

**THAI BEVERAGE PLC**  
**ANNUAL INFORMATION MEETING**  
**2017**



# HIGHLIGHTS 2016

# Financial Highlights FY16

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Revenue from sales  
THB 139,153 million

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▲ 14.8%

EBITDA from continuing operations  
THB 26,785 million

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▲ 10.4%



Net profit from continuing operation  
THB 19,036 million

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▲ 14.3%

Earning per share (basic)  
THB 0.75

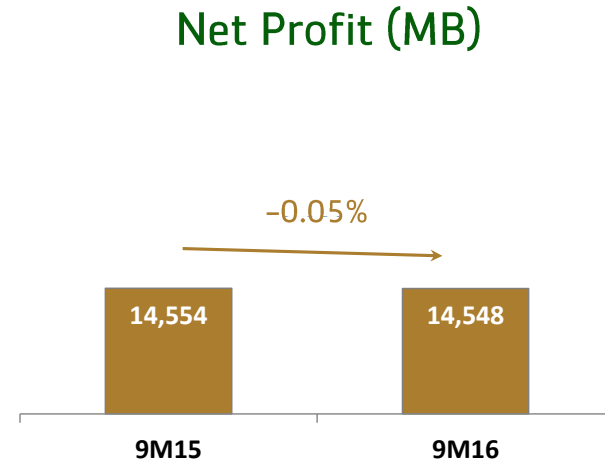
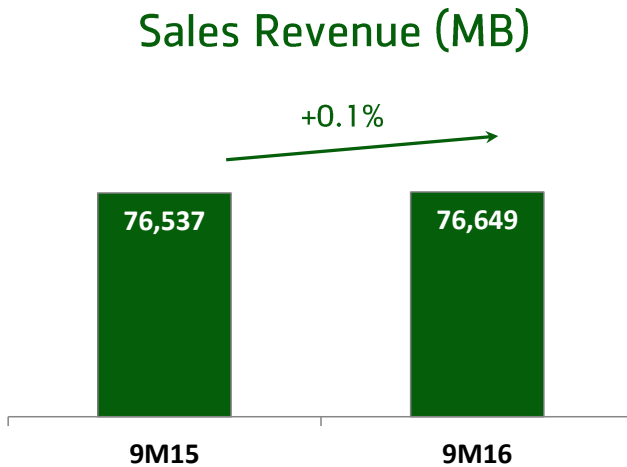
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▲ 13.7%\*

\* Compared with 9 months 2015 earning per share, excluding gain on F&N disposal of Myanmar Brewery Limited (MBL) in the proportion of our share holding of Baht 3,820 million (used exchange rate for 9 months period 2015)

# Spirits Business

Strong sales revenue and net profit amid sluggish economy



- Maintain dominant position in Spirits



# Spirits Business

Extend product portfolio covering more premium segment



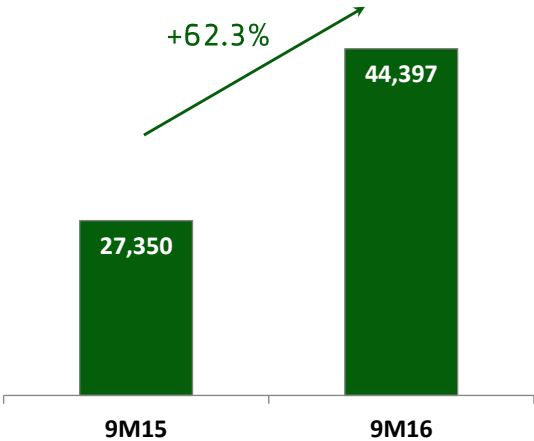
- Set up a subsidiary in Vietnam



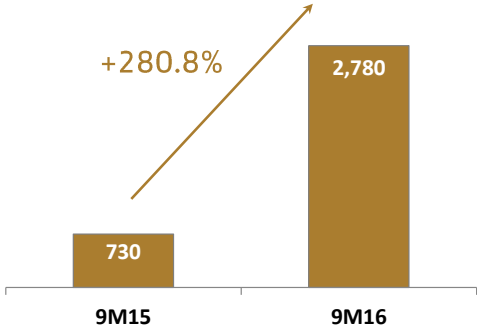
# Beer Business

Deliver good momentum in beer

Sales Revenue (MB)



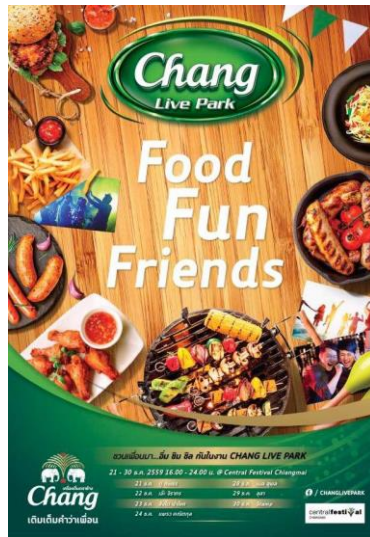
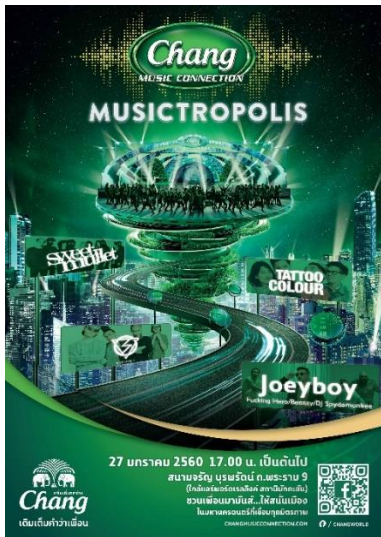
Net Profit (MB)



- Sales volume +54.5%
- EBITDA +155.0%



# Marketing support for Chang brand



# Non-Alcoholic Beverages Business

Further invested in brand-building and launched new innovative drink flavors





# Non-Alcoholic Beverages Business

Introduce new soda "Rock Mountain"



# Food Business



- Branch out from Japanese restaurants by leveraging on Food of Asia Co., Ltd.
- Enter into a JV with Mei Xin (International) Limited to establish Max Asia Co., Ltd.



# HIGHLIGHTS

## 1Q17

# 1Q17 Performance Highlights

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Delivered growth in bottom line, amid a slowdown in sales during mourning period

- Impacts from the decline in domestic consumption during mourning period
  - Total sales revenue dropped 8% by Baht 4,051 million
  - Maintain dominant position in spirits
  - Cost saving in beer helped improving beer earnings
    - Decrease in bottle cost, and raw material
    - Decrease in advertising and promotion expenses during the mourning period
    - Beer EBITDA +116.5%
    - Beer Net profit +159.8%
- Maintain growth in net profit
  - Net profit excluding F&N/FCL increased 12.1% to Baht 6,138 million
  - Net profit including F&N/FCL jumped 29.1% to Baht 7,743 million
  - Lower net loss in non-alcoholic segment

# Financial Highlights 1Q17

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Revenue from sales  
(million Baht)

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46,829

▼ -8.0%

EBITDA  
(million Baht)

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10,503

▲ 21.4%

Net profit  
(million Baht)

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7,743

▲ 29.1%

Earnings per share (basic)  
(Baht)

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0.31

▲ 27.9%

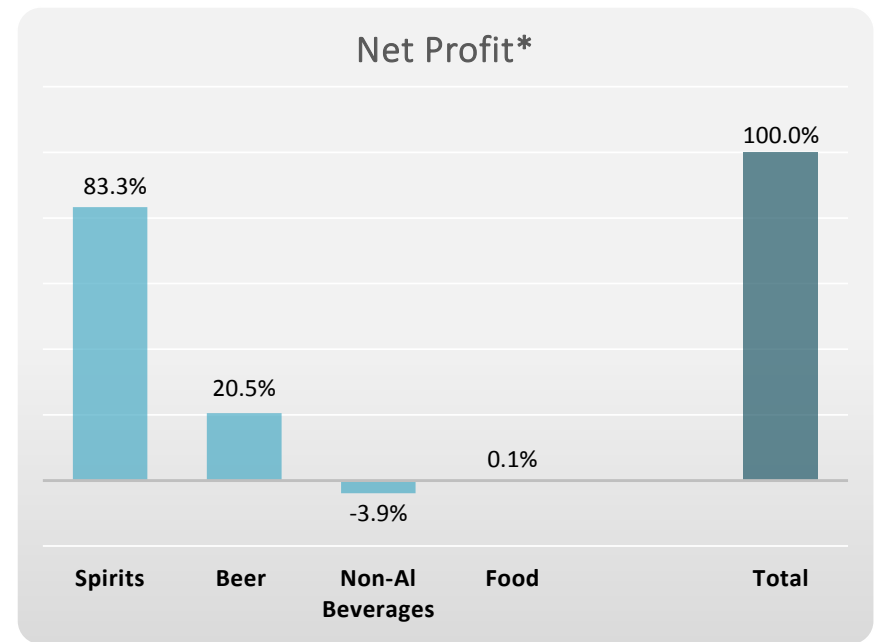
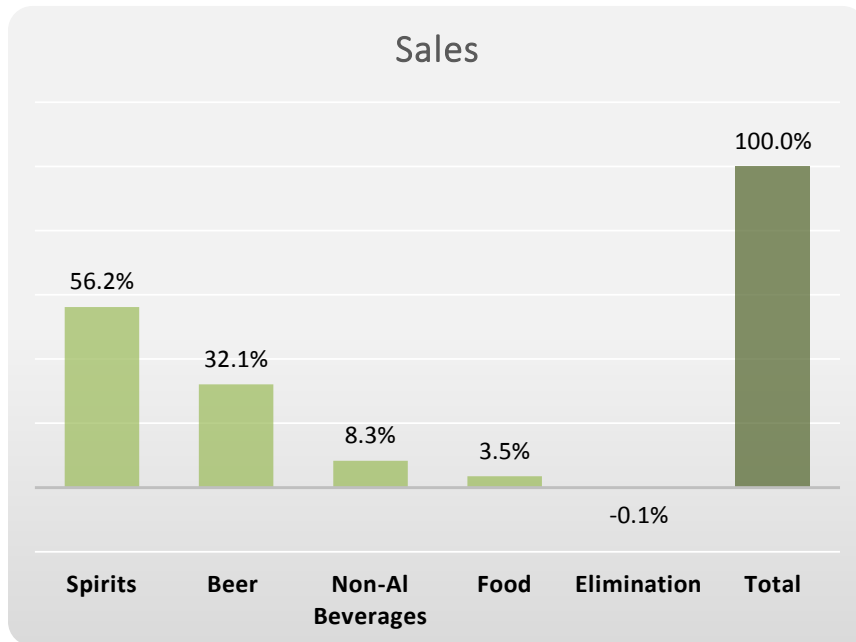
# Consolidated: 1Q17 Highlights

Group	1st Quarter to 31/12/2015	1st Quarter to 31/12/2016	Change
<b>Sales Revenue</b>	<b>50,880</b>	<b>46,829</b>	<b>-8.0%</b>
COGS	(36,780)	(32,531)	
<i>% of Sales Revenue</i>	<i>72.3%</i>	<i>69.5%</i>	
SG&A	(7,742)	(6,847)	
<i>% of Sales Revenue</i>	<i>15.2%</i>	<i>14.6%</i>	
EBITDA (exclude F&N/FCL)	7,947	8,721	9.7%
Net Profit (exclude F&N/FCL)	5,476	6,138	12.1%
F&N/FCL Results (proportion of the holding shares)	520	1,605	
<b>EBITDA</b>	<b>8,650</b>	<b>10,503</b>	<b>21.4%</b>
<b>Net Profit</b>	<b>5,996</b>	<b>7,743</b>	<b>29.1%</b>
Net Profit attributable to:			
<i>Owners of the Company</i>	6,030	7,715	27.9%
<i>Non-controlling interests</i>	(34)	28	
<u>Margin*</u>			
EBITDA (exclude F&N/FCL)	15.6%	18.6%	
Net Profit (exclude F&N/FCL)	10.8%	13.1%	
EBITDA	17.0%	22.4%	
Net Profit	11.8%	16.5%	

\* margins are % of sales revenue

# Contribution per Business Segment

1Q17



\* Exclude F&N / FCL

# Business Segments



# Spirits Business

Spirits	1st Quarter to 31/12/2015	1st Quarter to 31/12/2016	Change (M Baht)
Sales Revenue	29,558	26,302	-11.0%
COGS	(19,986)	(17,589)	
<i>% of Sales Revenue</i>	<i>67.6%</i>	<i>66.9%</i>	
SG&A	(2,641)	(2,330)	
<i>% of Sales Revenue</i>	<i>9.0%</i>	<i>8.8%</i>	
EBITDA	7,462	6,841	-8.3%
Net Profit	5,576	5,112	-8.3%
<b><u>Margin*</u></b>			
EBITDA	25.2%	26.0%	
Net Profit	18.9%	19.4%	

\* margins are % of sales revenue

<u>Sales Revenue</u>	DOWN	a decrease in sales volume due to the mourning period in Thailand
<u>COGS (%)</u>	DOWN	product mix
<u>SG&amp;A (%)</u>	DOWN	a decrease in advertising and promotion expenses during the mourning period
<u>EBITDA</u>	DOWN	a decrease in gross profit although there was a decrease in advertising and promotion expenses
<u>Net Profit</u>	DOWN	a decrease in EBITDA

# Beer Business

Beer	1st Quarter to 31/12/2015	1st Quarter to 31/12/2016	Change (M Baht)
Sales Revenue	15,762	15,038	-4.6%
COGS	(12,965)	(11,549)	
<i>% of Sales Revenue</i>	<i>82.3%</i>	<i>76.8%</i>	
SG&A	(2,343)	(2,020)	
<i>% of Sales Revenue</i>	<i>14.9%</i>	<i>13.4%</i>	
EBITDA	788	1,706	116.5%
Net Profit	485	1,260	159.8%
<u>Margin*</u>			
EBITDA	5.0%	11.3%	
Net Profit	3.1%	8.4%	

\* margins are % of sales revenue

<u>Sales Revenue</u>	DOWN	a decrease in sales volume due to the mourning period in Thailand
<u>COGS (%)</u>	DOWN	a decrease in bottle and raw material costs
<u>SG&amp;A (%)</u>	DOWN	a decrease in advertising and promotion expenses during the mourning period
<u>EBITDA</u>	UP	an increase in gross profit and a decrease in advertising and promotion expenses
<u>Net Profit</u>	UP	an increase in EBITDA although there was an increase in income tax

# Non-Alcoholic Beverages Business

Non-Alcoholic Beverages	1st Quarter to 31/12/2015	1st Quarter to 31/12/2016	Change
Sales Revenue	3,938	3,888	-1.3%
COGS	(2,882)	(2,493)	
<i>% of Sales Revenue</i>	<i>73.2%</i>	<i>64.1%</i>	
SG&A	(2,185)	(1,831)	
<i>% of Sales Revenue</i>	<i>55.5%</i>	<i>47.1%</i>	
EBITDA (Loss)	(479)	35	107.3%
Net Profit (Loss)	(619)	(239)	61.4%
<b><u>Margin*</u></b>			
EBITDA (-Loss)	-12.2%	0.9%	
Net Profit (-Loss)	-15.7%	-6.1%	

\* margins are % of sales revenue

<u>Sales Revenue</u>	DOWN	the expiry in August 2016 of a production and distribution agreement for an OEM of sports drink, even though there was an increase in sales volume of the Company's main products
<u>COGS (%)</u>	DOWN	a product mix and favorable packaging costs
<u>SG&amp;A (%)</u>	DOWN	a decrease in advertising and promotion expenses during the mourning period
<u>EBITDA</u>	UP	an increase in gross profit and a decrease in advertising and promotion expenses
<u>Net Loss</u>	DOWN	a decrease in EBITDA loss

# Food Business

Food	1st Quarter to 31/12/2015	1st Quarter to 31/12/2016	Change
Sales Revenue	1,652	1,636	-1.0%
COGS	(976)	(924)	
<i>% of Sales Revenue</i>	<i>59.1%</i>	<i>56.5%</i>	
SG&A	(640)	(710)	
<i>% of Sales Revenue</i>	<i>38.8%</i>	<i>43.4%</i>	
EBITDA	176	139	-21.0%
Net Profit	34	5	-85.3%
<b>Margin*</b>			
EBITDA	10.7%	8.5%	
Net Profit	2.1%	0.3%	

\* margins are % of sales revenue

<u>Sales Revenue</u>	DOWN	a decrease in restaurant sales revenue during the mourning period in Thailand
<u>COGS (%)</u>	DOWN	cost efficiency
<u>SG&amp;A (%)</u>	UP	an increase in rental expenses
<u>EBITDA</u>	DOWN	an increase in rental expenses
<u>Net Profit</u>	DOWN	a decrease in EBITDA

# Statement of Financial Position

Statement of Financial Position	30-Sep-16	31-Dec-16	Change
<i>(Million Baht)</i>			
<b>Assets</b>			
Current assets	50,104	49,149	(955)
Non-current assets	137,549	137,235	(314)
<b>Total assets</b>	<b>187,653</b>	<b>186,384</b>	<b>(1,269)</b>
<b>Liabilities</b>			
Current liabilities	32,819	37,032	4,213
Non-current liabilities	31,122	20,862	(10,260)
<b>Total liabilities</b>	<b>63,941</b>	<b>57,894</b>	<b>(6,047)</b>
<b>Shareholders' Equity</b>			
<b>Total equity</b>	<b>123,712</b>	<b>128,490</b>	<b>4,778</b>

<u>Current assets</u>	DOWN	a decrease in cash and cash equivalents and inventory, although there was an increase in trade accounts receivable
<u>Non-current assets</u>	DOWN	a decrease in investment in associates
<u>Current liabilities</u>	UP	an increase in current portion of bill of exchanges and long-term loans, and income tax payable
<u>Non-current liabilities</u>	DOWN	a decrease in long-term bill of exchanges and long-term loans
<u>Total equity</u>	UP	an increase in retained earnings from the profit for the period

# Financial Ratios

Ratios	30-Sep-16	31-Dec-16
Current Ratio (times)	1.53	1.33
Liability to Equity Ratio (Gearing Ratio) (times)	0.52	0.45
Interest Bearing Debt to Equity Ratio (times)	0.37	0.31
Net Interest Bearing Debt to Equity Ratio (times)	0.33	0.27
Net Interest Bearing Debt to EBITDA annualized (times)	1.16	0.95
Net asset value per share (Baht)	4.78	4.97
Net asset value per share (SGD)*	0.19	0.20
<i>* exchange rate at THB 24.7050 : SGD 1</i>		
EPS	31-Dec-15	31-Dec-16
Earnings per share for the three month period (Baht)	0.24	0.31
Turnover	Jan - Sep 16	Oct - Dec 16
A/R Turnover (days)	6	6
Inventory Turnover (days)		
Spirit Business: finished goods	56	57
Beer Business: finished goods	8	10
Non-alcohol Business: finished goods	24	27
Food Business: finished goods	2	2

Note: use 365 days to calculate turnover

<u>Current Ratio</u>	<b>DOWN</b>	a decrease in cash and cash equivalents and inventory, an increase in current portion of bill of exchanges and long-term loans, and income tax payable
<u>Liability to Equity Ratio</u>	<b>DOWN</b>	a decrease in bill of exchanges and long-term loans from financial institutions, and an increase in retained earnings from the profit for the period

# Q&A

