

Thai Beverage PLC

9M18 Financial Results

(Nine-month ended 30 June 2018)

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that could cause actual results, performance or events to differ materially from those in the statements as originally made.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

Understanding this Presentation

Acquisitions

- In the second quarter ended 31 March 2018, the Company completed an acquisition of
 - 75% shareholding interest in Havi Logistic Co.,Ltd. (Havi), which operates logistic businesses for food services in Thailand, by Thai Beverage Logistics Co.,Ltd., a wholly owned subsidiary of the Company on 28 February 2018.
 - The Company has included the assets and liabilities of Havi in the consolidated statements of financial position and the results of operations and cash flows in the consolidated statement of income and cash flows respectively from March 2018 onwards.
 - Havi's operations were recognized under the food business segment.
- In the first quarter ended 31 December 2017, the Company completed 4 acquisitions of
 1. 76% shareholding interest in Spice of Asia Co.,Ltd. (SOA) on 3 October 2017 to operate 10 stores of restaurants serving hotpot and Thai food
 2. 75% shareholding interest in Myanmar Supply Chain and Marketing Services Co.,Ltd. and Myanmar Distillery Co.,Ltd. (MSC & MDC), which incorporated in the Republic of the Union of Myanmar, on 12 October 2017 to operate spirits business in Myanmar
 3. 252 existing KFC stores in Thailand by The QSR of Asia Co.,Ltd. (QSA), a wholly-owned subsidiary of the Company on 1 December 2017
 4. a 53.59% shareholding interest in Saigon Beer – Alcohol – Beverage Joint Stock Corporation (Sabeco), a company incorporated in The Socialist Republic of Vietnam and currently listed in Ho Chi Minh Stock Exchange (HOSE), on 29 December 2017 to operate mainly in beer business.

Understanding this Presentation

Acquisitions

- The Company has included the assets and liabilities of SOA, MSC & MDC and QSA in the consolidated statements of financial position as at 31 December 2017. The results of operations and cash flows for the period of October to December 2017 of SOA, MSC & MDC and QSA were included in the consolidated statements of income and cash flows respectively.
- Due to the acquisition of Sabeco was incurred close to the end of December 2017, only assets and liabilities were included in the consolidated statements of financial position of the first quarter, but results of operations and cash flows were included in the consolidated statements of income and cash flows of the second quarter ended 31 March 2018 onwards.
- SOA and QSA's operations were recognized under food business. MSC & MDC's operations were recognized under spirits business. Sabeco's operations were recognized under beer business.
- The Company obtained bridging loans from various local and foreign banks to fund the acquisition in the first quarter ended 31 December 2017. The Company has managed to take out short term debts to long term debts in March 2018 about Baht 50,000 million which lowered short term debts and turned current ratio from under 1.0 in the first quarter to be over 1.0 since the second quarter.

Understanding this Presentation

Excise tax

- Effective from 26 January 2018, all alcoholic beverages and tobacco products, both imported and domestically produced, have been charged an additional 2% of excise tax by law to contribute to the Elderly Fund.
- The new Excise Tax Act is effective from 16 September 2017. The key change to alcoholic beverages is the tax collection method based on a suggested retail price instead of the last wholesale price. However, the excise tax calculation is still based on both ad valorem rates (a percentage of suggested retail price) and specific rates (Baht per litre of pure alcohol content). The excise tax rate is also changed per below:

Beer

- Prior: 155 Baht per litre of pure alcohol content and 48% of the last wholesale price exclude VAT.
- New: 430 Baht per litre of pure alcohol content and 22% of the suggested retail price exclude VAT.

White spirits

- Prior: 145 Baht per litre of pure alcohol content and 4% of the last wholesale price exclude VAT.
- New: 155 Baht per litre of pure alcohol content and 2% of the suggested retail price exclude VAT.

Other distilled liquor

- Prior: 250 Baht per litre of pure alcohol content and 25% of the last wholesale price exclude VAT.
- New: 255 Baht per litre of pure alcohol content and 20% of the suggested retail price exclude VAT.

- For non-alcoholic beverages - artificial mineral water, soda water, carbonated soft drinks, fruit and vegetable juice which have no alcohol or have alcohol content not exceed 0.5% and are in airtight packaging, the key change is the tax collection method based on a suggested retail price instead of the ex-factory price and the excise sugar tax which is implemented for the first time ever. The excise tax is based on both ad valorem rates (a percentage of suggested retail price) and specific rates (Baht per gram of sugar content). The beverage with over 6 grams of sugar per 100 ml. will be subject to the new specific sugar tax which the rate will be increased every two years onwards until 1 October 2023 onwards.

Understanding this Presentation

- 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

Highlights

9M18 Performance Highlights

- Overall domestic alcohol beverage market remained soft, due to slower-than-expected recovery in Thai economy
- Improvement in food business, driven by contribution from the acquisition of KFC stores
- Sabeco contributed positive net profit to beer business, due to the net finance cost related to acquisition was lower than their profit
- Working in good collaboration with Grand Royal Group in product and packaging development
- Refinance of bridging loans
 - Bridging loans from various local and foreign banks were obtained to fund the acquisitions in 1Q18
 - The Company has managed to take out short term debts to long term debts in March 2018 about Baht 50,000 million, this lowered short term debts and turned current ratio from under 1.0 in 1Q18 to be over 1.0 since 2Q18
 - The Company will further manage to take out short term debts to long term debts per approval at the Extraordinary General Meeting of Shareholders on 30 April 2018

Group Financial Highlights 3Q18

Revenue from sales (million Baht)

60,708 ▲ 34.1%

EBITDA

(before recognition of fair value gain on financial assets)*

(million Baht)

10,800

▲ 16.7%

EBITDA

(million Baht)

10,800

▼ -39.2%

Net profit

(exclude non-recurring expense and before recognition of fair value gain on financial assets)*

(million Baht)

6,698

▼ -1.4%

Net profit

(million Baht)

6,647

▼ -56.5%

EPS (basic)

(exclude non-recurring expense and before recognition of fair value gain on financial assets)*

(Baht)

0.24

▼ -10.3%

EPS (basic)

(Baht)

0.24

▼ -60.7%

Attributable Profit

(exclude non-recurring expense and before recognition of fair value gain on financial assets)*

(million Baht)

6,042

▼ -10.3%

Attributable Profit

(million Baht)

5,991

▼ -60.7%

* Non-recurring expense relating to deferred tax utilization from food business restructuring of Bt 51 million in 3Q18

* Recognition of fair value gain on financial assets of Bt 8,498 million in 3Q17

Group Financial Highlights 9M18

Revenue from sales (million Baht)

173,916 ▲ 22.1%

EBITDA

(excluded non-recurring expenses relating to business acquisitions and before recognition of fair value gain on financial assets)*

(million Baht)

30,638

▲ 5.5%

EBITDA

(million Baht)

28,286

▼ -24.6%

Net profit

(excluded all non-recurring expenses and before recognition of fair value gain on financial assets)*

(million Baht)

19,608

▼ -7.1%

Net profit

(million Baht)

17,098

▼ -42.3%

EPS (basic)

(excluded all non-recurring expenses and before recognition of fair value gain on financial assets)*

(Baht)

0.71

▼ -15.5%

EPS (basic)

(Baht)

0.61

▼ -48.3%

Attributable Profit

(excluded all non-recurring expenses and before recognition of fair value gain on financial assets)*

(million Baht)

17,757

▼ -15.5%

Attributable Profit

(million Baht)

15,247

▼ -48.3%

* Non-recurring expenses relating to business acquisitions of Bt 2,352 million, finance cost before taking Sabeco results of Bt 107 million and deferred tax utilization from food business restructuring of Bt 51 million in 9M18

* Recognition of fair value gain on financial assets of Bt 8,498 million in 9M17

	3Q17 Apr17 - Jun17	3Q18 Apr18 - Jun18	Change (M Baht)
Sales Revenue	45,284	60,708	34.1%
COGS	(31,189)	(44,005)	
<i>% of Sales Revenue</i>	<i>68.9%</i>	<i>72.5%</i>	
SG&A	(7,854)	(10,078)	
<i>% of Sales Revenue</i>	<i>17.3%</i>	<i>16.6%</i>	
EBITDA (exclude F&N/FPL, non-recurring expenses)	7,530	8,795	16.8%
Net Profit (exclude F&N/FPL, non-recurring expenses)	5,180	4,768	-8.0%
Non-recurring cost relating to deferred tax utilization from food business restructuring	-	(51)	
EBITDA (exclude F&N/FPL)	7,530	8,795	16.8%
Net Profit (exclude F&N/FPL)	5,180	4,717	-8.9%
F&N/FPL EBITDA (from normal operation)	1,727	2,005	
F&N/FPL Net Profit (from normal operation)	1,615	1,930	
EBITDA (before recognition of fair value gain on financial assets)	9,257	10,800	16.7%
Net Profit (before recognition of fair value gain on financial assets)	6,795	6,647	-2.2%
Recognition of fair value gain on financial assets	8,498	-	
EBITDA	17,755	10,800	-39.2%
Net Profit	15,293	6,647	-56.5%
Attributable Profit to:			
Owners of the Company	15,232	5,991	-60.7%
Non-controlling interests	61	656	
Attributable Profit (from normal operation)	6,734	6,042	-10.3%
Margin*			
EBITDA (exclude F&N/FPL, non-recurring expenses)	16.6%	14.5%	
Net Profit (exclude F&N/FPL, non-recurring expenses)	11.4%	7.9%	
EBITDA (exclude F&N/FPL)	16.6%	14.5%	
Net Profit (exclude F&N/FPL)	11.4%	7.8%	
EBITDA (before recognition of fair value gain on financial assets)	20.4%	17.8%	
Net Profit (before recognition of fair value gain on financial assets)	15.0%	10.9%	
EBITDA	39.2%	17.8%	
Net Profit	33.8%	10.9%	

* margins are % of sales revenue

Consolidated: 3Q18 Highlights

Consolidated: 9M18 Highlights

	9M17 Oct16 - Jun17	9M18 Oct17 - Jun18	Change (M Baht)
Sales Revenue	142,460	173,916	22.1%
COGS	(98,518)	(123,458)	
<i>% of Sales Revenue</i>	69.2%	71.0%	
SG&A	(22,821)	(29,940)	
<i>% of Sales Revenue</i>	16.0%	17.2%	
EBITDA (exclude F&N/FPL, non-recurring expenses)	25,039	27,281	9.0%
Net Profit (exclude F&N/FPL, non-recurring expenses)	17,546	16,511	-5.9%
Non-recurring cost relating to acquisitions	-	(2,352)	
Non-recurring cost relating to deferred tax utilization from food business restructuring	-	(51)	
Finance cost relating to Sabeco acquisition before results taken	-	(107)	
EBITDA (exclude F&N/FPL)	25,039	24,929	-0.4%
Net Profit (exclude F&N/FPL)	17,546	14,001	-20.2%
F&N/FPL EBITDA (from normal operation)	4,002	3,357	
F&N/FPL Net Profit (from normal operation)	3,571	3,097	
EBITDA (before recognition of fair value gain on financial assets)	29,041	28,286	-2.6%
Net Profit (before recognition of fair value gain on financial assets)	21,117	17,098	-19.0%
Recognition of fair value gain on financial assets	8,498	-	
EBITDA	37,539	28,286	-24.6%
Net Profit	29,615	17,098	-42.3%
Attributable Profit to:			
Owners of the Company	29,505	15,247	-48.3%
Non-controlling interests	110	1,851	
Attributable Profit (from normal operation)	21,007	17,757	-15.5%
Margin*			
EBITDA (exclude F&N/FPL, non-recurring expenses)	17.6%	15.7%	
Net Profit (exclude F&N/FPL, non-recurring expenses)	12.3%	9.5%	
EBITDA (exclude F&N/FPL)	17.6%	14.3%	
Net Profit (exclude F&N/FPL)	12.3%	8.1%	
EBITDA (before recognition of fair value gain on financial assets)	20.4%	16.3%	
Net Profit (before recognition of fair value gain on financial assets)	14.8%	9.8%	
EBITDA	26.4%	16.3%	
Net Profit	20.8%	9.8%	

* margins are % of sales revenue

Consolidated: 3Q18 Highlights

	ThaiBev	F&N / FPL	Total	(M Baht)
3Q18				
Sales	60,708	-	60,708	
Gross Profit	16,703	-	16,703	
EBITDA	8,795	2,005	10,800	
Net Profit	4,717	1,930	6,647	
Attributable Profit (Loss) by Business:	4,061	1,930	5,991	
<i>Spirits</i>	3,924	-	3,924	
<i>Beer</i>	465	-	465	
<i>Non-Alcohol</i>	(316)	-	(316)	
<i>Food</i>	39	-	39	
<i>Non-recurring cost</i>	(51)	-	(51)	
<i>F&N/FPL</i>	-	1,930	1,930	
3Q17				
Sales	45,284	-	45,284	
Gross Profit	14,095	-	14,095	
EBITDA before recognition of fair value gain on financial assets	7,530	1,727	9,257	
Net Profit before recognition of fair value gain on financial assets	5,180	1,615	6,795	
Recognition of fair value gain on financial assets	-	8,498	8,498	
EBITDA	7,530	10,225	17,755	
Net Profit	5,180	10,113	15,293	
Attributable Profit (Loss) by Business:	5,119	10,113	15,232	
<i>Spirits</i>	4,757	-	4,757	
<i>Beer</i>	606	-	606	
<i>Non-Alcohol</i>	(264)	-	(264)	
<i>Food</i>	20	-	20	
<i>Recognition of fair value gain on financial assets</i>	-	8,498	8,498	
<i>F&N/FPL</i>	-	1,615	1,615	

Consolidated: 3Q18 Highlights

	ThaiBev	F&N / FPL	Total	(M Baht)
Increase (Decrease)				
Sales	15,424	-	15,424	
Gross Profit	2,608	-	2,608	
EBITDA before recognition of fair value gain on financial assets	1,265	278	1,543	
Net Profit before recognition of fair value gain on financial assets	(463)	315	(148)	
Recognition of fair value gain on financial assets	-	(8,498)	(8,498)	
EBITDA	1,265	(8,220)	(6,955)	
Net Profit	(463)	(8,183)	(8,646)	
Attributable Profit (Loss) by Business:				
<i>Spirits</i>	(833)	-	(833)	
<i>Beer</i>	(141)	-	(141)	
<i>Non-Alcohol</i>	(52)	-	(52)	
<i>Food</i>	19	-	19	
<i>Non-recurring cost</i>	(51)	-	(51)	
<i>Recognition of fair value gain on financial assets</i>	-	(8,498)	(8,498)	
<i>F&N/FPL</i>	-	315	315	
% Increase (Decrease)				
Sales	34.1%	-	34.1%	
Gross Profit	18.5%	-	18.5%	
EBITDA before recognition of fair value gain on financial assets	16.8%	16.1%	16.7%	
Net Profit before recognition of fair value gain on financial assets	(8.9%)	19.5%	(2.2%)	
Recognition of fair value gain on financial assets	-	(100.0%)	(100.0%)	
EBITDA	16.8%	(80.4%)	(39.2%)	
Net Profit	(8.9%)	(80.9%)	(56.5%)	
Attributable Profit (Loss) by Business:				
<i>Spirits</i>	(17.5%)	-	(17.5%)	
<i>Beer</i>	(23.3%)	-	(23.3%)	
<i>Non-Alcohol</i>	(19.7%)	-	(19.7%)	
<i>Food</i>	95.0%	-	95.0%	
<i>Recognition of fair value gain on financial assets</i>	-	(100.0%)	(100.0%)	
<i>F&N/FPL</i>	-	19.5%	19.5%	

Consolidated: 9M18 Highlights

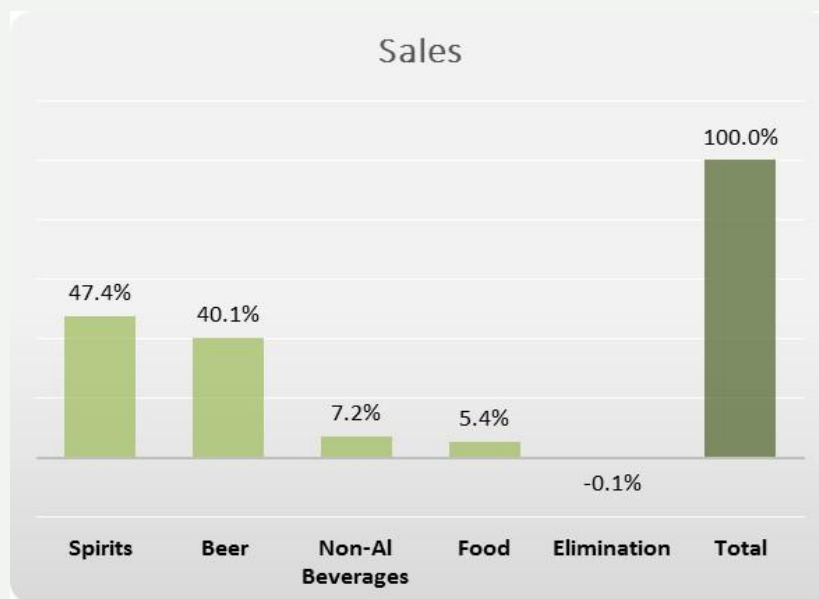
	ThaiBev	F&N / FPL	Total	(M Baht)
9M18				
Sales	173,916	-	173,916	
Gross Profit	50,431	-	50,431	
EBITDA	24,929	3,357	28,286	
Net Profit	14,001	3,097	17,098	
Attributable Profit (Loss) by Business:	12,150	3,097	15,247	
<i>Spirits</i>	13,455	-	13,455	
<i>Beer</i>	1,772	-	1,772	
<i>Non-Alcohol</i>	(913)	-	(913)	
<i>Food</i>	346	-	346	
<i>Non-recurring cost</i>	(2,510)	-	(2,510)	
<i>F&N/FPL</i>	-	3,097	3,097	
9M17				
Sales	142,460	-	142,460	
Gross Profit	43,942	-	43,942	
EBITDA before recognition of fair value gain on financial assets	25,039	4,002	29,041	
Net Profit before recognition of fair value gain on financial assets	17,546	3,571	21,117	
Recognition of fair value gain on financial assets	-	8,498	8,498	
EBITDA	25,039	12,500	37,539	
Net Profit	17,546	12,069	29,615	
Attributable Profit (Loss) by Business:	17,436	12,069	29,505	
<i>Spirits</i>	15,411	-	15,411	
<i>Beer</i>	2,789	-	2,789	
<i>Non-Alcohol</i>	(817)	-	(817)	
<i>Food</i>	53	-	53	
<i>Recognition of fair value gain on financial assets</i>	-	8,498	8,498	
<i>F&N/FPL</i>	-	3,571	3,571	

Consolidated: 9M18 Highlights

	ThaiBev	F&N / FPL	Total	(M Baht)
Increase (Decrease)				
Sales	31,456	-	31,456	
Gross Profit	6,489	-	6,489	
EBITDA before recognition of fair value gain on financial assets	(110)	(645)	(755)	
Net Profit before recognition of fair value gain on financial assets	(3,545)	(474)	(4,019)	
Recognition of fair value gain on financial assets	-	(8,498)	(8,498)	
EBITDA	(110)	(9,143)	(9,253)	
Net Profit	(3,545)	(8,972)	(12,517)	
Attributable Profit (Loss) by Business:	(5,286)	(8,972)	(14,258)	
<i>Spirits</i>	<i>(1,956)</i>	<i>-</i>	<i>(1,956)</i>	
<i>Beer</i>	<i>(1,017)</i>	<i>-</i>	<i>(1,017)</i>	
<i>Non-Alcohol</i>	<i>(96)</i>	<i>-</i>	<i>(96)</i>	
<i>Food</i>	<i>293</i>	<i>-</i>	<i>293</i>	
<i>Non-recurring cost</i>	<i>(2,510)</i>	<i>-</i>	<i>(2,510)</i>	
<i>Recognition of fair value gain on financial assets</i>	<i>-</i>	<i>(8,498)</i>	<i>(8,498)</i>	
<i>F&N/FPL</i>	<i>-</i>	<i>(474)</i>	<i>(474)</i>	
% Increase (Decrease)				
Sales	22.1%	-	22.1%	
Gross Profit	14.8%	-	14.8%	
EBITDA before recognition of fair value gain on financial assets	(0.4%)	(16.1%)	(2.6%)	
Net Profit before recognition of fair value gain on financial assets	(20.2%)	(13.3%)	(19.0%)	
Recognition of fair value gain on financial assets	-	(100.0%)	(100.0%)	
EBITDA	(0.4%)	(73.1%)	(24.6%)	
Net Profit	(20.2%)	(74.3%)	(42.3%)	
Attributable Profit (Loss) by Business:	(30.3%)	(74.3%)	(48.3%)	
<i>Spirits</i>	<i>(12.7%)</i>	<i>-</i>	<i>(12.7%)</i>	
<i>Beer</i>	<i>(36.5%)</i>	<i>-</i>	<i>(36.5%)</i>	
<i>Non-Alcohol</i>	<i>(11.8%)</i>	<i>-</i>	<i>(11.8%)</i>	
<i>Food</i>	<i>552.8%</i>	<i>-</i>	<i>552.8%</i>	
<i>Recognition of fair value gain on financial assets</i>	<i>-</i>	<i>(100.0%)</i>	<i>(100.0%)</i>	
<i>F&N/FPL</i>	<i>-</i>	<i>(13.3%)</i>	<i>(13.3%)</i>	

9M18

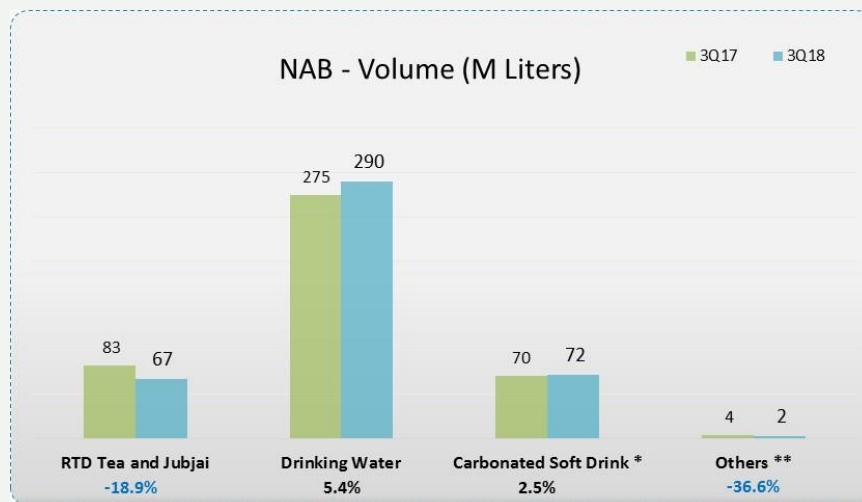
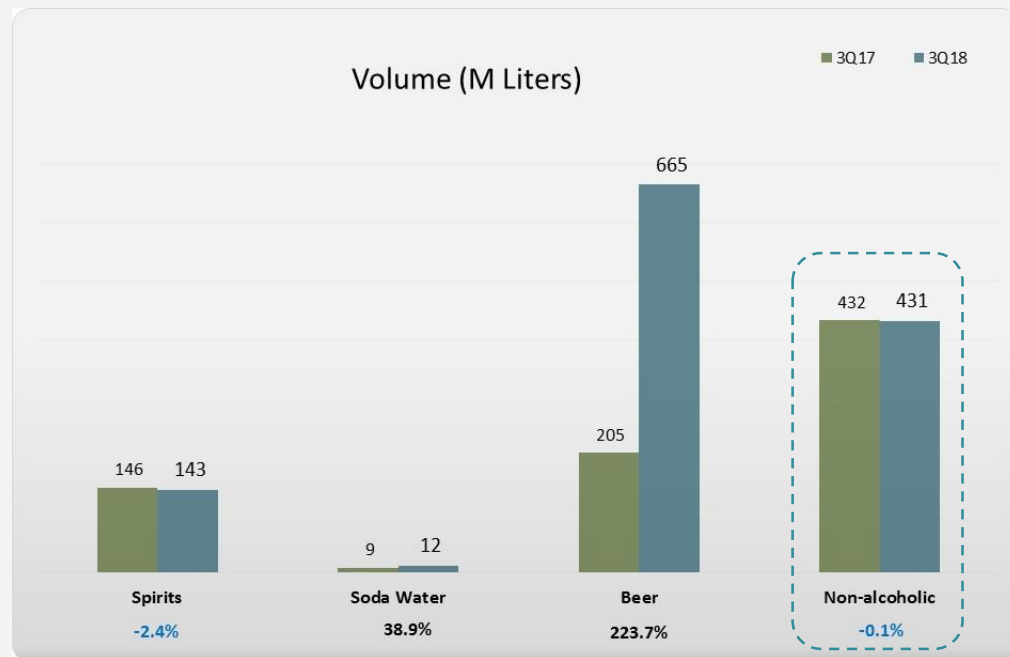
Contribution per Business Segment



* Exclude F&N/FPL and non-recurring expenses

Total Sales Volume 3Q18

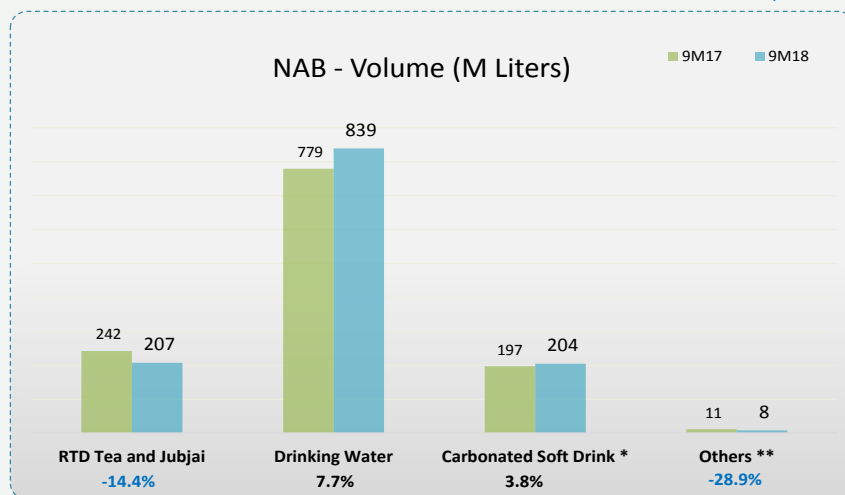
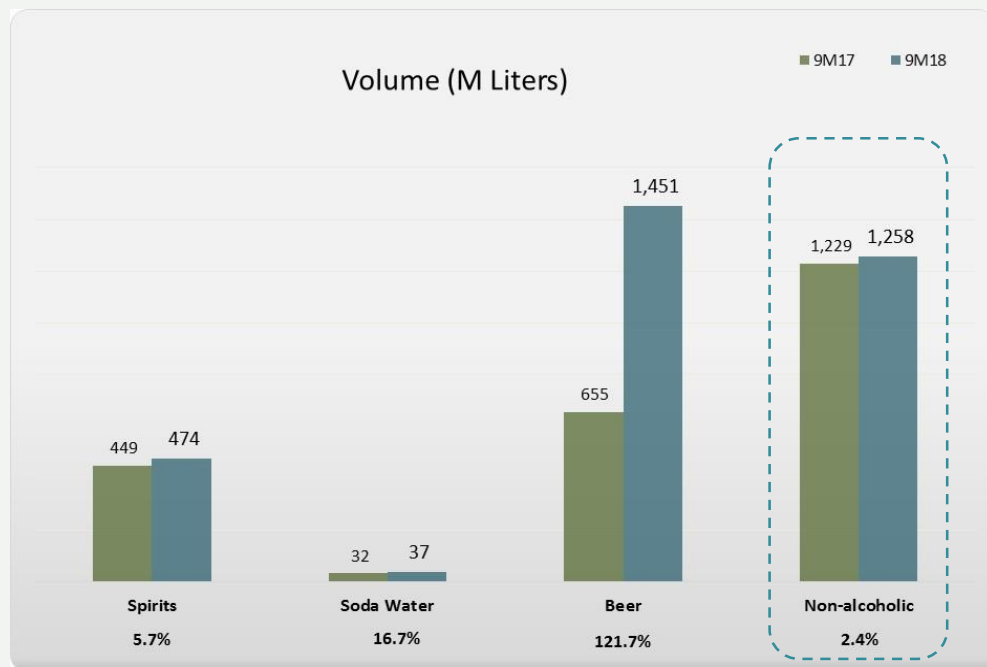
3Q18



* est and 100Plus

** Energy drink, sports drink and other beverages

Total Sales
Volume 9M18



* est and 100Plus

** Energy drink, sports drink and other beverages

Business Segments

Spirits

Spirits	3Q17	3Q18	Change (M Baht)
	Apr17 - Jun17	Apr18 - Jun18	
Sales Revenue	25,477	24,626	-3.3%
COGS	(16,969)	(16,478)	
<i>% of Sales Revenue</i>	<i>66.6%</i>	<i>66.9%</i>	
SG&A	(2,576)	(3,227)	
<i>% of Sales Revenue</i>	<i>10.1%</i>	<i>13.1%</i>	
EBITDA	6,388	5,484	-14.2%
Net Profit	4,757	4,016	-15.6%
Attributable Profit to Shareholders	4,757	3,924	-17.5%
<u>Margin*</u>			
EBITDA	25.1%	22.3%	
Net Profit	18.7%	16.3%	

* margins are % of sales revenue

<u>Sales Revenue</u>	DOWN	a decrease of sales volume
<u>COGS (%)</u>	UP	a product mix
<u>SG&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 from Company's existing spirits although there was an increase in net profit from MSC & MDC's spirits

Spirits

Spirits	9M17	9M18	Change (M Baht)
	Oct16 - Jun 17	Oct17 - Jun 18	
Sales Revenue	80,672	82,439	2.2%
COGS	(53,749)	(54,852)	
<i>% of Sales Revenue</i>	<i>66.6%</i>	<i>66.5%</i>	
SG&A	(7,693)	(10,147)	
<i>% of Sales Revenue</i>	<i>9.5%</i>	<i>12.3%</i>	
EBITDA	20,587	19,044	-7.5%
Net Profit	15,411	14,092	-8.6%
Attributable Profit to Shareholders	15,411	13,455	-12.7%
<u>Margin*</u>			
EBITDA	25.5%	23.1%	
Net Profit	19.1%	17.1%	

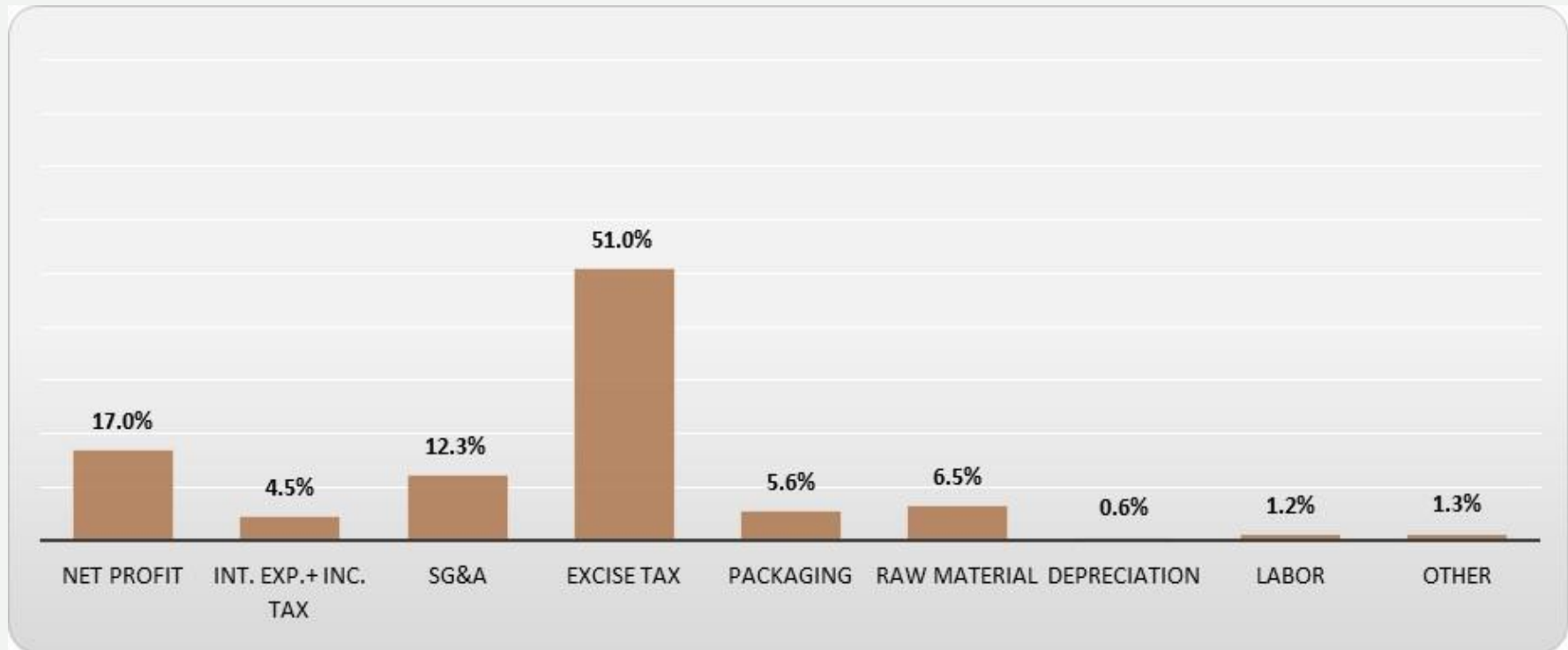
* margins are % of sales revenue

<u>Sales Revenue</u>	UP	an increase of sales volume
<u>COGS (%)</u>	DOWN	a product mix
<u>SG&A (%)</u>	UP	an increase in advertising and promotion expenses and staff costs
<u>EBITDA</u>	DOWN	an increase in advertising and promotion expenses and staff costs although there was an increase in gross profit
<u>Net Profit</u>	DOWN	a decrease in EBITDA
<u>Attributable Profit</u>	DOWN	a decrease in net profit from the Company's existing spirits although there was an increase in net profit from MSC & MDC's sprits

Spirits: Revenue-Cost Break Down

(% of total revenue)

9M18



Beer

Beer	3Q17	3Q18	Change (M Baht)
	Apr17 - Jun17	Apr18 - Jun18	
Sales Revenue	13,781	28,283	105.2%
COGS	(10,519)	(22,579)	
<i>% of Sales Revenue</i>	<i>76.3%</i>	<i>79.8%</i>	
SG&A	(2,584)	(3,613)	
<i>% of Sales Revenue</i>	<i>18.7%</i>	<i>12.8%</i>	
EBITDA	937	2,992	219.3%
Net Profit	606	1,006	66.0%
Attributable Profit to Shareholders	606	465	-23.3%
<u>Margin*</u>			
EBITDA	6.8%	10.6%	
Net Profit	4.4%	3.6%	

* margins are % of sales revenue

<u>Sales Revenue</u>	UP	an increase in sales volume from Sabeco
<u>COGS (%)</u>	UP	a product mix and excise tax for Elderly Fund
<u>SG&A (%)</u>	DOWN	sales increased at a higher rate than the increase in SG&A
<u>EBITDA</u>	UP	an increase in gross profit although there was an increase in advertising and promotion expenses and staff costs
<u>Net Profit</u>	UP	an increase in EBITDA
<u>Attributable Profit</u>	DOWN	a decrease in net profit from the Company's existing beer although there was an increase in net profit from Sabeco's beer caused from net finance cost related to acquisition was lower than the profit

Beer

Beer	9M17	9M18	Change (M Baht)
	Oct16 - Jun 17	Oct17 - Jun 18	
Sales Revenue	44,341	69,794	57.4%
COGS	(33,963)	(55,122)	
<i>% of Sales Revenue</i>	<i>76.6%</i>	<i>79.0%</i>	
SG&A	(7,206)	(9,943)	
<i>% of Sales Revenue</i>	<i>16.3%</i>	<i>14.2%</i>	
EBITDA	3,926	7,164	82.5%
Net Profit	2,789	2,914	4.5%
Attributable Profit to Shareholders	2,789	1,772	-36.5%

Margin*

EBITDA	8.9%	10.3%
Net Profit	6.3%	4.2%

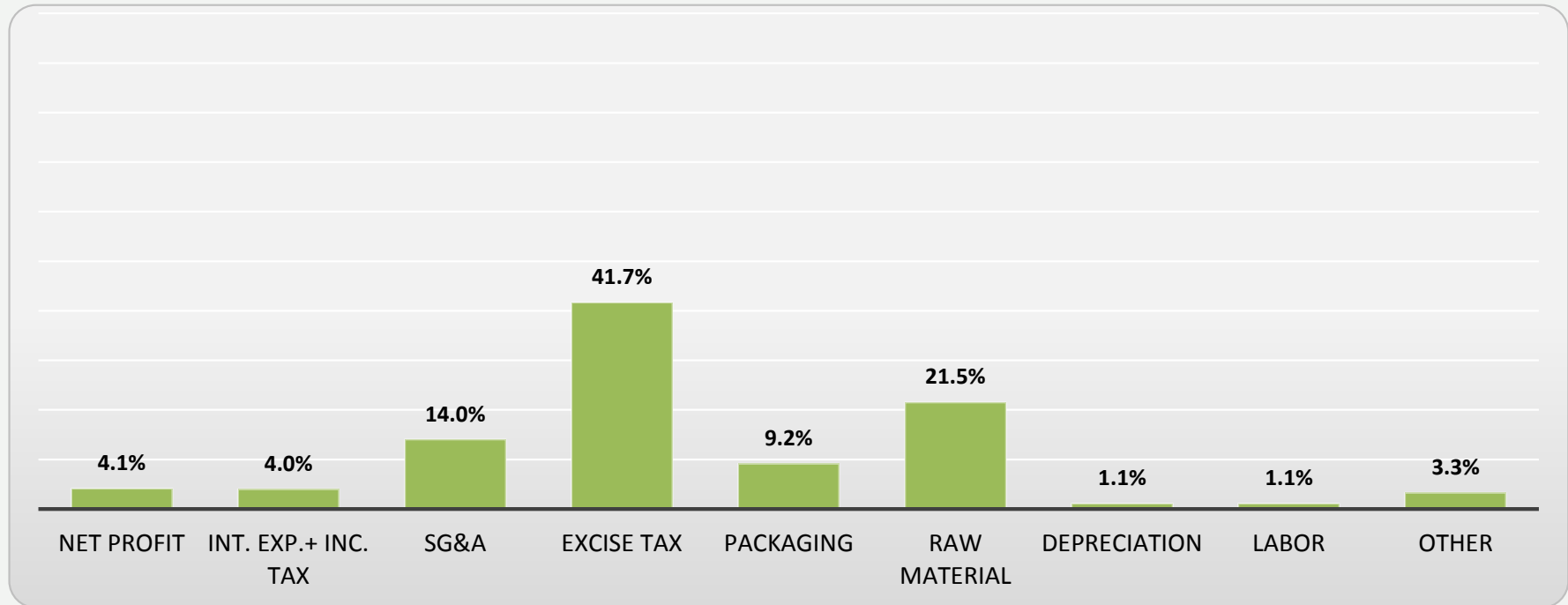
* margins are % of sales revenue

<u>Sales Revenue</u>	UP	an increase in sales volume from Sabeco
<u>COGS (%)</u>	UP	a product mix and excise tax for Elderly Fund
<u>SG&A (%)</u>	DOWN	sales increased at a higher rate than the increase in SG&A
<u>EBITDA</u>	UP	an increase in gross profit although there was an increase in advertising and promotion expenses and staff costs
<u>Net Profit</u>	UP	an increase in EBITDA although there was an increase in finance cost
<u>Attributable Profit</u>	DOWN	a decrease in net profit from the Company's existing beer although there was an increase in net profit from Sabeco's beer caused from net finance cost related to acquisition was lower than the profit

Beer: Revenue-Cost Break Down

(% of total revenue)

9M18



Non-alcoholic Beverages

Non-Alcoholic Beverages	3Q17	3Q18	Change (M Baht)
	Apr17 - Jun17	Apr18 - Jun18	
Sales Revenue	4,349	4,231	-2.7%
COGS	(2,791)	(2,856)	
<i>% of Sales Revenue</i>	<i>64.2%</i>	<i>67.5%</i>	
SG&A	(1,996)	(1,906)	
<i>% of Sales Revenue</i>	<i>45.9%</i>	<i>45.0%</i>	
EBITDA (Loss)	43	(24)	-155.8%
Net Profit (Loss)	(215)	(286)	-33.0%
Attributable Profit (Loss) to Shareholders	(264)	(316)	-19.7%
<u>Margin*</u>			
EBITDA (-Loss)	1.0%	-0.6%	
Net Profit (-Loss)	-4.9%	-6.8%	

* margins are % of sales revenue

<u>Sales Revenue</u>	DOWN	a product mix and there was a decrease in sales volume
<u>COGS (%)</u>	UP	a product mix and a decrease of sale volume
<u>SG&A (%)</u>	DOWN	a decrease in advertising and promotion expenses
<u>EBITDA Loss</u>	UP	a decrease in gross profit although there was a decrease in advertising and promotion expenses
<u>Net Loss</u>	UP	due to EBITDA loss
<u>Attributable Loss</u>	UP	an increase in net loss

Non-alcoholic Beverages

Non-Alcoholic Beverages	9M17	9M18	Change (M Baht)
	Oct16 - Jun 17	Oct17 - Jun 18	
Sales Revenue	12,530	12,433	-0.8%
COGS	(8,107)	(8,335)	
<i>% of Sales Revenue</i>	<i>64.7%</i>	<i>67.0%</i>	
SG&A	(5,865)	(6,400)	
<i>% of Sales Revenue</i>	<i>46.8%</i>	<i>51.5%</i>	
EBITDA (Loss)	50	(71)	-242.0%
Net Profit (Loss)	(726)	(853)	-17.5%
Attributable Profit (Loss) to Shareholders	(817)	(913)	-11.8%
Margin*			
EBITDA (-Loss)	0.4%	-0.6%	
Net Profit (-Loss)	-5.8%	-6.9%	

* margins are % of sales revenue

<u>Sales Revenue</u>	DOWN	a product mix although there was an increase in sales volume
<u>COGS (%)</u>	UP	a product mix and a cost increase from sugar tax
<u>SG&A (%)</u>	UP	property damages from fire incident at UHT RTD tea plant while insurance claims recovery in other income, although there was a decrease in advertising and promotion expenses
<u>EBITDA Loss</u>	UP	a decrease in gross profit, although there was a decrease in advertising and promotion expenses
<u>Net Loss</u>	UP	a decrease in EBITDA
<u>Attributable Loss</u>	UP	an increase in net loss

Food

Food	3Q17	3Q18	Change
	Apr17 - Jun17	Apr18 - Jun18	
Sales Revenue	1,727	3,622	109.7%
COGS	(942)	(2,126)	
<i>% of Sales Revenue</i>	<i>54.5%</i>	<i>58.7%</i>	
SG&A	(759)	(1,384)	
<i>% of Sales Revenue</i>	<i>44.0%</i>	<i>38.3%</i>	
EBITDA	162	343	111.7%
Net Profit	32	32	0.0%
Attributable Profit to Shareholders	20	39	95.0%
<u>Margin*</u>			
EBITDA	9.4%	9.5%	
Net Profit	1.9%	0.9%	

* margins are % of sales revenue

<u>Sales Revenue</u>	UP	an increase in the number of restaurants from SOA & QSA
<u>COGS (%)</u>	UP	the sales promotions impacted the margin
<u>SG&A (%)</u>	DOWN	sales increased at a higher rate than the increase in SG&A
<u>EBITDA</u>	UP	an increase in gross profit
<u>Net Profit</u>	-	no change in net profit
<u>Attributable Profit</u>	UP	an increase in net profit

Food

Food	9M17	9M18	Change (M Baht)
	Oct16 - Jun 17	Oct17 - Jun 18	
Sales Revenue	5,010	9,371	87.0%
COGS	(2,764)	(5,256)	
<i>% of Sales Revenue</i>	<i>55.2%</i>	<i>56.1%</i>	
SG&A	(2,189)	(3,582)	
<i>% of Sales Revenue</i>	<i>43.7%</i>	<i>38.3%</i>	
EBITDA	476	1,144	140.3%
Net Profit	72	358	397.2%
Attributable Profit to Shareholders	53	346	552.8%
<u>Margin*</u>			
EBITDA	9.5%	12.2%	
Net Profit	1.4%	3.8%	

* margins are % of sales revenue

<u>Sales Revenue</u>	UP	an increase in the number of restaurants from SOA & QSA
<u>COGS (%)</u>	UP	the sales promotions in 3Q18 impacted the margin
<u>SG&A (%)</u>	DOWN	sales increased at a higher rate than the increase in SG&A
<u>EBITDA</u>	UP	an increase in gross profit
<u>Net Profit</u>	UP	an increase in EBITDA
<u>Attributable Profit</u>	UP	an increase in net profit

Update: International Business

9M18 sales revenue of Baht 39.1 Bn improved 737% from last year as a result of the consolidation of Grand Royal Group (9 months) and Sabeco (6 months)

- International spirits
 - Sales revenue reported a growth of 298% driven by Grand Royal Group
 - Bulk sales still maintained a significant growth in UK and some Asia Pacific countries
 - Premium brands and OEM continued to grow strong double digit
 - Performance in Chinese spirits remained weak

- Beer
 - Sales revenue reported a growth of 1,438% driven by Sabeco
 - Beer sales in ASEAN, exclude Sabeco, continued to slow down

Financials

Statement of Financial Position

Statement of Financial Position	30-Sep-17	30-Jun-18	Change
<i>(Million Baht)</i>			
Assets			
Current assets	55,921	76,025	20,104
Non-current assets	138,319	331,353	193,034
Total assets	194,240	407,378	213,138
Liabilities			
Current liabilities	47,670	38,837	(8,833)
Non-current liabilities	14,057	225,685	211,628
Total liabilities	61,727	264,522	202,795
Shareholders' Equity			
Total equity	132,513	142,856	10,343

<u>Current assets</u>	UP	an increase in cash and cash equivalents and current investments
<u>Non-current assets</u>	UP	an increase in goodwill from the acquisitions
<u>Current liabilities</u>	DOWN	a decrease in current portion of bill of exchanges and long-terms loans from financial institutions
<u>Non-current liabilities</u>	UP	an increase in long term loans from financial institutions for acquisitions
<u>Total equity</u>	UP	an increase in net retained earnings from the net profit of the period which have deducted with dividend payment

Interest Bearing Debt

Interest Bearing Debt	30-Sep-17	30-Jun-18
<i>(Million Baht)</i>		
Current		
Bank overdrafts	-	257
Short-term loans from financial institutions	5,703	4,618
Current portion of bill of exchanges and long-term loans	24,950	8,016
Current Portion of debentures	-	1,000
Other short-term loan	5	-
	30,658	13,891
Non-current		
Debentures	2,000	50,963
Long-term loans from financial institutions	8,000	170,425
	10,000	221,388
Total	40,658	235,279
Cash and cash equivalents	9,929	13,033
Net Interest Bearing Debt	30,729	222,246

The periods to maturity of interest-bearing debts were as follows*

	<i>Million Baht</i>
Within one year (June 2019)	13,891
After one year but within two years (June 2020)	167,419
After two years	<u>53,969</u>
Total	<u>235,279</u>

* The Company obtained bridging loans from various local and foreign banks to fund the acquisition in the first quarter ended 31 December 2017. The Company has managed to take out short term debts to long term debts in March 2018 about Baht 50,000 million. The Company will further manage to take out short term debts to long term debts per approval at the Extraordinary General Meeting of Shareholders on 30 April 2018.

Financial Ratios

Ratios	30-Sep-17	30-Jun-18
Current Ratio (times)	1.17	1.96
Liability to Equity Ratio (Gearing Ratio) (times)	0.47	1.85
Interest Bearing Debt to Equity Ratio (times)	0.31	1.65
Net Interest Bearing Debt to Equity Ratio (times)	0.23	1.56
Net Interest Bearing Debt to EBITDA (times)	0.68	5.36
Net asset value per share (Baht)	5.13	4.96
Net asset value per share (SGD)*	0.21	0.21

* exchange rate at THB 24.03905 : SGD 1

EPS	30-Jun-17	30-Jun-18
Earnings per share for the quarter (Baht)	0.61	0.24
Earnings per share for the nine-months period (Baht)	1.18	0.61

Turnover	Oct 16 - Sep 17	Oct 17 - Jun 18
A/R Turnover (days)	5	6
Inventory Turnover (days)		
Spirit Business: finished goods	56	56
Beer Business: finished goods	14	12
Non-alcohol Business: finished goods	26	22
Food Business: finished goods	2	3

Note: use 365 days to calculate turnover

<u>Current Ratio</u>	UP	an increase in cash and cash equivalents, current investment and a decrease in current portion of bill of exchanges and long-terms loans from financial institutions
<u>Liability to Equity Ratio</u>	UP	an increase in loans from financial institutions for acquisitions

Thank You