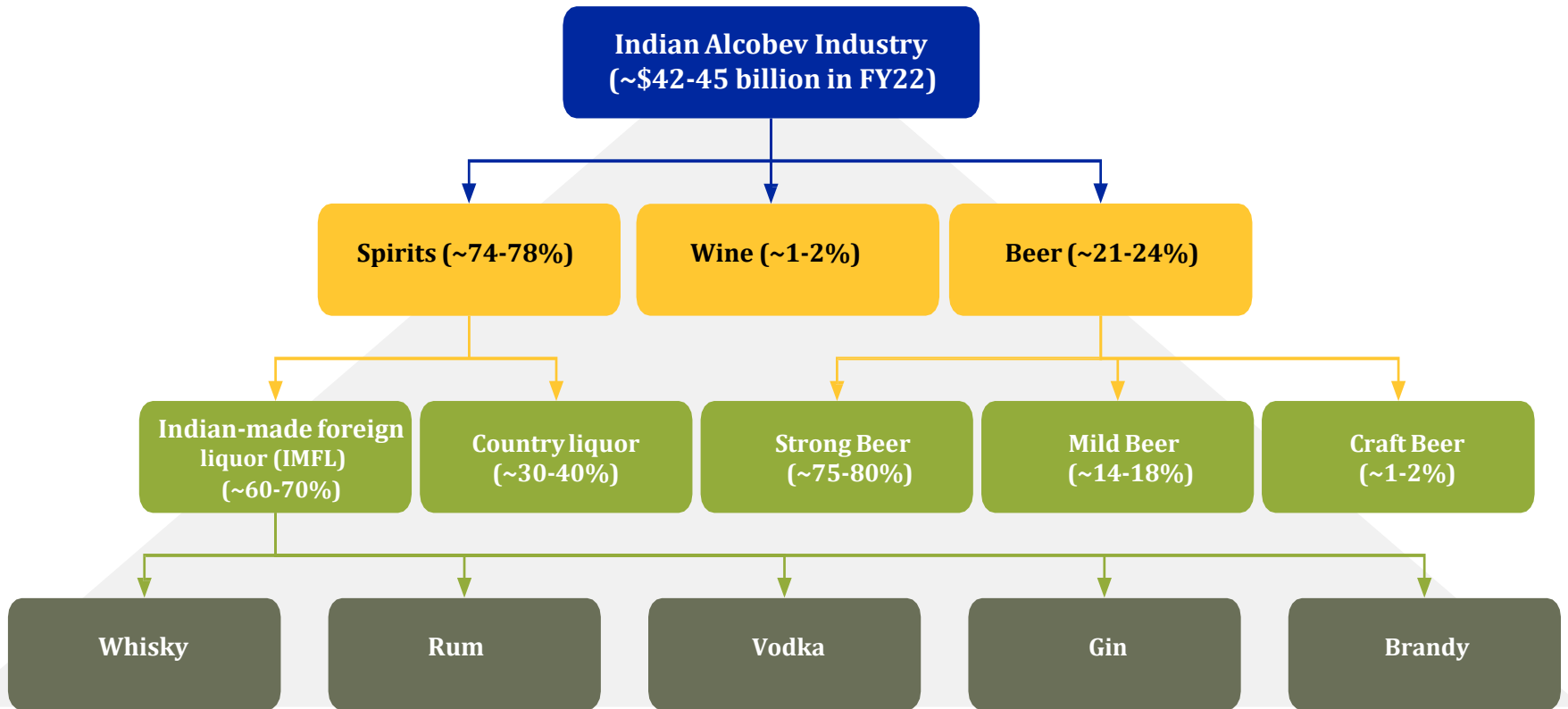
1 **Industry Overview**

2 Company Overview

3 Key Investment Highlights

Industry Overview

India 3rd Largest Alcobev Market Globally



- The Indian alcobev market is the third largest market globally in terms of value and is one of the fastest growing markets. The manufacturing ecosystem includes brand owners, contract manufacturers including distillers, breweries and bottlers.
- Under the beer segment, strong beer contributes to 75-80% of the market.
- Based on pricing, the alcobev industry is classified into various segments such as Popular, Prestige, Premium and Luxury.

Source: ICRA Research

4 Strong beer has more than 5% alcohol content and mild beer has less than 5% alcohol content

Industry Overview

India's Geography wise Alcohol Consumption Pattern



In India, IMFL and beer constitute majority (~85-90%) of the alcobev industry in terms of value.



While IMFL consumption is tilted towards southern states, beer consumption is higher in the northern and central states. Conducive weather conditions in southern states support steady IMFL consumption. Long and hot summers in the northern and central states support high consumption of beer in these regions.



The southern states comprising Kerala, Telangana, Karnataka, Tamil Nadu and Andhra Pradesh account for 40-50% of the total alcohol consumption. Other high consumption states include West Bengal, Odisha, Delhi, Haryana and Punjab.



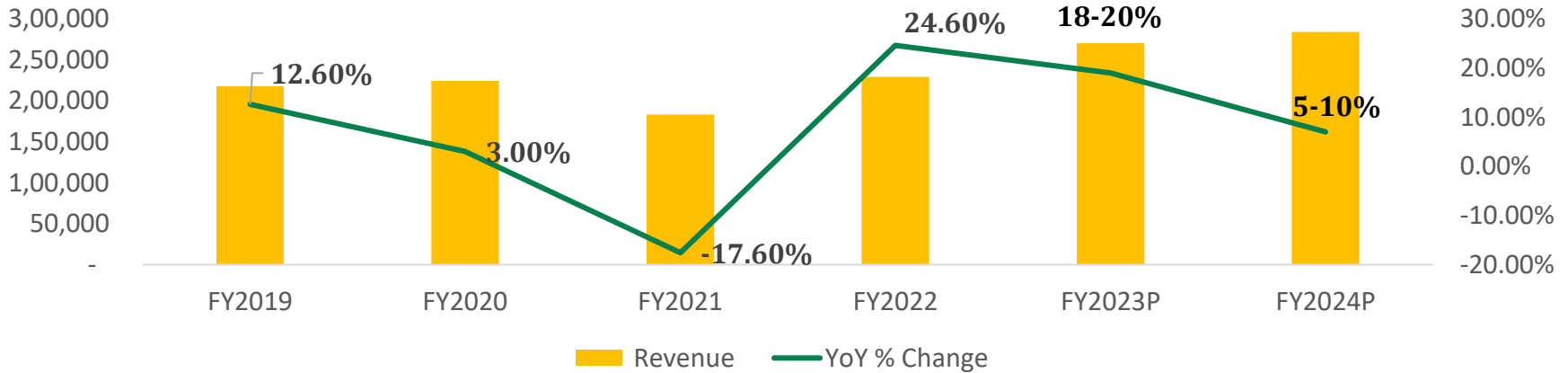
Despite being the third-largest market globally, per capita consumption of alcohol in India is one of the lowest at 5-6 litres per annum, compared to 7-10 litres in countries such as China, the US, East Asia and Pacific.

Industry Overview

Healthy Growth Expected



(₹ in Millions)



Despite healthy YoY growth of 11.8% in revenues in 9M FY2020, Covid-19 impact during Q4 FY2020 led to a relatively moderate revenue growth of 3.0% in FY2020. While the industry was severely impacted in FY2021, revival in demand, increasing premiumization and low base of FY2021 had led to a strong growth of 24.6% in FY2022.



Industry revenues are likely to grow at ~18-20% in FY2023 and ~5-10% in FY2024, led by healthy volume growth in addition to improving contribution of prestige and premium brands to the overall revenues. In FY2023, majority portion of the popular segment brands (which contrib

Industry Overview

Recent Industry Trends



Premiumization

Consumers are shifting their preference towards premium and elite products, including rising demand for scotch whiskies, craft beer among others.



Ready to mix, low alcohol variants and hybrid beverages

The alcobev players are undertaking product innovation, to cater to the changing needs of the customers including healthier social drinking & convenience for at home drinking, thereby diversifying the product mix as well.



Consumption in Small Cans & Packs

Alcobev companies are selling products (including premium brands) in small volume cans and easy to carry hipster/tetra packs, to meet consumer requirements

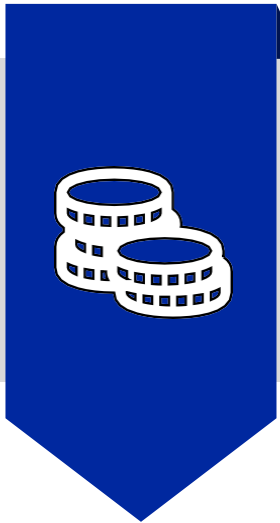


Online Delivery

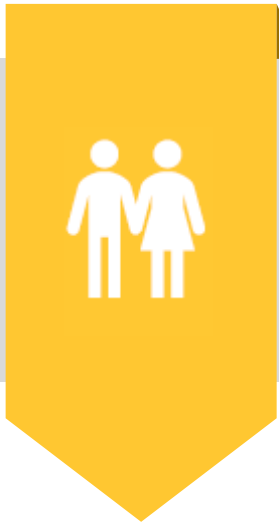
With increased home consumption of alcobev during the pandemic, online deliveries have aided demand to a certain extent. Some states such as Assam, West Bengal, Odisha, Chhattisgarh, Meghalaya, Delhi and Pune (Maharashtra) have allowed online deliveries over the last two to three years.

Industry Overview

Key Growth Drivers



**Rising disposable
income levels**



**Increase in
young-adult
demographics
with >65%
population
under 35**



**Growing
accessibility of
alcobev products**



**Urbanisation and
change in societal
perspective with
exposure to
western cultures**



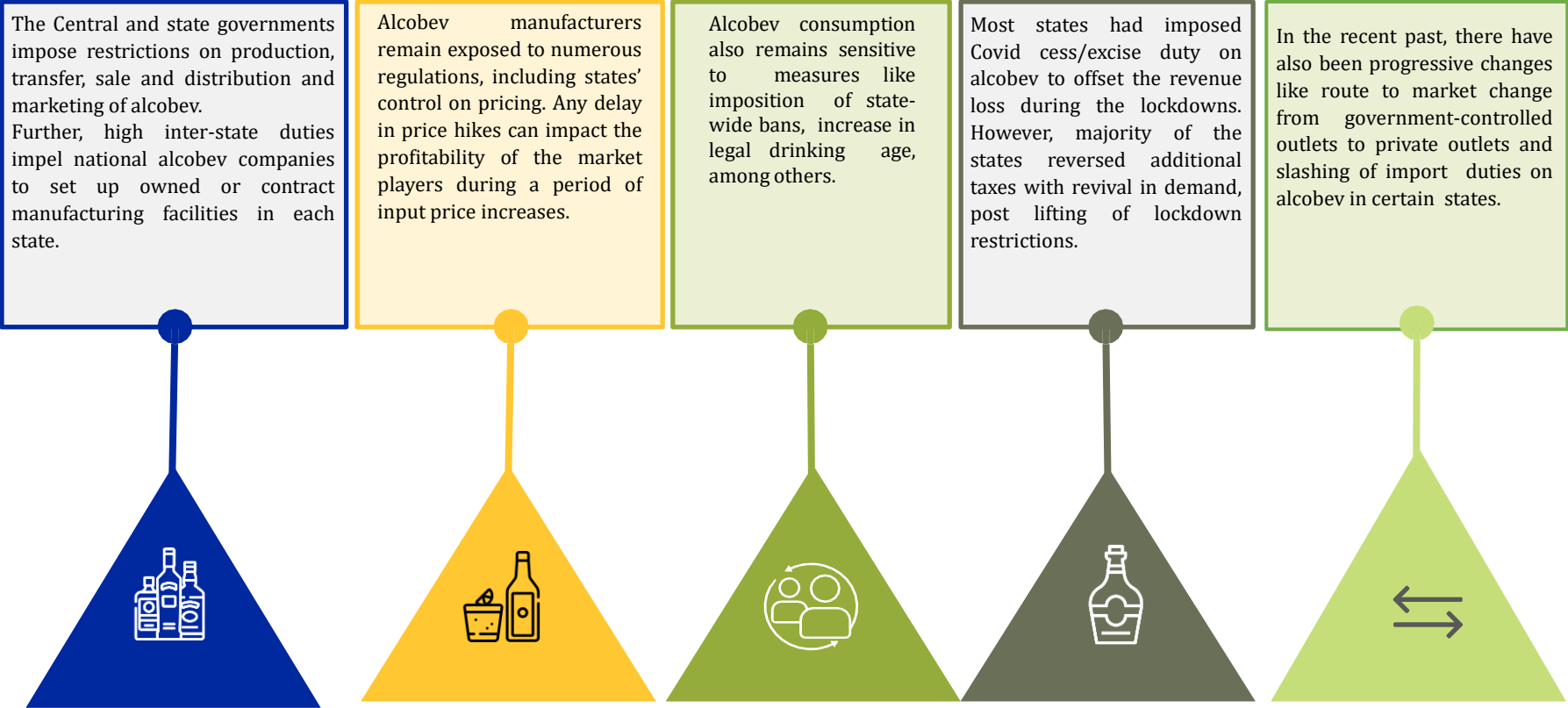
**Rise in consumer
demand for
premium/luxury
brands**

Industry Overview

An expected shift in the Indian beer market



Highly regulated industry with state-specific pricing policies



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Company Overview



SOM Distilleries: The only listed company with both Beer & IMFL portfolio in India

- SOM Distilleries and Breweries Limited (SDBL) is based in Bhopal and is one of the leading alcoholic beverages manufacturers in India
- SDBL is primarily engaged in production of beer and blending and bottling of IMFL
- 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
- The Company has three key millionaire brands (sales more than 1 mn cases per annum) – Hunter, Black Fort and Power Cool
- Launched Woodpecker Wheat Beer, India's first filtered wheat beer in FY2020
- New products introduced with seasonal themes to increase consumer traction and engagement –flavors of RTD drinks



Company Overview



Leading Alcoholic Beverage Manufacturer in India

Production of Beer and Blending & Bottling of IMFL

Established in 1993



Strong Portfolio Consisting of Millionaire Brands



14.96M Cases Sold in FY23



Share Price

₹324.55



Only Listed Company in India having both Beer & IMFL



Strong Management

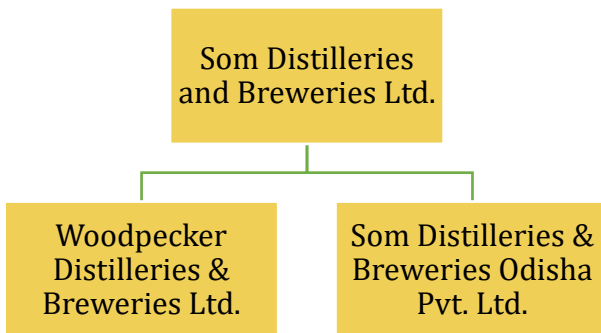


Revenue CAGR 20% (FY19 - FY23)

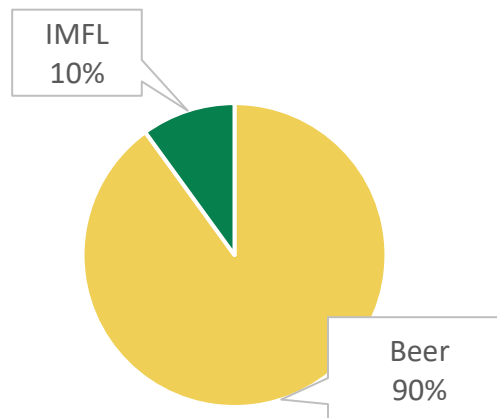
₹25,075 M

Market Cap

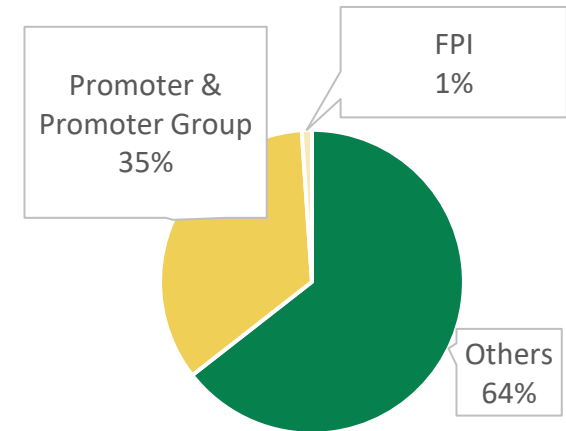
Group Structure



Segment Revenue



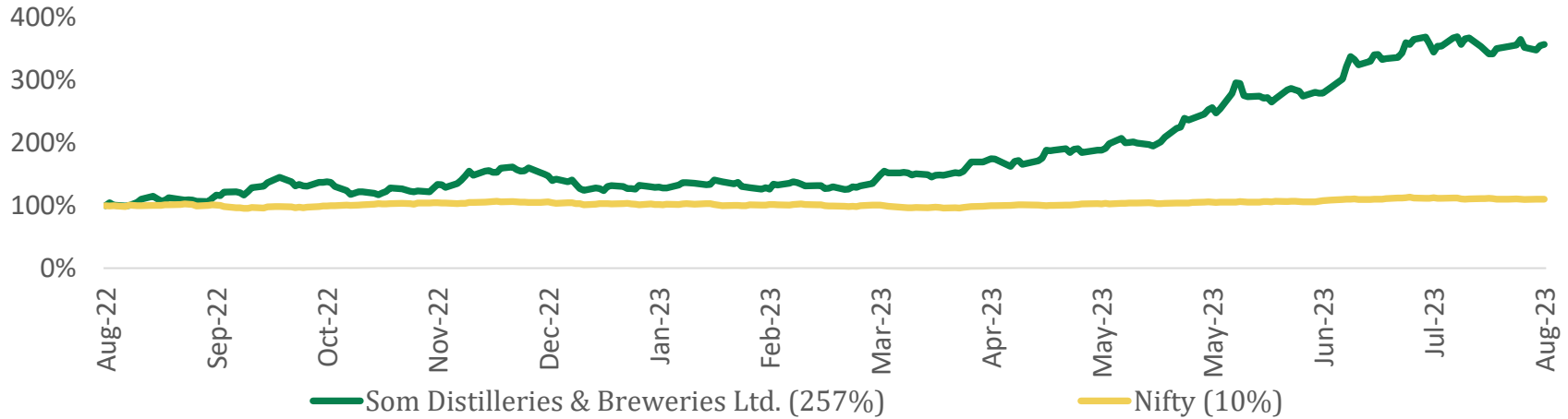
Shareholding



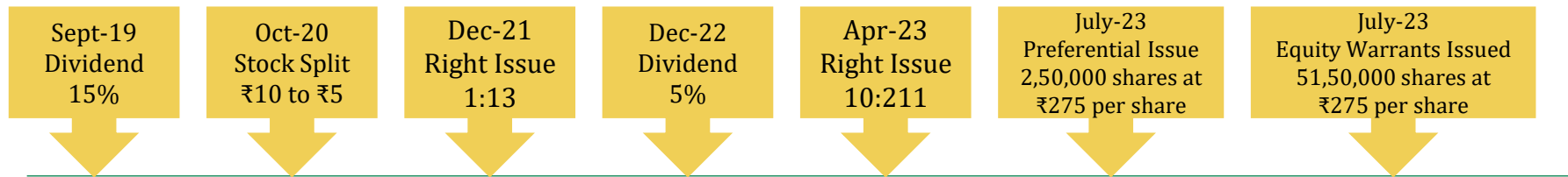
Source: Company Data

12 Share Price & Market Cap as per NSE as on August 23, 2023, Shareholding as on June 30, 2023

Stock Performance



Closing Price (August 23, 2023)	₹324.55	Particulars	1 M	3 M	6 M	12 M
52 Week High (August 1, 2023)	₹365.00	Avg Daily Traded Volume	5,44,860	6,42,390	7,69,532	7,14,168
52 Week Low (August 29, 2022)	₹87.55	Avg. Daily Traded Value (₹ M)	176.91	185.11	166.88	121.36
Total Market Cap	₹ 25,074.90 M	Avg. Delivery Volume (%)	52.27%	49.26%	45.49%	49.03%
Free Float Market Cap	₹16,432.60 M					



The Company has Significantly Outperformed the Market

Source: BSE & NSE, Company Data

13 Share price performance from August 24, 2022 to August 23, 2023

Awards & Accolades



Winner of Monde Selection Quality Award - Hunter

Best CSR Award by Spiritz

Awarded fastest growing company by INDSPIRIT

Winner of Monde Selection Quality Award - White Fox

Winner of Monde Selection Quality Award - Milestone Blue

Winner of AsiaStar

Ranked 86th by Inc. 500

Awarded Excellence for Smart Innovation by Innovative 100

Featured in "Forbes Top 200 best under billion sales" in Asia Pacific

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Key Investment Highlights



Strong Product Portfolio



Widespread Presence



Commitment to Growth



Robust Financial Performance



Experienced Management

Strong Product Portfolio (1/2)



Beer Portfolio

Beer Brands

Hunter Super Strong Premium Beer
 Power Cool Super Strong Beer
 Black Fort Super Strong Beer
 Legend Premium Lager Beer
 Woodpecker Lager Beer



IMFL Portfolio

Whisky

Pentagon Gold Edition Whisky
 Legend Premium Whisky
 21st Century Pure Malted Whisky
 GS Genius Whisky
 Gypsy Whisky
 Sunny Malted Whisky
 Milestone 100 premium Whisky
 Super Master Whisky

Vodka

Blue Chip Vodka
 White Fox Vodka
 White Fox Refresh (RTD)

Rum

Black Fort XXX Rum
 Gypsy Rum
 Sunny Rum



Diversified Portfolio Creates Synergy & Mitigates the Impact of Seasonality

Strong Product Portfolio (2/2)



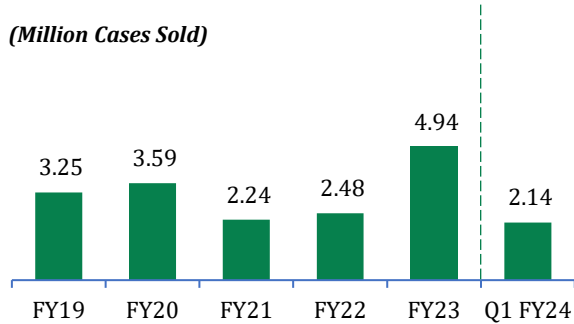
Three Millionaire Brands

Hunter



- Mainstream Segment
- Launched in 1995
- Alcohol Content of 6-8%

(Million Cases Sold)

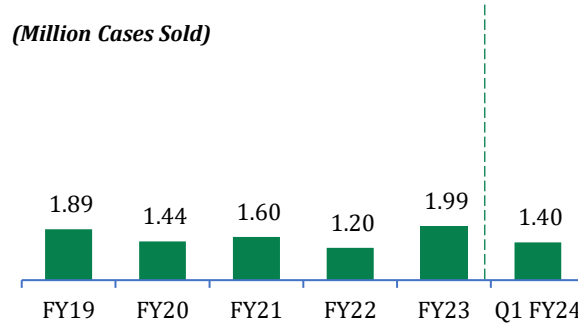


Black Fort



- Regular Segment
- Launched in 1994
- Alcohol Content of 6-8%

(Million Cases Sold)

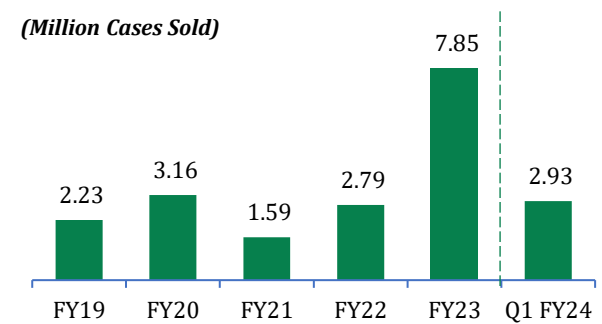


Power Cool



- Regular Segment
- Launched in 2011
- Alcohol Content of 6-8%

(Million Cases Sold)



Growth driven by Strong Demand for the Company's Products & the Company's Focus on Quality

Genius Prestige Whiskey

enjoyed a market share of 46% in Karnataka within 3 months of its launch.

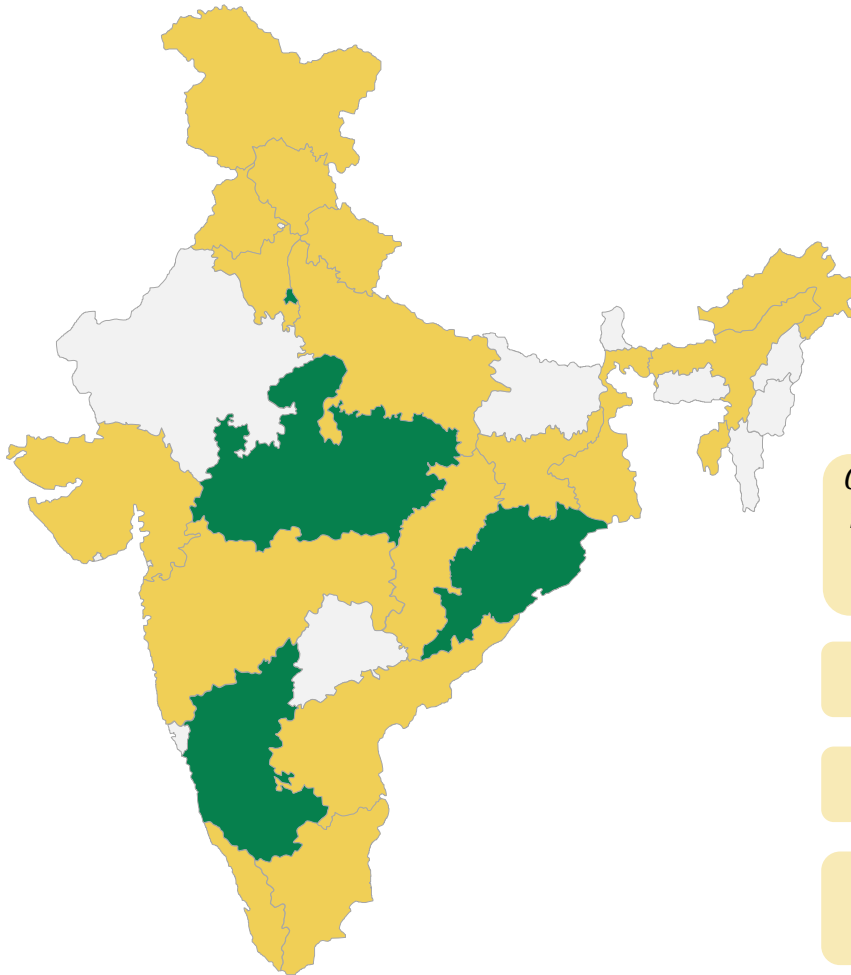
Woodpecker

India's first filtered wheat beer, launched in Bengaluru, Madhya Pradesh & Canteen Stores

The Company has not only maintained its Market Position, but also aims to Continuously Re-Innovate their Existing Portfolio to Cater to Changing Customer Taste

Widespread Presence (1/2)

National Presence



High Market Penetration

States accounting for ~94% of Business
SDBL's Market Share in the State



Madhya Pradesh



Karnataka



Odisha



Delhi

Presence Across the Country

Company set to invest ₹300 Cr in a new unit in Maharashtra / UP / Andhra Pradesh / Rajasthan / Tamil Nadu

Company received permission for supply of beer & IMFL to Rajasthan

Expanded Market Presence in Delhi & Uttar Pradesh

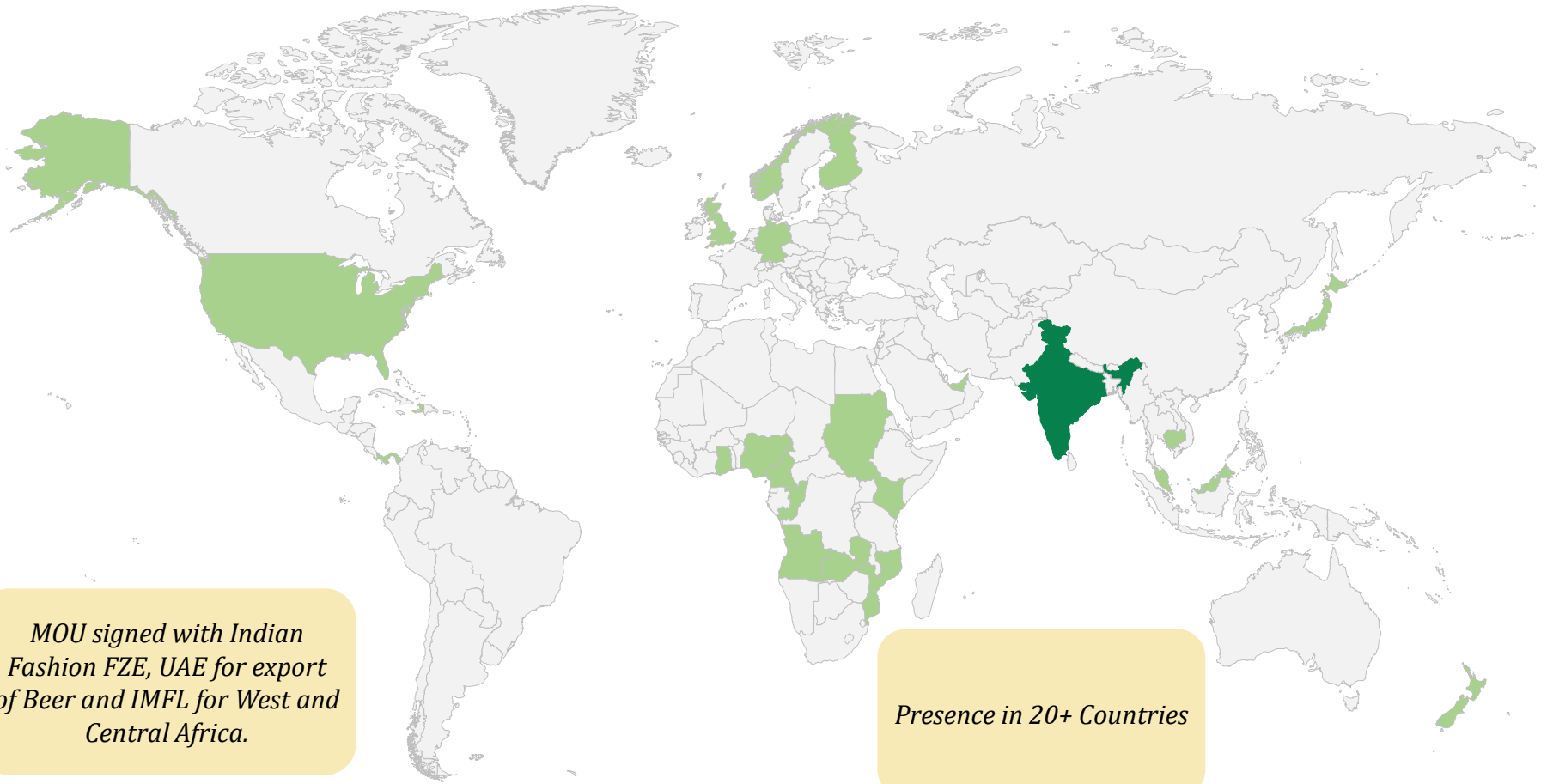
Entered Rajasthan & Jharkhand

Post Capacity Expansion, will cater to markets of Kerala & Pondicherry

The Company Places Strong Emphasis on Expanding its Network & Scale of Operations

Widespread Presence (2/2)

International Presence



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

Presence in 20+ Countries

The Company is Focused on Expanding its Export Portfolio

Commitment to Growth (1/2)



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



Strategic tie up with Radico Khaitan Ltd for their IMFL & RTD Brands production at Karnataka Plant



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



Permission received to supply beer & IMFL in Rajasthan



Commercial production started at the newly expanded canning facility at Bhopal Plant.



Commercial Production started at the newly expanded facility at Hassan, Karnataka Plant.



Set to invest ₹300 crores in new unit in Maharashtra / UP / Andhra Pradesh / Rajasthan / Tamil Nadu



Acquired brewery plant in Odisha in 2018 which accounted for ~9-10% of FY23 revenue.



Adding 6 Million cases capacity in Karnataka



Committed to bringing down the cost of debt and repaying the existing debt.

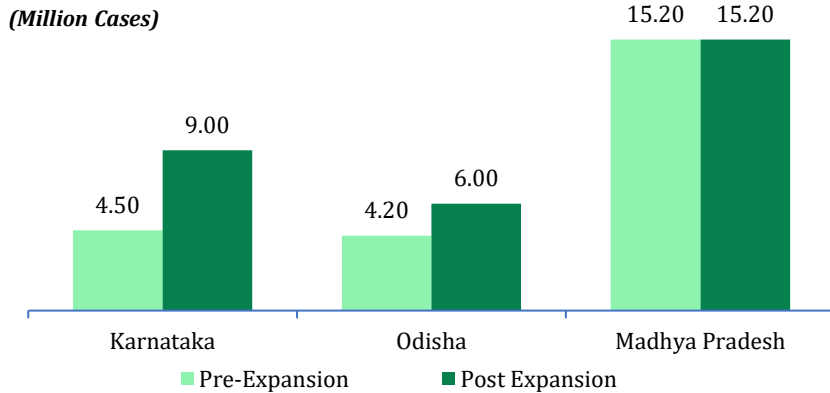
Oriented towards Growth

The Company is Well-Positioned to Capture the Growing AlcoBev Market

Commitment to Growth (2/2)

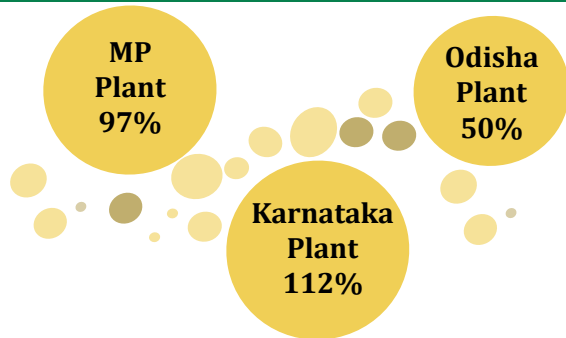


Growth in Capacity



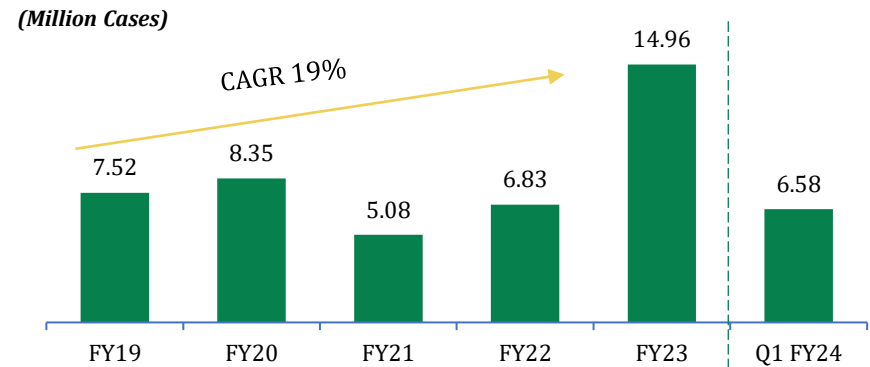
The Company has a combined capacity of 30.20 M cases p.a.

Capacity Utilization



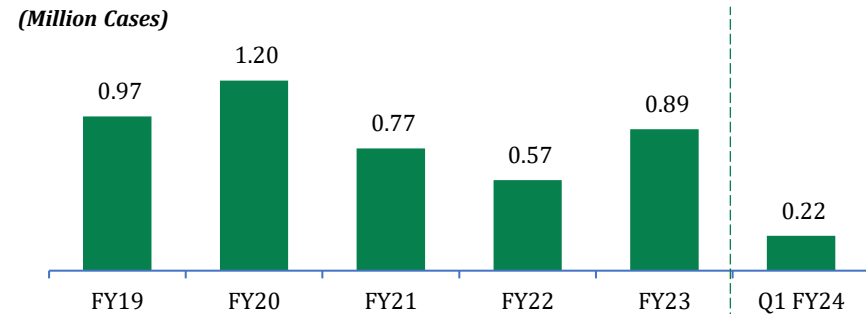
Company will enjoy Capacity Utilization of ~85-90%

Growth in Beer Sales



Growing Sales is a Testament to the Company's Quality

IMFL Sales



IMFL Sales constitutes ~10% of the Company's Revenue

Oriented towards Growth

The Company is Well-Positioned to Capture the Growing AlcoBev Market

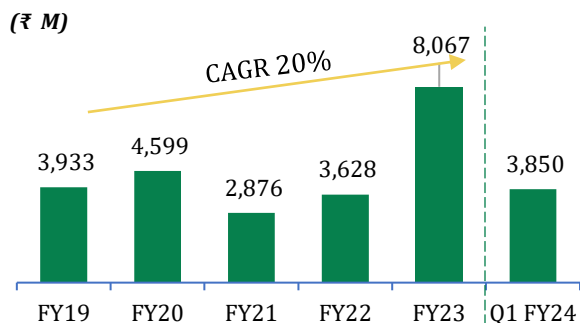
Source: Company Data

22 Capacity utilization values based on production for Q1 FY2024

Robust Financial Performance

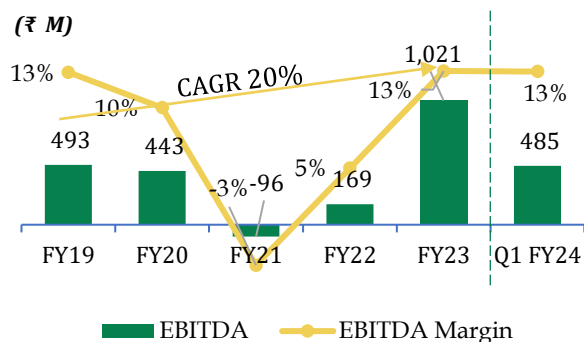


Revenue



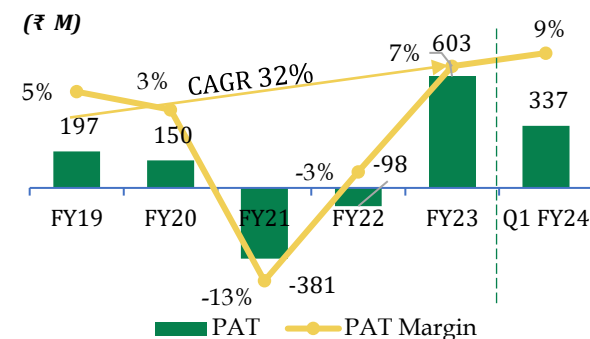
Significant YoY growth of 122% in FY23.

EBITDA & EBITDA Margin



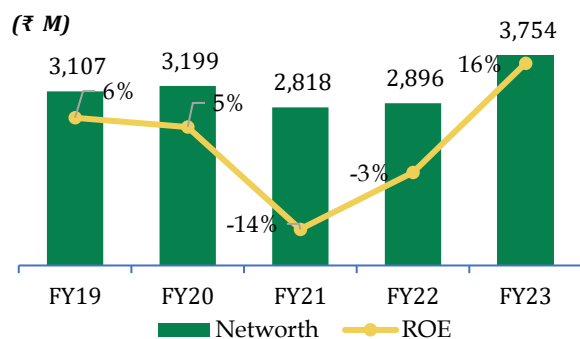
Remarkable YoY growth of 504% & EBITDA Margin Improvement seen in FY23

PAT & PAT Margin



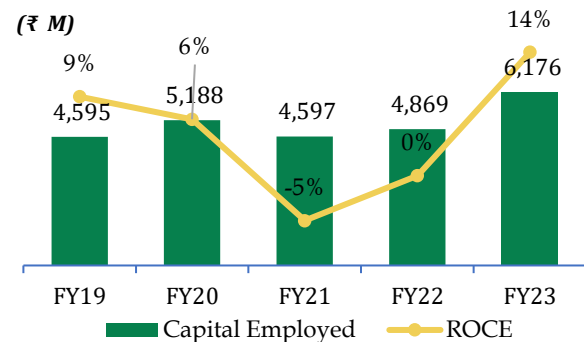
Post Pandemic PAT recovery and Extraordinary Growth leading to a PAT of ₹603M for FY23

Networth & RoE



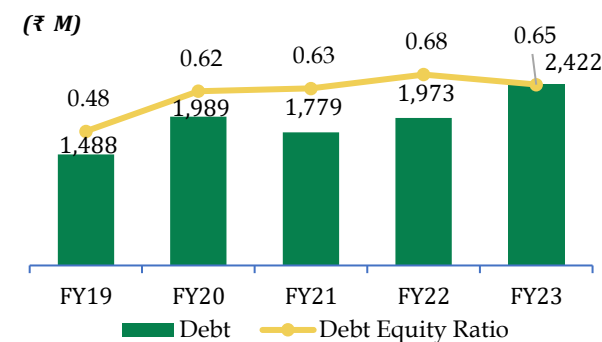
Notable growth & recovery in ROE which stood at 16% for FY23.

Capital Employed & RoCE



Significant growth & recovery in RoCE, which stood at 14% for FY23.

Debt & Debt Equity Ratio



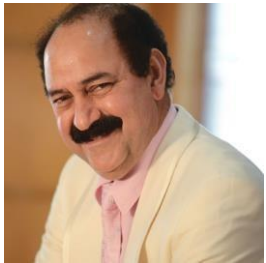
Improvement in the company's ability to meet its debt obligations as the net debt to EBITDA ratio improved from 9.59x in FY22 to 2.22x in FY23

Experienced Management



Jagdish Kumar Arora
Chairman & Managing Director

His vision as the founder and leadership skills continue to shape the success Som is achieving in innovative and sustainable development.



A.K. Arora
Deputy Managing Director

An exceptional technocrat and executive, he is an MBA and in-charge of the commercial and purchase processes at Som.



Deepak Arora
Chief Executive Officer

His skill lies in managing and streamlining operations, launching new products and exploring new business opportunities. He is an MBA from ISB.



Nakul Sethi
Executive Director -Finance & Strategy

He has an experience of over 2 decades in investment banking and with Corporates having worked in India, Australia and the Middle East. He has been with the group for the last 12 years.



Diwakaran Suryanarayana
Chief Operating Officer

With over 3 decades of experience across the likes of Union Carbide, Pepsico, United Breweries, SAB Miller, he has contributed significantly to the consumer centric approach and growth at Som, especially in the Southern markets.

Management team's in-depth understanding of market demand and consumer preferences has enabled the Company to grow its business



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

Registered Office:

Zee Plaza, 1 - A Kamal
Cinema Road Arjun Nagar
Safdarjung Enclave New
Delhi 110029

Corporate Office:

SOM HOUSE
23, Zone II
Maharana Pratap Nagar,
Bhopal 462011

Western India office

203, Landmark Building,
Opposite Citi Mall, Link
Road, Andheri (West)
Mumbai-400061

Sales and Marketing office

Unit No 806-808
A Wing, Mittal Towers,
MG Road,
Bengaluru- 560001

