



# THAI BEVERAGE PLC

## 1H20 Financial Results

(First Half ended 31 March 2020)



# Note on Forward Looking Statements

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- The following presentation may contain forward looking statements by the management of Thai Beverage Public Company Limited (“ThaiBev”), relating to financial or other trends for future periods, compared to the results for previous periods.
- Some of the statements contained in this presentation that are not historical facts are statements of future expectations with respect to the financial conditions, results of operations and businesses, and related plans and objectives.
- Forward looking information is based on management's current views and assumptions including, but not limited to, prevailing economic and market conditions. These statements involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those in the statements as originally made. Such statements are not, and should not be construed as a representation as to future performance of ThaiBev. In particular, such targets should not be regarded as a forecast or projection of future performance of ThaiBev. It should be noted that the actual performance of ThaiBev may vary significantly from such targets.

# Note on Forward Looking Statements

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- Near the end of the second quarter and continue in the period subsequent to the financial reporting date, many countries have enacted several protection measures against The Coronavirus (COVID-19) pandemic, with a significant impact on the daily life, production and supply chain of goods in these countries and beyond. The evolution of COVID-19 as well as its impact on the global economy, and more specifically, on the operation of ThaiBev Group, is hard to quantify at this stage. The management will continue to monitor the situation closely to ensure the safety of our staff as well as to adjust our services and operations in response to the change in situation.
- Referring to the amendments to Rule 705(2) of the Listing Manual of the Singapore Exchange Securities Trading Limited which took effect from 7 February 2020, ThaiBev will be announcing our financial statements on a half-yearly basis instead of a quarterly basis. Accordingly, the next financial results announcement will be for the full-year ending 30 September 2020. ThaiBev stands committed to engaging shareholders through timely, clear, and consistent communications, as well as continuing its interactions with the investment community. In this regard, ThaiBev will provide shareholders with relevant business updates between the announcements of half-yearly financial statements.
- In March 2020, the Company exercised an internal restructuring in beer operations group to generate more value and business growth opportunities, and improve operational efficiency, by transferring its shareholding stakes in each of the 15 companies in Thailand to Chang Beer Co., Ltd., the Company's indirect subsidiary. The Company will still ultimately hold 100 percent stakes in these companies.
- The beer restructuring will improve clarity and efficiency in operation, reporting, and performance evaluation for the beer business.
  - The restructuring will facilitate opportunities to create value for the beer business in the capital and bond market and enhance value for shareholders.
  - The restructuring will help ThaiBev optimize its asset portfolio in order to create value for the beer business
- As the result of the beer restructuring, the Company recognized capital gain from sale of investments in subsidiaries in separate statement of income, due to contract value was higher than net asset value. These gains were eliminated in the consolidated financial statements. Under this transaction, the Company recognized the income tax expense but did not incur actual tax payment in cash by utilizing deferred tax asset in balance sheet, however, the Company had paid stamp duty. The income tax expense and stamp duty from beer restructuring were not the expenses under normal operation for the six-month period ended 31 March 2020, amounting to Baht 1,129 million.

# Understanding this Presentation

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- In the First quarter ended 31 December 2019, ThaiBev consolidation has included Chang water and Chang soda in beer segment instead of NAB and Spirits segment respectively from Q1'20 onwards for more effectively cost management. Prior periods from Q1'19 will be restated for comparison purpose as well.
- From 1 October 2019, the Group has adopted TFRS 15 using the cumulative effect method taking into account the effect of initially applying this standard only to contracts that were not completed before 1 October 2019 as an adjustment to the retained earnings at 1 October 2019. Therefore, the Group has not restated the information presented for comparative financial statements, as previously reported under TAS 18 and related interpretations.
- Under TFRS 15, the Group recognizes revenue when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and after deduction of any trade discounts and volume rebates. Judgement is required in determining the timing of the transfer of control for revenue recognition - at a point in time or over time. Under TAS 18, the Group recognized revenue from sale of goods when the significant risks and rewards of ownership of the goods were transferred to the buyer, and recognized revenue from rendering of services by reference to the stage of completion of the transaction at the end of the reporting period. No revenue was recognized if there was continuing management involvement with the goods or there were significant uncertainties regarding recovery of the consideration due. For The impact of the change on the financial statements please, see Note 4 to Condensed Interim financial statements for the three-month and six-month periods end 31 March 2020 and Independent auditor's report on review of interim financial information
- In the third quarter ended 30 June 2019, Coffee Concepts (Thailand) Co., Ltd. ("CCT"), a company incorporated in Thailand, has entered into a share purchase agreement relating to the acquisition of all the issued shares of Starbucks Coffee (Thailand) Co., Ltd, which manages and operates Starbucks retail coffee stores in Thailand. The Company has recorded 9.28% of profit recognition under the equity method started from June 2019 under food business.

# Understanding this Presentation

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- On 3 December 2018, the State Securities Commission of Vietnam issued its approval letter to Sabeco to remove the foreign ownership limit applicable to Sabeco. As a result, the Loan Conversion became one of the viable options for Vietnam Beverage and BeerCo (an indirect wholly-owned subsidiary of ThaiBev) to consider in the debt restructuring of the Loan.
- Vietnam Beverage and BeerCo entered into an agreement to convert the entire amount of the loan and interest thereon (which is VND 111,208,798,000,000, equivalent to USD 4,892,600,000 at the applicable exchange rate of USD1 to VND22,730 (the “Applicable Exchange Rate”)) into additional charter capital of Vietnam Beverage.
- The notice of satisfaction of the conditions for capital contributions/purchase of shares/acquisition of contributed capital by foreign investors (M&A Clearance Approval) was granted by the Hanoi Department of Planning and Investment of Vietnam on 17 December 2018 and 28 December 2018 for Vietnam Beverage’s capital increase contributed by foreign investor to be the amount of VND 22,957,300,000,000 (equivalent to USD 1,010,000,000 based on the Applicable Exchange Rate) and to be VND 111,208,798,000,000 (equivalent to USD 4,892,600,000 based on the Applicable Exchange Rate) respectively. Vietnam Beverage has increased its charter capital from VND 681,663,260,000 to VND 111,890,461,260,000.
- As a result of BeerCo’s acquisition of the charter capital of Vietnam Beverage, Vietnam Beverage has been converted from a one-member limited liability company to a multiple-member limited liability company. Vietnam Beverage also obtained its new Enterprise Registration Certificate evidencing the new shareholding structure and charter capital from Hanoi Department of Planning and Investment of Vietnam on 2 January 2019.
- As a result of the completion of the Loan Conversion, BeerCo currently holds VND 111,208,798,000,000 (approximately 99.39%) of the charter capital of Vietnam Beverage.
- BeerCo later entered into an agreement to additionally acquire 34,083,164 shares in Vietnam F&B (representing approximately 50% of Vietnam F&B’s charter capital) from one of the existing shareholders of Vietnam F&B who is a third party unrelated to the THBEV Group, at the par value of VND 10,000 per share. The aggregate consideration for the acquisition is VND 340,831,640,000, equivalent to USD 14,719,569.86 at the applicable exchange rate of USD 1=VND 23,155.

# Understanding this Presentation

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- The notice of satisfaction of the conditions for capital contributions/purchase of shares/acquisition of contributed capital by foreign investors (M&A Clearance Approval) as required for the acquisition was granted by the Hanoi Department of Planning and Investment of Vietnam on 21 January 2019. Vietnam F&B also obtained its 7th Amendment of Enterprise Registration Certificate evidencing the new shareholding structure from the Hanoi Department of Planning and Investment of Vietnam on 30 January 2019. As a result of the acquisition, BeerCo currently holds 67,484,663 shares in Vietnam F&B (representing approximately 99% of Vietnam F&B's charter capital), while the remaining 1% of Vietnam F&B's charter capital is still held by the existing Vietnamese shareholders
- So that currently, BeerCo has acquired shares in Vietnam F&B and completed debt conversion with Vietnam Beverage of Baht 493 million. The transaction is legally effective on 2 January 2019. Consequently, the Group has ownership interest in SABECO of 53.58% and recognized the change in ownership interests in subsidiaries without a change in control in as an equity component.
- The Company issued debentures No.1/2019 with various tenors from 2 years to 10 years at an aggregate principal amount of Baht 53,000 million in March 2019. The proceed from debentures was used to repay Thai Baht currency bridging loans.

# Understanding this Presentation

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- Current operations by business segments consist of spirits, beer, non-alcoholic beverages and food
- All monetary amounts in millions of Thai Baht unless otherwise stated
- Volumes in millions of liters unless otherwise stated
- EBITDA = Earnings from total revenues before interest expense, income tax, depreciation, and amortization

# Highlight



# 2Q20 Performance Highlights

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- Declare interim dividend of Bt 0.10 per share, and will continue to pay final dividend.
- The Company remains committed with our full year dividend policy of “*Not less than 50% of net profit after deduction of all specified reserves, subject to our investment plans and as the Board of Directors deems appropriate*”
- Net profit from normal operation was flat, amidst challenging business environment, at 6,705 MB, -0.8% YoY
- Spirits business remains solid
- NAB continued to be profitable

# Group Financial Highlights 1H20

Revenue from sales (million Baht)

137,092 ▼ 3.9%

EBITDA

*(included costs and deferred tax utilization related to beer business restructuring)*

(million Baht)

25,251

▲ 4.9%

EBITDA

(million Baht)

25,296

▲ 5.1%

Net profit

*(included costs and deferred tax utilization related to beer business restructuring)*

(million Baht)

14,789

▲ 3.9%

Net profit

(million Baht)

15,918

▲ 11.8%

EPS (basic)

*(included costs and deferred tax utilization related to beer business restructuring)*

(Baht)

0.53

0 %

EPS (basic)

(Baht)

0.58

▲ 9.8 %

Attributable Profit

*(included costs and deferred tax utilization related to beer business restructuring)*

(million Baht)

13,375

▲ 1.3%

Attributable Profit

(million Baht)

14,504

▲ 9.8%

Note: costs and deferred tax utilization related to beer business restructuring were not the expenses under normal operation, amounting to Baht 1,129 million.

# Interim Dividend Payment

Dividend Payment	Interim'19 (Oct 18 - Mar 19) <i>(Restated)</i>	Interim'20 (Oct 19 - Mar 20)
Net Profit belonging to the Company <i>(Million Baht)</i>	13,207	13,375
Number of Shares <i>(Million Shares)</i>	25,114	25,115
Interim Dividend <i>(Million Baht)</i>	3,767	2,512
<b>Dividend per share (Baht)</b>	<b>0.15</b>	<b>0.10</b>

- The Company will continue to pay final dividend and remains committed with our full year dividend policy of “Not less than 50% of net profit after deduction of all specified reserves, subject to our investment plans and as the Board of Directors deems appropriate”

# Consolidated: 2Q20 Highlights

	2Q19 Jan19 - Mar19 <i>(Restated)</i>	2Q20 Jan20 -Mar20	Change
<b>Sales Revenue</b>	<b>69,992</b>	<b>61,411</b>	<b>-12.3%</b>
COGS	(49,569)	(42,787)	
<i>% of Sales Revenue</i>	<i>70.8%</i>	<i>69.7%</i>	
SG&A	(11,392)	(10,720)	
<i>% of Sales Revenue</i>	<i>16.2%</i>	<i>17.5%</i>	
EBITDA <i>(exclude F&amp;N/FPL, costs and deferred tax utilization related to beer business restructuring)</i>	11,257	10,500	-6.7%
Net Profit <i>(exclude F&amp;N/FPL, costs and deferred tax utilization related to beer business restructuring)</i>	6,292	6,023	-4.3%
Costs and deferred tax utilization related to beer business restructuring	-	(1,129)	
EBITDA <i>(exclude F&amp;N/FPL)</i>	11,257	10,455	-7.1%
Net Profit <i>(exclude F&amp;N/FPL)</i>	6,292	4,894	-22.2%
F&N/FPL EBITDA	531	749	
F&N/FPL Net Profit	465	682	
<b>EBITDA</b>	<b>11,788</b>	<b>11,204</b>	<b>-5.0%</b>
<b>Net Profit</b>	<b>6,757</b>	<b>5,576</b>	<b>-17.5%</b>
<b>Attributable Profit to:</b>			
<b>Owners of the Company</b>	<b>5,790</b>	<b>4,952</b>	<b>-14.5%</b>
Non-controlling interests	967	624	
<b>Attributable Profit <i>(from normal operation)</i></b>	<b>5,790</b>	<b>6,081</b>	<b>5.0%</b>
<u>Margin*</u>			
EBITDA <i>(exclude F&amp;N/FPL, costs and deferred tax utilization related to beer business restructuring)</i>	16.1%	17.1%	
Net Profit <i>(exclude F&amp;N/FPL, costs and deferred tax utilization related to beer business restructuring)</i>	9.0%	9.8%	
EBITDA <i>(exclude F&amp;N/FPL)</i>	16.1%	17.0%	
Net Profit <i>(exclude F&amp;N/FPL)</i>	9.0%	8.0%	
EBITDA	16.8%	18.2%	
Net Profit	9.7%	9.1%	

\* margins are % of sales revenue

# Consolidated: 1H20 Highlights

	1H19 Oct18 - Mar19 <i>(Restated)</i>	1H20 Oct19 - Mar20	Change
<b>Sales Revenue</b>	<b>142,619</b>	<b>137,092</b>	<b>-3.9%</b>
COGS	(101,853)	(96,832)	
<i>% of Sales Revenue</i>	<i>71.4%</i>	<i>70.6%</i>	
SG&A	(23,353)	(21,931)	
<i>% of Sales Revenue</i>	<i>16.4%</i>	<i>16.0%</i>	
EBITDA <i>(exclude F&amp;N/FPL, costs and deferred tax utilization related to beer business restructuring)</i>	21,971	23,446	6.7%
Net Profit <i>(exclude F&amp;N/FPL, costs and deferred tax utilization related to beer business restructuring)</i>	12,281	14,202	15.6%
costs and deferred tax utilization related to beer business restructuring	-	(1,129)	
EBITDA <i>(exclude F&amp;N/FPL)</i>	21,971	23,401	6.5%
Net Profit <i>(exclude F&amp;N/FPL)</i>	12,281	13,073	6.4%
F&N/FPL EBITDA	2,090	1,850	
F&N/FPL Net Profit	1,957	1,716	
<b>EBITDA</b>	<b>24,061</b>	<b>25,251</b>	<b>4.9%</b>
<b>Net Profit</b>	<b>14,238</b>	<b>14,789</b>	<b>3.9%</b>
<b>Attributable Profit to:</b>			
<b>Owners of the Company</b>	<b>13,207</b>	<b>13,375</b>	<b>1.3%</b>
Non-controlling interests	1,031	1,414	
<b>Attributable Profit <i>(from normal operation)</i></b>	<b>13,207</b>	<b>14,504</b>	<b>9.8%</b>
<u>Margin*</u>			
EBITDA <i>(exclude F&amp;N/FPL, costs and deferred tax utilization related to beer business restructuring)</i>	15.4%	17.1%	
Net Profit <i>(exclude F&amp;N/FPL, costs and deferred tax utilization related to beer business restructuring)</i>	8.6%	10.4%	
EBITDA <i>(exclude F&amp;N/FPL)</i>	15.4%	17.1%	
Net Profit <i>(exclude F&amp;N/FPL)</i>	8.6%	9.5%	
EBITDA	16.9%	18.4%	
Net Profit	10.0%	10.8%	

\* margins are % of sales revenue

# Consolidated: 2Q20 Highlights

	ThaiBev	F&N / FPL	Total
<b>2Q20</b>			
Sales	61,411	-	61,411
Gross Profit	18,624	-	18,624
EBITDA <i>normal operation</i>	10,500	749	11,249
Net Profit <i>normal operation</i>	6,023	682	6,705
EBITDA <i>include costs and deferred tax utilization related to beer business restructuring</i>	10,455	749	11,204
Net Profit <i>include costs and deferred tax utilization related to beer business restructuring</i>	4,894	682	5,576
Attributable Profit (Loss) <i>normal operation</i>	5,399	682	6,081
Attributable Profit (Loss) <i>include costs and deferred tax utilization related to beer business restructuring</i>	4,270	682	4,952
<i>Spirits</i>	5,347	-	5,347
<i>Beer</i>	(171)	-	(171)
<i>Non-Alcohol</i>	243	-	243
<i>Food</i>	(20)	-	(20)
<i>Costs and deferred tax utilization related to beer business restructuring</i>	(1,129)	-	(1,129)
<i>F&amp;N/FPL</i>	-	682	682
<b>2Q19 (Restated)</b>			
Sales	69,992	-	69,992
Gross Profit	20,423	-	20,423
EBITDA <i>normal operation</i>	11,257	531	11,788
Net Profit <i>normal operation</i>	6,292	465	6,757
EBITDA <i>include costs and deferred tax utilization related to beer business restructuring</i>	11,257	531	11,788
Net Profit <i>include costs and deferred tax utilization related to beer business restructuring</i>	6,292	465	6,757
Attributable Profit (Loss) <i>normal operation</i>	5,325	465	5,790
Attributable Profit (Loss) <i>include costs and deferred tax utilization related to beer business restructuring</i>	5,325	465	5,790
<i>Spirits</i>	4,885	-	4,885
<i>Beer</i>	481	-	481
<i>Non-Alcohol</i>	(143)	-	(143)
<i>Food</i>	102	-	102
<i>Costs and deferred tax utilization related to beer business restructuring</i>	-	-	-
<i>F&amp;N/FPL</i>	-	465	465

# Consolidated: 2Q20 Highlights

	ThaiBev	F&N / FPL	Total
<b>Increase (Decrease)</b>			
Sales	(8,581)	-	(8,581)
Gross Profit	(1,799)	-	(1,799)
EBITDA <small>normal operation</small>	(757)	218	(539)
Net Profit <small>normal operation</small>	(269)	217	(52)
EBITDA <small>include costs and deferred tax utilization related to beer business restructuring</small>	(802)	218	(584)
Net Profit <small>include costs and deferred tax utilization related to beer business restructuring</small>	(1,398)	217	(1,181)
Attributable Profit (Loss) <small>normal operation</small>	74	217	291
Attributable Profit (Loss) <small>include costs and deferred tax utilization related to beer business restructuring</small>	(1,055)	217	(838)
<i>Spirits</i>	462	-	462
<i>Beer</i>	(652)	-	(652)
<i>Non-Alcohol</i>	386	-	386
<i>Food</i>	(122)	-	(122)
<i>Costs and deferred tax utilization related to beer business restructuring</i>	(1,129)	-	(1,129)
<i>F&amp;N/FPL</i>	-	217	217
<b>% Increase (Decrease)</b>			
Sales	(12.3%)	-	(12.3%)
Gross Profit	(8.8%)	-	(8.8%)
EBITDA <small>normal operation</small>	(6.7%)	41.1%	(4.6%)
Net Profit <small>normal operation</small>	(4.3%)	46.7%	(0.8%)
EBITDA <small>include costs and deferred tax utilization related to beer business restructuring</small>	(7.1%)	41.1%	(5.0%)
Net Profit <small>include costs and deferred tax utilization related to beer business restructuring</small>	(22.2%)	46.7%	(17.5%)
Attributable Profit (Loss) <small>normal operation</small>	1.4%	46.7%	5.0%
Attributable Profit (Loss) <small>include costs and deferred tax utilization related to beer business restructuring</small>	(19.8%)	46.7%	(14.5%)
<i>Spirits</i>	9.5%	-	9.5%
<i>Beer</i>	(135.6%)	-	(135.6%)
<i>Non-Alcohol</i>	269.9%	-	269.9%
<i>Food</i>	(119.6%)	-	(119.6%)
<i>Costs and deferred tax utilization related to beer business restructuring</i>	-	-	-
<i>F&amp;N/FPL</i>	-	46.7%	46.7%

# Consolidated: 1H20 Highlights

	ThaiBev	F&N / FPL	Total
<b>1H20</b>			
Sales	137,092	-	137,092
Gross Profit	40,260	-	40,260
EBITDA normal operation	23,446	1,850	25,296
Net Profit normal operation	14,202	1,716	15,918
EBITDA include costs and deferred tax utilization related to beer business restructuring	23,401	1,850	25,251
Net Profit include costs and deferred tax utilization related to beer business restructuring	13,073	1,716	14,789
Attributable Profit (Loss) normal operation	12,788	1,716	14,504
Attributable Profit (Loss) include costs and deferred tax utilization related to beer business restructuring	11,659	1,716	13,375
<i>Spirits</i>	12,400	-	12,400
<i>Beer</i>	7	-	7
<i>Non-Alcohol</i>	270	-	270
<i>Food</i>	111	-	111
<i>Costs and deferred tax utilization related to beer business restructuring</i>	(1,129)	-	(1,129)
<i>F&amp;N/FPL</i>	-	1,716	1,716
<b>1H19 (Restated)</b>			
Sales	142,619	-	142,619
Gross Profit	40,766	-	40,766
EBITDA normal operation	21,971	2,090	24,061
Net Profit normal operation	12,281	1,957	14,238
EBITDA include costs and deferred tax utilization related to beer business restructuring	21,971	2,090	24,061
Net Profit include costs and deferred tax utilization related to beer business restructuring	12,281	1,957	14,238
Attributable Profit (Loss) normal operation	11,250	1,957	13,207
Attributable Profit (Loss) include costs and deferred tax utilization related to beer business restructuring	11,250	1,957	13,207
<i>Spirits</i>	10,502	-	10,502
<i>Beer</i>	891	-	891
<i>Non-Alcohol</i>	(396)	-	(396)
<i>Food</i>	253	-	253
<i>Costs and deferred tax utilization related to beer business restructuring</i>	-	-	-
<i>F&amp;N/FPL</i>	-	1,957	1,957

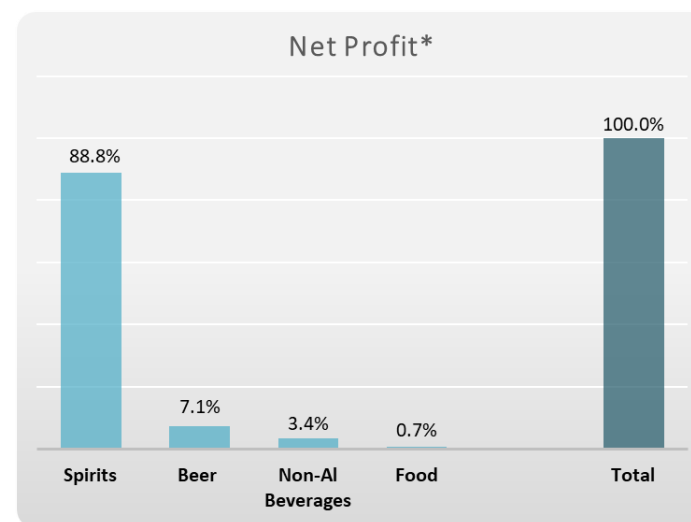
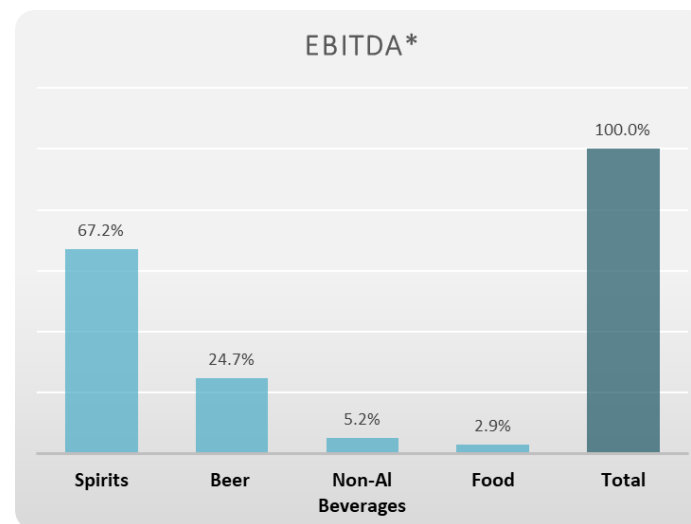
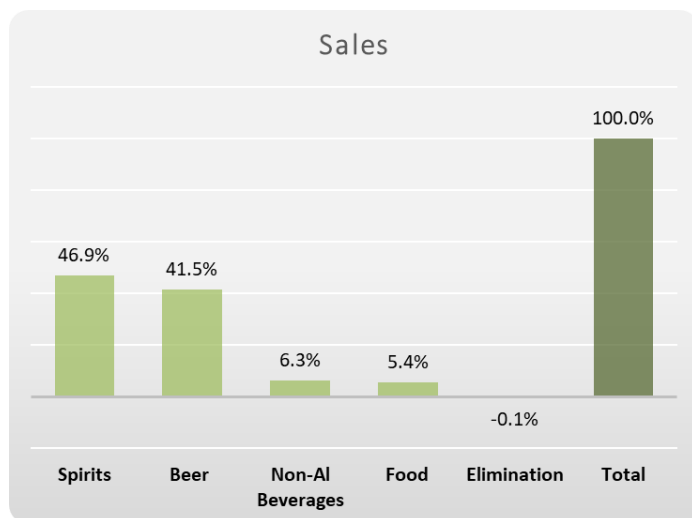


# Consolidated: 1H20 Highlights

	ThaiBev	F&N / FPL	Total
<b>Increase (Decrease)</b>			
Sales	(5,527)	-	(5,527)
Gross Profit	(506)	-	(506)
EBITDA <small>normal operation</small>	1,475	(240)	1,235
Net Profit <small>normal operation</small>	1,921	(241)	1,680
EBITDA <small>include costs and deferred tax utilization related to beer business restructuring</small>	1,430	(240)	1,190
Net Profit <small>include costs and deferred tax utilization related to beer business restructuring</small>	792	(241)	551
Attributable Profit (Loss) <small>normal operation</small>	1,538	(241)	1,297
Attributable Profit (Loss) <small>include costs and deferred tax utilization related to beer business restructuring</small>	409	(241)	168
<i>Spirits</i>	1,898	-	1,898
<i>Beer</i>	(884)	-	(884)
<i>Non-Alcohol</i>	666	-	666
<i>Food</i>	(142)	-	(142)
<i>Costs and deferred tax utilization related to beer business restructuring</i>	(1,129)	-	(1,129)
<i>F&amp;N/FPL</i>	-	(241)	(241)
<b>% Increase (Decrease)</b>			
Sales	(3.9%)	-	(3.9%)
Gross Profit	(1.2%)	-	(1.2%)
EBITDA <small>normal operation</small>	6.7%	(11.5%)	5.1%
Net Profit <small>normal operation</small>	15.6%	(12.3%)	11.8%
EBITDA <small>include costs and deferred tax utilization related to beer business restructuring</small>	6.5%	(11.5%)	4.9%
Net Profit <small>include costs and deferred tax utilization related to beer business restructuring</small>	6.4%	(12.3%)	3.9%
Attributable Profit (Loss) <small>normal operation</small>	13.7%	(12.3%)	9.8%
Attributable Profit (Loss) <small>include costs and deferred tax utilization related to beer business restructuring</small>	3.6%	(12.3%)	1.3%
<i>Spirits</i>	18.1%	-	18.1%
<i>Beer</i>	(99.2%)	-	(99.2%)
<i>Non-Alcohol</i>	168.2%	-	168.2%
<i>Food</i>	(56.1%)	-	56.1%
<i>Costs and deferred tax utilization related to beer business restructuring</i>	-	-	-
<i>F&amp;N/FPL</i>	-	(12.3%)	(12.3%)

# Contribution per Business Segment

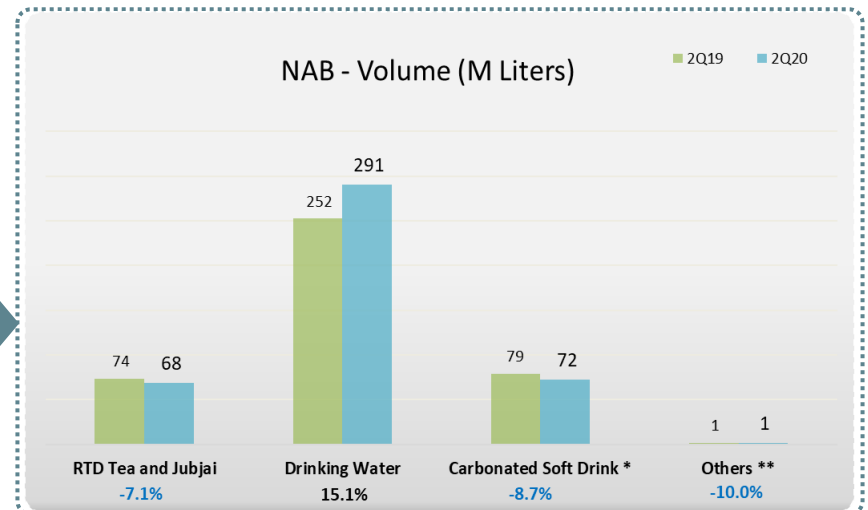
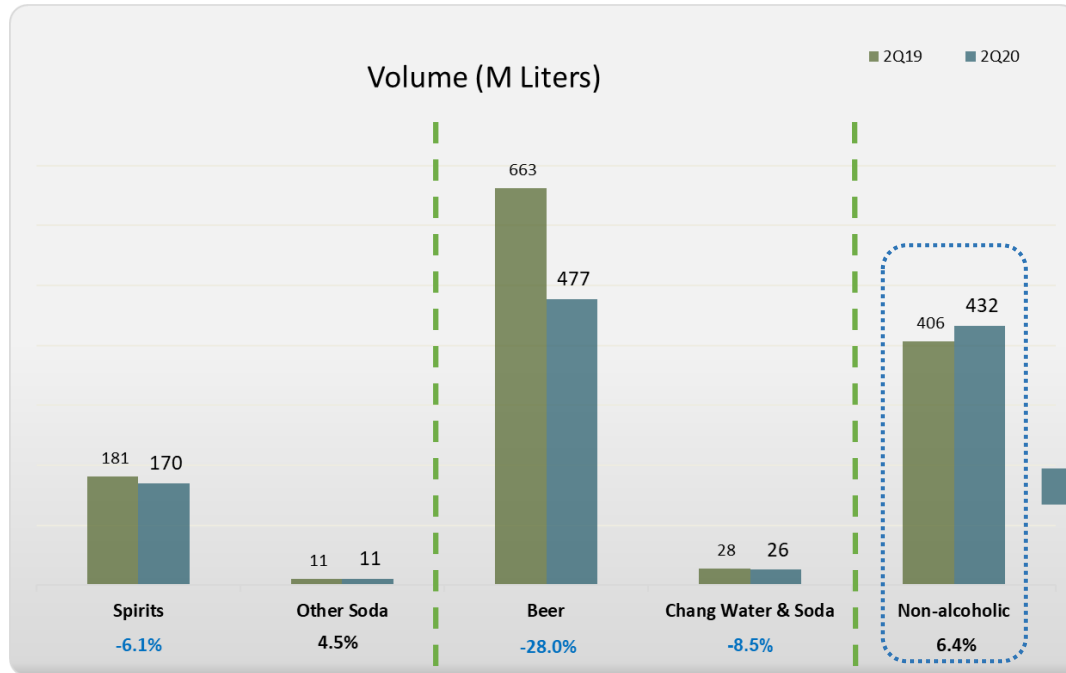
1H20



\* EBITDA and Net Profit exclude F&N/FPL

# Total Sales Volume

2Q20

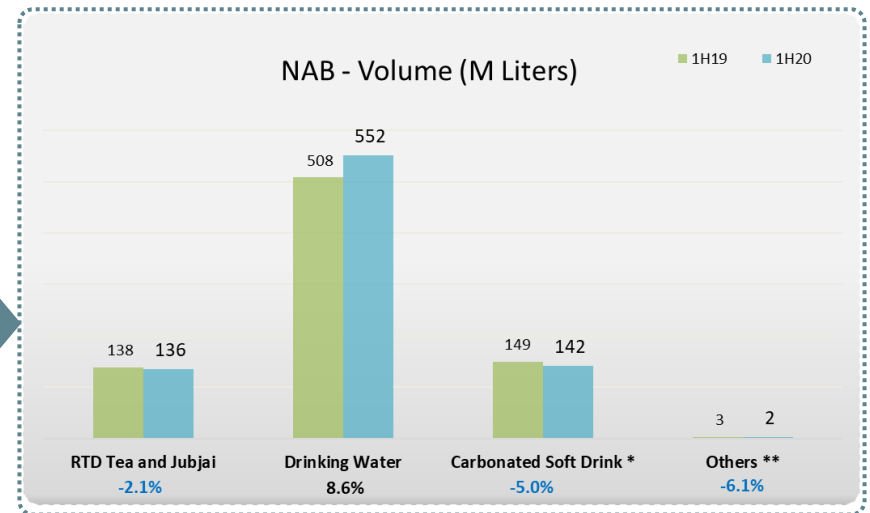
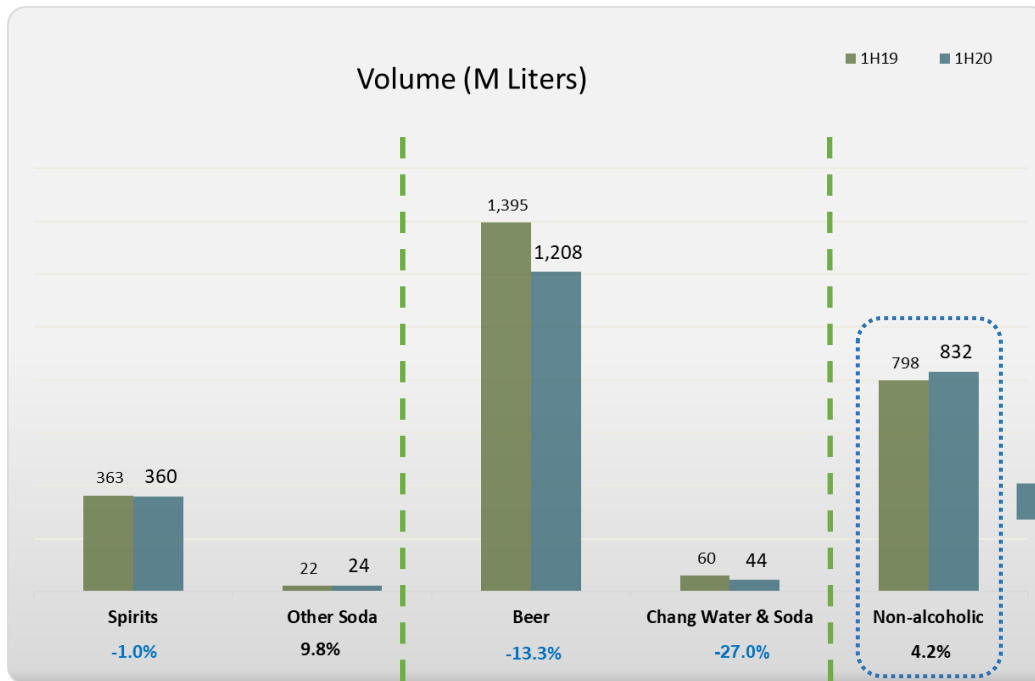


\* est , 100Plus and Sarsi

\*\* Energy drink, sports drink and other beverages

# Total Sales Volume

1H20



\* est , 100Plus and Sarsi

\*\* Energy drink, sports drink and other beverages

# Business Segments

# Spirits

(M Baht)

Spirits	2Q19	2Q20	Change
	Jan19 - Mar19 <i>(Restated)</i>	Jan20 - Mar20	
Sales Revenue	31,050	29,841	-3.9%
COGS	(20,764)	(19,766)	
<i>% of Sales Revenue</i>	<i>66.9%</i>	<i>66.2%</i>	
SG&A	(3,857)	(3,613)	
<i>% of Sales Revenue</i>	<i>12.4%</i>	<i>12.1%</i>	
EBITDA	6,956	6,971	0.2%
Net Profit	5,034	5,501	9.3%
Attributable Profit to Shareholders	4,885	5,347	9.5%
<b><u>Margin*</u></b>			
EBITDA	22.4%	23.4%	
Net Profit	16.2%	18.4%	

\* margins are % of sales revenue

<u>Sales Revenue</u>	DOWN	a decrease in sales volume
<u>COGS (%)</u>	DOWN	a product mixed
<u>SG&amp;A (%)</u>	DOWN	a decrease in advertising, promotion expenses and staff costs
<u>EBITDA</u>	UP	a decrease in advertising, promotion expenses and staff costs, although there was a decrease in gross profit
<u>Net Profit</u>	UP	an increase in EBITDA
<u>Attributable Profit</u>	UP	an increase in net profit

# Spirits

(M Baht)

Spirits	1H19	1H20	Change
	Oct18 - Mar19 <i>(Restated)</i>	Oct19 - Mar20	
Sales Revenue	62,698	64,262	2.5%
COGS	(41,998)	(42,677)	
<i>% of Sales Revenue</i>	<i>67.0%</i>	<i>66.4%</i>	
SG&A	(7,111)	(6,920)	
<i>% of Sales Revenue</i>	<i>11.3%</i>	<i>10.8%</i>	
EBITDA	14,554	15,748	8.2%
Net Profit	10,790	12,609	16.9%
Attributable Profit to Shareholders	10,502	12,400	18.1%
<u>Margin*</u>			
EBITDA	23.2%	24.5%	
Net Profit	17.2%	19.6%	

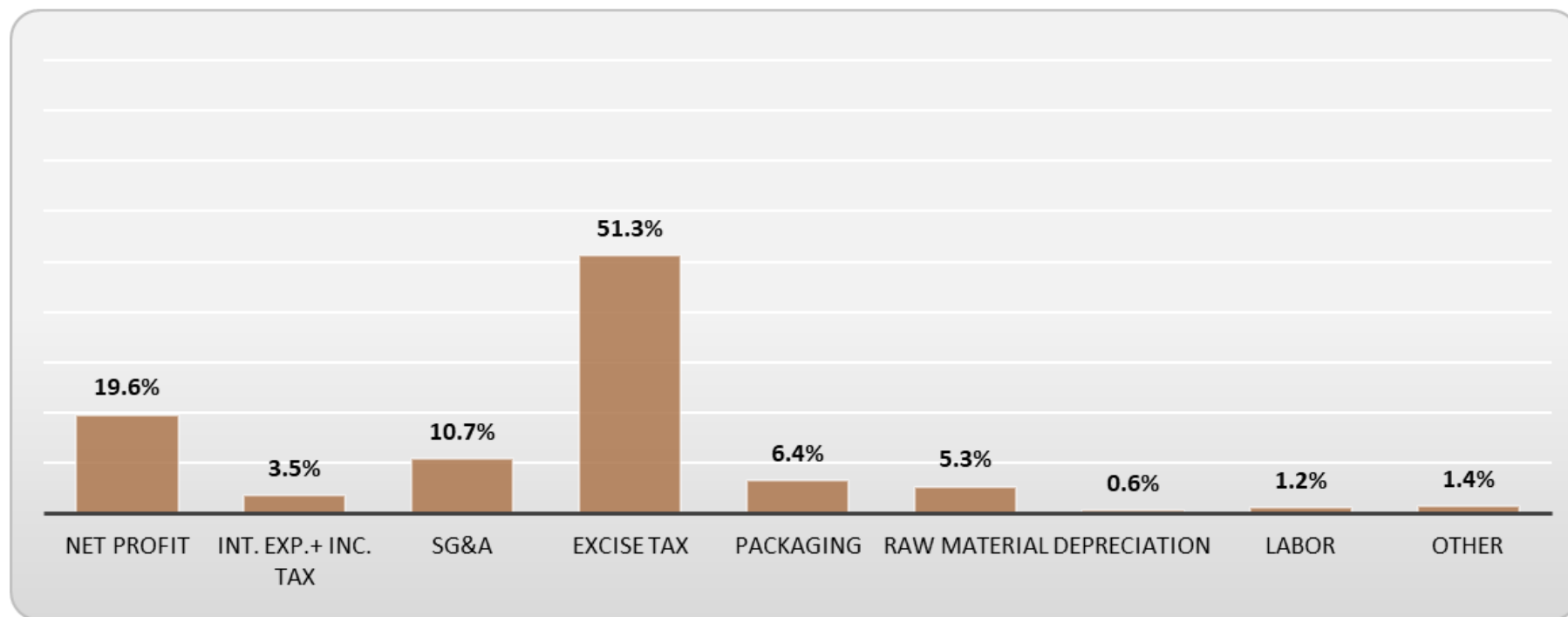
\* margins are % of sales revenue

<u>Sales Revenue</u>	UP	a product mixed
<u>COGS (%)</u>	DOWN	a product mixed
<u>SG&amp;A (%)</u>	DOWN	a decrease in advertising, promotion expenses and staff costs
<u>EBITDA</u>	UP	an increase in gross profit, and a decrease in advertising, promotion expenses and staff costs
<u>Net Profit</u>	UP	an increase in EBITDA
<u>Attributable Profit</u>	UP	an increase in net profit

# Spirits: Revenue-Cost Break Down

(% of total revenue)

1H20





# Beer

(M Baht)

Beer	2Q19	2Q20	Change
	Jan19 - Mar19 <i>(Restated)</i>	Jan20 -Mar20	
Sales Revenue	30,928	23,653	-23.5%
COGS	(23,865)	(18,338)	
<i>% of Sales Revenue</i>	<i>77.2%</i>	<i>77.5%</i>	
SG&A	(4,597)	(3,918)	
<i>% of Sales Revenue</i>	<i>14.9%</i>	<i>16.6%</i>	
EBITDA	3,566	2,529	-29.1%
Net Profit	1,220	205	-83.2%
Attributable Profit (Loss) to Shareholders	481	(171)	-135.6%
<u>Margin*</u>			
EBITDA	11.5%	10.7%	
Net Profit	3.9%	0.9%	

\* margins are % of sales revenue

<u>Sales Revenue</u>	DOWN	a decrease in Sabeco beer volume
<u>COGS (%)</u>	UP	a product mix
<u>SG&amp;A (%)</u>	UP	a decrease in sales revenue was higher than a decrease in advertising and promotion expenses, and staff costs
<u>EBITDA</u>	DOWN	a decrease in gross profit, although there was a decrease in advertising and promotion expenses and staff costs
<u>Net Profit</u>	DOWN	a decrease in EBITDA
<u>Attributable Profit</u>	DOWN	a decrease in net profit

# Beer

(M Baht)

Beer	1H19	1H20	Change
	Oct18 - Mar19 <i>(Restated)</i>	Oct19 - Mar20	
Sales Revenue	64,084	56,875	-11.2%
COGS	(49,970)	(44,597)	
<i>% of Sales Revenue</i>	<i>78.0%</i>	<i>78.4%</i>	
SG&A	(10,255)	(8,885)	
<i>% of Sales Revenue</i>	<i>16.0%</i>	<i>15.6%</i>	
EBITDA	6,215	5,794	-6.8%
Net Profit	1,527	1,011	-33.8%
Attributable Profit to Shareholders	891	7	-99.2%
<u>Margin*</u>			
EBITDA	9.7%	10.2%	
Net Profit	2.4%	1.8%	

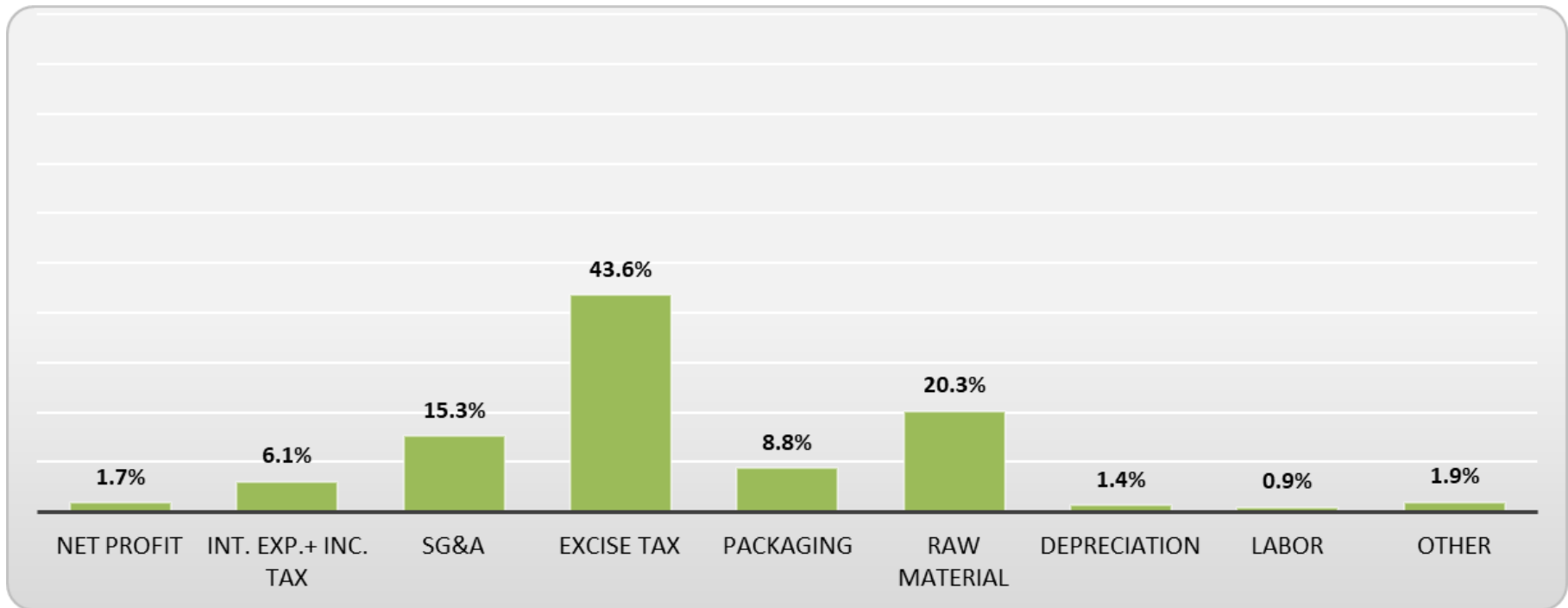
\* margins are % of sales revenue

<u>Sales Revenue</u>	DOWN	a decrease in Sabeco beer volume
<u>COGS (%)</u>	UP	a product mix
<u>SG&amp;A (%)</u>	DOWN	a decrease in advertising and promotion expenses, and staff costs
<u>EBITDA</u>	DOWN	a decrease in gross profit, although there was a decrease in advertising and promotion expenses and staff costs.
<u>Net Profit</u>	DOWN	a decrease in EBITDA
<u>Attributable Profit</u>	DOWN	a decrease in net profit and EBITDA

# Beer: Revenue-Cost Break Down

(% of total revenue)

1H20



# Non-alcoholic Beverages

(M Baht)

Non-Alcoholic Beverages	2Q19	2Q20	Change
	Jan19 - Mar19 <i>(Restated)</i>	Jan20 -Mar20	
Sales Revenue	4,259	4,476	5.1%
COGS	(2,824)	(2,740)	
<i>% of Sales Revenue</i>	<i>66.3%</i>	<i>61.2%</i>	
SG&A	(1,570)	(1,722)	
<i>% of Sales Revenue</i>	<i>36.9%</i>	<i>38.5%</i>	
EBITDA	284	770	171.1%
Net Profit (Loss)	(94)	360	483.0%
Attributable Profit (Loss) to Shareholders	(143)	243	269.9%
<u>Margin*</u>			
EBITDA	6.7%	17.2%	
Net Profit (-Loss)	-2.2%	8.0%	

\* margins are % of sales revenue

<u>Sales Revenue</u>	UP	an increase in sales volume
<u>COGS (%)</u>	DOWN	an increase in sales revenue, and a decrease in COGS
<u>SG&amp;A (%)</u>	UP	higher transportation cost related to sales
<u>EBITDA</u>	UP	an increase in gross profit and other income
<u>Net Profit</u>	UP	an increase in EBITDA
<u>Attributable Profit</u>	UP	a change of net loss to net profit

# Non-alcoholic Beverages

(M Baht)

Non-Alcoholic Beverages	1H19 Oct18 - Mar19 <i>(Restated)</i>	1H20 Oct19 - Mar20	Change
Sales Revenue	8,285	8,690	4.9%
COGS	(5,655)	(5,483)	
<i>% of Sales Revenue</i>	<i>68.3%</i>	<i>63.1%</i>	
SG&A	(3,239)	(3,205)	
<i>% of Sales Revenue</i>	<i>39.1%</i>	<i>36.9%</i>	
EBITDA	266	1,212	355.6%
Net Profit (Loss)	(343)	480	239.9%
Attributable Profit (Loss) to Shareholders	(396)	270	168.2%
<u>Margin*</u>			
EBITDA	3.2%	13.9%	
Net Profit (-Loss)	-4.1%	5.5%	

\* margins are % of sales revenue

<u>Sales Revenue</u>	UP	an increase in sales volume
<u>COGS (%)</u>	DOWN	an increase in sales revenue, and a decrease in COGS
<u>SG&amp;A (%)</u>	DOWN	a decrease in advertising and promotion expenses and staff costs
<u>EBITDA</u>	UP	an increase in gross profit, a decrease in advertising and promotion expenses and staff costs, and an increase in other income.
<u>Net Profit</u>	UP	an increase in EBITDA
<u>Attributable Profit</u>	UP	a change of net loss to net profit

# Food

(M Baht)

Food	2Q19	2Q20	Change
	Jan19 - Mar19 <i>(Restated)</i>	Jan20 - Mar20	
Sales Revenue	3,780	3,477	-8.0%
COGS	(2,136)	(1,963)	
<i>% of Sales Revenue</i>	<i>56.5%</i>	<i>56.5%</i>	
SG&A	(1,401)	(1,501)	
<i>% of Sales Revenue</i>	<i>37.1%</i>	<i>43.2%</i>	
EBITDA	451	230	-49.0%
Net Profit (Loss)	132	(43)	-132.6%
Attributable Profit (Loss) to Shareholders	102	(20)	-119.6%
<u>Margin*</u>			
EBITDA	11.9%	6.6%	
Net Profit (-Loss)	3.5%	-1.2%	

\* margins are % of sales revenue

<u>Sales Revenue</u>	DOWN	a decrease in revenue from Oishi food
<u>COGS (%)</u>	-	-
<u>SG&amp;A (%)</u>	UP	an increase in advertising and promotion expenses
<u>EBITDA</u>	DOWN	a decrease in gross profit and an increase in advertising and promotion expenses
<u>Net Loss</u>	UP	a decrease in EBITDA
<u>Attributable Loss</u>	UP	a change from net profit to net loss

# Food

(M Baht)

Food	1H19 Oct18 - Mar19 <i>(Restated)</i>	1H20 Oct19 - Mar20	Change
Sales Revenue	7,597	7,351	-3.2%
COGS	(4,261)	(4,124)	
<i>% of Sales Revenue</i>	<i>56.1%</i>	<i>56.1%</i>	
SG&A	(2,813)	(2,993)	
<i>% of Sales Revenue</i>	<i>37.1%</i>	<i>40.7%</i>	
EBITDA	936	692	-26.1%
Net Profit	307	102	-66.8%
Attributable Profit to Shareholders	253	111	-56.1%
<u>Margin*</u>			
EBITDA	12.3%	9.4%	
Net Profit	4.0%	1.4%	

\* margins are % of sales revenue

<u>Sales Revenue</u>	DOWN	a decrease in revenue from Oishi food
<u>COGS (%)</u>	-	-
<u>SG&amp;A (%)</u>	UP	an increase in advertising and promotion expenses and staff costs
<u>EBITDA</u>	DOWN	a decrease in gross profit, and an increase in advertising and promotion expenses and staff costs
<u>Net Profit</u>	DOWN	a decrease in EBITDA
<u>Attributable Profit</u>	DOWN	a decrease in net profit

# Update: International Business

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1H20 sales revenue of Baht 30.8 Bn decreased 24% from last year because of the decline in both spirits and beer sales

- **International Spirits**

- Sales revenue decreased by 6% due to
    - The slowdown in Grand Royal Group (GRG)'s revenue
    - Although Scotch whisky case sales were higher, lower bulk sales reduced the revenue of international spirits
- 

- **International Beer**

- Sales revenue reported a decline of 28% due to
  - The decrease in Sabeco's revenue
  - The slowdown in performance in some ASEAN countries



# Financials

# Statement of Financial Position

Statement of Financial Position	30-Sep-19 <i>(Restated)</i>	31-Mar-20	Change
<i>(Million Baht)</i>			
<b>Assets</b>			
Current assets	77,318	84,047	6,729
Non-current assets	330,178	345,520	15,342
<b>Total assets</b>	<b>407,496</b>	<b>429,567</b>	<b>22,071</b>
<b>Liabilities</b>			
Current liabilities	48,809	95,316	46,507
Non-current liabilities	208,366	164,725	(43,641)
<b>Total liabilities</b>	<b>257,175</b>	<b>260,041</b>	<b>2,866</b>
<b>Shareholders' Equity</b>			
<b>Total equity</b>	<b>150,321</b>	<b>169,526</b>	<b>19,205</b>

<u>Current assets</u>	UP	an increase in cash and cash at financial institutions, and inventories
<u>Non-current assets</u>	UP	an increase in property, plant and equipment, and an increase in investments in associates and joint ventures which was due to the weakness in Thai baht
<u>Current liabilities</u>	UP	an increase in short-term loans from financial institutions and current portion of debentures
<u>Non-current liabilities</u>	DOWN	a decrease in debenture
<u>Total equity</u>	UP	an increase in net retained earnings from the net profit of the period

# Interest Bearing Debt

Interest Bearing Debt	30-Sep-19	31-Mar-20
	<i>(Restated)</i>	
<i>(Million Baht)</i>		
<b>Current</b>		
Bank overdrafts	182	623
Short-term loans from financial institutions	11,730	17,066
Current portion of long-term loans	7	90
Current portion of debentures	9,689	49,916
Other short-term loan	-	-
	21,608	67,695
<b>Non-current</b>		
Debentures	170,173	124,972
Long-term loans from financial institutions	27,802	29,623
	197,975	154,595
<b>Total</b>	<b>219,583</b>	<b>222,290</b>
<b>Cash and cash equivalents</b>	24,362	25,633
<b>Net Interest Bearing Debt</b>	<b>195,221</b>	<b>196,657</b>

The periods to maturity of interest-bearing debts:

	<i>(Million Baht)</i>
Within one year <i>(March 2022)</i>	67,695
After one year but within two years <i>(March 2022)</i>	48,481
After two years	<u>106,114</u>
Total	<u>222,290</u>

# Financial Ratios

Ratios	30-Sep-19 <i>(Restated)</i>	31-Mar-20
Current Ratio (times)	1.59	0.88
Liability to Equity Ratio (Gearing Ratio) (times)	1.71	1.53
Interest Bearing Debt to Equity Ratio (times)	1.46	1.31
Net Interest Bearing Debt to Equity Ratio (times)	1.30	1.16
Net Interest Bearing Debt to EBITDA (times) (annualized)	4.33	4.25
Net asset value per share (Baht)	4.61	5.34
Net asset value per share (SGD)*	0.20	0.23
<i>* exchange rate at THB 22.85785 : SGD 1</i>		
EPS	31-Mar-19 <i>(Restated)</i>	31-Mar-20
Earnings per share for the quarter (Baht)	0.23	0.20
Earnings per share for the six-month period (Baht)	0.53	0.53
Turnover	Oct 18 - Mar 19 <i>(Restated)</i>	Oct 19 - Mar 20
A/R Turnover (days)	7	8
Inventory Turnover (days)		
Spirit Business: finished goods	48	57
Beer Business: finished goods	12	14
Non-alcohol Business: finished goods	18	25
Food Business: finished goods	5	7

<u>Current Ratio</u>	DOWN	an increase in bank overdrafts and short-term loans from financial institutions, and current portion debentures
<u>Liability to Equity Ratio</u>	DOWN	an increase in retained earnings

# Thank you