



**BUSINESS UPDATE
FOR THE FIRST QUARTER ENDED 31 DECEMBER 2022**

KEY HIGHLIGHTS

- Sales revenue increased 4.9% year-on-year (“YoY”) to Baht 80,900 million, in line with the reopening of Thailand and Vietnam
- EBITDA performance took into account revenue rise, brand investment and cost push
- Maintained a resilient financial position with strong free cash flow and continued deleveraging

BANGKOK, Thailand, 10 February 2023 – 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 for the first quarter ended 31 December 2022 (“**1Q23**”).

BUSINESS SEGMENT

	<i>(Million Baht)</i>					
1Q23	SPIRITS	BEER	NAB	FOOD	ELIMINATE	THAIBEV
Sales Revenue	33,718	37,932	4,609	4,694	(53)	80,900
<i>Changes YoY</i>	<i>-6.4%</i>	<i>13.7%</i>	<i>15.6%</i>	<i>24.0%</i>		<i>4.9%</i>
EBITDA	8,920	3,680	409	523	-	13,532
<i>Changes YoY</i>	<i>-1.0%</i>	<i>-18.3%</i>	<i>-31.4%</i>	<i>-4.0%</i>		<i>-7.7%</i>

1Q22	SPIRITS	BEER	NAB	FOOD	ELIMINATE	THAIBEV
Sales Revenue	36,015	33,359	3,988	3,785	(31)	77,116
EBITDA	9,011	4,507	596	545	-	14,659

SPIRITS – In 1Q23, the spirits business generated sales revenue of Baht 33,718 million, a 6.4% decrease YoY. Total sales volume declined 15.2% YoY in 1Q23, from a high base in 1Q22 that was driven primarily by trade-inventory loading ahead of price increases. EBITDA margin expanded from 25.0% to 26.5% YoY, in spite of an 1.0% decline in EBITDA to Baht 8,920 million. The margin expansion was driven by changes in portfolio mix in Thailand amid higher consumption of brown spirits. The international business, including Myanmar reported an increase in both sales revenue and EBITDA.

BEER – The beer business’ sales revenue rose 13.7% YoY to Baht 37,932 million in 1Q23, boosted by a combination of price increase, product mix improvement, and a 4.5% increase in total sales volume YoY on the back of the recovery of economic activity in Thailand and Vietnam. The increase in brand investment and marketing activities during the festive season and cost push resulted in EBITDA declining by 18.3% to Baht 3,680 million.

NON-ALCOHOLIC BEVERAGES (NAB) – The Group’s NAB business recorded an 15.6% rise in sales revenue to Baht 4,609 million in 1Q23, lifted by a 7.1% increase in sales volume as consumption improved post-pandemic. EBITDA was 31.4% lower at Baht 409 million, taking into account an increase in brand investment and marketing activities undertaken to reach consumers across all channels and general cost push, which were partially offset by production efficiency gain.

FOOD – In 1Q23, the food business’ sales revenue increased 24.0% YoY to Baht 4,694 million, in tandem with the upswing in dine-in traffic at restaurants, coupled with the Group’s continued effort to increase brand penetration and accessibility. In spite of pre-operating costs incurred in conjunction with the opening of new stores and general cost push, EBITDA only declined marginally by 4.0% to Baht 523 million.

FINANCIAL UPDATE

BALANCE SHEET	30-Sep-22	31-Dec-22	<i>(Million Baht)</i> Changes
<u>TOTAL ASSETS</u>	507,789	488,503	(19,286)
Current assets	110,693	111,800	1,107
Non-current assets	397,096	376,703	(20,393)
<u>TOTAL LIABILITIES</u>	258,400	255,395	(3,005)
Current liabilities	89,129	73,539	(15,590)
Non-current liabilities	169,271	181,856	12,585
<u>TOTAL SHAREHOLDER'S EQUITY</u>	249,389	233,108	(16,281)
Total equity	249,389	233,108	(16,281)

INTEREST BEARING DEBT (From Banks and Debentures)	30-Sep-22	31-Dec-22	<i>(Million Baht)</i> Changes
<u>Interest Bearing Debt for Normal Operation</u>			
Current	55,306	36,681	(18,625)
Non-current	153,058	165,974	12,916
<u>Total Interest Bearing Debt for Normal Operation</u>	208,364	202,655	(5,709)
Cash and Cash Equivalents	51,867	51,491	(376)
<u>Net Interest Bearing Debt</u>	156,497	151,164	(5,333)

INTEREST BEARING DEBT (From Banks and Debentures)	<i>(Million Baht)</i> 31-Dec-22
Within one year (Dec 2023)	36,681
After one year but within five years (Dec 2027)	113,614
After five years	52,360
<u>Total</u>	202,655

FINANCIAL RATIOS	30-Sep-22	31-Dec-22
Net Interest Bearing Debt to Equity Ratio (times)	0.63	0.65
Net Interest Bearing Debt to EBITDA Ratio (times) (LTM)	2.90	2.84

CASH FLOW STATEMENT	<i>(Million Baht)</i> 1Q23 Ended 31 Dec 22
Net cash from operating activities	10,474
Net cash from (used in) investing activities	1,207
Net cash from (used in) financing activities	(7,044)
Increase (decrease) in cash and cash equivalents	4,637
Adjustment from financial statement translation	(559)
Net increase (decrease) in cash at financial institutions	(4,454)
Net increase (decrease) in cash and cash at financial institutions	(376)
Cash and cash at financial institutions at beginning of period	51,867
<u>Cash and cash at financial institutions at end of period</u>	51,491

UNAUDITED RESULTS FOR THE FIRST QUARTER ENDED 31 DECEMBER 2022

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.