



**BUSINESS UPDATE
FOR THE FIRST QUARTER ENDED 31 DECEMBER 2021**

KEY HIGHLIGHT

- Sales revenue increased 7.4% year-on-year (“YoY”) to Baht 77,116 million, as the improving COVID-19 situation in Thailand drove sales growth in all business segments
- Delivered earnings growth, with EBITDA¹ increasing 1.6% YoY to Baht 14,659 million, underpinned by satisfactory improvements in EBITDA from the beer, non-alcoholic beverage and food businesses
- Financial position remained resilient, with strong free cash flow and continued to deleveraging

BANGKOK, Thailand, 14 February 2022 – The board of directors (the “Board”) of Thai Beverage Public Company Limited (“ThaiBev”, and together with its subsidiaries, the “Group”) would like to provide an update on the Group’s business in the first quarter ended 31 December 2021 (“1Q22”).

BUSINESS SEGMENT

	<i>(Million Baht)</i>					
1Q22	SPIRITS	BEER	NAB	FOOD	ELIMINATE	THAIBEV
Sales Revenue	36,015	33,359	3,988	3,785	(31)	77,116
<i>Changes YoY</i>	<i>3.6%</i>	<i>10.4%</i>	<i>7.6%</i>	<i>21.0%</i>		<i>7.4%</i>
EBITDA	9,011	4,507	596	545	-	14,659
<i>Changes YoY</i>	<i>-2.3%</i>	<i>4.5%</i>	<i>20.2%</i>	<i>35.6%</i>		<i>1.6%</i>

1Q21	SPIRITS	BEER	NAB	FOOD	ELIMINATE	THAIBEV
Sales Revenue	34,771	30,221	3,707	3,128	(38)	71,789
EBITDA	9,219	4,314	496	402	-	14,431

SPIRITS – In 1Q22, the spirits business recorded a 3.6% increase in sales revenue to Baht 36,015 million, on the back of an 8.6% rise in sales volume. Although entertainment venues in Thailand remained closed due to COVID-19-related measures, the spirits business remained resilient, underpinned by a strong and well-diversified spirits portfolio and the off-premise consumption nature. EBITDA decreased 2.3% to Baht 9,011 million, on account of an increase in raw material costs in 1Q22, particularly molasses. However, the outlook for the cost of molasses in current season is likely to be lower YoY.

¹ Earnings before interest, taxation, depreciation, and amortization from business operation

BEER – The Group’s beer business’ sales revenue increased 10.4% YoY to Baht 33,359 million in 1Q22, driven by a recovery in economic activity in Vietnam and a price increase implemented in the country. Total sales volume increased 1.1% YoY mainly due to a rise in SABECO’s sales volume. The beer business reported a 4.5% increase in EBITDA to Baht 4,507 million.

NON-ALCOHOLIC BEVERAGES (NAB) – The Group’s NAB business recorded sales revenue of Baht 3,988 million in 1Q22, an increase of 7.6% YoY, in line with a 2.3% increase in sales volume. The NAB business continued to prudently manage its costs through the implementation of effective cost control measures, which enabled the business to achieve a 20.2% improvement in EBITDA to Baht 596 million, outpacing the revenue growth.

FOOD – In 1Q22, the food business’ sales revenue increased 21.0% YoY to Baht 3,785 million due to the recovery in dine-in traffic at restaurants, and the Group’s continued drive to increase its brand penetration and accessibility to serve customers better. As a result of efforts to improve the operational efficiency of the restaurants in its portfolio, the food business recorded a satisfactory 35.6% YoY improvement in EBITDA to Baht 545 million.

FINANCIAL UPDATE

BALANCE SHEET	30-Sep-21	31-Dec-21	(Million Baht)
			Changes
<u>TOTAL ASSETS</u>	<u>472,585</u>	<u>472,833</u>	<u>248</u>
Current assets	95,266	98,477	3,211
Non-current assets	377,319	374,356	(2,963)
<u>TOTAL LIABILITIES</u>	<u>262,409</u>	<u>256,562</u>	<u>(5,847)</u>
Current liabilities	95,443	90,674	(4,769)
Non-current liabilities	166,966	165,888	(1,078)
<u>TOTAL SHAREHOLDER'S EQUITY</u>	<u>210,176</u>	<u>216,271</u>	<u>6,095</u>
Total equity	210,176	216,271	6,095

INTEREST BEARING DEBT (From Bank Loans and Debentures)	30-Sep-21	31-Dec-21	(Million Baht)
			Changes
<u>Interest Bearing Debt</u>			
Current	67,496	55,549	(11,947)
Non-current	151,794	150,900	(894)
<u>Total Interest Bearing Debt</u>	<u>219,290</u>	<u>206,449</u>	<u>(12,841)</u>
Cash and Cash Equivalents	38,293	45,237	6,944
<u>Net Interest Bearing Debt</u>	<u>180,997</u>	<u>161,212</u>	<u>(19,785)</u>

		(Million Baht)
INTEREST BEARING DEBT (From Bank Loans and Debentures)		31-Dec-21
Within one year (Dec 2022)		55,549
After one year but within five years (Dec 2026)		102,647
After five years		48,253
Total		206,449

The Company has signed and secured committed financing from commercial banks in Thailand to settle the debentures that due in March 2022, please see Company's announcement related to this matter on 14 February 2022.

FINANCIAL RATIOS	30-Sep-21	31-Dec-21
Net Interest Bearing Debt to Equity Ratio (times)	0.86	0.75
Net Interest Bearing Debt to EBITDA ² Ratio (times) (LTM)	3.88	3.43

² Earnings before interest, taxation, depreciation, and amortization for the Group

<i>(Million Baht)</i>	
CASH FLOW STATEMENT	1Q22
	<i>Ended 31 Dec 21</i>
Net cash from operating activities	21,720
Net cash from (used in) investing activities	(2,872)
Net cash from (used in) financing activities	(13,644)
Increase (decrease) in cash and cash equivalents	5,204
Adjustment from financial statement translation	(250)
Net increase (decrease) in cash at financial institutions	1,990
Net increase (decrease) in cash and cash at financial institutions	6,944
Cash and cash at financial institutions at beginning of period	38,293
Cash and cash at financial institutions at end of period	45,237

UNAUDITED RESULTS FOR THE FIRST QUARTER ENDED 31 DECEMBER 2021

The Board wishes to remind shareholders and investors that the above business update has been prepared based on the Group's internal records and management accounts, and has not been reviewed or audited by independent auditors.

Shareholders and investors are advised not to place undue reliance on the business update and to exercise caution when dealing in ThaiBev's shares and other securities.