



Thai Beverage Plc

Investor Presentation

**By Richard Jones
Head of Investor Relations**

The Initial Public Offering of shares of Thai Beverage Plc was sponsored by
Deutsche Bank AG, Singapore Branch,
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Merrill Lynch (Singapore) Pte. Ltd.

Note on Forward Looking Statements

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that could cause actual results, performance or events to differ materially from those in the statements as originally made.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.



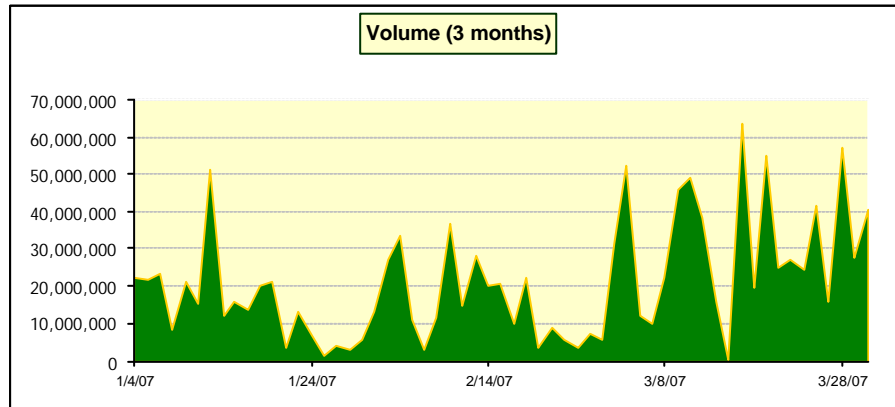
Dividend Policy:

not less than 50% of net profit after deducting all appropriated reserves

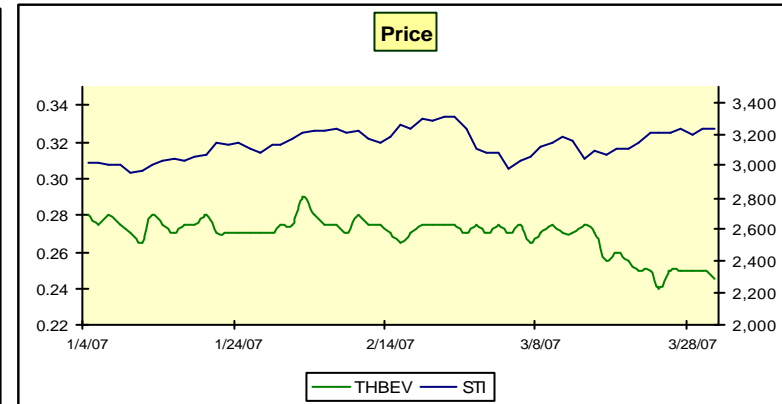
- Shares outstanding 25,110 million
 - Free float % (approx.) 21.4%
- } Based on Annual Report 2006
- Major shareholders
 - Sirivadhanabhakdi family 63.4%
 - Others 15.2%
- Market cap S\$ 6.8 bn*
 - Market cap US\$ 4.4 bn
 - Market cap THB 158.0 bn
- IPO data (billions of shares)
 - New shares issued 2.44445 10%
 - Total shares offered 4.8889 20%
 - Shares for institutions 4.64446 19%
 - Shares for Sing retail 0.24444 1%
 - Shares for over allotment (new shares) 0.66558 3%

Dividend Payment		2006
THB : SGD 1		23.5
Net Profit (M)	Baht	10,055
Unapprop. RE (M)	Baht	19,102
Number of Shares (M)		25,110
Dividend (M)	Baht	5,524
Portion of Net Profit		55%
Per share		22%
Per share	SGD	0.009
Share close*	SGD	0.278
Dividend Yield		3.4%

* Average closing price from Jun - Dec'06



Jan - Mar'07, Avr. volume = 21.2 million shares, Avr. Price = S\$0.27



Source: www.shareinvestor.com, Reuters

*early December

Highlights

Company Strategies

Maintain market leadership



Manage the marketing mix and control the pricing of individual brands

Expand into new profitable segments



Launch higher margin products (premiumization)

Continue brand investment

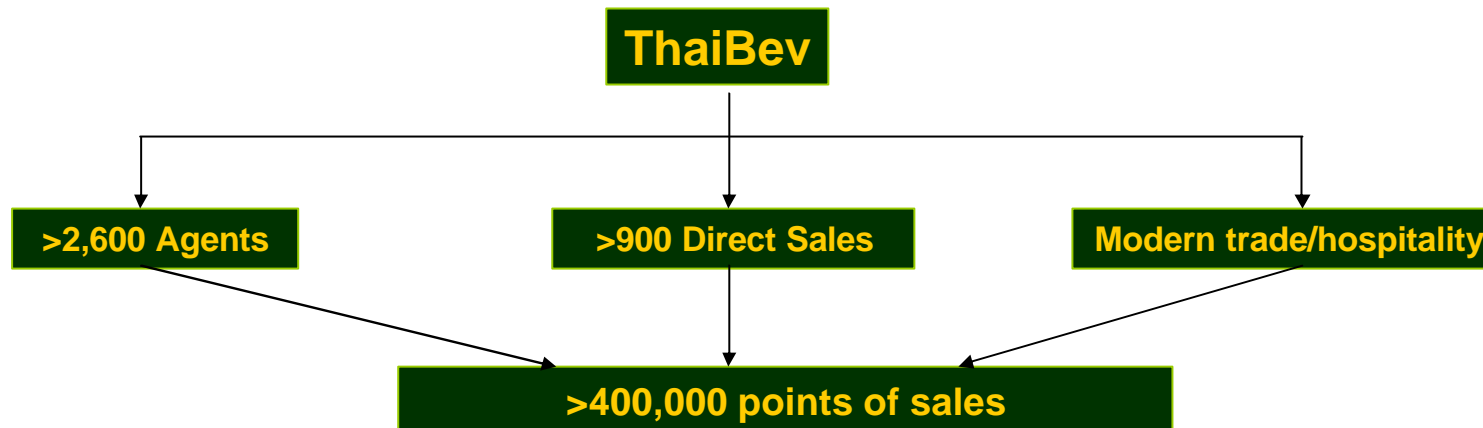


Continue investing in our existing brands through integrated marketing communications and ongoing premiumization

Leverage infrastructure & distribution network

Establish platform for international expansion

The Keys to Our Growth



- Extensive distribution network to 400,000 points of sale
- The extensive range of our distribution channels gives us the opportunity to deliver newer products faster to the market
- 17 distilleries nationwide are a threat to new entrants

Financials

Financial Highlight		
<i>Source: Company's Consolidated Financial Statements (Thai GAAP)</i>		
<i>(Btmn)</i>	2005	2006
Revenues from sales **	94,903	97,798
- Beer	42,277	46,641
- Spirits	52,811	51,428
COGS **	65,188	69,325
% of sales	69%	71%
SG&A **	13,180	12,685
% of sales	14%	13%
Gross Profits **	29,716	28,473
EBIT	16,822	15,946
EBITDA	21,254	20,598
Net profit	10,337	10,055
Margin		
- Gross Profits	31%	29%
- EBIT	18%	16%
- EBITDA	22%	21%
- Net Profit	11%	10%
Total Assets	87,137	85,580
Equity and Minority	31,715	52,554
Net debt	37,847	17,589
Net debt/Equity	1.19	0.33

* EBIT = Earning before Interest Expense and Tax

* EBITDA = Earning before Interest Expense, Tax, Depreciation and Amortization

• The financial statements for 2005 has been restated to include PSUK and Best Spirits to be the same as 2006

** The figure after inter-segment transaction eliminations

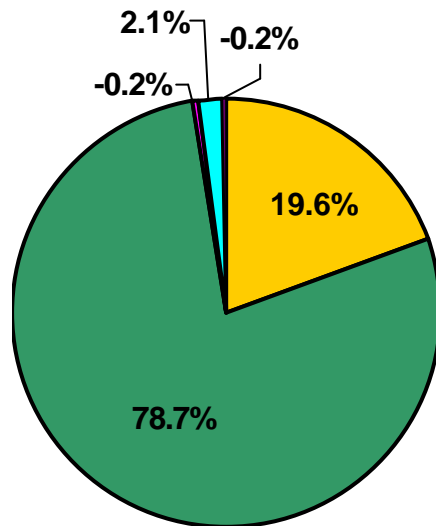
Cash Flow

Cash Flow	2005	2006
Cash Flow from Operating Activities	28,567	14,171
- CAPEX	(7,302)	(4,039)
Free Cash Flow	21,265	10,132
Cash Flow from Investing Activities	(14,812)	(5,383)
Cash Flow from Financing Activities	(11,441)	(10,244)
Ending cash	3,398	1,920

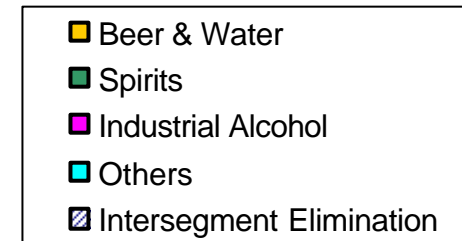
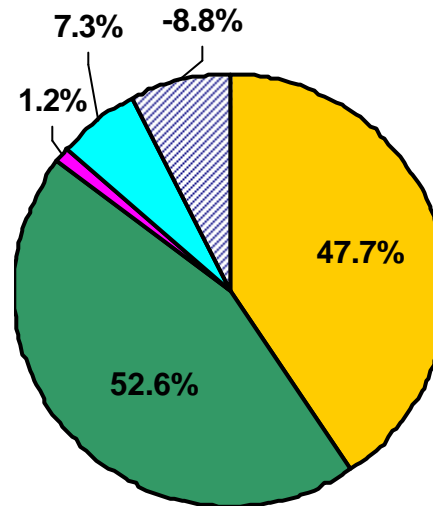
* Free Cash Flow = CF from Operating Activities - CAPEX

Contribution per Business Segment for FY 2006

Net Profit



Sales



Beer



Major Beer Brands on Sale in Thailand

Beer Brands 2005 Share (by volume)

<i>Premium</i>			<i>Standard</i>			<i>Economy</i>		
Brands	Producer	% Share	Brands	Producer	% Share	Brands	Producer	% Share
Heineken	Thai Asia Pacific	69.6	Singha	Boonrawd	95.1	Chang	ThaiBev	63.9
Asahi	Boonrawd	1.4	Tiger	Thai Asia Pacific	3.6	Leo	Boonrawd	34.9
Kloster	Boonrawd	1.3	Blue Ice	San Miquel	1.3	Cheers	Thai Asia Pacific	0.4
Corona	CVS Syndicate	0.2				Archa	ThaiBev	0.4
Others		27.5				Red Horse	San Miquel	0.3
						Thai Beer	Boonrawd	0.2
Sector Volume ('000 HL)		1,311	Sector Volume ('000 HL)		1,727	Sector Volume ('000 HL)		14,252
Sector Volume as % of total market		8%	Sector Volume as % of total market		10%	Sector Volume as % of total market		82%

Market Share 2005	
ThaiBev	53%
Boonrawd	39%
Thai Asia Pacific	6%

Source: Canadean, The Beer Service Annual Report - 2006 Cycle, Thailand

ThaiBev's Beers

	<u>Chang</u>	<u>Chang Light</u>	<u>Chang Draught</u>	<u>Archa</u>
				
Alcohol Content	6.40%	4.20%	5.00%	5.40%
Positioning	Economy (Rural)	Standard (Urban)	Light Economy (Urban)	Light Economy (Urban)
Price / Bottle	Bt 33-35 / 640ml	Bt 39 / 640ml	Bt 36 / 640ml	Bt 35-37 / 640ml
Key Competitors	Leo	Singha / Singha Light / Heineken	Leo / Singha	Leo

Beer Results



Beer-water-soda Results

Source: IPO Prospectus and Company's Consolidated Financial Statements (Thai GAAP)
(in million Baht)

	2003	2004	2005	2006
Revenue from sales	52,085	47,749	42,277	46,641
Interest income	28	11	34	24
Other income	214	307	141	44
Total Beer revenues	52,327	48,067	42,452	46,709
Cost of sales	39,641	36,847	32,549	35,609
Selling and administrative expenses	4,970	4,580	6,984	6,932
EBIT	7,716	6,640	2,919	4,168
EBITDA	9,559	8,587	4,838	6,195
Interest expense	295	285	387	303
Income tax expense	1,938	1,704	1,330	1,897
Net profit	5,483	4,651	1,203	1,968
CoS as % of rev	76%	77%	77%	76%
S&A as % of rev	10%	10%	17%	15%
Net profit margin	11%	10%	3%	4%
Gross profit margin	24%	23%	23%	24%
EBIT Margin	15%	14%	7%	9%
EBITDA Margin	18%	18%	11%	13%

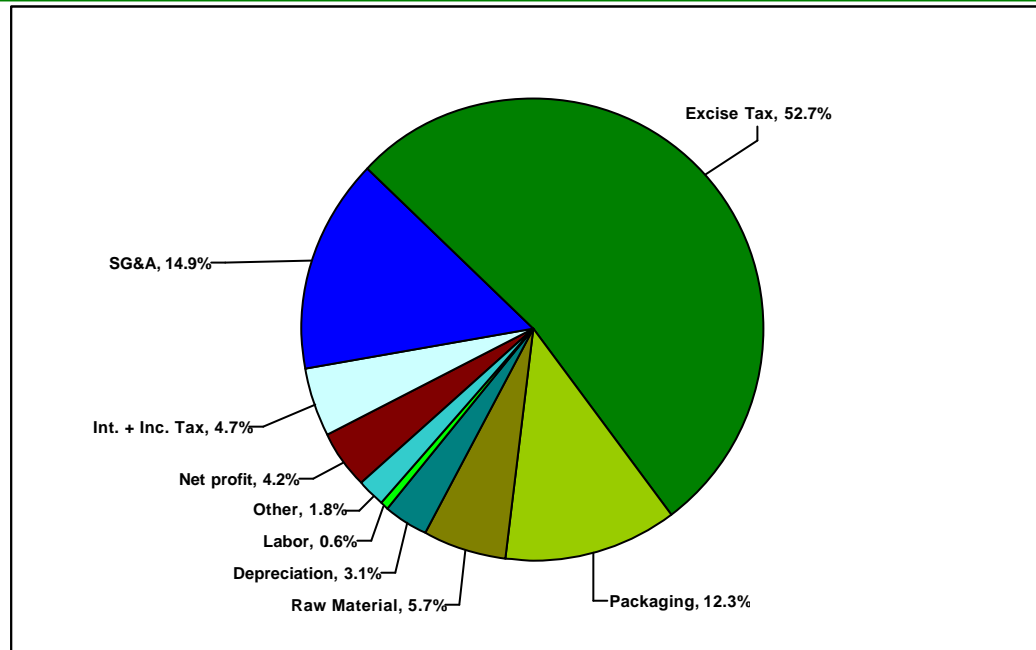
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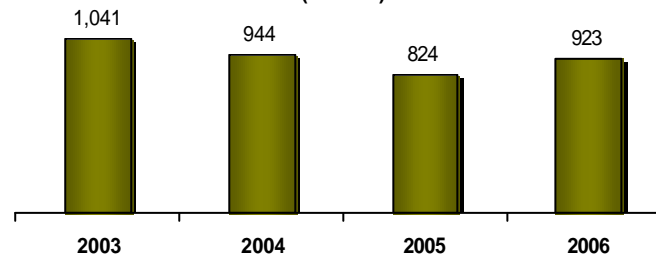
Cost Structure and Beer Volume

(% of total revenue)



Source: 2006 Financial Statements

Beer Sales Volumes
(m liters)



* Sales volumes for domestic and export

Spirits



Major Spirit Brands on Sale in Thailand

Spirits Brands 2005 Share (by volume)

Local white spirits			Local brown spirits, admixes			Scotch whisky			Premium imported spirits		
Brands	Producer	% Share	Brands	Producer	% Share	Brands	Producer	% Share	Brands	Producer	% Share
Ruang Khao	Thaibev	74%	Sangsom	Thaibev	48%	100 Pipers	Pernod Ricard	77%	JW Black	Diageo	24%
Pai Thong	Thaibev	5%	Mungkorn Thong	Thaibev	15%	JW Red	Diageo	5%	Chivas Regal	Pernod Ricard	9%
Chinese Herbal	Thaibev	2%	Mekhong	Thaibev	8%	Spey Royal	Diageo	6%	Other		67%
Community Producers		18%	Crown 99	Thaibev	3%	Other		12%			
			Master Blend	Pernod Ricard	5%						
			Singha Haraj	The United Products	2%						
			Other		20%						
Sector Volume ('000 9 Litre Cases)		51,000			18,211			3,490			838
Sector Volume as % of total market		69%			25%			5%			1%

Market Share 2005	
ThaiBev	74%
Others	21%
Pernod Ricard	5%

Source: Canadean, The Spirits Service Annual Report - 2006 Cycle, Thailand

ThaiBev's Spirits

Brown Spirits

Mungkorn Thong



• Bt 115/ 750 ml

Mekhong



• Bt 135/750 ml

Hong Thong



- Repackaged, revamped and relaunched Hong Thong

• Bt 150/700ml

Blend 285



• Bt 170/700ml

- Quality blended spirits

Sangsom



• Bt 190/700ml

- Sangsom to be introduced in gift boxes

Crown 99



• Bt 200/700ml

- Admix whisky made from quality imported malt from Scotland

Blue



• Bt 260/700ml

- New choice to admix to tap low end scotch segment

White Spirits



Ruang Khao



Pai-Thong



Chiang-Chun



Sua Dum

Many white spirit products with no established branding

- Regional based
- Limited brand recognition



30°



35°

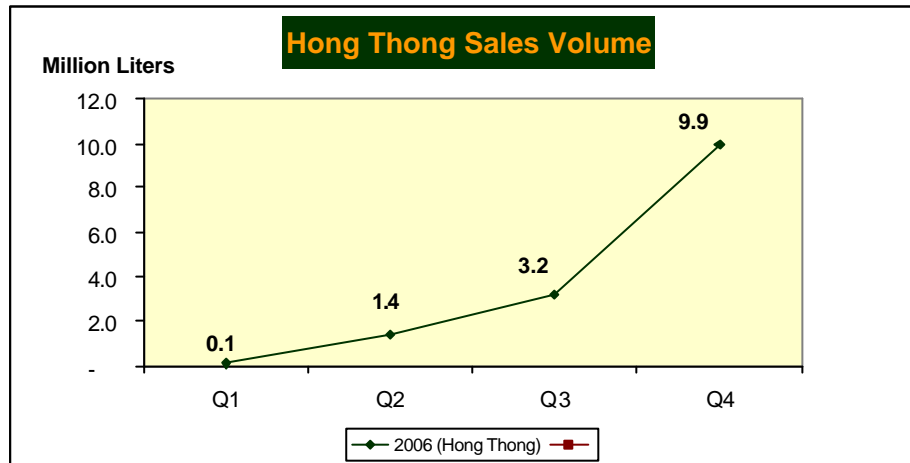


40°

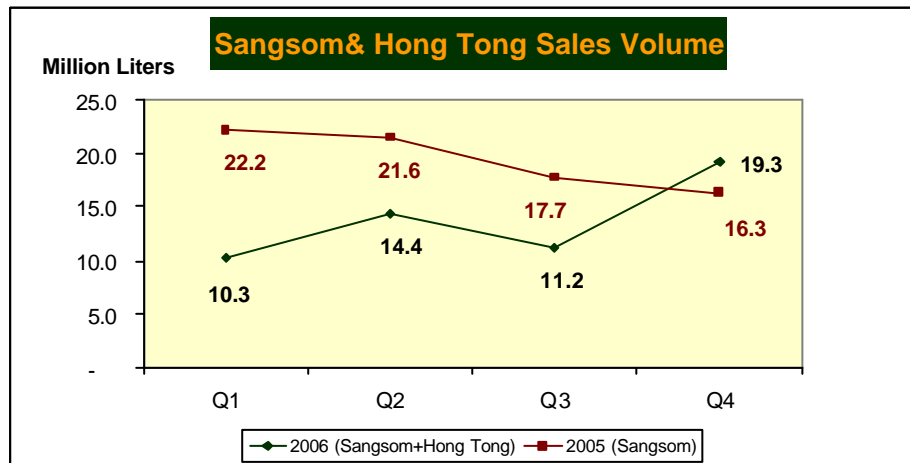
Niyomthai

- Launching Niyomthai to Establish a National brand
- Utilization improvement opportunity
- Higher margins

Hong Thong's Success



➔ The lost volume of Sangsom went to Hong Thong



➔ In Q4'06, Sales volume of Sangsom + Hong Thong was higher than sales volume of Sangsom in Q4'05

Spirits Results



Spirits Results

Source: IPO Prospectus and Company's Consolidated Financial Statements (Thai GAAP)
(in million Baht)

	2003	2004	2005	2006
Revenue from Spirits sales	38,713	42,189	52,811	51,428
Interest income	447	6	34	26
Other income	495	172	94	98
Total Spirits Revenues	39,655	42,367	52,939	51,552
Cost of sales	26,339	26,090	32,062	33,002
Selling and administrative expenses	6,420	7,031	7,344	7,170
EBIT	6,897	9,246	13,534	11,380
EBITDA	8,964	11,391	15,822	13,663
Interest expense	2,488	1,401	1,264	1,187
Income tax expense	1,203	2,609	3,282	2,277
Net profit	3,205	5,236	8,988	7,916
CoS as % of rev	68%	62%	61%	64%
S&A as % of rev	17%	17%	14%	14%
Net profit margin	8%	12%	17%	15%
Gross profit margin	32%	38%	39%	36%
EBIT Margin	18%	22%	26%	22%
EBITDA Margin	23%	27%	30%	27%

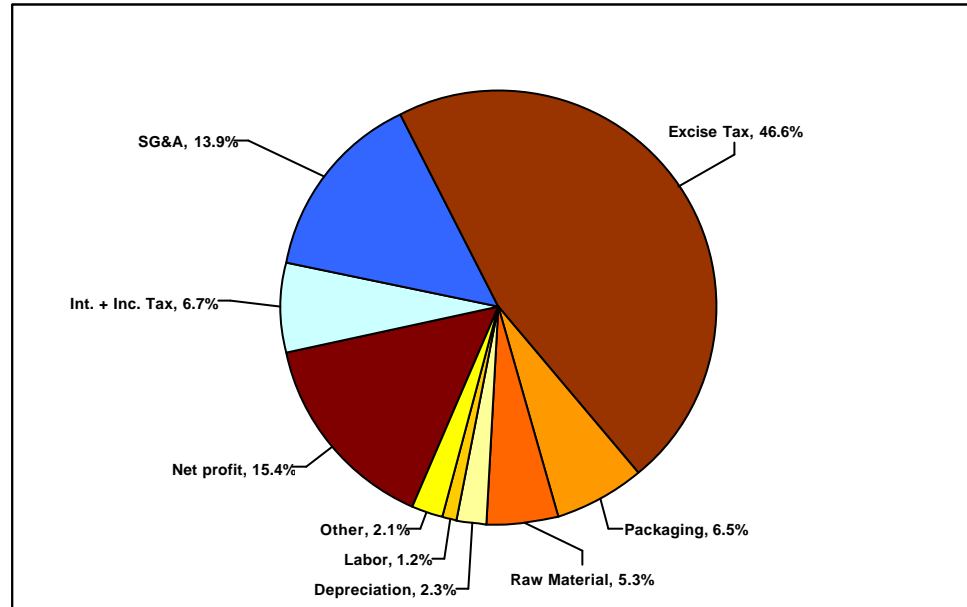
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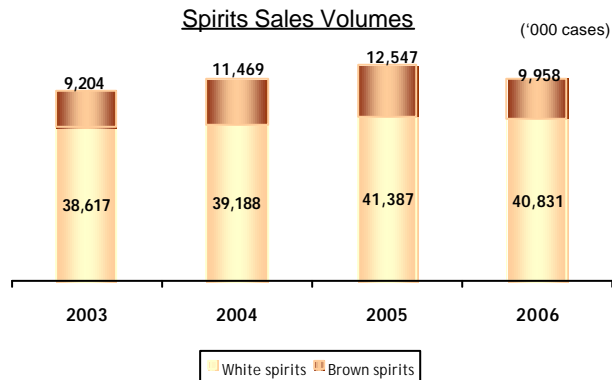
Cost Structure and Spirit Volume

(% of total revenue)



Source: 2006 Financial Statements

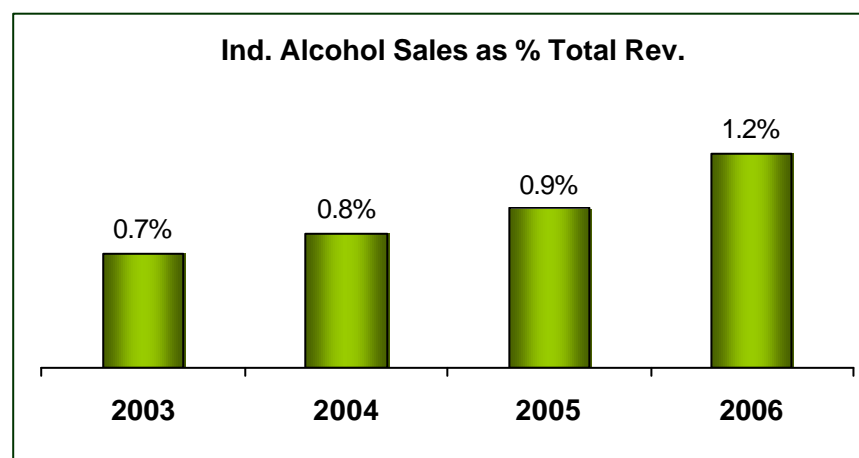
Spirits Sales Volumes



Sales volume	2003	2004	2005	2006
White spirits	80.8%	77.4%	76.7%	80.4%
Brown spirits	19.2%	22.6%	23.3%	19.6%

Industrial Alcohol & Others

(million litres)	2003	2004	2005	2006
Ethyl alcohol of 95 degrees	55.95	57.56	32.18	1.48
Ethanol of 99.5 degrees	-	4.16	20.78	46.56
Acetic acid	-	-	0.19	0.08
Ethyl acetate	-	-	0.05	0.13
Total	55.95	61.72	53.20	48.26



Taxes are the Company's Largest Cost

Excise Taxes

Source: IPO Prospectus

Product	Ad Valorem Rate (Ex-factory)	Specific Rate	
		Unit	Bt/Unit
<u>Fermented Liquor:</u>			
Beer	55%	Liter of pure alcohol	100
Wine & Sparkling wine from grapes	60%	Liter of pure alcohol	100
Local fermented liquor	25%	Liter of pure alcohol	70
Other	25%	Liter of pure alcohol	70
<u>Distilled Liquor</u>			
White spirits	25%	Liter of pure alcohol	70
Compounded spirits (Hong Thong, Mungkorn Thong, Chinese Herb)	50%	Liter of pure alcohol	240
Blended spirits (Mekhong)	50%	Liter of pure alcohol	400
<u>Special spirits</u>			
Brandy	40%	Liter of pure alcohol	400
Whisky	50%	Liter of pure alcohol	400
Other (Sangsom, Crown99, Blue)	50%	Liter of pure alcohol	400
<u>Ethyl Alcohol:</u>			
used in industry	2%	Liter	1
used in medicine, pharmaceuticals, science	0.10%	Liter	0.05
other	10%	Liter of pure alcohol	6

+ Municipal Taxes: 10% of Excise

+ Health Promotion Fund Contribution: 2% of Excise

The Company will be charged at whichever rate is higher.

CAPEX

Capital Expenditure		2006			
<i>(in million Baht)</i>	Beer/water	Spirits	Alcohol	Related	Total
- Fixed assets	1,350.5	2,606.1	67.8	14.2	4,038.5
- Intangible assets	5.0	7.7	0.2	0.2	13.1
Depreciation	2,025.3	2,238.0	126.3	91.2	4,480.8
Amortisation	2.2	44.8	0.1	124.2	171.3

Capital Expenditure		2005			
<i>(in million Baht)</i>	Beer/water	Spirits	Alcohol	Related	Total
- Fixed assets	6,395.4	481.5	254.3	170.8	7,302.0
- Intangible assets	4.8	5.3	0.2	63.3	73.6
Depreciation	1,902.6	2,228.6	120.5	85.5	4,337.2
Amortisation	16.4	59.9	0.0	18.7	95.0

Source: 2005-06 Financial Statements

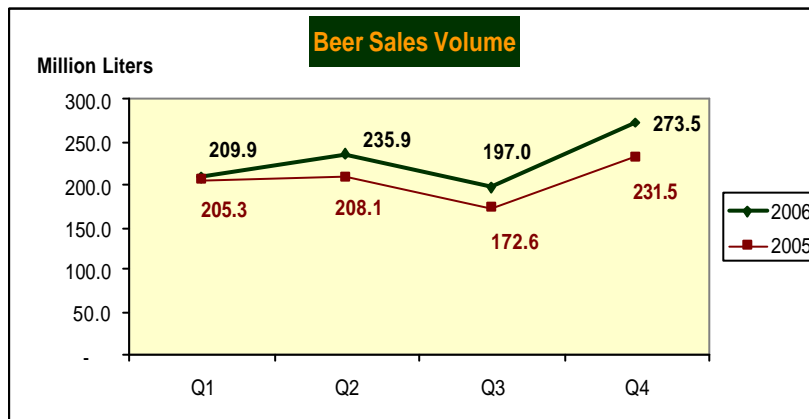
Production Capacity	
<i>(million Liters)</i>	
Beer	1,550
<i>Bang Ban</i>	530
<i>Kamphaengphet</i>	900
<i>Wang Noi</i>	120
Soda&Water	700
Spirits	790

Source: IPO Prospectus

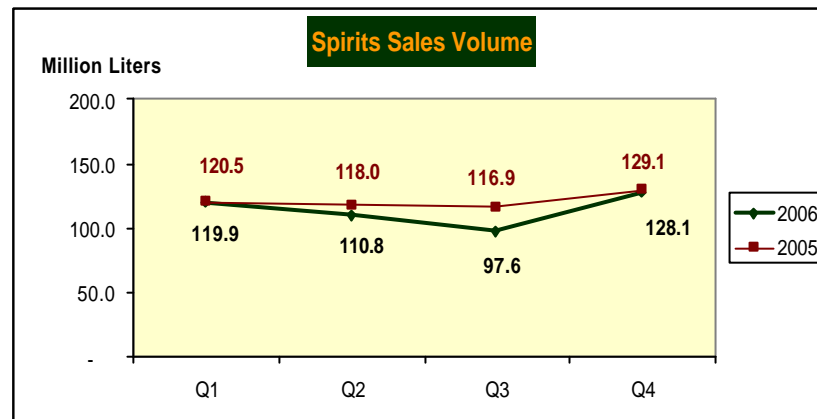
Seasonal Sales:

Look at Long Term Growth as Quarters can be Misleading

Beer Domestic Sales 2006



Spirit Domestic Sales 2006



- Q3 is the slowest period -> rainy season and the Buddhist Lent period
- Q4 is the best period -> kind weather (cold and dry), many holidays (Loy Kratong, King's birthday, New Year), and end of the Buddhist Lent period

Looking Ahead

Outlook – Thai Alcohol Beverage

Beer	<ul style="list-style-type: none">- Continued revenue growth- Urbanization makes consumers shift from white spirits to beer/brown spirits- Continued growth in low alcohol beer
Spirits	<ul style="list-style-type: none">- White spirits: revenue growth flat- Brown spirits: consumer acceptance of the new prices : can expect some growth

2007 Objectives

Strategy	<ul style="list-style-type: none">- Maintain dominant position in Thai market- Extend portfolio -> higher margin products- Future leveraging of network to distribute diverse products- More focus on international market
Value Drivers	<ul style="list-style-type: none">- International market- Brand investment- Cost control
Major Initiatives	<ul style="list-style-type: none">- Capital efficiency and strong cash flow- Kamphaengphaet Brewery expansion for future beer growth

New Generation of Management



Director and Senior Vice President ThaiBev- Mr. Ueychai Tantha-Obhas

- Former Chief Executive Officer and the Managing Director of Riche Monde (Bangkok) Ltd.
- Former Managing Director of Sarin Property Co., Ltd.,
- Former Group Product Manager of Colgate Palmolive Co., Ltd.



President and CEO InterBev Group - Barrie Jackson

- 25 years in the international beverage business.
- Former Group Director with The Edrington Group, responsible for global sales, marketing and group strategy, building The Famous Grouse, Macallan and Cutty Sark brands.
- Five years as Director of Maxxium Worldwide BV (international distribution arm of Remy Cointreau, V & S); brands included Absolut, Jim Beam and TEG.
- Two years as Maxxium Group Chairman.



Chief Financial Officer InterBev Group- Michael Chye

- More than 20 years experience in accounting, finance and investments in Asia.
- Worked for the Singapore Government and multi-national companies before joining the TCC Group.
- Former independent director and Audit Committee Chairman of public listed companies in Singapore.



President InterBev USA Inc - John Lennon

- 22 years in the international beverage industry.
- Former President and CEO of Pyramid Breweries, a U.S. craft beer producer.
- Former President and CEO of Beck's North America.
- Former VP and General Manager of Guinness Caribbean and Latin America.
- Senior marketing and sales roles with Mexico's FEMSA Cerveza, Grand Metropolitan (now Diageo) and with Guinness in both the USA and Ireland.

The End