

THAI BEVERAGE PLC

2022 VIRTUAL ANNUAL INFORMATION MEETING
21 SEPTEMBER 2022



9M22 RESULTS

2022 VIRTUAL ANNUAL INFORMATION MEETING



9M22 FINANCIAL HIGHLIGHTS

SALES REVENUE

(MILLION BAHT)

207,922

▲ 8.2%

EBITDA

(MILLION BAHT)

39,110

▲ 6.7%

SPIRITS

SALES REVENUE

(MILLION BAHT)

90,648 ▼ 1.1%

EBITDA

(MILLION BAHT)

22,369 ▼ 5.2%

BEER

SALES REVENUE

(MILLION BAHT)

92,573 ▲ 15.3%

EBITDA

(MILLION BAHT)

13,446 ▲ 26.5%

NON-ALCOHOLIC BEVERAGES

SALES REVENUE

(MILLION BAHT)

12,826 ▲ 9.7%

EBITDA

(MILLION BAHT)

1,717 ▲ 5.4%

FOOD

SALES REVENUE

(MILLION BAHT)

11,990 ▲ 38.6%

EBITDA

(MILLION BAHT)

1,578 ▲ 104.1%

FINANCE

2022 VIRTUAL ANNUAL INFORMATION MEETING



FINANCE

Q: Due to the suspension of BeerCo IPO, what would be the strategy going forward? Does the Company see the possibility of resuming the IPO process and what would be the time frame, any prospects for BeerCo listing in 2023? Will other funding options be considered, e.g., inviting a strategic investor?

- We have deferred the IPO in view of market conditions, after having consulted with our financial advisors.
- ThaiBev will closely monitor the market conditions, and review the Proposed Spin-Off Listing at an appropriate time together with its advisors.
- We will make further announcements as appropriate should there be any updates in relation to the Proposed Spin-off Listing.
- In the meantime, we will continue to explore opportunities to maximize shareholders' value.
- We appreciate your suggestion. We will consider it together with our financial advisors.

Q: What is the total cost incurred so far for the three deferred attempts for the BeerCo IPO?

- Only legal fees and audit fees have been incurred in relation to the Proposed Spin-off Listing, and the amounts are insignificant when compared to our financial performance.

Q: How is the Company coping with rising interest rate, higher inflation and cost of raw material? How do these challenges affect ThaiBev's profit margin?

- In terms of rising interest rates, the majority of our interest-bearing debts have fixed rates and are denominated Thai Baht. Interest rate movements are thus expected to have minimal impact on us.
- We expect to see some impact of rising material cost on our margin. Nevertheless, we are actively mitigating the impact by reviewing and improving procurement and production efficiency, exploring possible increases in product prices.
- The recent resumption of social activities is expected to drive a recovery in consumption and demand, which could help lift sales volume and sustain our profitability.

FINANCE

Q: How are the Company's finances impacted with each point increase in interest rates? What steps are being taken to manage such exposure?

- Most of our interest-bearing debts are on fixed rate with long tenor and are denominated in Thai Baht, which is our reporting currency.
- This mitigates our exposure to rising interest rates and fluctuating currency exchange
- In addition, we will actively manage the level of our working capital to reduce the need to tap external borrowings. In this way, we would not be significantly affected by interest rate movements.

Q: The high debt level has been a concern as interest rates rise, will the Company consider divesting some of the non-core assets e.g., the stake in Frasers Property Limited, to reduce debt level and interest costs? Otherwise, are there any plans to expand the property business?

- The Company current gearing ratios are:
 - Net Interest Bearing Debt / Equity: 0.71x as of 30 Jun 22
 - Net Interest Bearing Debt / EBITDA: 3.30x annualized as of 30 Jun 22
- ThaiBev has a strong, solid, cash-based business, with the majority of its sales on “cash before delivery” terms.
- Tapping on its cash flows from operations, ThaiBev has decreased its net interest-bearing debt to equity ratio from 0.86x as at 30 September 2021 to 0.71x as at 30 Jun 2022. We are working to further deleverage the Company’s financial position.
- The Company does not have plans to further expand itself in the property business.

FINANCE

Q: How does management view the depreciation of THB currency against SGD?

- Our interest-bearing debts are denominated in our reporting currency, which is the THB
- We are thus unaffected by the movements of the THB against the SGD.

Q: As the bridge loan facility that ThaiBev has entered will be matured in early 2023, what is the way ahead in terms of deleveraging and reducing existing debt level?

- The Company has bridge loan facility that will be matured in early 2024. ThaiBev continues to explore ways to further deleverage using our free cash flow. In addition, we can consider refinance using debentures or bank loans, subject to market conditions.
- ThaiBev has investment-grade credit ratings from both domestic and international rating agencies.

Q: What are the reasons behind the decline of ThaiBev's share price and what actions will be taken to address this issue? Will the Company consider buying back its shares or giving more dividends?

- ThaiBev continues to commit with our dividend payout ratio of not less than 50%, subject to cash flow.
- The share price performance is subject to several factors. One of the factors is the business performance, which we are working hard to deliver strong and sustainable performance. The management team will continue to work closely with all stakeholders to pursue sustainable progress and business growth. However, the market conditions also can impact on the share price, the current market situations such as geopolitical issues and inflation risks are uncontrollable factors.

FINANCE

Q: Can the Company be more proactive on updating the business conditions and what has been done to reduce the overheads of the Company?

- ThaiBev applies half-yearly basis for financial reporting. However, we also provide shareholders with relevant business updates between the announcements of half-yearly financial statements.
- We continue to enhance cost management efficiencies across all our businesses by implementing a number of cost-savings initiatives, including wise spending and A&P, cutting utility expenses, and postponing non-critical activities and investments.

Q: Will management consider the disposal of the property business or acquiring full control of F&N?

- If there is any development on this, we will update shareholders as appropriate in accordance with our obligations under the SGX Listing Manual.

SPIRITS PRODUCT GROUP

2022 VIRTUAL ANNUAL INFORMATION MEETING



FINANCIAL PERFORMANCE – SPIRITS BUSINESS

SALES REVENUE

(MILLION BAHT)

90,648

(9M22)

▼ 1.1%

91,630

(9M21)

TOTAL SALES VOLUME

▲ 0.02%

EBITDA

(MILLION BAHT)

22,369












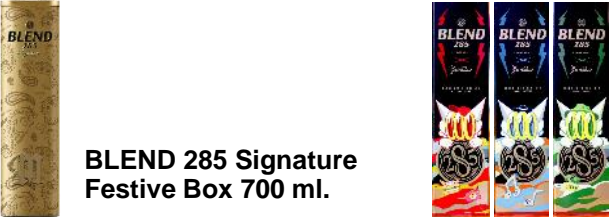
(9M22)

▼ 5.2%

23,605

(9M21)

KEY THAI PRODUCT PORTFOLIO

Brands	Current Portfolio	FY2022 Addition / Improvement
	 <p>Ruang Khao (Embossed Bottle) 330 ml./ 625 ml.</p>  <p>Ruang Khao Silver 330ml./ 700 ml.</p>	
	 <p>Hong Thong 350 ml./ 700 ml./ 1 Liter</p>	
	 <p>SangSom 300 ml./ 700 ml./ 1 Liter</p>	 <p>SangSom 300 ml. (2 bottles) with Bucket For 1</p>
	 <p>BLEND 285 345 ml./ 700 ml./ 1 Liter</p>  <p>BLEND 285Signature 345 ml./ 700 ml./ 1 Liter</p>	 <p>BLEND 285 Signature Festive Box 700 ml.</p> <p>BLEND 285 Benzilla 700 ml.</p>

HONG THONG



SANGSOM



NIYOMTHAI SPECIAL AROMATIC RICE



MERIDIAN BRANDY & KULOV VODKA



GRAND ROYAL



BEER PRODUCT GROUP

2022 VIRTUAL ANNUAL INFORMATION MEETING



FINANCIAL PERFORMANCE – BEER BUSINESS

SALES REVENUE

(MILLION BAHT)

92,573

(9M22)

▲ 15.3%

80,265

(9M21)

TOTAL SALES VOLUME

▲ 6.0%

EBITDA

(MILLION BAHT)

13,446

(9M22)

▲ 26.5%

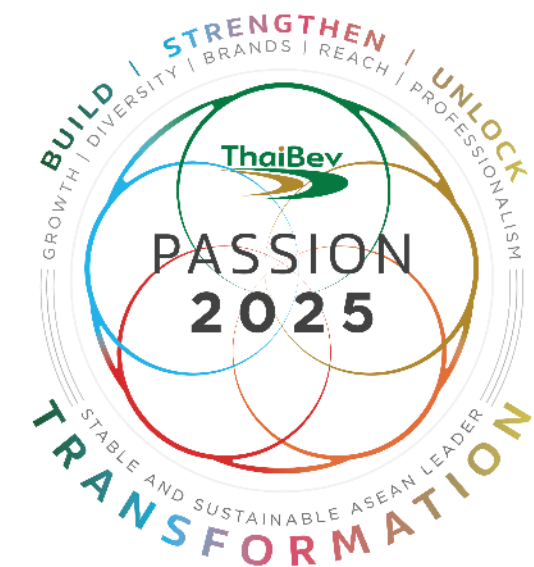
10,631

(9M21)



BEER PRODUCT GROUP THAILAND

2022 VIRTUAL ANNUAL INFORMATION MEETING



BEER PRODUCT GROUP



BEER PRODUCT GROUP



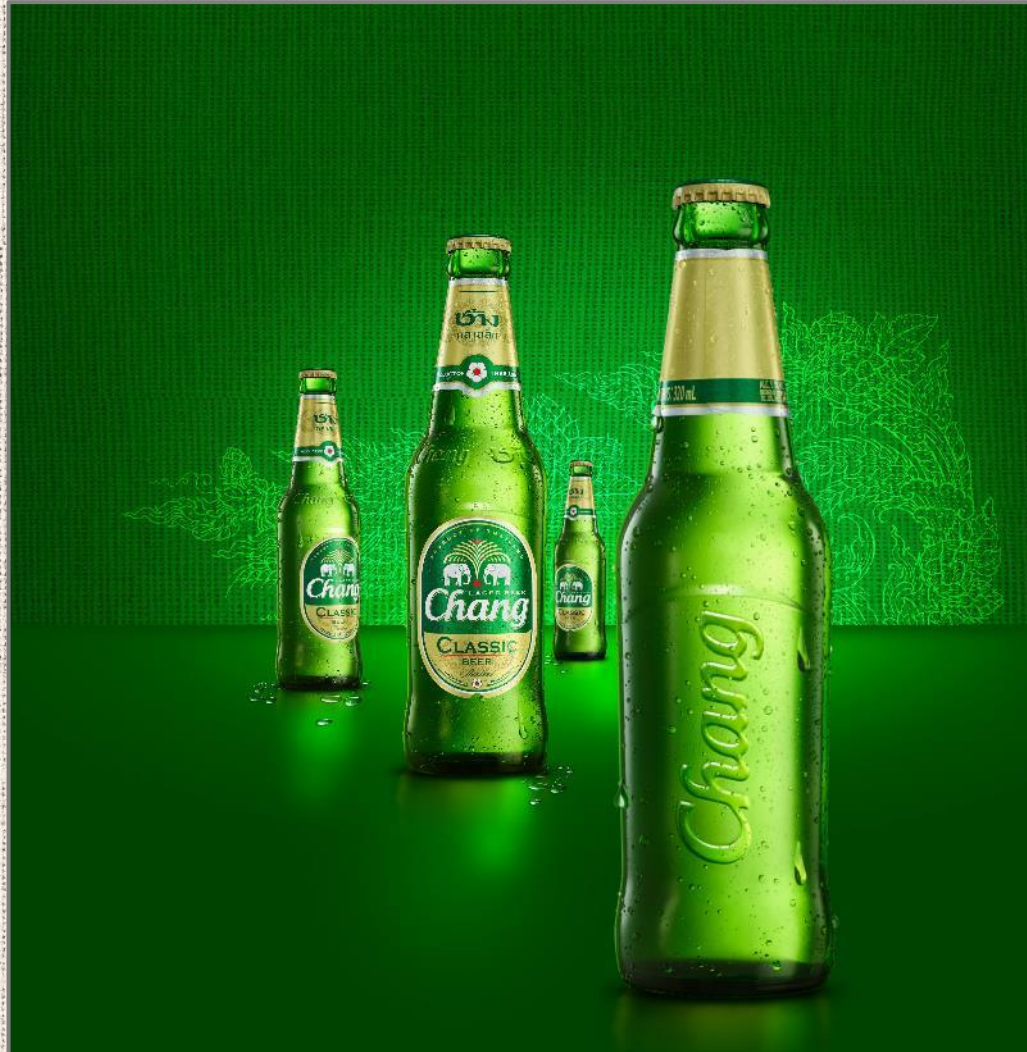
LIFE ISN'T ABOUT WAITING FOR
THE STORM TO PASS

BEER PRODUCT GROUP



**ITS ABOUT LEARNING TO
DANCE IN THE RAIN**

BEER PRODUCT GROUP



Three Areas Of Focus

COMMERCIAL EXCELLENCE

PORTFOLIO OPTIMISATION

OPERATIONAL EFFICIENCY



BEER PRODUCT GROUP

COMMERCIAL EXCELLENCE



BEER PRODUCT GROUP

COMMERCIAL EXCELLENCE



Area Management

Partner Development

Brand Strategy For Sales

Team Development

Profitability Improvement



BEER PRODUCT GROUP

PORTFOLIO OPTIMISATION



BEER PRODUCT GROUP

OPERATIONAL EFFICIENCY



BEER PRODUCT GROUP



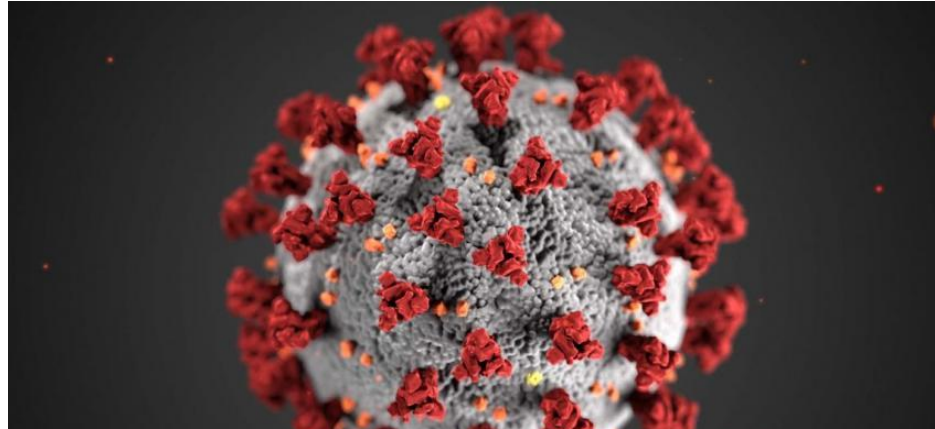
Chang Number One

BEER PRODUCT GROUP SABECO

2022 VIRTUAL ANNUAL INFORMATION MEETING



A CHALLENGING 2021...WITH GRADUAL RECOVERY FROM 2Q22 ONWARDS



Covid-19 Pandemic



Ongoing Lockdown



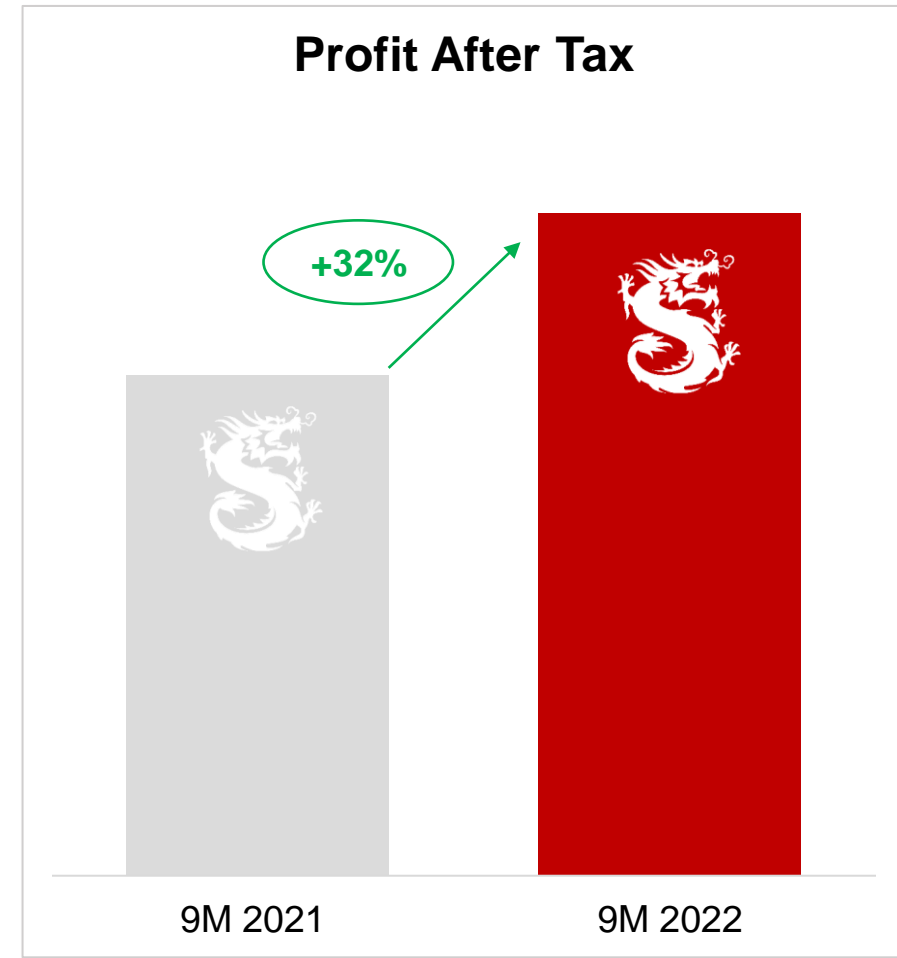
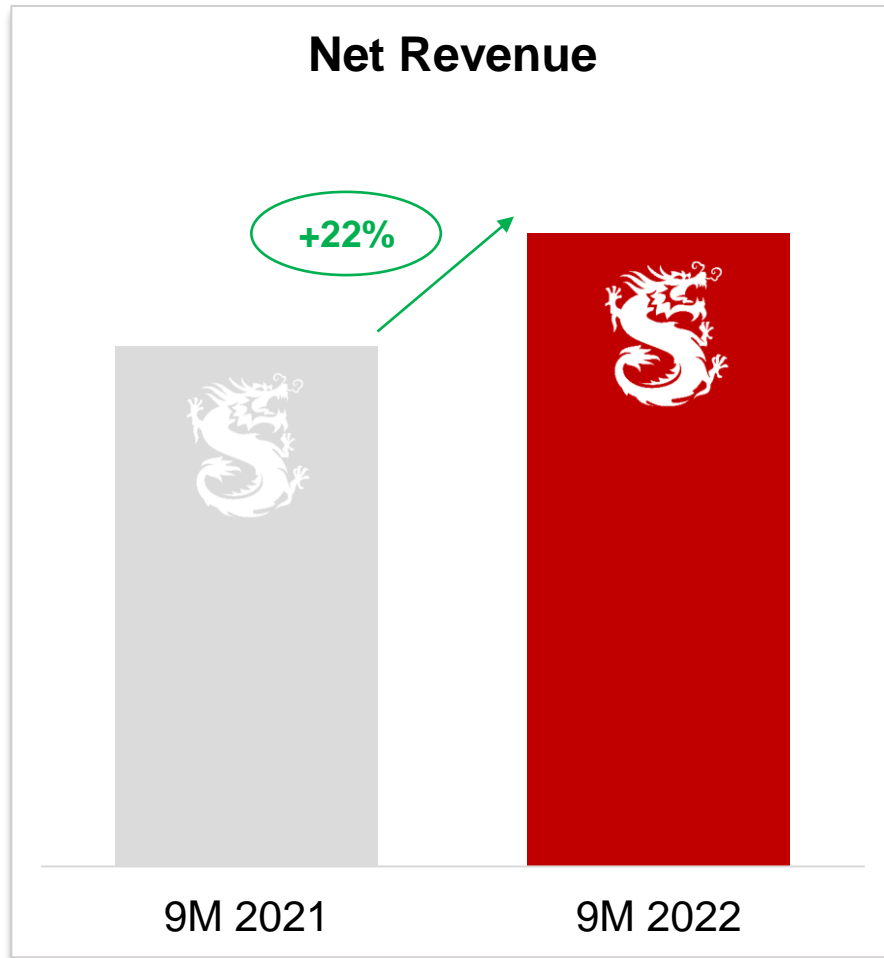
Restrictions on On-Trade Channels



Beer Designated as “Non-essential” Goods

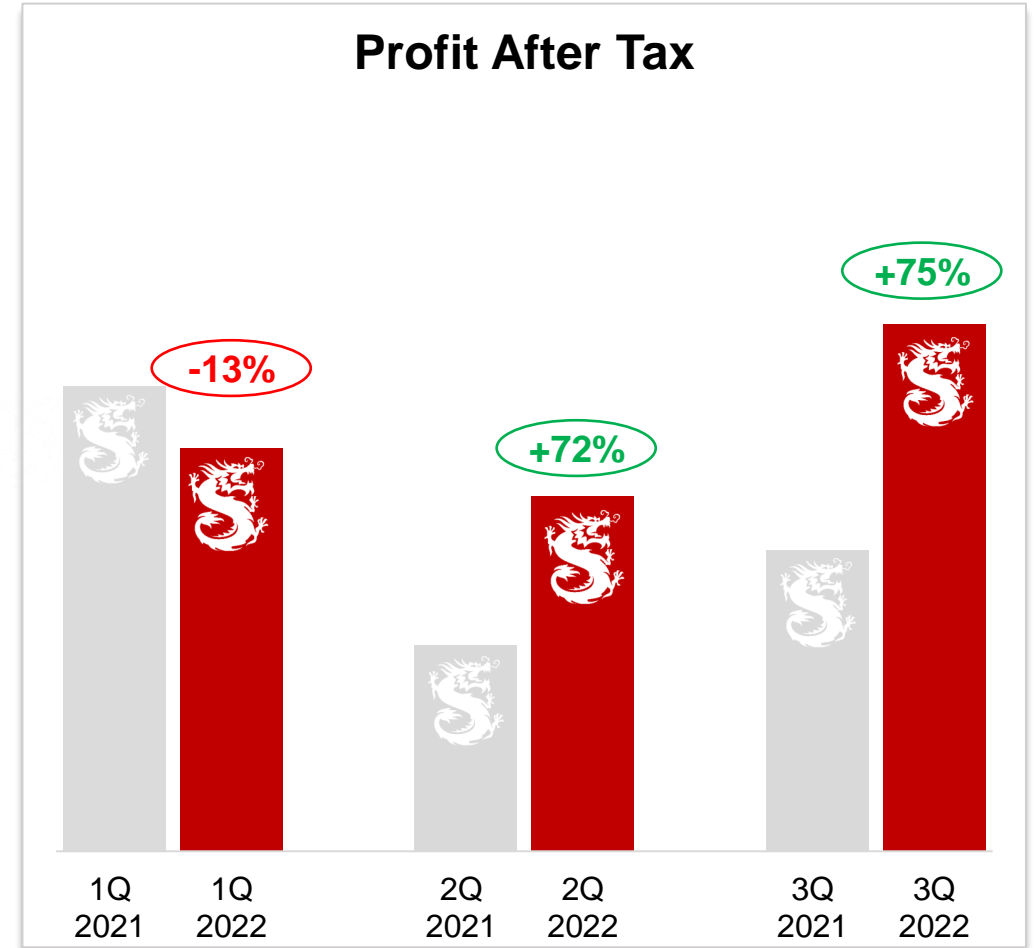
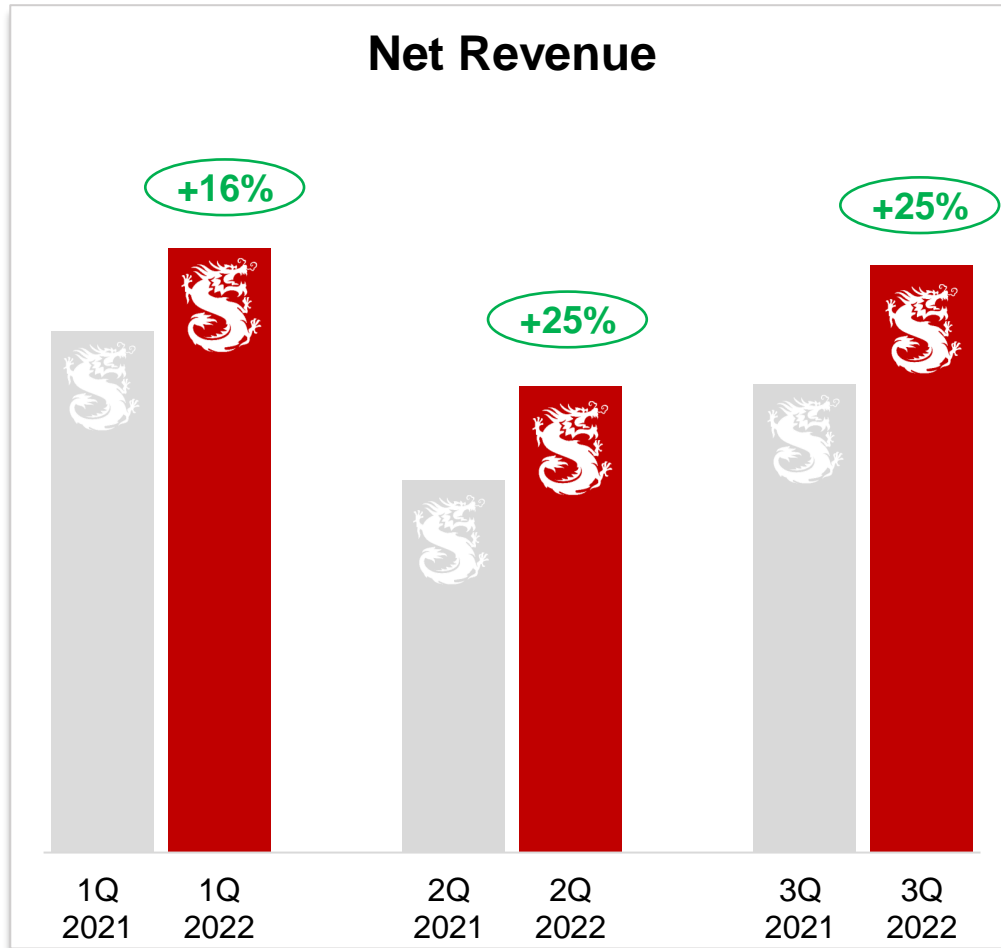
9M22 (OCT 2021 – JUN 2022) FINANCIAL PERFORMANCE

We delivered a significant net revenue and profit growth of 22% and 32% YoY respectively



9M22 (OCT 2021 – JUN 2022) FINANCIAL PERFORMANCE

Net Revenue and Profit After Tax improved QoQ



9M22 KEY HIGHLIGHTS

Brand health and market share continue to pick up



Won international awards for our product quality and taste



Australian International Beer Awards
("AIBA")



Monde Selection International
Quality Institute

Launched "Stronger Together"
Campaign with 63 Provincial
Cans



National Cans



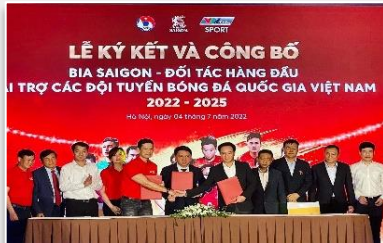
63 Provincial Cans

9M22 KEY HIGHLIGHTS

Invested in Vietnamese Sports and National Football teams



Diamond Sponsor for SEA Games 2022



Top Star Partner for the Vietnam National Football Teams



Bia Saigon Cup 2022

Relaunched Bia Saigon Special and Bia Saigon Gold



Saigon Special



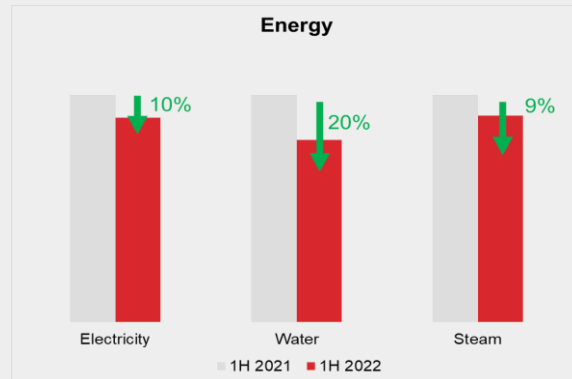
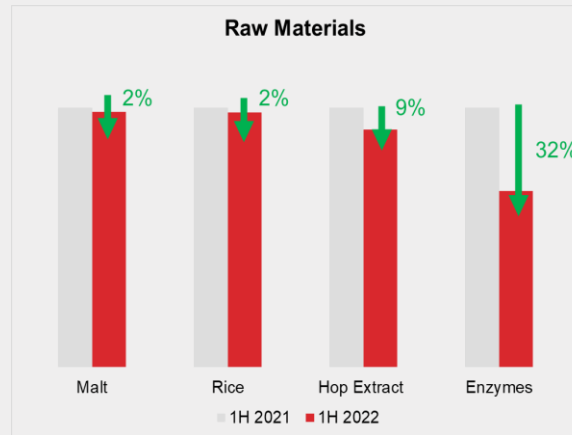
Saigon Gold

Enhanced and Upgraded Mobile Dem Saigon ("Saigon Night")



9M22 KEY HIGHLIGHTS

Continuous Improvement in Production Norms to Achieve World Class Standards



*1H is from Jan-June period

CSR Activities with Strategic Partners



Project "Light Up the Rural"



Project "Fostering Sports"

MOVING INTO THE LAST QUARTER OF 2022 AND BEYOND



Drive Volume and Margin Growth



Continuous Improvement in Cost and Production Efficiency



Effective and Optimise Advertising & Promotion Spend

NON-ALCOHOLIC BEVERAGE PRODUCT GROUP

2022 VIRTUAL ANNUAL INFORMATION MEETING



FINANCIAL PERFORMANCE – NON-ALCOHOLIC BEVERAGE BUSINESS

SALES REVENUE

(MILLION BAHT)

12,826

(9M22)

▲ 9.7%

11,688

(9M21)

EBITDA

(MILLION BAHT)

1,717

(9M22)

▲ 5.4%

1,629

(9M21)



GROWING SUSTAINABLY, SATISFY CONSUMERS WITH HEALTHY BEVERAGE BRANDS FROM MORNING TO NIGHT



Sustainability



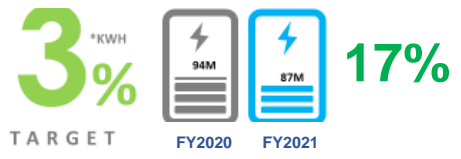
Production-Supply Chain Excellence



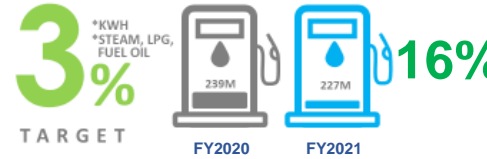
Brand & Reach



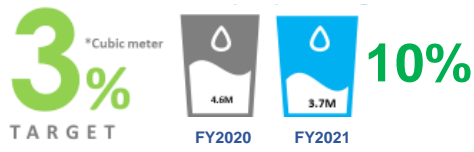
ELECTRICITY CONSUMPTION



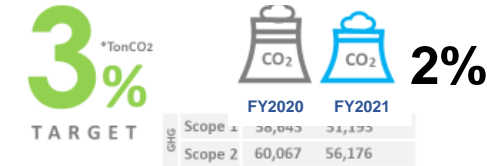
ENERGY CONSUMPTION



WATER CONSUMPTION



GREENHOUSE GAS EMISSION



SUSTAINABILITY



PRODUCTION & SUPPLY CHAIN EXCELLENCE

BUILD WINNING BRAND PORTFOLIO

Defend Leadership

“ORIGINATING THE QUALITY STANDARD”



“#1 GREEN TEA X #1 Anime”



BUILD WINNING BRAND PORTFOLIO

Delight and Satisfy Our Consumers with Healthy Beverage Brands from Morning to Night

“RECONNECTING HEALTH & WELLNESS LIFESTYLE ”



“HEALTHIER CSD CHOICE ”



“VITAMIN PLUS ENERGY DRINKS”



BUILD WINNING BRAND PORTFOLIO

Leverage Sponsorship to Strengthen Brand Awareness

“est X THAI NATIONAL VOLLEYBALL TEAM”



“est x TINY TAN”



REACH CONSUMER ANYTIME ANYWHERE

“ACCELERATE GROWTH & PENETRATION IN FSR
BACK TO OUR HIGHEST LEVEL IN 2019”

FY18 FY19 FY20 FY21 FY22 AOP23
2023 TARGET
BACK TO 2019 PEAK



“SYNERGY SALES FORCES
ENSURING NO WHITESPACE”





เสริมสุข ThaiDrinks 

FOOD PRODUCT GROUP

2022 VIRTUAL ANNUAL INFORMATION MEETING



FINANCIAL PERFORMANCE – FOOD BUSINESS

SALES REVENUE

(MILLION BAHT)

11,990

(9M22)

▲ **38.6%**

8,649

(9M21)

EBITDA

(MILLION BAHT)

1,578

(9M22)

▲ **104.1%**

773

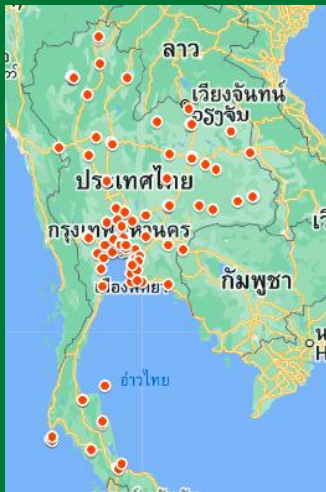
(9M21)



2022 KEY SUCCESS DRIVERS

Managing through Challenges and Difficulties to Build the Growth

ADAPTATION AND EXPANSION



To drive penetration & accessibility

CREATING NEW INITIATIVES



To create excitement & capitalize on the new normal

DIGITALIZATION



To drive customer experience & operation efficiency

TIGHTENED BUSINESS FUNDAMENTALS



To Improve business profitability

DRIVE PENETRATION AND ACCESSIBILITY VIA VARIOUS STORE LOCATIONS AND STORE FORMATS

STORE Expansion



Opened 48 stores
(Net Builds)

Diversified Store Location



- Expand outlet to outside shopping mall



Smaller Store Format



- Lower Capex 15-20%
- Reduced space



Growth of Take away & Delivery



KFC Drive Thru



Oishi To Go

CREATING NEW INITIATIVES AND PRODUCT INNOVATION TO CAPTURE NEW TRENDS AND CONSUMER BEHAVIOR

Creating New Initiatives



To create excitement & capitalize on new normal

New Business Concept / Model

OISHI BIZTORO



OISHI TO GO



KFC DIGITAL STORE



SHABU BY OISHI



HOME BAKE BY MX



KFC GREEN STORE



CREATING NEW INITIATIVES AND PRODUCT INNOVATION TO CAPTURE NEW TRENDS AND CONSUMER BEHAVIOR

Creating New Initiatives



To create excitement & capitalize on new normal

New Product & Category

PACKAGED FOOD - RTE



Ramen



Rice Meal

OISHI BOTTLED SAUCE



HEALTHY MENU / PRODUCTS



SELF HEAT BOWL



Nabe Self Heated Bowl

DRIVING DIGITALIZATION AND TECHNOLOGY TO UNLOCK NEW OPPORTUNITIES

Digitalization FOH & BOH



To drive customer
experience &
operation efficiency

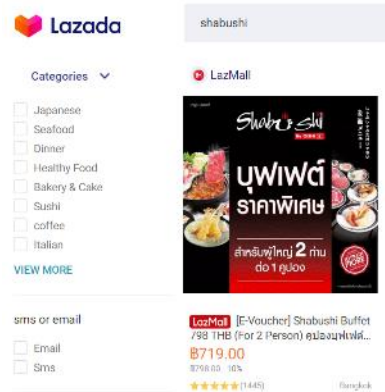
Improve Customer Experience



Kiosk Ordering



QR Ordering & Payment



O2O : E-Coupon



Self pick up

Drive Operation Efficiency



Aggregator Order
Integration to POS



TIGHTEN BUSINESS FUNDAMENTALS TO DRIVE PRODUCTIVITY AND PROFITABILITY

Tightened Business Fundamentals



To Improve customer experience & profitability

Operational Excellence



- Quality Standard Reinforcement
- Improve Operation Efficiency & Labor Productivity

Supply Chain Management



- Raw material and supplier management
- Group synergy



Embed Sustainability



- Sustainable packaging
- Oishi Zero waste Challenges



