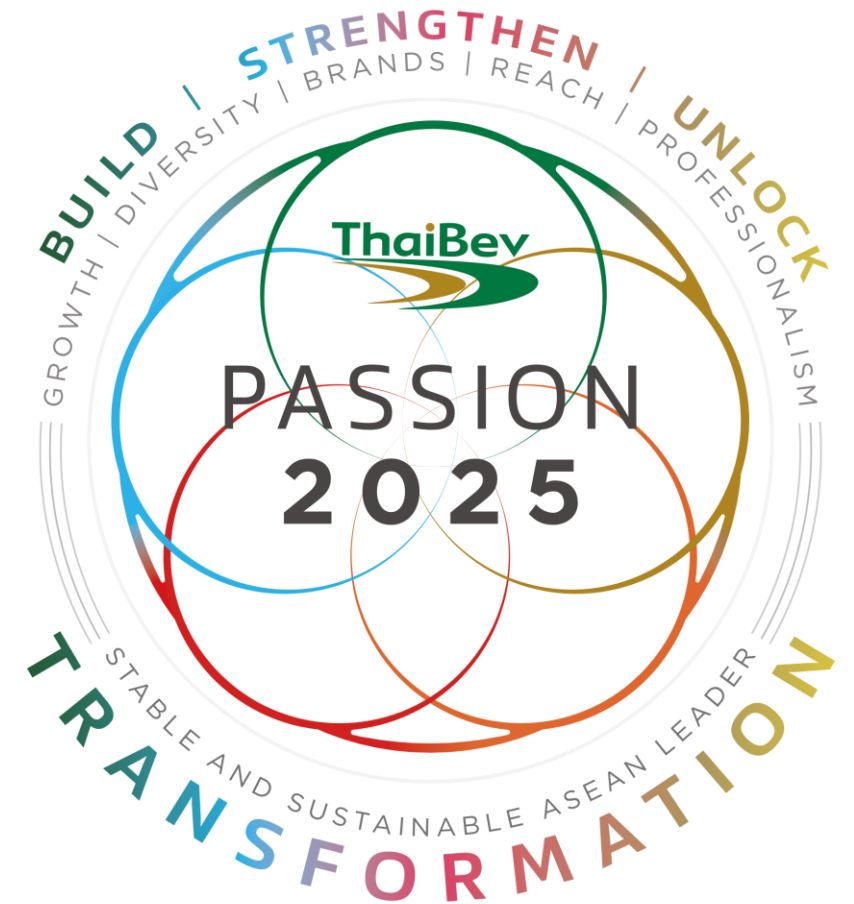


# THAI BEVERAGE PLC

2023 ANNUAL INFORMATION MEETING

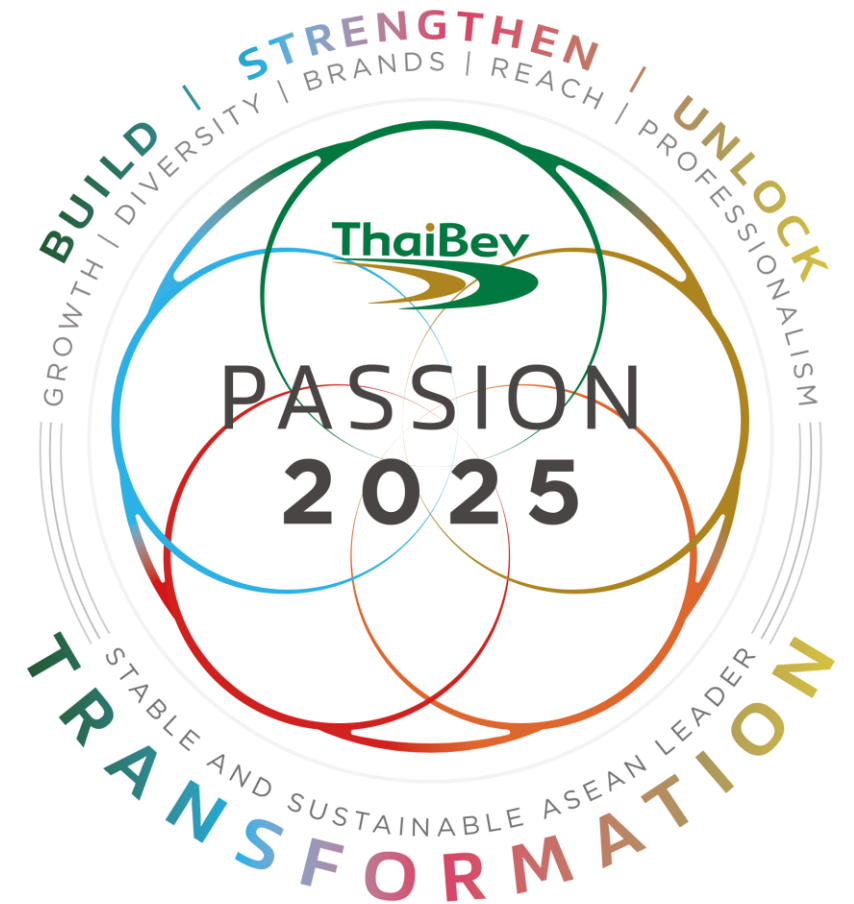
12 JULY 2023



# 1H23 RESULTS

2023 ANNUAL INFORMATION MEETING

12 JULY 2023



# 1H23 FINANCIAL HIGHLIGHTS



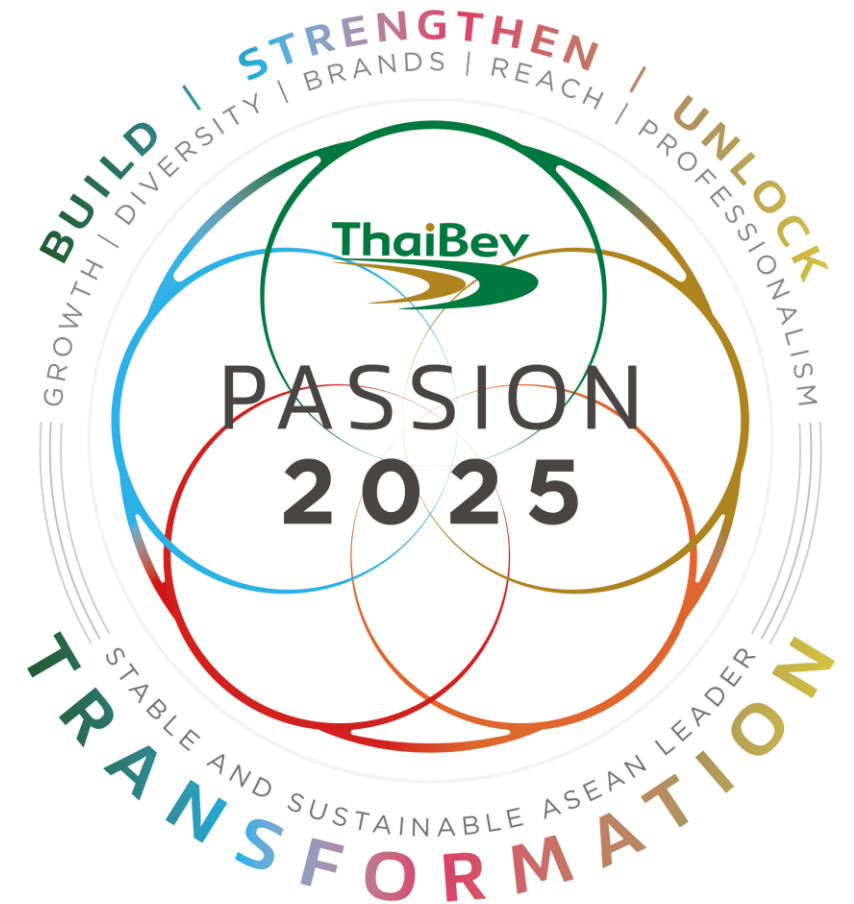
## KEY HIGHLIGHTS

- Sales revenue grew 3.7% YoY to Baht 148,295 million, in tandem with the resurgence of economic activity in Thailand and Vietnam
- Taking into account the increase in revenue, as well as brand investment and marketing activities and cost pressures, EBITDA decreased by 1.5% to Baht 27,828 million
- Net profit declined by 3.2% to Baht 17,781 million YoY
  - The spirits business demonstrated resilience by delivering an increase in net profit. While beer and NAB businesses reported a decline in net profit due to cost push and brand investment
  - The Company has continued to improve production efficiency across its portfolio despite cost pressures

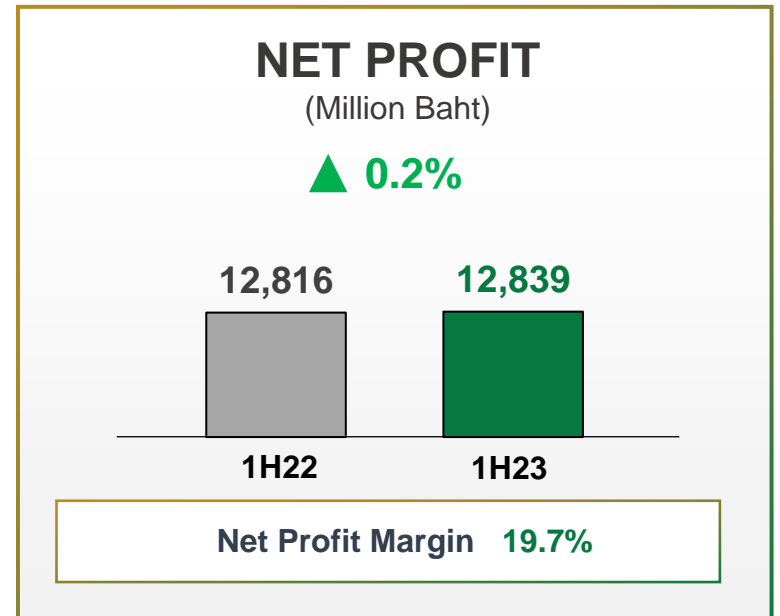
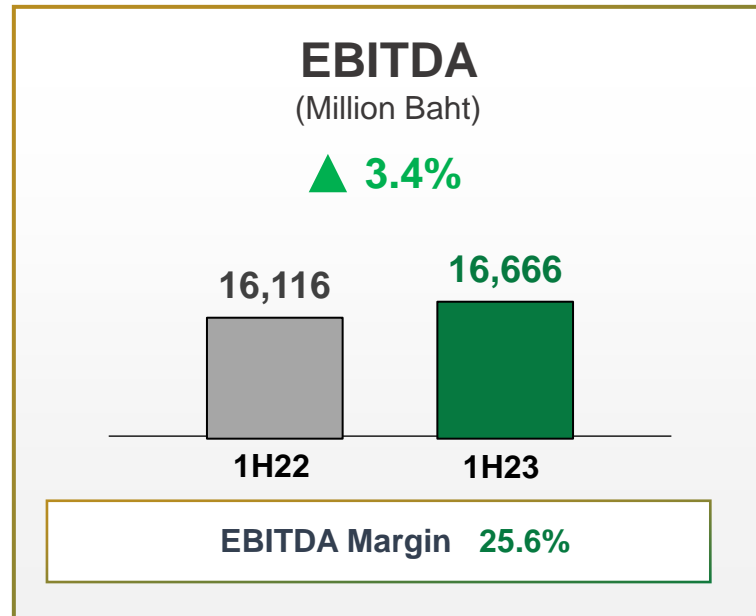
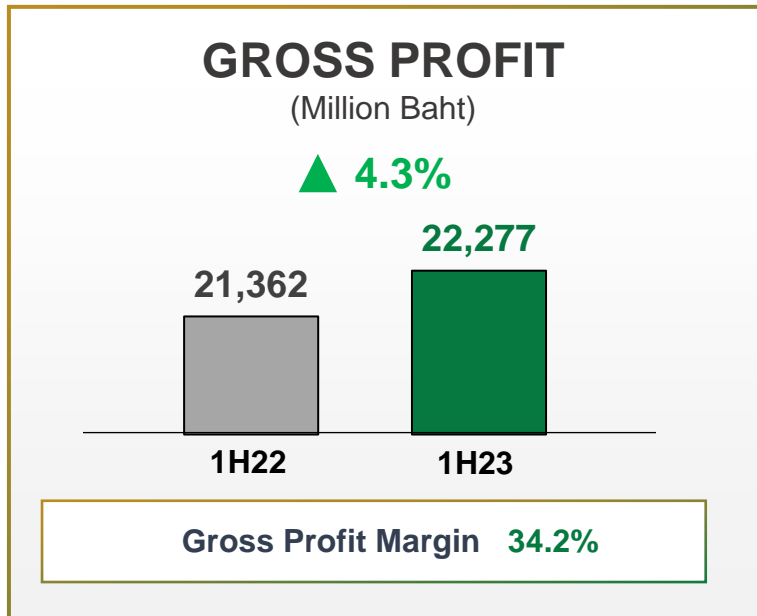
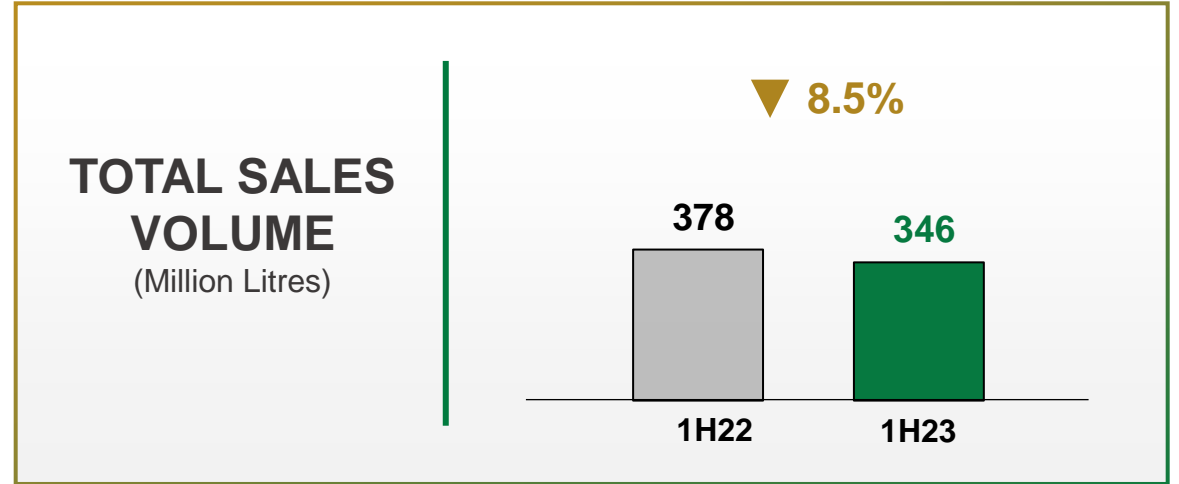
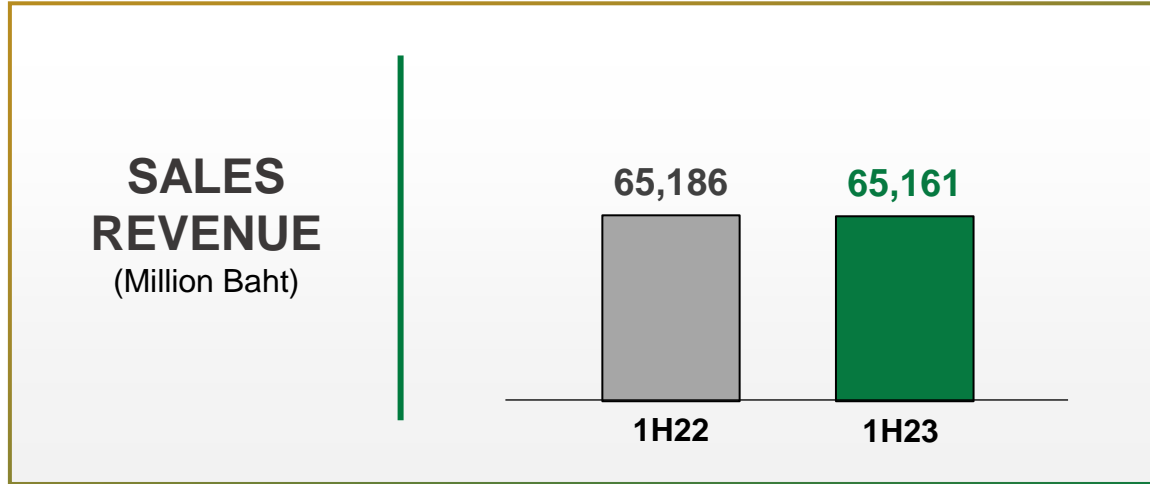
# SPIRITS PRODUCT GROUP

2023 ANNUAL INFORMATION MEETING

12 JULY 2023



# FINANCIAL PERFORMANCE – SPIRITS BUSINESS



# KEY THAI PRODUCT PORTFOLIO

## Brands



**Ruang Khao  
(Embossed Bottle)**  
330 ml./ 625 ml.



**Ruang Khao Silver**  
330ml./ 700 ml.

## FY2023 Addition / Improvement



**Hong Thong**  
350 ml./ 700 ml./ 1 Litre



**Hong Thong Festive Pack 700 ml.  
(2 bottles)**



**SangSom**  
300 ml./ 700 ml./ 1 Litre



**SangSom 2023 Year of The Rabbit  
700 ml. (2 bottles)**



**BLEND 285**  
345 ml./ 700 ml./  
1 Litre



**BLEND 285 Signature**  
345 ml./ 700 ml./  
1 Litre



**BLEND 285 Signature  
Festive Box 700 ml.**

# HONG THONG







# SANGSOM



# NIYOMTHAI SPECIAL AROMATIC RICE



# KULOV VODKA AND HAI



# PHRAYA



# SINGLE MALT PORTFOLIO



EST. 1897

**SPEYBURN**

SPEYSIDE SINGLE MALT  
SCOTCH WHISKY



**anCnoc**

HIGHLAND SINGLE MALT  
SCOTCH WHISKY



EST. 1826

**OLD PULTENEY**

SINGLE MALT SCOTCH WHISKY



EST. 1790

**BALBLAIR**

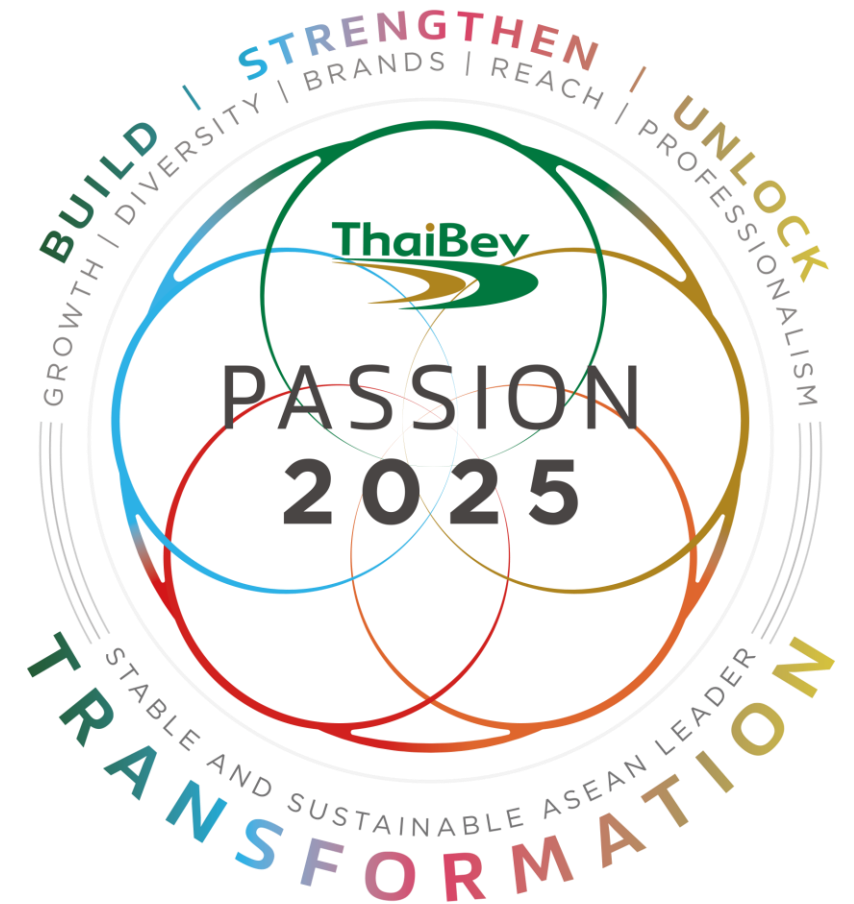
# GRAND ROYAL



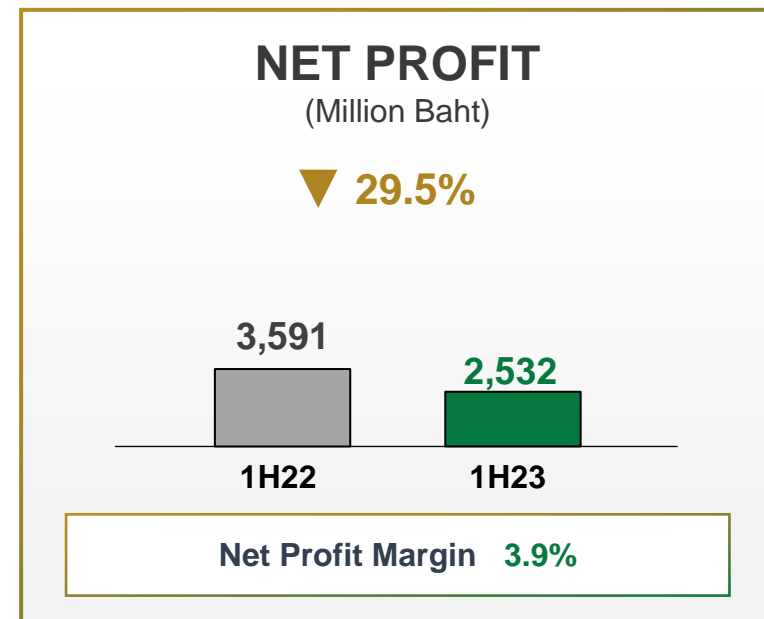
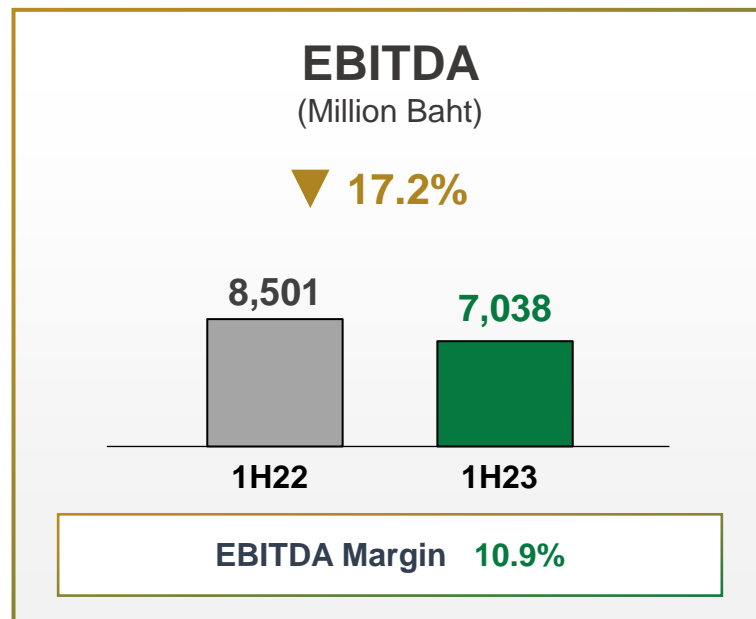
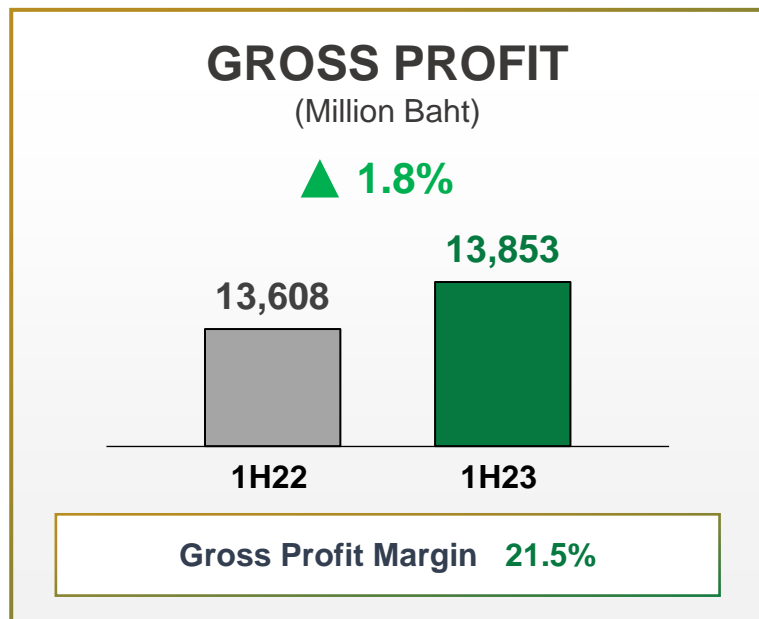
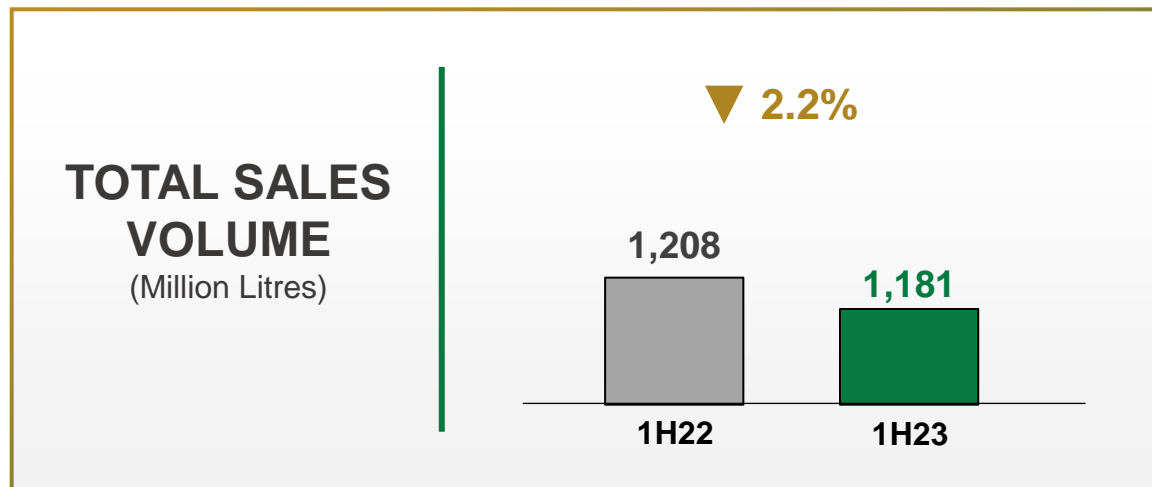
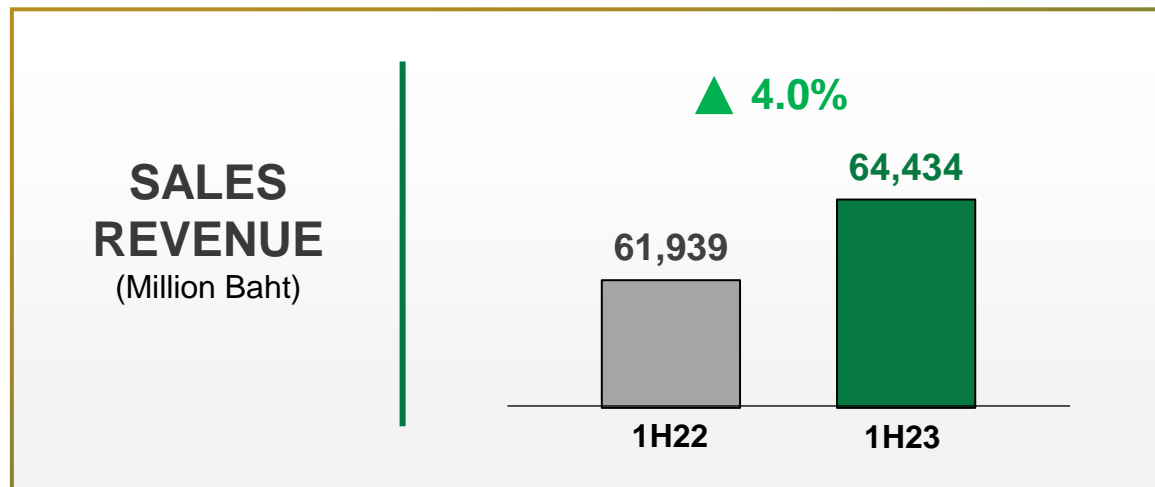
# BEER PRODUCT GROUP

2023 ANNUAL INFORMATION MEETING

12 JULY 2023



# FINANCIAL PERFORMANCE – BEER BUSINESS

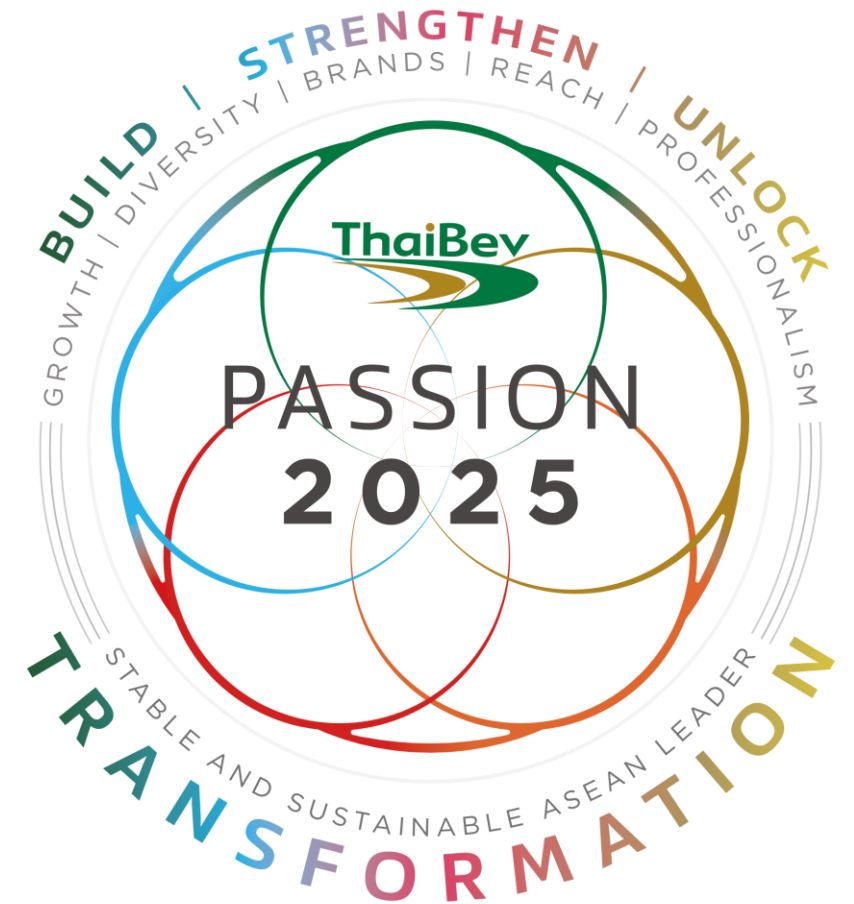




# BEER PRODUCT GROUP THAILAND

2023 ANNUAL INFORMATION MEETING

12 JULY 2023



# BEER PRODUCT GROUP (THAILAND)



# BEER PRODUCT GROUP (THAILAND)



## Three Areas Of Focus

COMMERCIAL LEADERSHIP

WINNING BRAND PORTFOLIO

COST COMPETITIVENESS



# BEER PRODUCT GROUP (THAILAND)

## COMMERCIAL LEADERSHIP



# BEER PRODUCT GROUP (THAILAND)

## COMMERCIAL LEADERSHIP

**TEAM With ThaiBev  
Network To Increase  
Effectiveness**



**Internal Beer Sales  
Capability Development**

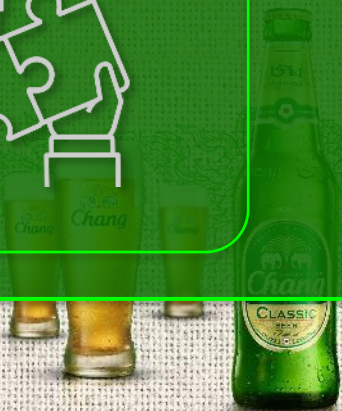
**TEAM  
Development**



**PARTNER  
Development**

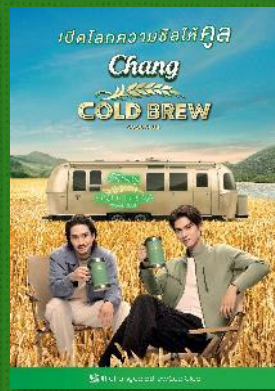


**Collaboration**



# BEER PRODUCT GROUP (THAILAND)


## WINNING BRAND PORTFOLIO



# BEER PRODUCT GROUP (THAILAND)

## COST COMPETITIVENESS

**PRODUCTION**



**SUPPLY CHAIN**



**A&P SPENDING**



**NET SALE /  
HEADCOUNT / YEAR**



# BEER PRODUCT GROUP (THAILAND)



**Chang Number One**

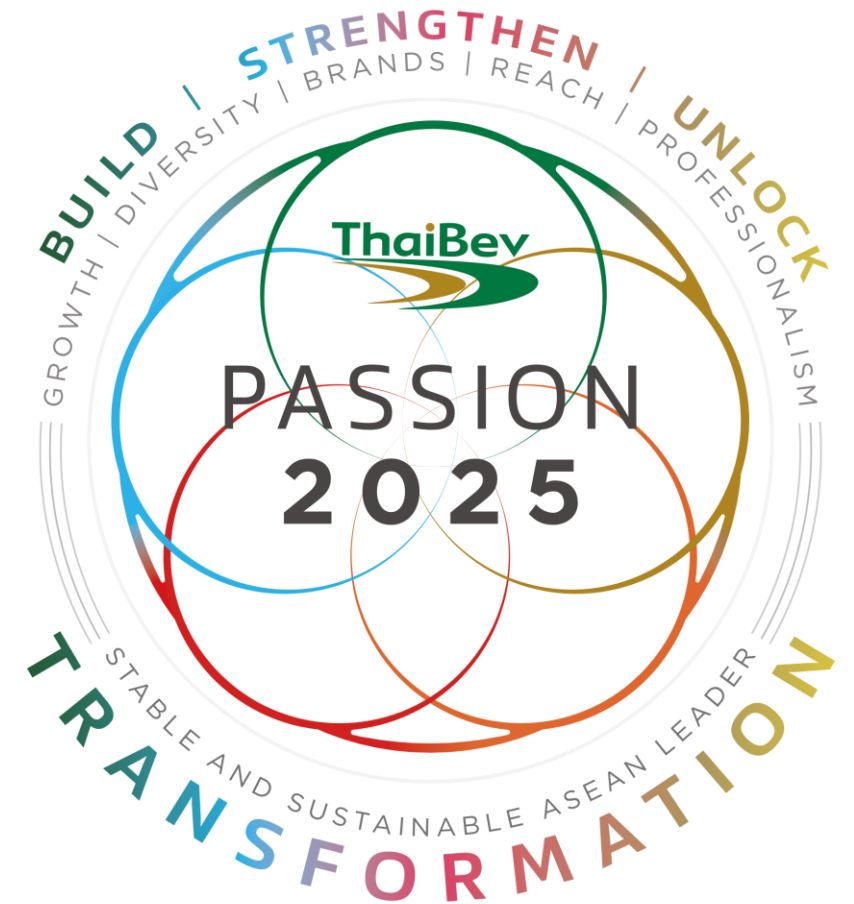




# BEER PRODUCT GROUP SABECO

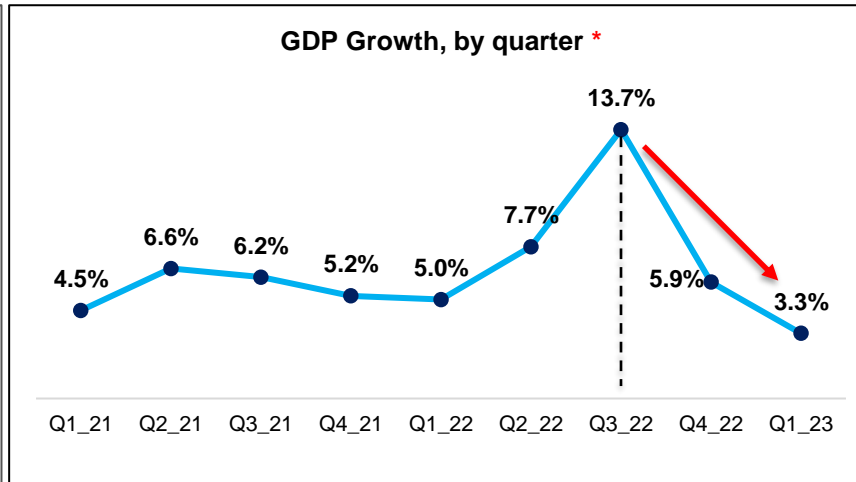
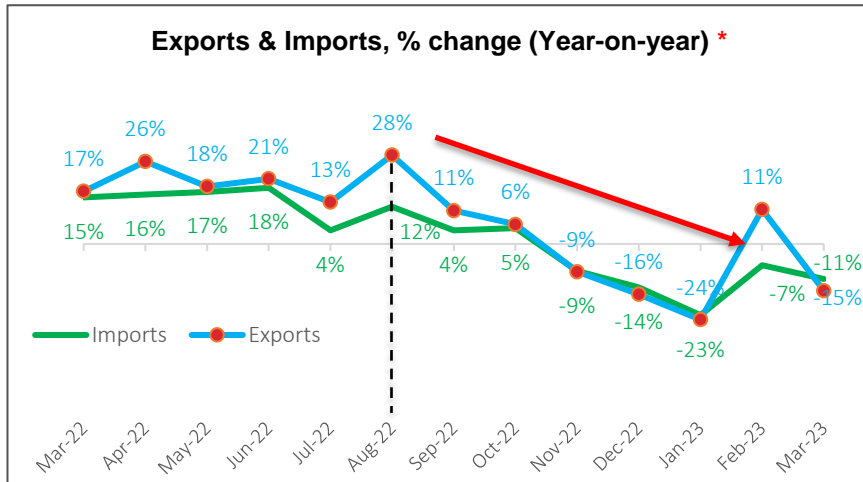
2023 ANNUAL INFORMATION MEETING

12 JULY 2023

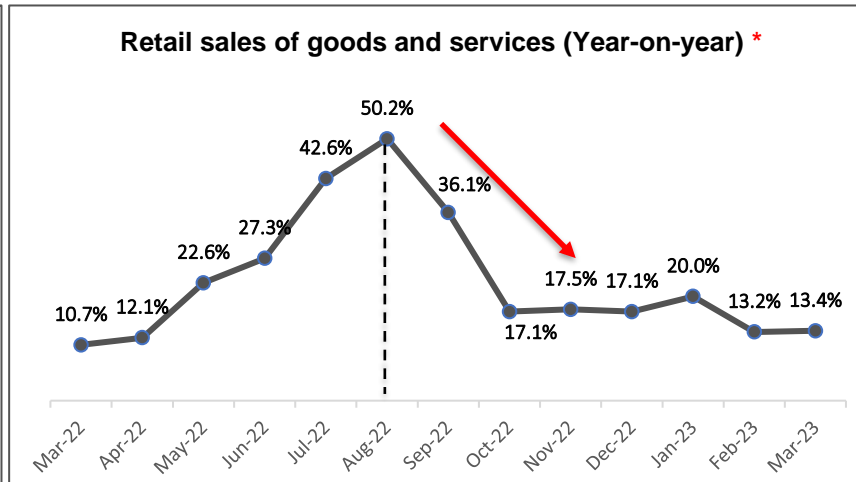
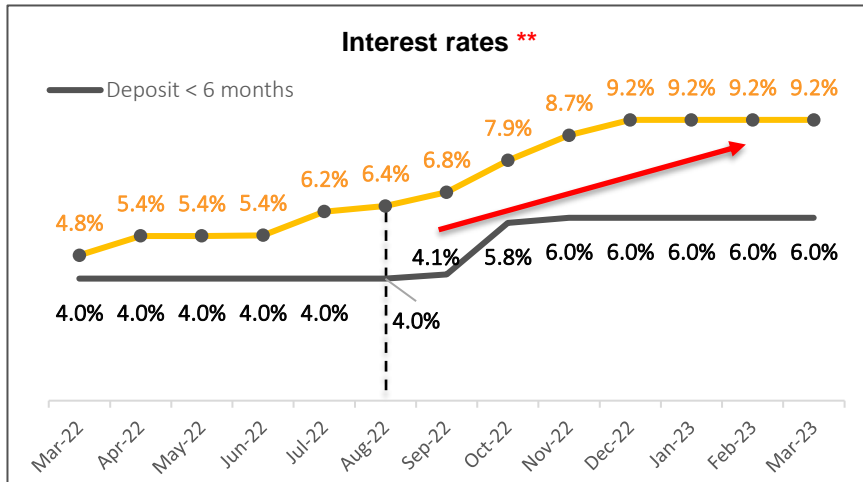


# VIETNAM'S CHALLENGING MACRO-OUTLOOK

- Decreasing exports and imports activities and job-cuttings – 630,000 workers lost jobs or had hours cut in Q4 2022, have resulted in a weakening consumer demand.
- High financing costs raised deposit rates at banks, discouraging distributors from stocking up and favoring bank investments.



Nike, Adidas shoe supplier Pou Chen to slash 6,000 jobs in Vietnam: Sources | The Straits Times [Visit](#)



Consumers cut back on spending amid unemployment - VnExpress International [Visit](#)

Source: \*: General Statistics Office of Vietnam (GSO)  
 \*\*: Company's data

# 1H23 KEY HIGHLIGHTS

## USING EFFECTIVE MARKETING MIX TO DRIVE IMPACT AND IMPROVE OUR BRAND PORTFOLIO

### 1. Strengthen Master brand Bia Saigon as No. 1 Vietnamese beer brand



- Guerilla marketing tactic to promote Bia Saigon with the biggest beer carton 64s.

### 2. Improve premium brands within our brand portfolio



- Limited Bia Saigon Gold edition in sleek can format for 2023 new year.

### 3. Build and expand 333 brand in North regions (1<sup>st</sup> phase)



- 333 Bottle launch to penetrate on premise channel.

### 4. Build Lac Viet as regional brand to support Master brand



- Various & bigger consumer promotions to drive sales and remain competitive in the market.



- Bia Saigon Chill with music festival to captivate the interest of young customers.



- Singing contests as a platform to engage with rural consumers.

# 1H23 KEY HIGHLIGHTS

ACKNOWLEDGMENT OF OUR MARKETING ENDEAVORS AND THE REPUTATION OF OUR BRANDS

**SABECO won Gold and Silver awards at MMA GLOBAL Conference & Exposition (April 2023)**

**GOLD WINNER FOR PRODUCT LAUNCH**



**“RISE WITH VIETNAM” CAMPAIGN, Gold winner for product launch** – relaunched products with impacts, increase sales and achieved growth / measurable success.

**SILVER WINNER FOR GEO TARGETING**



**“BIA SAIGON LAGER TET 2022” CAMPAIGN, Silver winner for geo targeting** – using proximity technology or contextual targeting, that gave consumers an engaging, personalized and targeted brand experience.

# 1H23 KEY HIGHLIGHTS

## NOTABLE ACHIEVEMENTS IN WORLD LEADING INTERNATIONAL BEER AWARDS

**Won 4 Gold medals and 4 Silver medals by the Beverage Testing Institute (BTI) for exceptional quality.**

- SABECO's receipt of 8 medals from the BTI in January 2023 – A demonstration of our commitment to producing high-quality beers that meet international standards.



# SABECO'S STRATEGIC PRIORITIES

DIRECTIONS FOR 2023 AND ONWARDS



## Reinforce “Bia Saigon” To Be The Pride of Vietnam – #1 Vietnam Beer

### 1 GROW our business – To gain market shares

- ✓ Elevate “Bia Saigon” as the national pride of Vietnam
- ✓ Continue premiumisation of brand portfolio
- ✓ Drive topline through
  - ✓ Market & channel expansion
  - ✓ Effective promotions & new products

### 2 IMPROVING operational excellence

- ✓ Prioritize volume for subsidiary breweries to prevent profit leakages / losses
- ✓ Continue improvement on production norms
- ✓ Improve demand planning accuracy with S&OP solution

### 3 EMBRACE cost management principles

- ✓ Focus on efficient A&P spend to get incremental profit and volume
- ✓ Categorize expenses to monitor costs

### 4 UNLOCK Potential M&A / Strategic Partnerships

Project Jumbo	Project Wheat
✚ 6 Breweries (510 million litres/ year)	✚ Reduce profit leakages
✚ 3 Packaging Plants	✚ Obtain super-majority vote
✚ SAGOTA brand (Economy segment)	✚ Increase opportunities to consolidate more shares

SABECO 4.0 – DIGITAL TRANSFORMATION

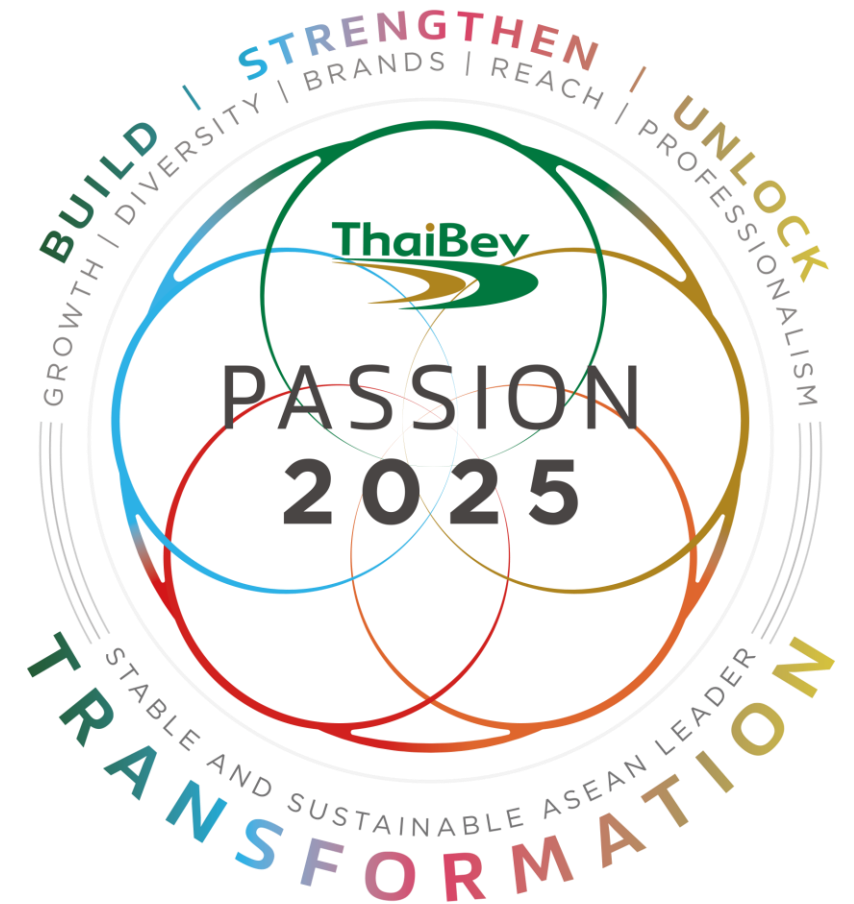
OUR PEOPLE

CORPORATE GOVERNANCE

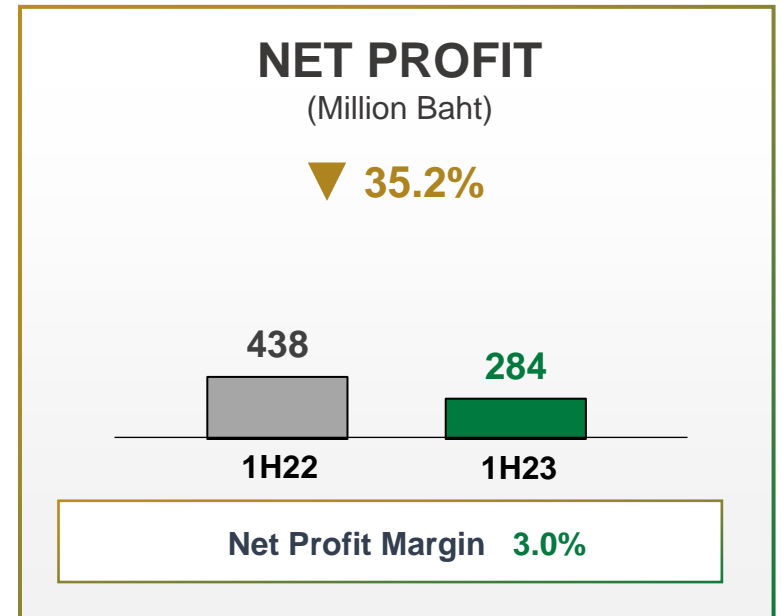
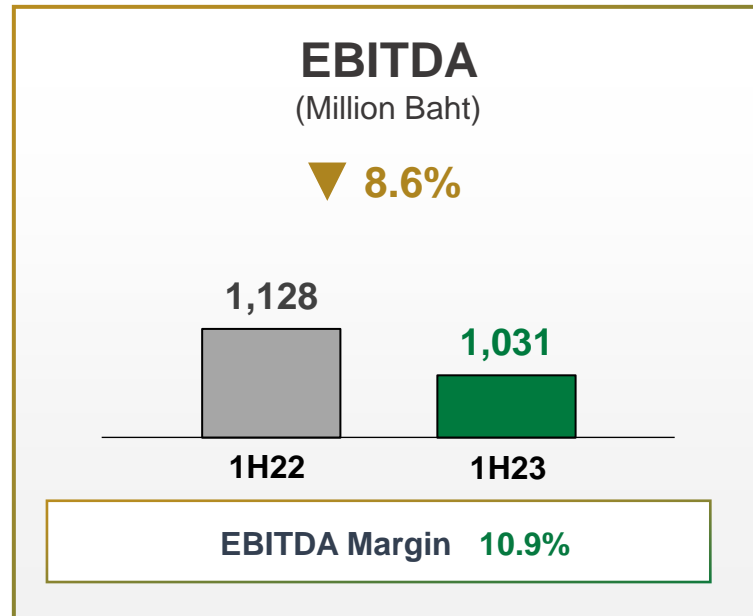
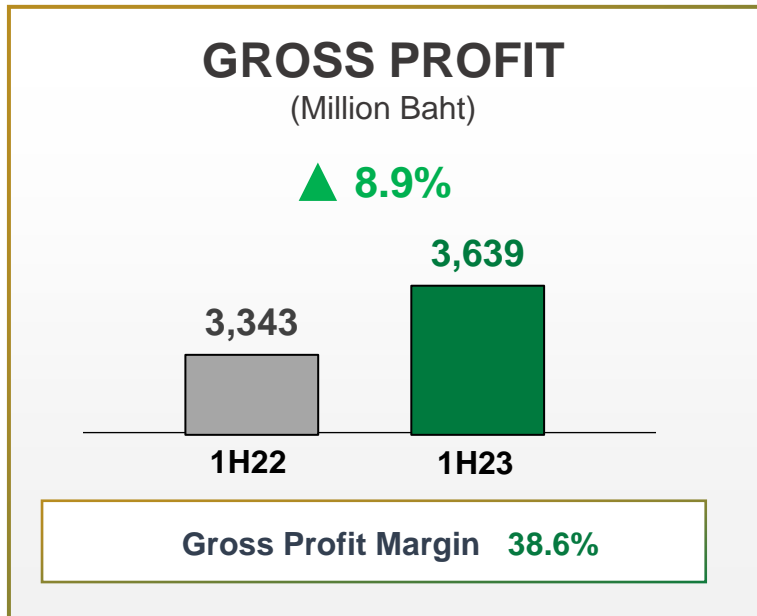
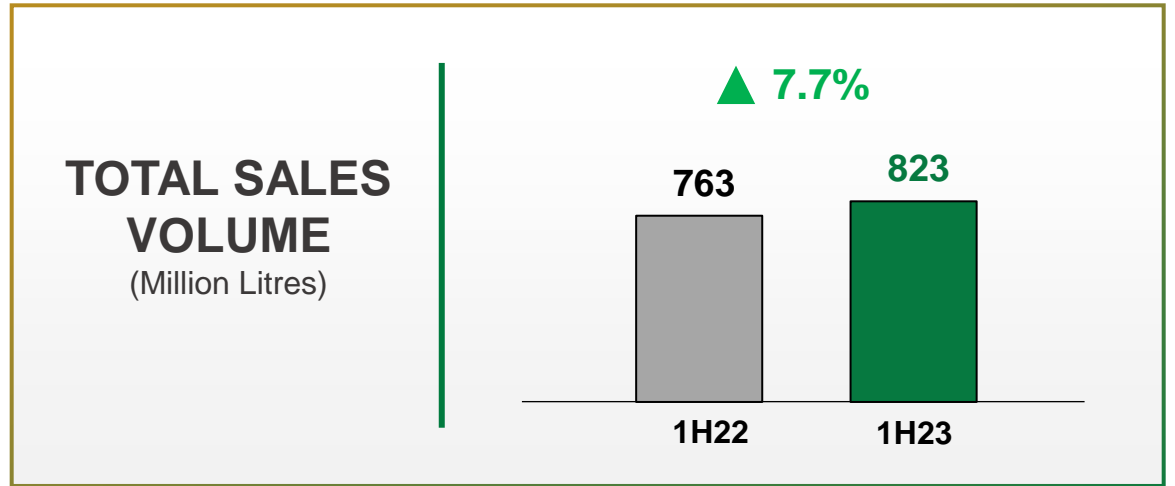
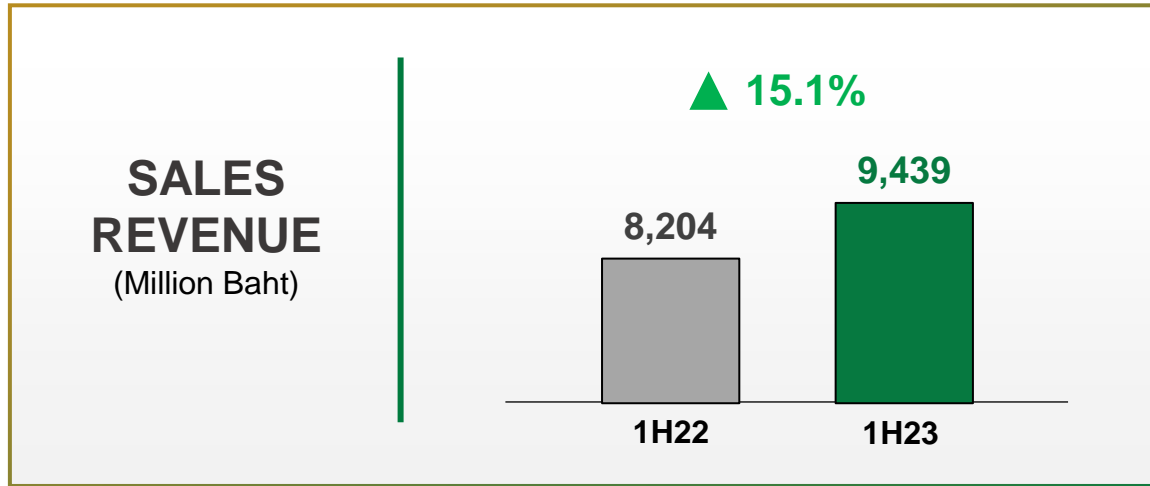
# NON-ALCOHOLIC BEVERAGE PRODUCT GROUP

2023 ANNUAL INFORMATION MEETING

12 JULY 2023



# FINANCIAL PERFORMANCE – NAB BUSINESS



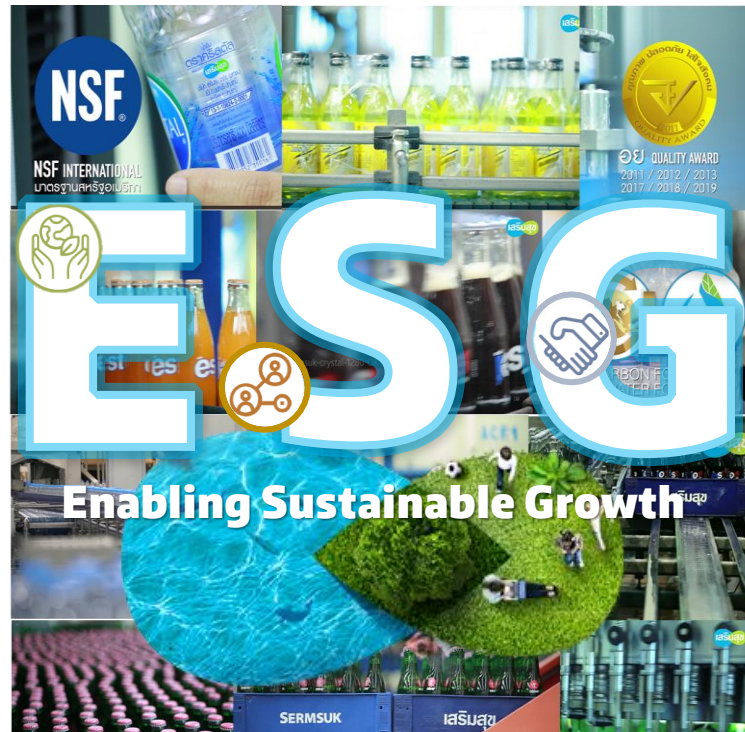


# GROWING SUSTAINABLY, SATISFY CONSUMERS WITH HEALTHY BEVERAGE BRANDS FROM MORNING TILL NIGHT

## PRODUCTION & SUPPLY CHAIN EXCELLENCE



## SUSTAINABILITY



## BRAND & REACH



# PRODUCTION AND SUPPLY CHAIN EXCELLENCE

## SMART FACTORY



INCREASE EFFICIENCY & REDUCE LOSSES IN PRODUCTION PROCESS.



SALES FLEET RIGHTSIZING



LOGISTIC IMPROVEMENT



CLEAN ENERGY

"SOLAR ROOFTOP"



KNOWLEDGE SHARING & NETWORKING WITHIN THAIBEV



# SUSTAINABILITY



“CLIMATE & WASTE MANAGEMENT, RECYCLE, PROTECTING AND RESTORING WATER SOURCES, DEVELOP BIODIVERSITY”



EMPLOYEE ENGAGEMENT, PROMOTING HEALTH AND SAFETY OF CONSUMERS, COMMUNITY DEVELOPMENT.”



GOOD GOVERNANCE, ORGANIZATIONAL PROCESS IMPROVEMENT, INNOVATION DEVELOPMENT



# BUILD WINNING BRAND PORTFOLIO

SATISFY CONSUMERS WITH HEALTHY BEVERAGE BRANDS FROM MORNING TILL NIGHT



# BUILD WINNING BRAND PORTFOLIO

SATISFY CONSUMERS WITH HEALTHY BEVERAGE BRANDS FROM MORNING TILL NIGHT

## DRINKING WATER



THE BEST CHOICE  
OF QUALITY DRINKING WATER

## SOFT DRINK



QUENCH THE THIRST WITH  
CSD DRINK

## READY-TO-DRINK TEA



AUTHENTIC SENSE OF JAPANESE  
GREEN TEA/ HERBAL TEA

## OTHERS



OTHERS QUALITY BEVERAGES  
SATISFY DIFFERENT NEEDS

# est

ต้อนรับมิตรภาพ  
อย่างมี**คุณภาพ**

PHILIPPINES  
KOREA  
MALAYSIA  
CHILE  
CRISTAL  
CANAL

UNEI  
HINA

JAPAN  
INDONESIA



## STRENGTHEN KEY BRANDS

# STRENGTHEN KEY BRANDS

EST REBRANDING CAMPAIGN 2023



# STRENGTHEN KEY BRANDS

## ENHANCING LEADERSHIP POSITIONING

คริสตัล น้ำดื่ม คุณภาพ หนึ่งเดียว ที่นายมั่นใจ

NSF

คริสตัล

ภูเก็ตพร้อม คนไทยพร้อม

ร่วมโหวตให้ภูเก็ต เป็นเจ้าภาพ Expo 2028

EXPO 2028 PHUKET | THAILAND

เพียงสแกน QR Code บนฉลาก คริสตัล

คริสตัล

คริสตัล ร่วมต้อนรับมิตรจากทั่วโลก อย่างมี คุณภาพ

Crystal Drinking Water Welcomes you to APEC2022

CRYSTAL

คริสตัล

ภูเก็ตพร้อม คนไทยพร้อม

EXPO 2028 PHUKET | THAILAND

Specialized Expo 2027/28 Candidate

คริสตัลร่วมสนับสนุนประเทศไทยเป็นเจ้าภาพจัดงาน

EXPO 2028 PHUKET | THAILAND



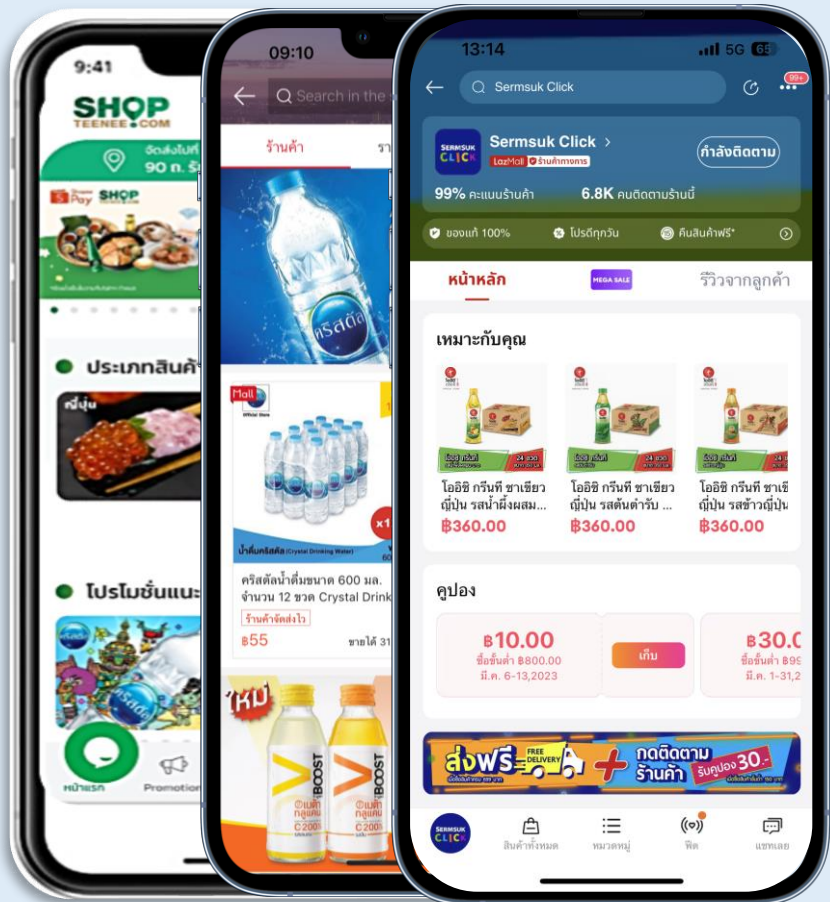
# STRENGTHEN KEY BRANDS

## DEEPEN BRAND LOVE WITH TARGET CONSUMER

The image is a collage of promotional materials for Oishi and One Piece brands. It features several key elements:

- Top Left:** An illustration of four One Piece characters (Sanji, Zoro, Nami, and Luffy) drinking Oishi tea. Above them are the Oishi logo (a red circle with a white character) and the Thai text 'โออิช กรีนที' and the One Piece logo with 'วันพีซ' (Wan Pies) above it.
- Top Right:** A row of 15 different colored Oishi bottles. Below them is the Thai text 'โออิช เปิดศึกล่า ท้าสมความสดชื่น' (Oishi opens the battle for refreshing taste) and 'ดีไซน์ใหม่ 15 แบบ สุดลิ้มเด็ด' (New design 15 styles, ultimate taste).
- Center:** A large white speech bubble containing the Oishi logo and the Thai text 'โออิช กรีนที 緑茶' (Oishi Green Tea). To its right is the One Piece logo with 'วันพีซ' (Wan Pies) above it.
- Bottom Left:** An illustration of Luffy running, surrounded by several Oishi bottles in various flavors.
- Bottom Right:** A photo of people riding a red scooter decorated with Oishi branding. A large yellow and white character is also visible.

# REACH CONSUMER ANYTIME ANYWHERE





ThaiBev

เสริมสุข

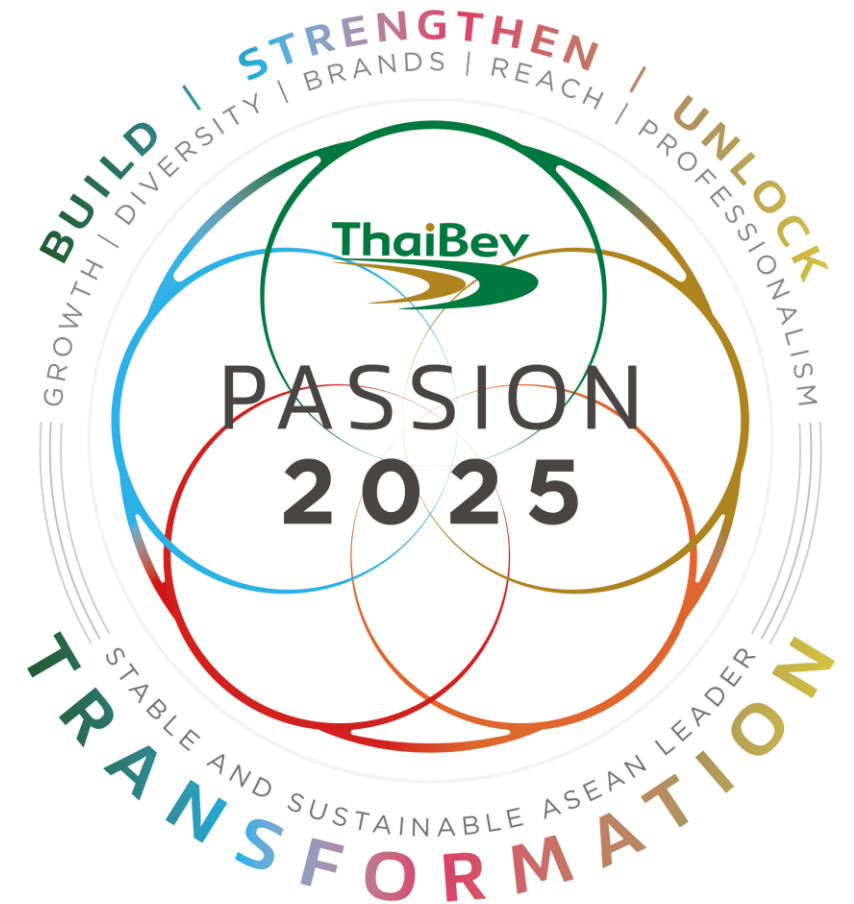
ThaiDrinks



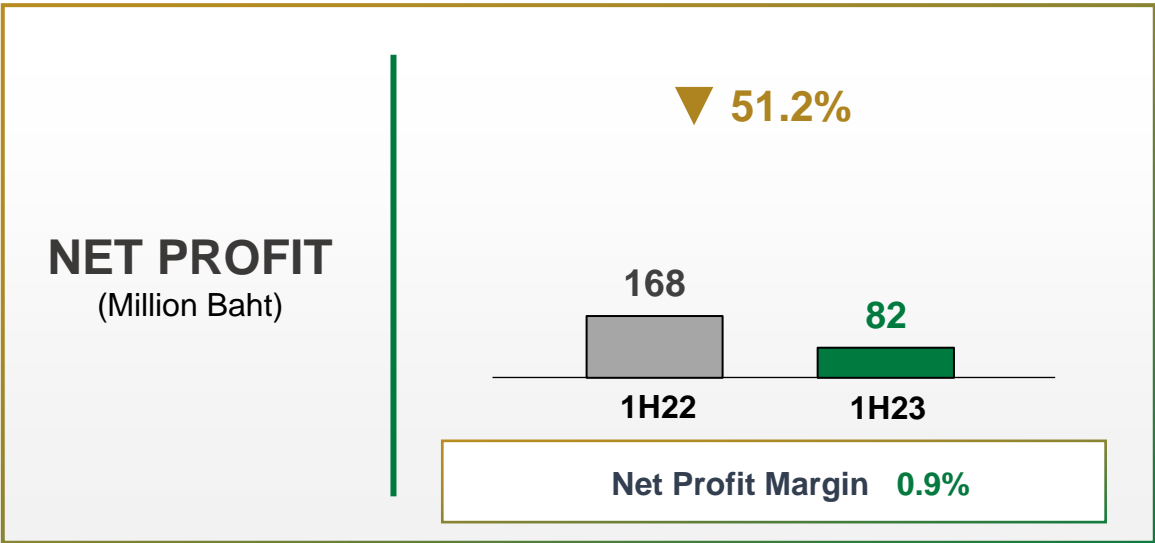
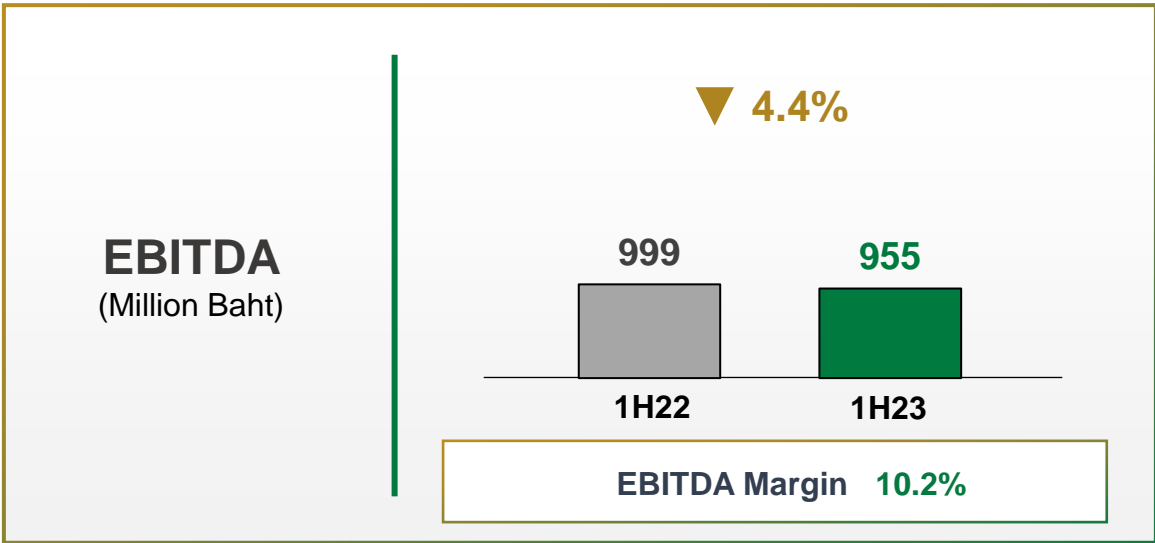
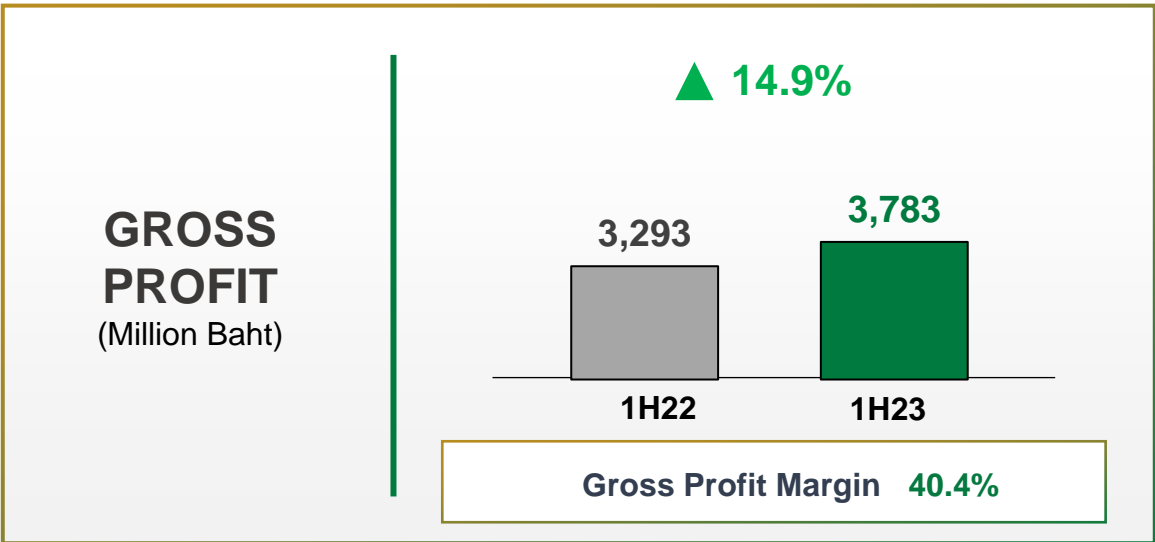
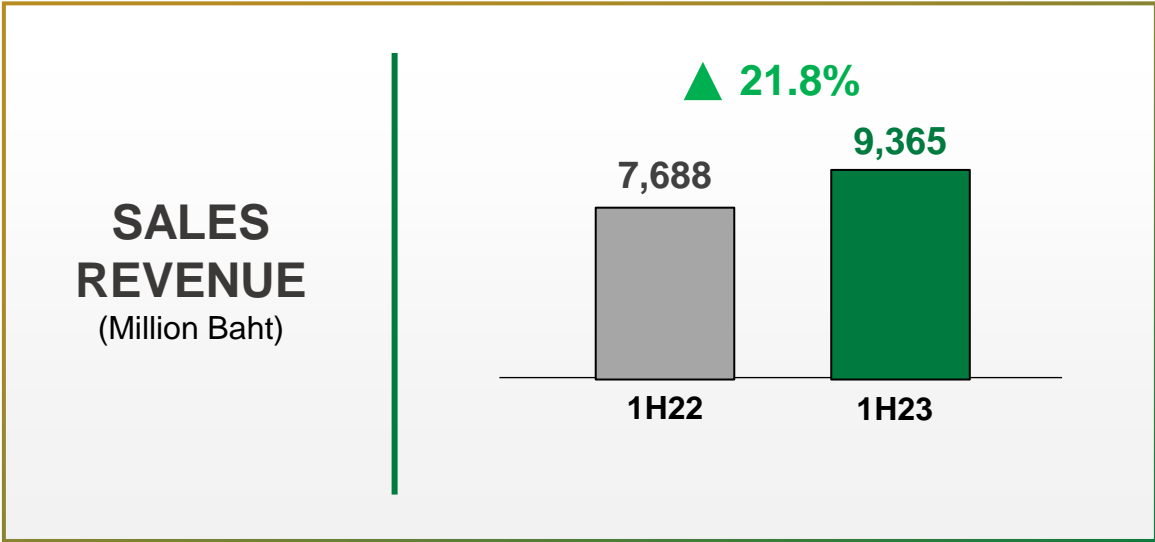
# FOOD PRODUCT GROUP

2023 ANNUAL INFORMATION MEETING

12 JULY 2023



# FINANCIAL PERFORMANCE – FOOD BUSINESS



# CONTINUE BUILDING GROWTH MOMENTUM

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## THAILAND'S RESTAURANT AND FOOD RETAIL INDUSTRY HAS REBOUNDED

- Consumers returned to eating out more regularly
- Tourism continued to show strong signs of recovery

# SHORT TERM IMPACTS ON PROFITABILITY FROM EXTERNAL FACTORS

---

## FACING CHALLENGES FROM BOTH DIRECT AND INDIRECT COSTS

- Rising Cost of Goods Sold, Raw materials, Logistics and Utilities
- Skilled labor shortage
- Minimum Wage rates increased

# 1H2023 KEY HIGHLIGHTS

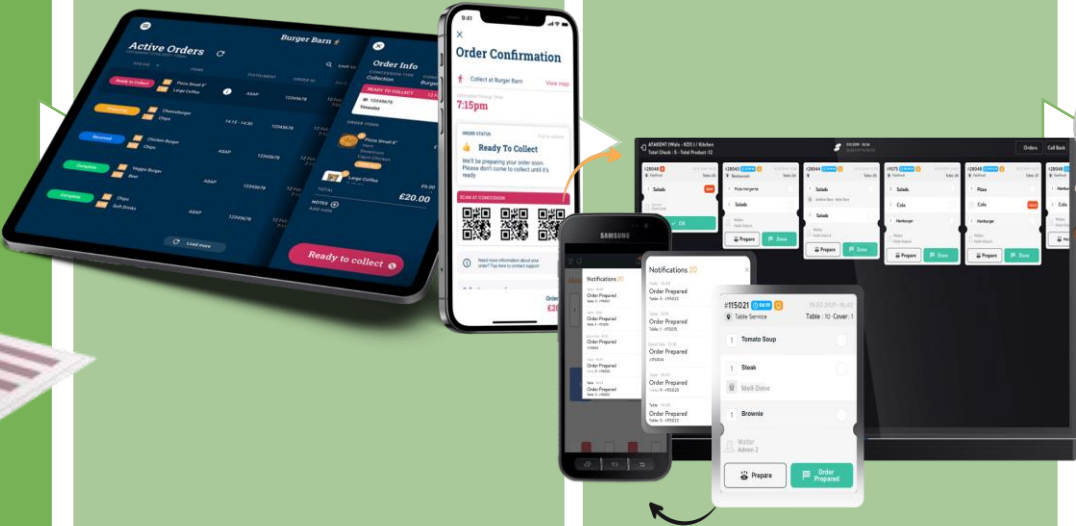
## DRIVE STORE EXPANSION



## GROW SSSG



## DIGITAL & TECHNOLOGY



## TIGHTEN BUSINESS FUNDAMENTALS

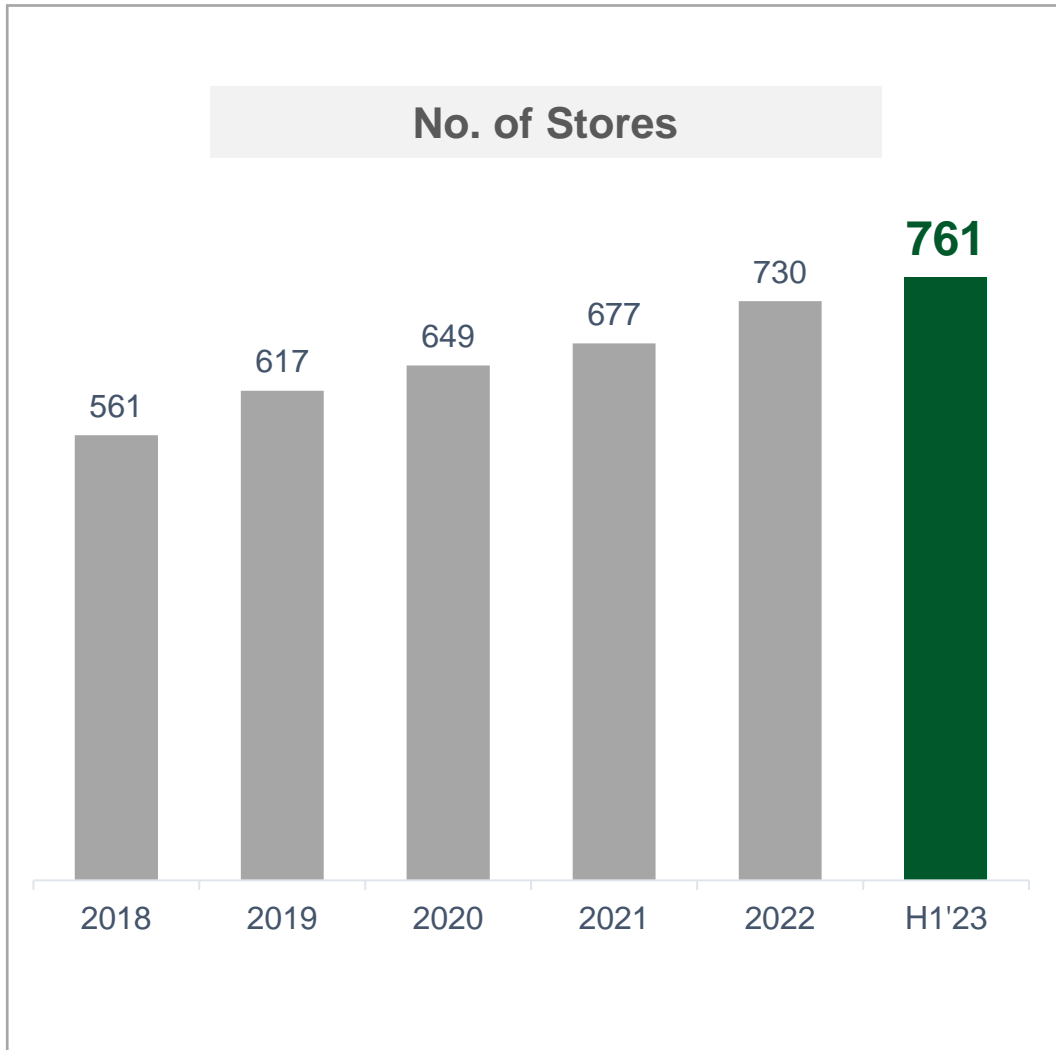
## SUSTAINABILITY





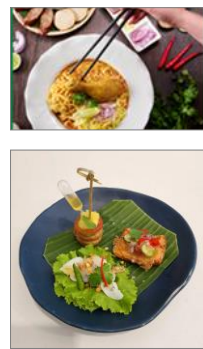
# STORE EXPANSION

DRIVE DEEPER PENETRATION AND BRAND ACCESSIBILITY



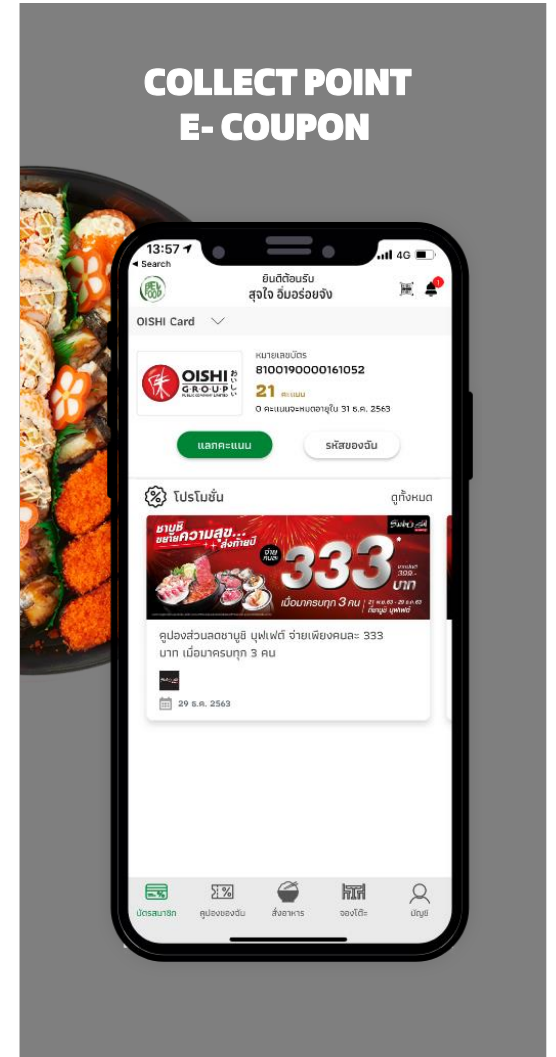
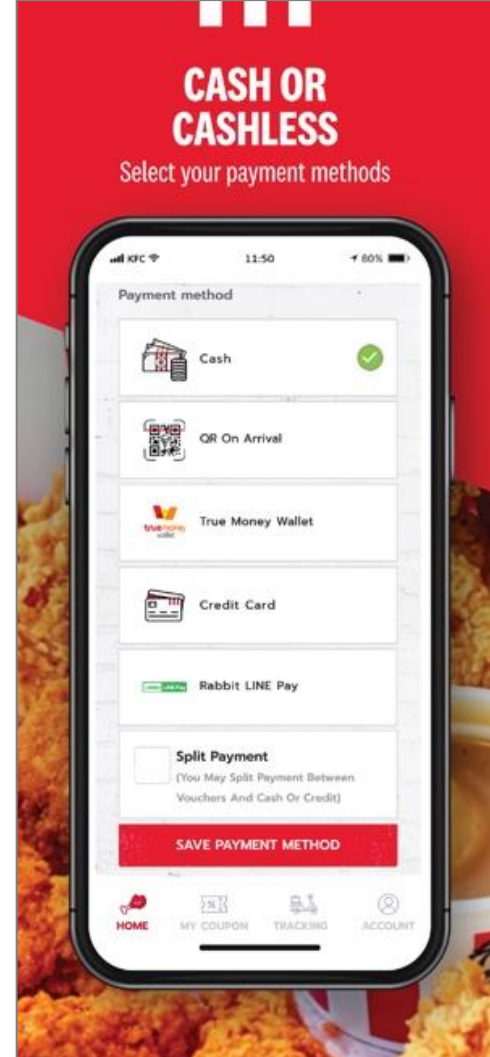
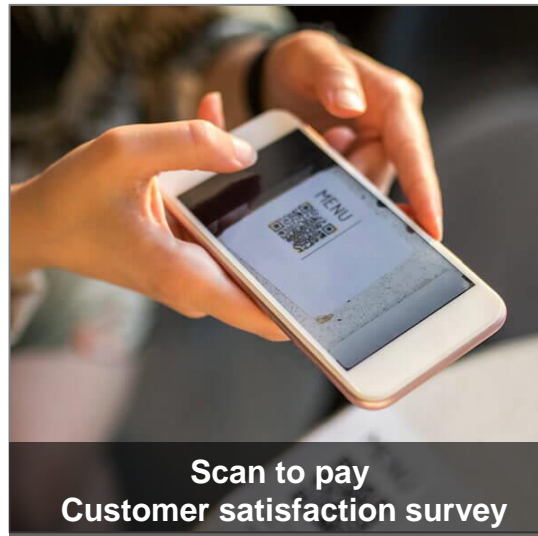
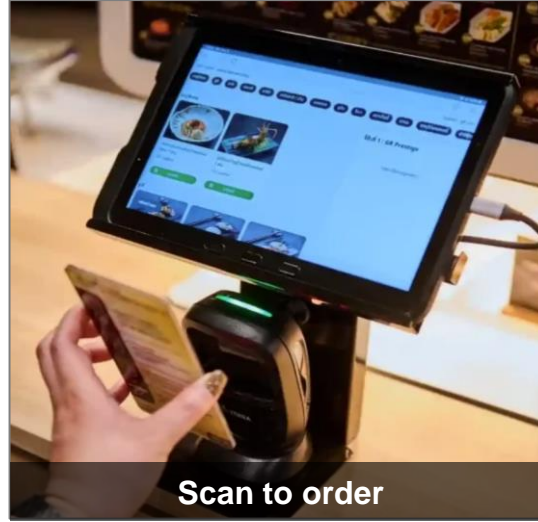
# SAME-STORE SALES GROWTH

LAUNCH NEW MENU INNOVATION AND PROMOTION TO INCREASE FREQUENCY VISITS



# DIGITAL AND TECHNOLOGY

ADDRESS NEW INSIGHT OF EASY AND CONVENIENCE FOR BETTER CUSTOMER EXPERIENCE



# BUSINESS FUNDAMENTALS

DRIVING PROFITABILITY THROUGH PEOPLE, OPERATIONS, TECHNOLOGY & SUPPLY CHAIN MANAGEMENT

## People Plan & Capability Building



- Re-design Restaurant development programs
- Increase Employee Retention & Engagement

## Strengthen Operations Efficiency



- Revisit Labor matrix and Deployment
- Multi skills / Cross Brand Skills

## Embed Digital & Technology



- Enhance Operation Dashboard
- Explore Restaurant technology to drive productivity

## Unlock Supply Chain management



- Diversified sources for Top spending items
  - Group Synergy

# SUSTAINABILITY

PROMOTE TO ENCOURAGE NO FOOD WASTE & SUPPORT THE COMMUNITIES

## Scholars of Sustenance Foundation (SOS)



### Community Fridge Program

Partner with SOS Foundation in donating surplus food to the designated fridge / communities .

## KFC's Harvest Program



### Harvest Program

KFC Thailand has launched Harvest - food waste reduction program, to donate their surplus chicken to local charities.

## Kin Mod Kiang (Eat UP) Challenge



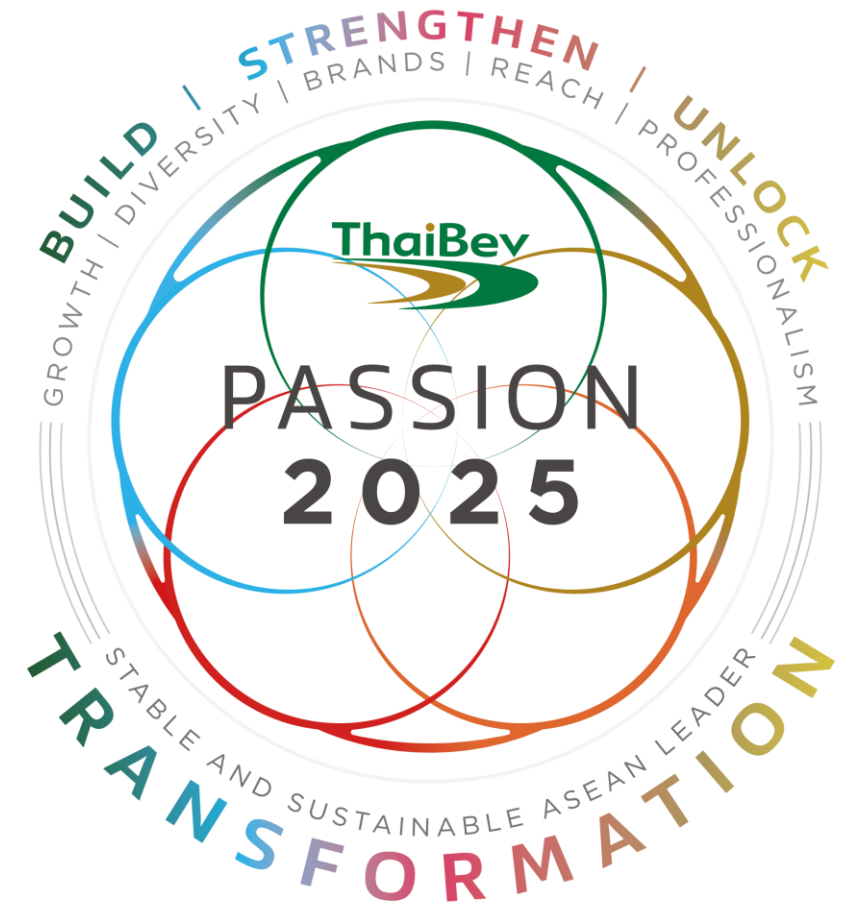
### Eat UP Challenge

Oishi group has created the challenge “Eat it all so there’s no food waste”, to remind people to be considerate in their food waste.

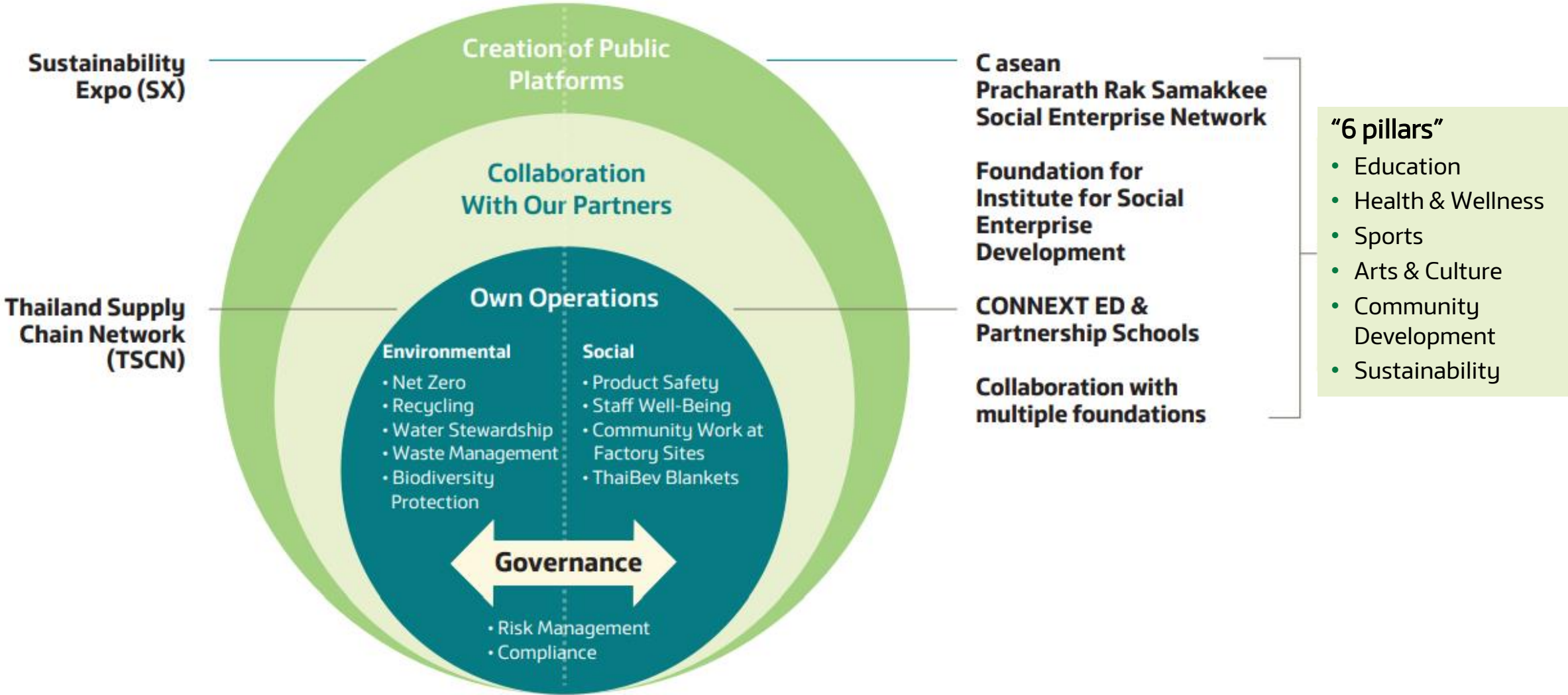
# SUSTAINABLE DEVELOPMENT

2023 ANNUAL INFORMATION MEETING

12 JULY 2023



# OUR SUSTAINABLE DEVELOPMENT APPROACH



# OUR COMMITMENTS

## ENVIRONMENT



### ENABLING

- **Net Zero Emissions (Scope 1 and 2)** by 2040
- **100% water replenishment** by 2040
- Net positive impact on **biodiversity**

## SOCIAL



### SUSTAINABLE

- **Employee engagement score** at > 90% by 2030
- 80% of NAB sales from **healthy beverages** by 2030
- **Social impact** across 6 pillars

## GOVERNANCE



### GROWTH

- Effective **governance standards** across ThaiBev group entities
- 100% of strategic suppliers implementing their own **code of conduct**
- **Collaboration** for positive ESG impact



# CARBON EMISSION REDUCTION: ENERGY MANAGEMENT

## OUR ACHIEVEMENTS IN FY2022

**17**

**COMPANIES**

Received  
Carbon Footprint for  
Organization Certification

**76**

**PRODUCTS**

Received  
Carbon Footprint for  
Organization Certification

**42**

**PRODUCTS**

Received  
Carbon Footprint Reduction  
Certification

**42.8%**

Renewable  
Energy Use  
(Target: 50% RE by 2030)

### SOLAR SYSTEM PROJECT



↓ Annual cost of electricity  
**57.68 million Baht**  
↓ Annual GHG emissions  
**7,721 tCO<sub>2</sub>e (FY2022)**

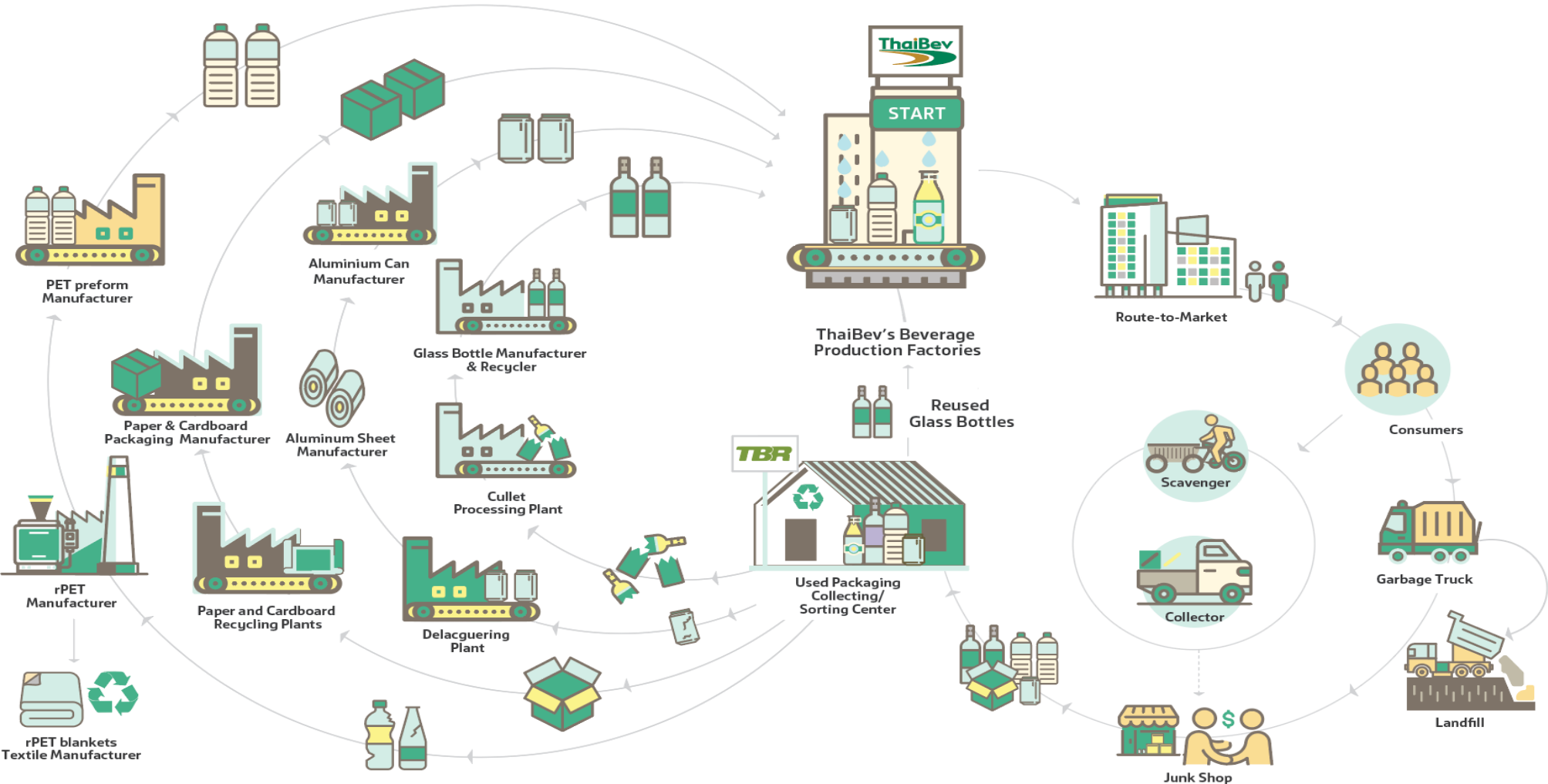
### BIOGAS PLANT PROJECT



↓ Annual cost of electricity  
**233 million Baht**  
↓ Annual GHG emissions  
**37,244 tCO<sub>2</sub>e**

# PACKAGING CIRCULARITY – OUR OPERATING MODEL

## THAIBEV'S PACKAGING VALUE CHAIN



# PACKAGING CIRCULARITY – OUR ACHIEVEMENTS

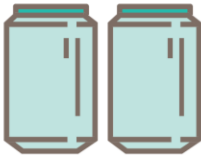
## OUR ACHIEVEMENTS IN FY2022



**Glass 1,260**  
million bottles

**Cullet 240,154** tonnes

representing **84%**  
of products sold in  
Thailand



**Aluminum can 2,945** tonnes  
representing

**45%**  
of products sold  
in Thailand



**Paper 104,610** tonnes  
representing

**167%**  
of paper packaging  
used in Thailand



**PET 8,214** tonnes  
representing

**21%**  
of products sold  
in Thailand

Reduced raw materials  
in aluminum can  
production by



**600** tonnes  
compared to **2020**  
as a base year



# PACKAGING CIRCULARITY – OUR COMMITMENTS

## TOWARDS 2025 AND BEYOND

By 2025



Retrieve  
**100%**  
of glass packaging  
sold in Thailand



Retrieve  
**250%**  
of paper packaging  
used in Thailand

By 2030



Retrieve  
**100%**  
of PET bottles and aluminum  
cans sold in Thailand



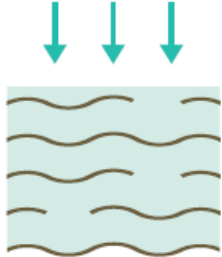
**30%**  
of total content of PET bottles  
to come from rPET

By 2040

**100%**  
of all beverages  
packaging to be  
made of reusable,  
recyclable or  
compostable  
material

# SUSTAINABLE WATER MANAGEMENT

## OUR ACHIEVEMENTS IN FY2022



Reduce **13.40%**



Reuse **5.13%**



Recycle **7.28%**

## TOWARDS 2025 AND BEYOND



All factories in Thailand to complete a Water Sustainability Assessment (WSA)

by **2023**

Reduction

**5%**

water intensity by **2025** compared to **2019**

Replenish

**100%**

water used in finished goods by **2040**

# COMBINING ENVIRONMENTAL & SOCIAL SUSTAINABILITY

One of ThaiBev's most prominent efforts over the past three years involved **retrieving post-consumption PET bottles and upcycling them**

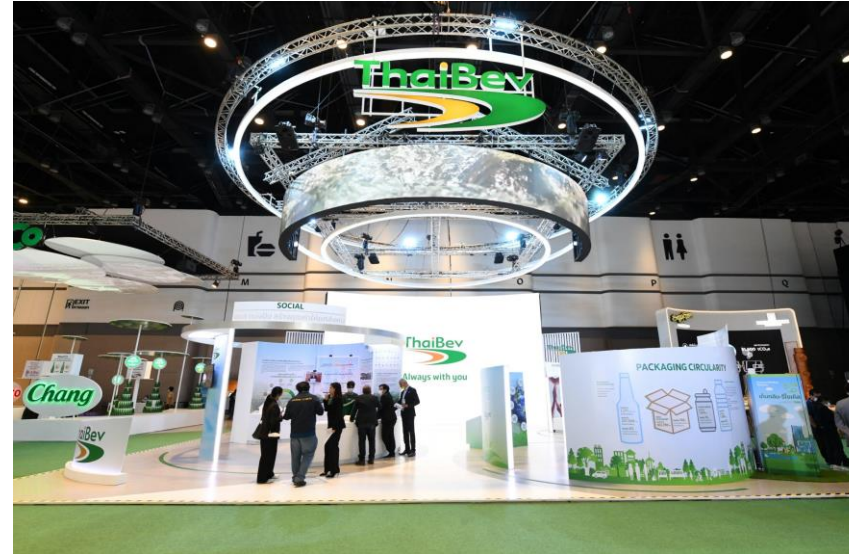


More than **22.8 million post-consumption PET bottles** have been collected and upcycled into **600,000 rPET blankets**

# IMPROVING GOVERNANCE THROUGH BUSINESS PARTNER COLLABORATION



# RAISING PUBLIC AWARENESS ON SUSTAINABILITY





# OUR SUSTAINABILITY ACHIEVEMENTS



Member of  
**Dow Jones  
Sustainability Indices**  
Powered by the S&P Global CSA

Thai Beverage Public Company Limited  
Beverages

**Top 1%**  
S&P Global ESG Score 2022

**93** /100

As of February 7, 2023.  
Position and Score are industry specific and reflect exclusion  
screening criteria. Learn more at [spglobal.com/esg/yearbook](https://www.spglobal.com/esg/yearbook)

S&P Global



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**DJSI Emerging  
Markets**

**7** Consecutive  
Years

Member of  
**DJSI World**

**6** Consecutive  
Years



**CLIMATE**

