



Q1 FY25 Results Update

Tilaknagar Industries Limited records highest ever Q1 EBITDA

EBITDA margin at 16%; margin expansion of 341 basis points YoY

Q1 FY25 summary

Revenue at Rs. 313.2 Cr; 3.0% growth

EBITDA at Rs. 50.2 Cr; 30.8% growth

PAT at Rs. 40.1 Cr; 55.7% growth

Gross debt reduction of Rs. 22.3 Cr in Q1; Net debt as on 30th June 2024 at Rs. 42.6 Cr

Mumbai, August 12, 2024: Tilaknagar Industries Limited (TI), the maker of Mansion House Brandy, India's largest and world's second largest selling brandy, has announced its financial results for the quarter ended June 30, 2024.

Consolidated: Q1 FY25 performance overview compared with Q1 FY24

- Net revenue from operations grew 3.0% to Rs. 313.2 crore vs. Rs. 304.1 crore; slowdown in growth driven by industry-wide disruption due to elections
- EBITDA grew by 30.8% to Rs. 50.2 crore vs. Rs. 38.4 crore; adjusted for the subsidy income, EBITDA for Q1 FY25 stands at Rs. 45 crore
 - o EBITDA margin improved by 341 basis points, standing at 16.0% as against 12.6%; adjusted for subsidy income, EBITDA margin at 14.5%
- PAT excl. exceptional items increased by 55.7% to Rs. 40.1 crore from Rs. 25.7 crore
- Reported EPS (Diluted) stood at Rs. 2.06 per share
- Volumes grew 0.9% to 2.54 mn cases, while NSR expanded 0.2% to Rs. 1,252 per case

Commenting on the performance, Mr. Amit Dahanukar, Chairman & Managing Director, said

“We are happy to report our highest ever Q1 EBITDA at Rs. 50 crs, despite facing a challenging operating environment. While volume growth was 0.9% YoY, our EBITDA growth stood at 30.8% YoY. This significant growth in EBITDA has been on account of cost optimization initiatives and increasing share of premium products in the portfolio.

Owing to the industry-wide disruption caused by the elections, the volume growth remained somewhat muted in Q1, which was on expected lines. Southern India states, that contribute 85%+ of TI volumes, saw a degrowth of 0.1% YoY in IMFL volumes in Q1 due to the aforementioned disruptions. However, we are expecting two of our key Southern states to come out with progressive excise policies very soon, which will not only benefit the industry, but also TI to a greater extent, given our market leadership and strong brand equity with consumers in both the states. At the overall level, we are looking at this moderation in Q1 as a transient phase, and are confident of resuming our industry-beating growth going forward, with focus on a good mix of market share gains in our existing portfolio, as well as innovative launches within brandy and beyond.

I am also glad to share that TI has maintained its leadership position in all its key states. We continue to be the 3rd largest P&A IMFL player in Telangana and Karnataka as well as the largest IMFL player in Puducherry in Q1 FY25.

Our newest launch, Green Apple Flandy has garnered tremendous appreciation from consumers and trade alike, and within the first quarter of launch itself has achieved a 20% share of Flandy volumes across flavours in the two states where it is available i.e. Telangana and Andhra Pradesh. Green Apple is a great addition to our Flandy portfolio, and we are very excited to occupy a meaningful position in the overall flavoured spirits ecosystem, which till now, has been majorly occupied by white spirit brands. We are especially excited with the opportunities that Flandy has to offer, given the progression of the cocktail culture amongst consumers in India.

TI continues to prioritize profitability and cash flow management as reflected in momentum in margins. Despite inflationary pressures especially on ENA, Q1 FY25 EBITDA margins expanded to 16%, a jump of 341 bps YoY and 260 bps QoQ; adjusted for the subsidy of Rs. 5.6 crore, EBITDA margins were at 14.5%. Our focus on debt reduction continues, with further reduction of Rs. 22.3 crore in the quarter. Our net debt now stands at a comfortable level of Rs. 42.6 crore. We expect to be net debt free within FY25. Our sustained efforts on debt reduction are also ensuring significant reduction in finance costs which is further enabling strong cash flow generation for the Company.”



About Tilaknagar Industries

Tilaknagar Industries (TI) is one of the leading IMFL manufacturers in India. Founded in 1933 by Shri Mahadev L. Dahanukar as Maharashtra Sugar Mills, the company was then engaged in the manufacture of sugar and allied products. TI now has 90 years of excellence in the consumer goods category. The Dahanukar family continues to be the promoter of TI sharing the same vision and values as the founders. Under the current leadership of Shri Amit Dahanukar, the company has grown to be the largest manufacturer of premium brandy in India. Its portfolio comprises of two 'Millionaire' brandy brands, Mansion House and Courier Napoleon. TI has presence in whisky, rum and gin categories through Mansion House Whisky, Madiraa Rum and Blue Lagoon Gin.

Website: <https://www.tilind.com/>

Contact:

Mr. Ameya Deshpande

(President – Strategy & Corporate Development)

Tilaknagar Industries

Email: adeshpande@tilind.com

DISCLAIMER:

The call may include statements which may constitute forward-looking statements including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Tilaknagar Industries' future business developments and economic performance. Forward looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The actual results, performance or achievements, could thus differ materially from those projected in any such forward-looking statements.