



ANALYST MEETING

FY19



Strictly Private & Confidential
MAR 2020



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AGENDA

FY19
PERFORMANCE

BUSINESS
UPDATE

CORPORATE
PROFILE





Financial Updates



ENDED 31 DECEMBER 2019

TOTAL SALES

฿14,933mn

▲ 4%YoY

GROSS
PROFITS

฿5,810

▲ 26%YoY

NET PROFITS
to Major
Shareholders

฿2,506mn

▲ 116%YoY



ENERGY
DRINK SALES

55% from
OVERSEAS

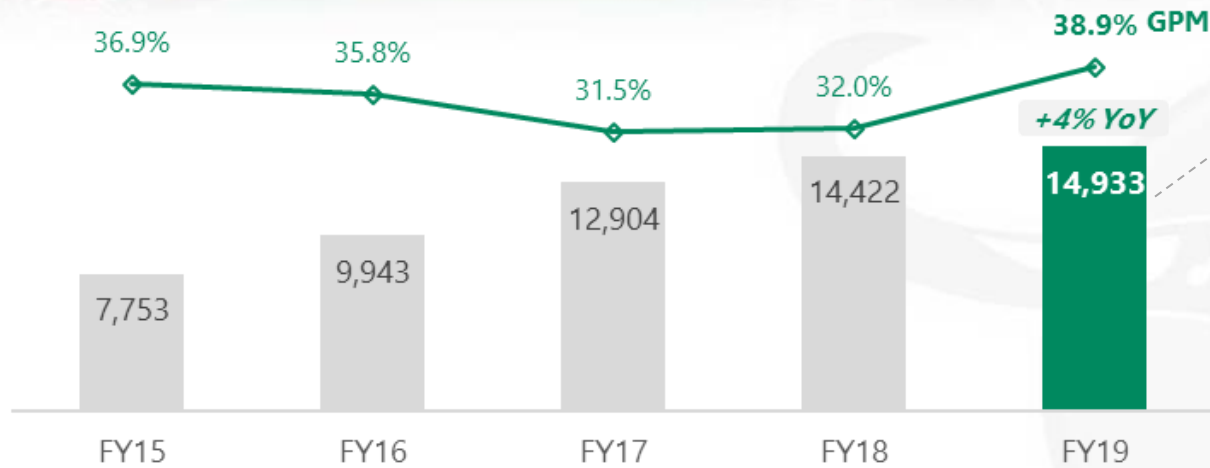
GET
READY TO

BRING IT ON!

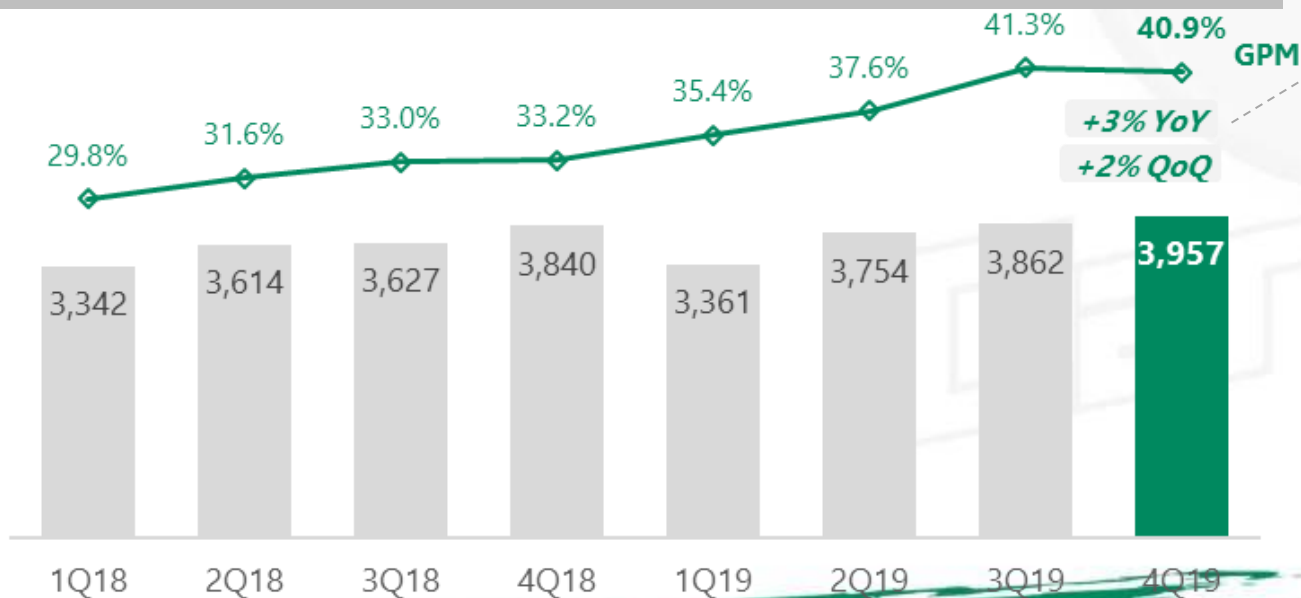
FY19 AT A GLANCE

TOTAL SALES

Sales YTD (THBmn)



Sales by Quarter (THBmn)



Sales Growth Analysis*

FY19
YoY

+2%

+3%

-2%

BRANDED
OWN

BRANDED
OEM

3rd PARTY

4Q19
YoY

+5%

-2%

-1%

QoQ

+3%

-1%

-0%

BRANDED
OWN

BRANDED
OEM

3rd PARTY

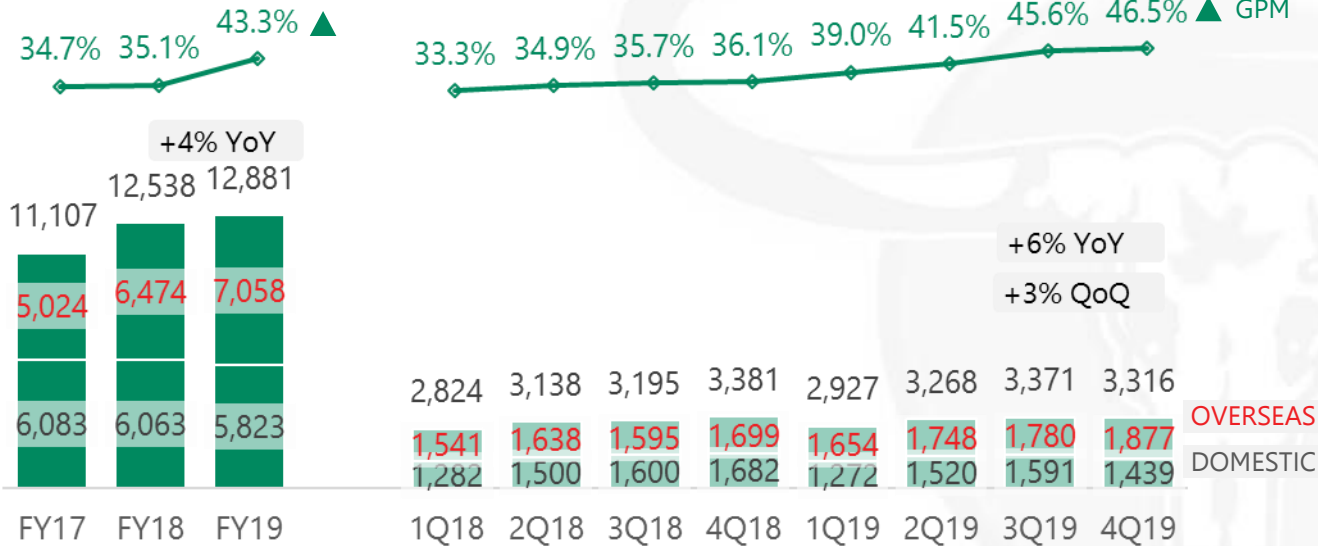
* Sales growth of each product group weighted by sales contribution

BRANDED OWN

BRANDED OWN

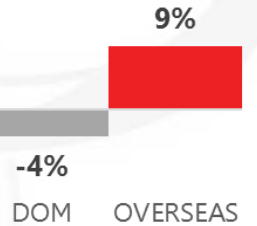
Improving GP margin due to economies of scale, increasing rate of captive consumptions of aluminum-can packaging and efficiencies, and savings from strategic sourcing

ENERGY DRIVE

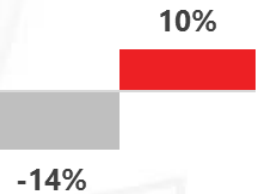


Growth: DOM vs Overseas

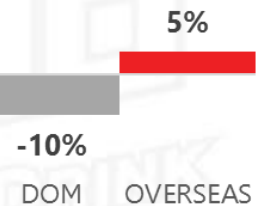
FY19 YoY



4Q19 YoY



QoQ



Product Portfolio

Energy Drink

Non-Carbonated Carbonated

Non-Energy

DOM



Mar '19

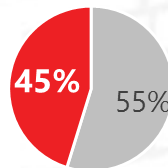


OVER SEAS

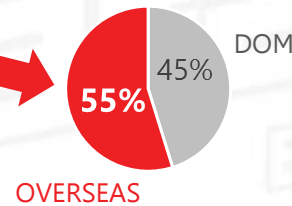


%Sales from Overseas

FY17



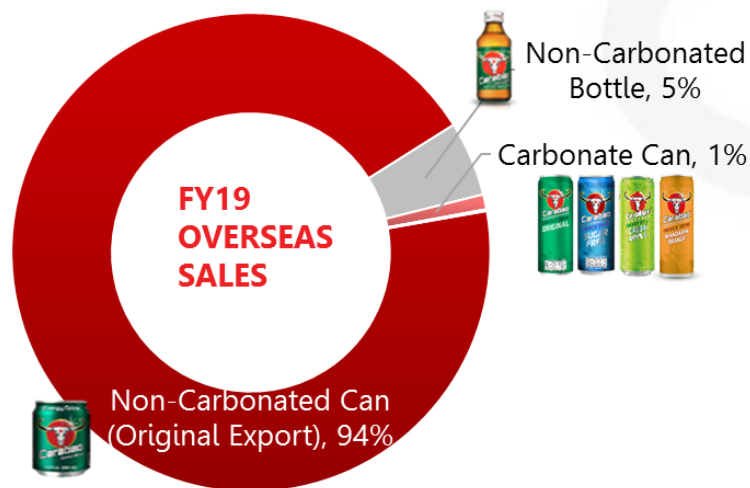
FY19



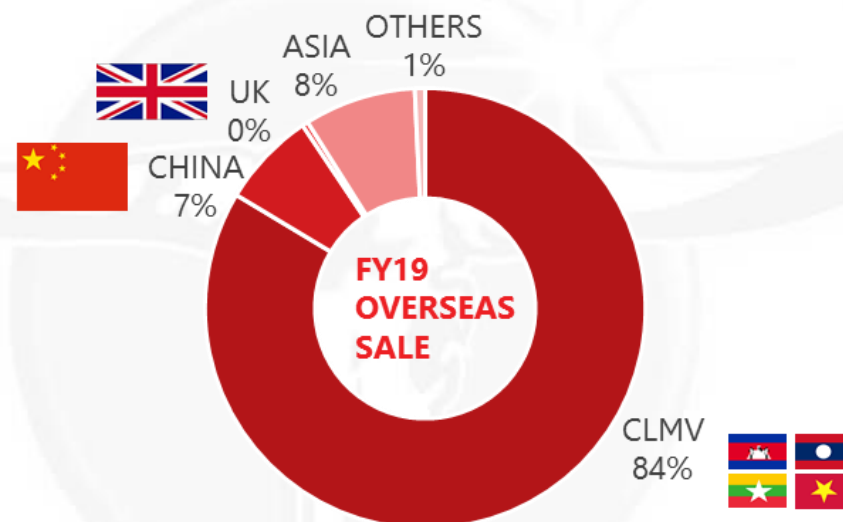
BRANDED OWN - OVERSEAS

Overseas strong present in CLMV markets and ASIA driven by Afghanistan & Yemen

By Format



By Country

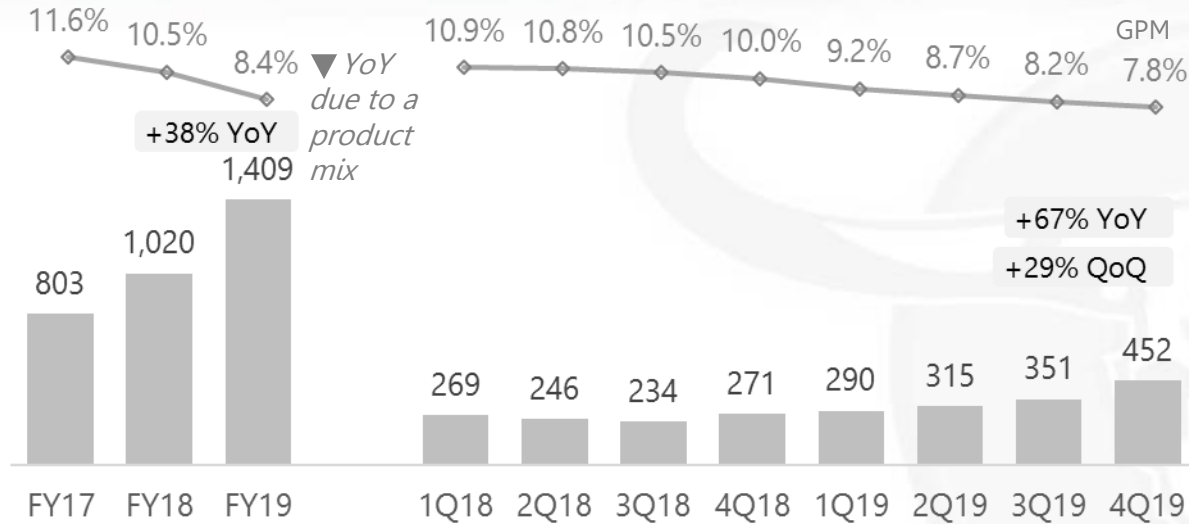


THB mn	4Y-CAGR	FY15	FY16	FY17	FY18	FY19	%YoY	4Q18	3Q19	4Q19	%YoY	%QoQ
CLMV	33%	1,878	2,546	3,293	5,498	5,901	7%	1,554	1,473	1,709	10%	16%
CHINA	0%	-	-	1,019	590	494	-16%	71	170	85	19%	-50%
UK	0%	-	8	89	72	30	-58%	30	11	8	-73%	-173%
ASIA	15%	332	718	487	229	579	153%	90	118	79	-12%	-33%
OTHERS	-5%	66	85	135	85	54	-37%	14	8	12	-16%	55%
TOTAL	33%	2,276	3,356	5,023	6,474	7,058	9%	1,699	1,780	1,877	10%	5%

BRANDED by OEM & DISTRIBUTION for 3rd PARTY

LEVERAGE DISTRIBUTION

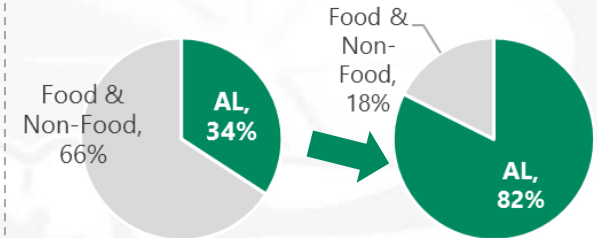
DISTRIBUTION for 3rd PARTY



Sales By Product

FY17

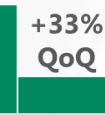
FY19



Growth: AL product

4Q19
AL

+97%
YoY



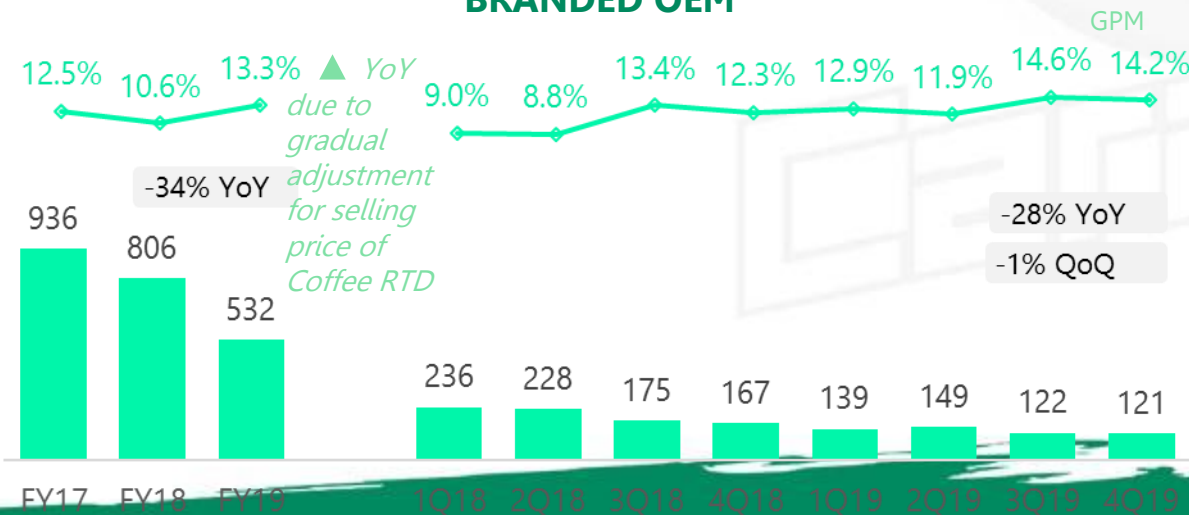
FY19
AL

+94%
YoY



BRANDED OEM

LEVERAGE STRONG BRAND & DISTRIBUTION



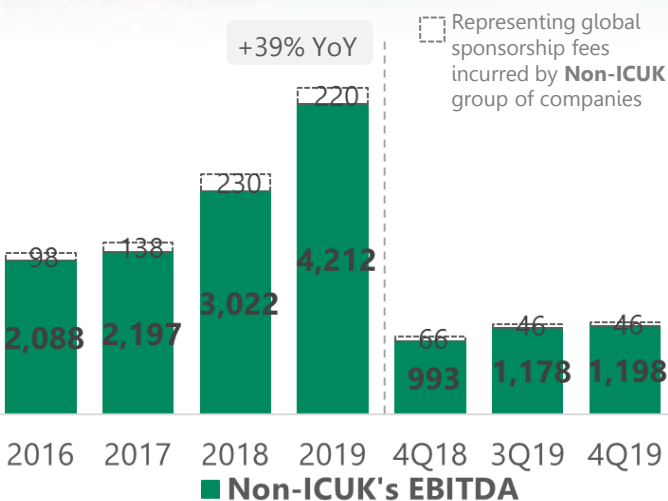
Sales By Product

FY19

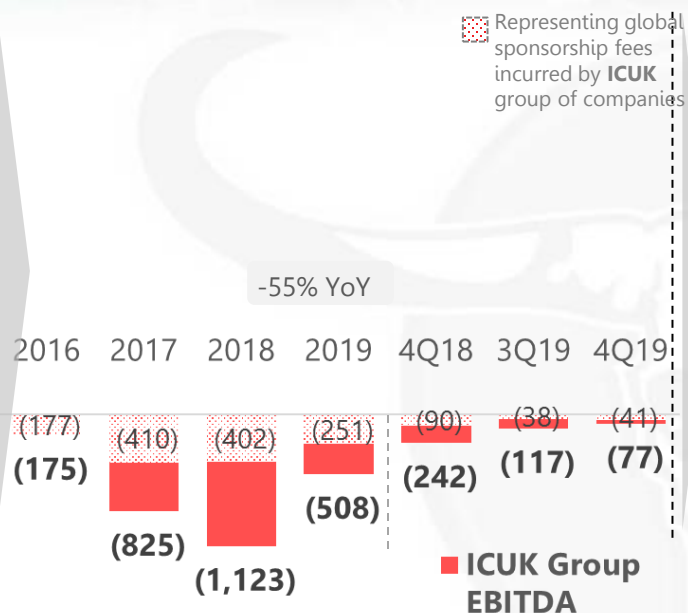


Decomposed EBITDA & Debt Profile

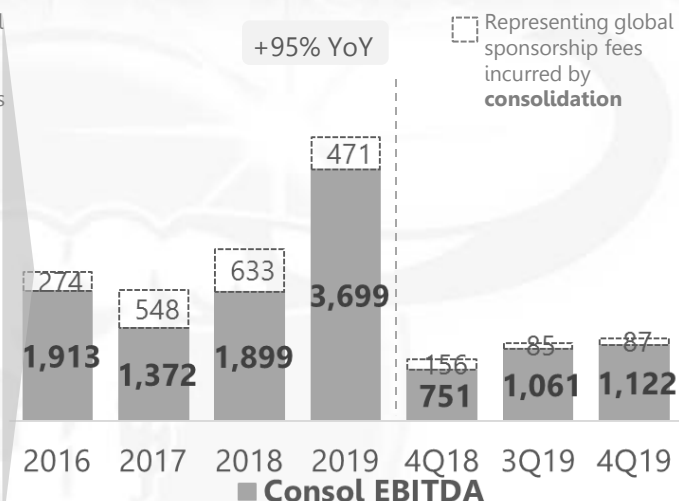
Non-ICUK (THBmn)



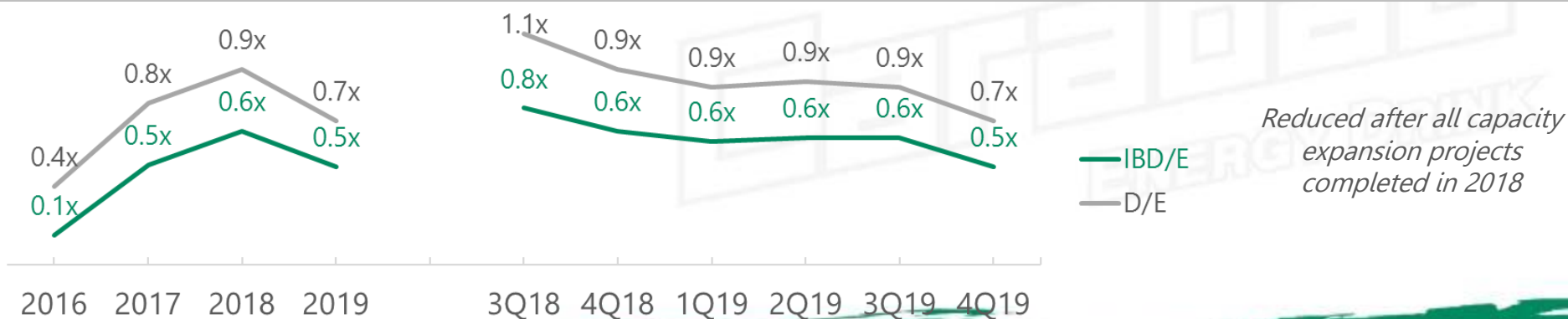
ICUK Group (THBmn)



Consolidation (THBmn)



Key indicator of consolidated debt profile



Statement of financial position

STATEMENT OF FINANCIAL POSITION						Unit: THB million	
ASSETS	Dec-18	Dec-19	Change	LIABILITIES	Dec-18	Dec-19	Change
Current Assets				Current Liabilities			
Cash, Cash Equivalents	138	962	824	Short-term loans	275	7	(268)
Current Investments	-	-	-	Trade and other payable	1,810	1,447	(363)
Trade and other receivable	907	1,140	234	Current portion of long-term loans	401	291	(110)
Inventories	887	992	104	Current portion of Debentures	-	1,699	1,699
Other current assets	546	104	(442)	Other current liabilities	278	333	55
Total Current Assets	2,477	3,197	720	Total Current Liabilities	2,764	3,777	1,013
				Long-term loans	1,279	1,043	(236)
				Debentures	2,786	1,089	(1,697)
				Other non-current liabilities	126	153	27
				Total non-current liabilities	4,191	2,284	(1,906)
Non-Current Assets				Total Liabilities	6,955	6,062	(894)
Long-term Investment	-	-	-	SHAREHOLDERS' EQUITY			
Investment Properties	100	103	3	Issued and fully paid up share capital	1,000	1,000	-
Property, plant & equipment	11,090	10,872	(218)	Premium on shares	3,963	3,963	-
Intangible Assets	77	81	4	Retained earnings	2,240	3,637	1,397
Deferred Tax Assets	63	33	(30)	Other components of shareholders' equity	- 26	- 34	1
Other non-current assets	12	11	(1)	Equity attributable to owners of the Company	7,177	8,566	1,389
Goodwill	500	481	(19)	Non-controlling interests of the subsidiary	188	153	(35)
Total Non-Current Assets	11,843	11,583	(260)	Total shareholders' equity	7,365	8,718	1,354
Total Assets	14,320	14,780	460	Total liabilities and Equity	14,320	14,780	460

Statement of comprehensive income

Unit: THB million	2017	2018 (Adj.)	2019	Change YoY	2018 %sales	2019 %sales	4Q2018	3Q2019	4Q2019	Change YoY	Change QoQ
Revenue from sales	12,904	14,422	14,933	3.5%	100.0%	100.0%	3,840	3,862	3,957	3.0%	2.5%
Costs of goods sold	8,840	9,813	9,123	-7.0%	68.0%	61.1%	2,565	2,268	2,339	-8.8%	3.1%
Gross profits	4,065	4,609	5,810	26.1%	32.0%	38.9%	1,275	1,594	1,617	26.8%	1.5%
Selling expenses	2,379	2,520	1,968	-21.9%	17.5%	13.2%	508	488	468	-7.9%	-4.0%
G&A expenses	741	772	785	1.6%	5.4%	5.3%	185	181	218	17.6%	20.3%
Operating profits	945	1,317	3,058	132.3%	9.1%	20.5%	582	925	931	60.1%	0.7%
Other incomes	164	135	119	-11.9%	0.9%	0.8%	45	28	35	-22.9%	22.5%
Other expenses	-	16	12	-27.3%	0.1%	0.1%	6	26	21	-466.0%	-183.5%
EBIT	1,109	1,435	3,165	120.5%	10.0%	21.2%	621	928	987	59.0%	6.5%
EBITDA	1,372	1,899	3,699	94.7%	13.2%	24.8%	740	1,061	1,122	51.6%	5.7%
Interest expenses	48	107	133	24.2%	0.7%	0.9%	31	34	31	-0.4%	-10.1%
EBT	1,061	1,329	3,032	128.2%	9.2%	20.3%	580	893	957	65.0%	7.1%
Income tax expenses	261	368	564	53.1%	2.6%	3.8%	123	167	161	31.0%	-3.6%
Net profits for the period	801	960	2,468	157.0%	6.7%	16.5%	467	726	795	70.4%	9.6%
Equity Holder of the Company	1,246	1,159	2,506	116.3%	8.0%	16.8%	513	732	803	56.5%	9.7%

Remark: *CBG increased shareholdings in ICUK from 51% to 84% since 1Q18 onwards.

ICUK is a subsidiary operating marketing and distribution of Carabao products in the UK and other countries outside Asia.

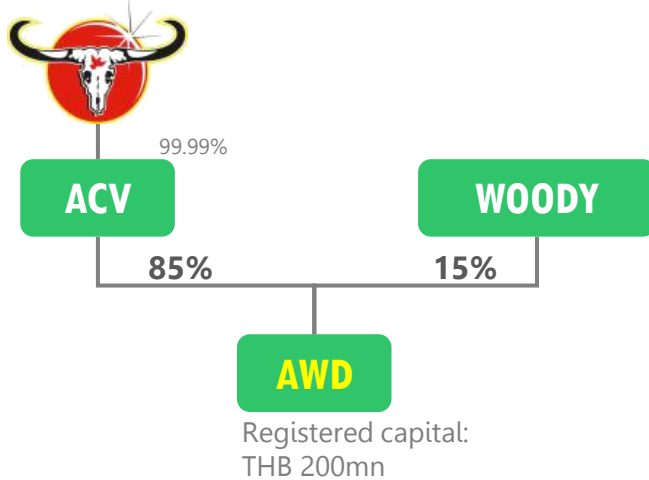


Business Updates



NEW PARTNER, NEW HORIZON

Business Structure

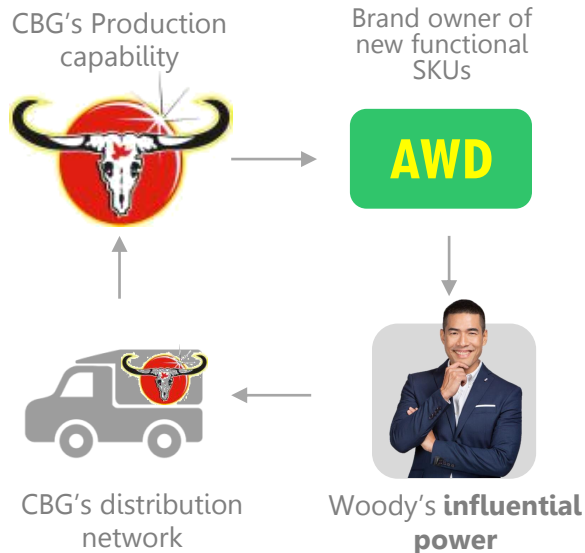


ACV = Asia Carabao Venture Co. Ltd

AWD = A Woody Drink Co. Ltd

WOODY = Woody - Vuthithorn Milintachinda

Business Model



WOODY
X
CARABAO



FOLLOWER

f	7.1 M
Instagram icon	1.5 M
YouTube icon	2.2 M
Twitter icon	3 M

WOODY C+ LOCK



C+ LOCK technology embraced **product-quality differentiation** with

1. Green bottle
2. Special cap
3. Nitrogen gas

Delivered **fresh**, **200% vitamin C** to consumers

- Functional drink: Vitamin C 120mg/ **140ml.**
- **Health-conscious consumers**
- Launched 16 Mar'20
- Available in **Modern Trade** & **Traditional Trade** (via **Cash vans**)
- Retail price (incl. VAT) **THB 15**

DOMESTIC MARKETING VIBES



Drive domestic consumption
& brand awareness



Promotional campaign
20 Jan – 28 Apr '20





Corporate Profile



Company overview

Carabao is the 2nd largest energy drink company in Thailand with strong distribution network and a successful overseas business, which represents c.47% of the total revenue

Business overview

- Founded in 2001 as a partnership between 3 founders one of which is the leading singer of Carabao (Thai legendary folk band), the Carabao Group is now the **2nd largest energy drink company** in Thailand with **22.6% market share¹**
- Its main product, Carabao Energy Drink, is packaged into amber glass bottles or aluminum cans. Other branded products include bottled water, coffee, Carabao Sport electrolyte drink.
- Vertically integrated business model - CBG manufactures and distributes its own products, while excess distribution is maximized by distributing 3rd party products
- Carabao has strong in-house production capabilities of glass bottle, and aluminum can (production commenced in late Q4 2018)
- Strong local distribution channel with presence in both traditional and modern channels
 - Over 50 first tier agents
 - 31 distribution centers across Thailand
 - 326 cash vans –direct distribution- covering c.180,000 retailers
- Successfully tapped into global markets
 - Strong presence in international markets including Cambodia, Myanmar, Vietnam, Laos and other countries
 - Penetrating into new key strategic countries i.e. China
 - Opportunities in new export markets thanks to the fame of

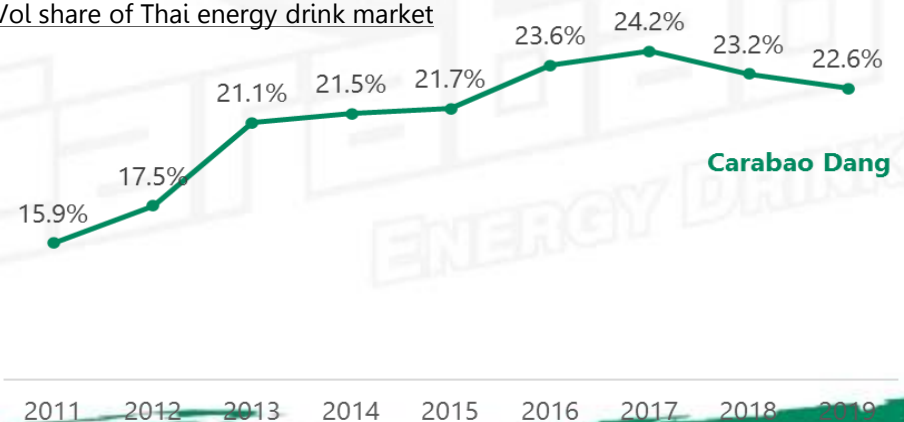
Carabao Cup

Product overview

Categories	Product Portfolio
Energy drink	
Coffee	<div> <p>3-in-1 instant coffee</p> </div> <div> <p>RTD coffee drink</p> </div>
Others branded products	<div> <p>Carabao Sport electrolyte drink</p> </div> <div> <p>Drinking water</p> </div>

Carabao's market share evolution¹

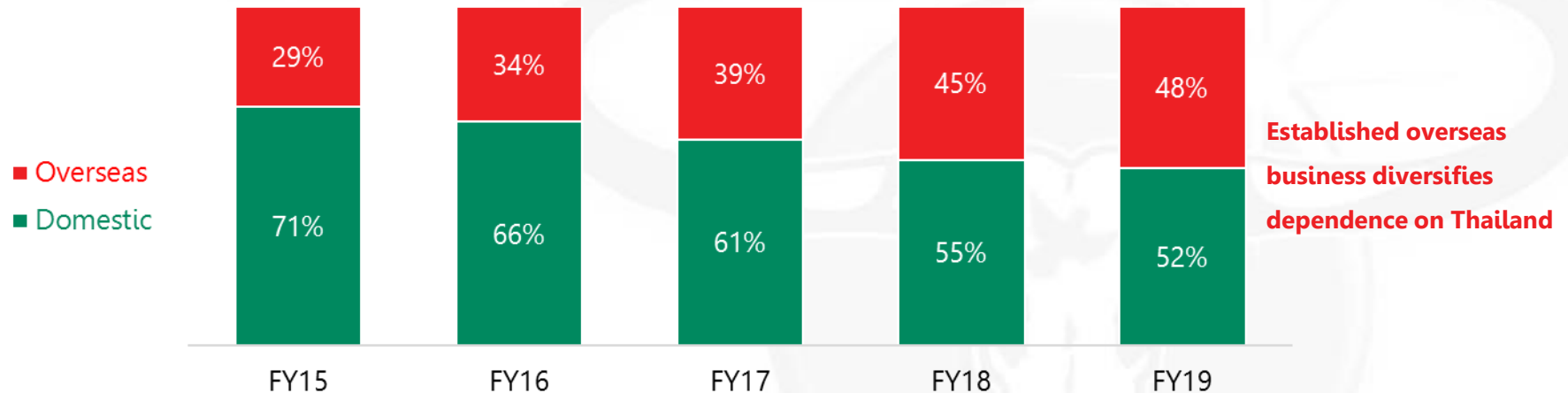
Vol share of Thai energy drink market



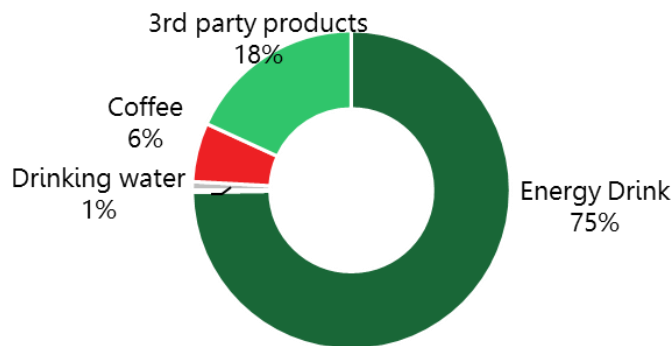
Domestic and international business overview

Increasing presence in the international market to drive growth

Sales breakdown

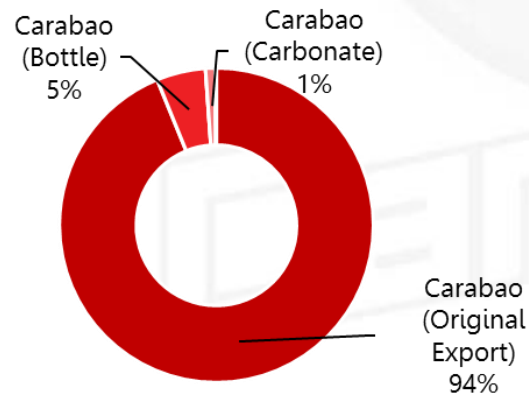


Domestic revenue by products



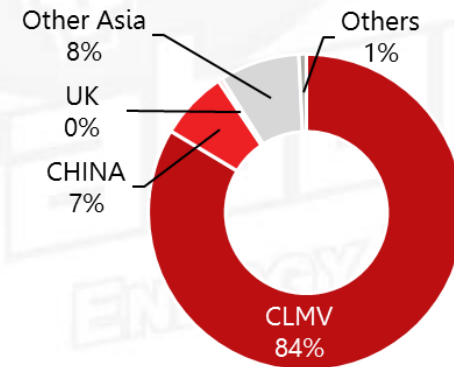
FY2019 domestic revenue:
THB 7,764m (-2% YoY)

International revenue by products



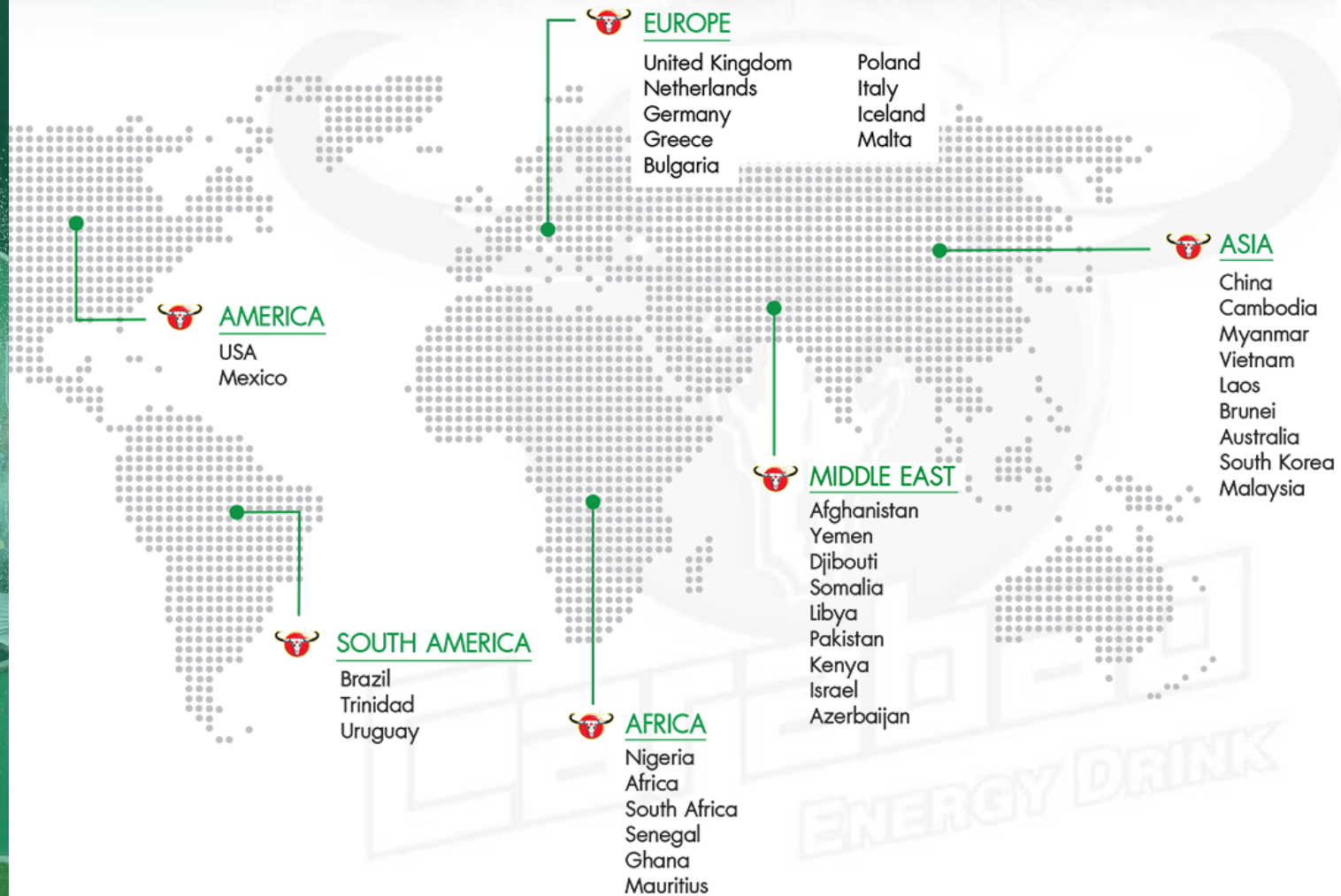
FY2019 international revenue:
THB 7,058m (+9% YoY)

International revenue by country



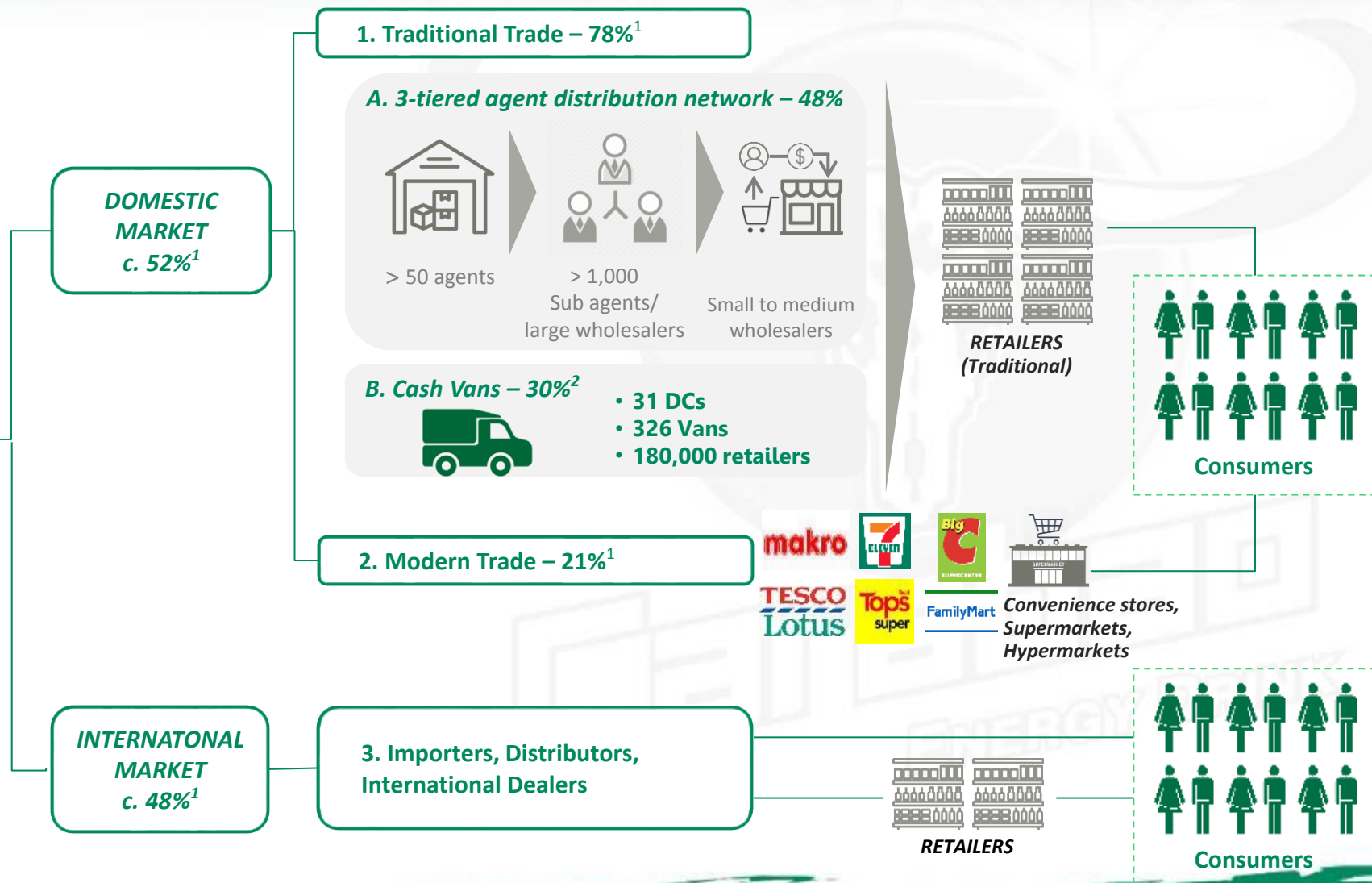
FY2019 international revenue:
THB 7,058m (+9% YoY)

Overseas present in over 30 countries



Comprehensive Distribution Network

Strong local distribution network covering both modern and traditional channels with unique cash van strategy

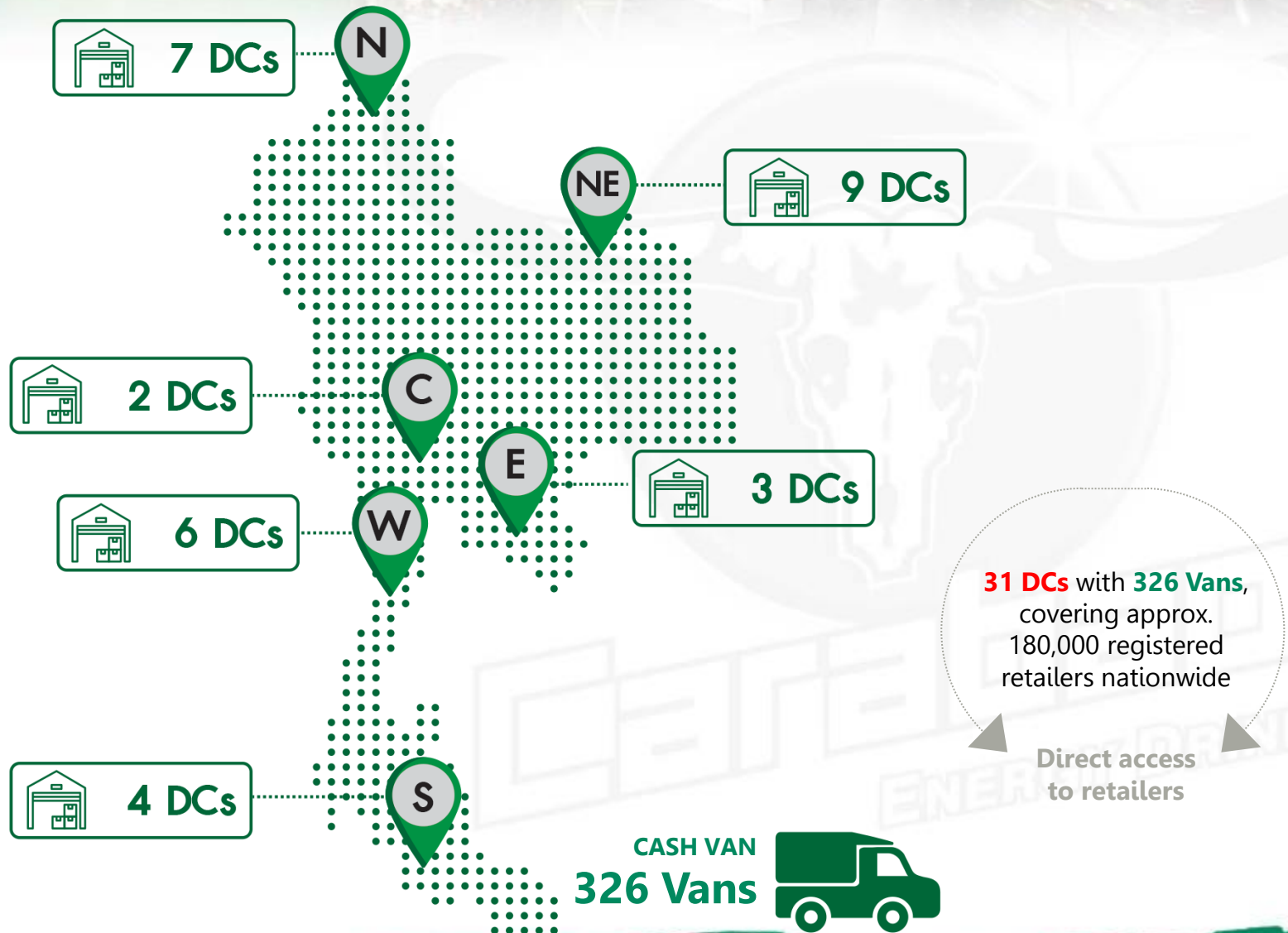


Note: (1) Sales Figure, FYS2019

(2) Launched in Q2/15 . Reached 31 distribution centers in March 2017

Cash Van & Distribution Center (DC) nationwide

An instructive fleet to push new products onto the shelf of small retailers



Note : After first established in 1Q15, nationwide distribution centers were completed in 1Q17

Marketing Channels



Dedicated in-house marketing team has established strong relationships with multiple media channels, enabling us to react to market trends and minimize lead time and costs



Flexible uses of multimedia channels to reach target consumers: media advertising, on-the-ground marketing team, brand ambassador and event sponsorships



Global marketing platform via international football sponsorships to widen windows of opportunity in global stage

Above the Line

TV commercials for wider reach

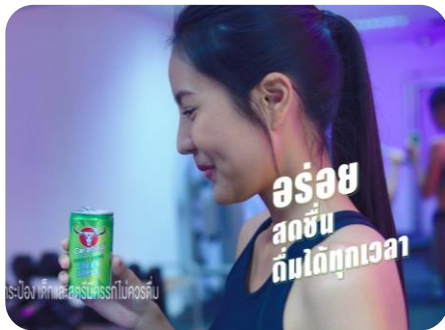
Print ads in magazines, newspapers and posters



Below the Line

On-ground marketing

More than 80 **BaoDang Girl Teams**, consisting of c.600 members, promote social activities



Brand Ambassador and events sponsorships

Celebrity spokesperson promoting our brand, as well as enhancing corporate image

Contributes significantly in establishing our brand

Regularly sponsor events which appeal to target consumers



Vertically integrated manufacturing facilities

State-of-the-art manufacturing facilities to ensure safe and efficient production

Bottling/ Canning production facilities

Plant location: 50 KM from central Bangkok

Bottles filling



- 11 production lines
- Prod. Cap. of **1,800 million bottles p.a.**

Cans filling



- 7 production lines
- Now: Prod. Cap. of **1,600 million cans p.a.**

Certifications:



APG glass bottle manufacturing facility



- Prod. Cap. of **1,300 million bottles p.a.**
- Maximum molten glass production of 310X2 tons per day

Certifications:



ACM Aluminum can manufacturing facility

(JV with Showa Denko Aluminum Can)



- Prod. Cap. of **1,000 million cans p.a.**
- Started to commercialize in 4Q2018
- Technology knowhow supported by SHOWA DENKO Group, a leading aluminum company from Japan



Management Team

INSTRUMENTAL TO BUILDING COMPANY'S SUCCESS

VISION

World Class Product, World Class Brand

MISSION

1. **People:** Develop our people with good attitude, willingness to learn, innovation, accountability
2. **Work System:** Execute with concise and international standard work system
3. **Organization & Management:** Operate with clear objective and understandable responsibility, proper organization structure, and project-based approach
4. **Technology:** Embed technology and innovation in our processes through production, management, sustainability development
5. **Product:** Produce quality and well-known **world class product**
6. **Brand:** Be wealthy and modern **world class brand**
7. **Corporate Image:** Be known as world class organization with good governance and social responsibility



Mr. Sathien Setthasit
Chief Executive Officer

Co-Founder of the Group in 2001



Ms. Nutchamai Thanombooncharoen
Managing Director

Co-Founder of the Group in 2001



Mr. Yuenyong Opakul (Add)
Senior Deputy Managing Director

- Co-Founder of the Group in 2001
- Lead singer of Carabao
- Brand Ambassador of Carabao energy drink



Mr. Kamoldist Smuthkochorn
Deputy Managing Director – Production

Been with the Group since 2002



Mr. Romtham Setthasit
Deputy Managing Director – Int'l Business

Been with the Group since 2015



Mr. Pongsarn Klongwathanakith
Chief Financial Officer

Joined in 2015, from CIMB Investment Bank

FOUNDERS



Mr. Sathien Setthasit
CEO

Founded Tawandang
German Brewery in 1999
Founded Carabao
Tawandang in 2002



Miss Nutchamai
Thanombooncharoen
Managing Director

Managed business with Mr.
Sathien since 1999
Managing Director of
Carabao since inception



Mr. Yuenyong Opakul
(Add Carabao)
Senior Deputy Managing
Director

Formed the origin of
Carabao - the Carabao band
- in 1977
Gathered millions of fans for
the brand since

Strong brand recognition associated with Carabao band

Carabao is Thailand's legendary music-for-life
& one of the most respected band in Thailand



[Est. 1981]

Songs for life music are reflections of aspects of Thai society

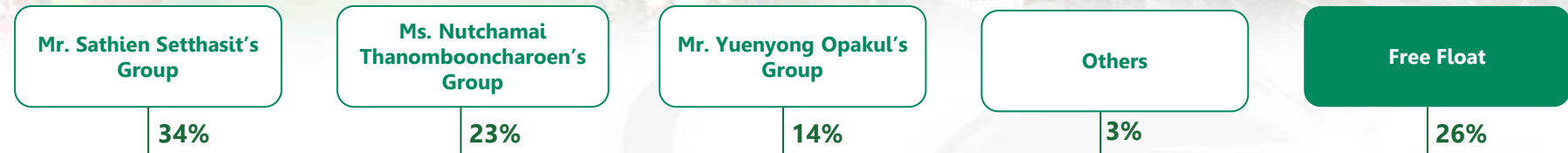
For over 30 years, **Carabao** songs have been known to **speak to the Thai people** in a manner that can easily be related to their own life experience and provide **the hope and strength to keep fighting**.

The result is a truly passionate **fan base that are overlapping with energy drink target groups** across the country that lives and breathes the Carabao **“Fighting Spirit”**.

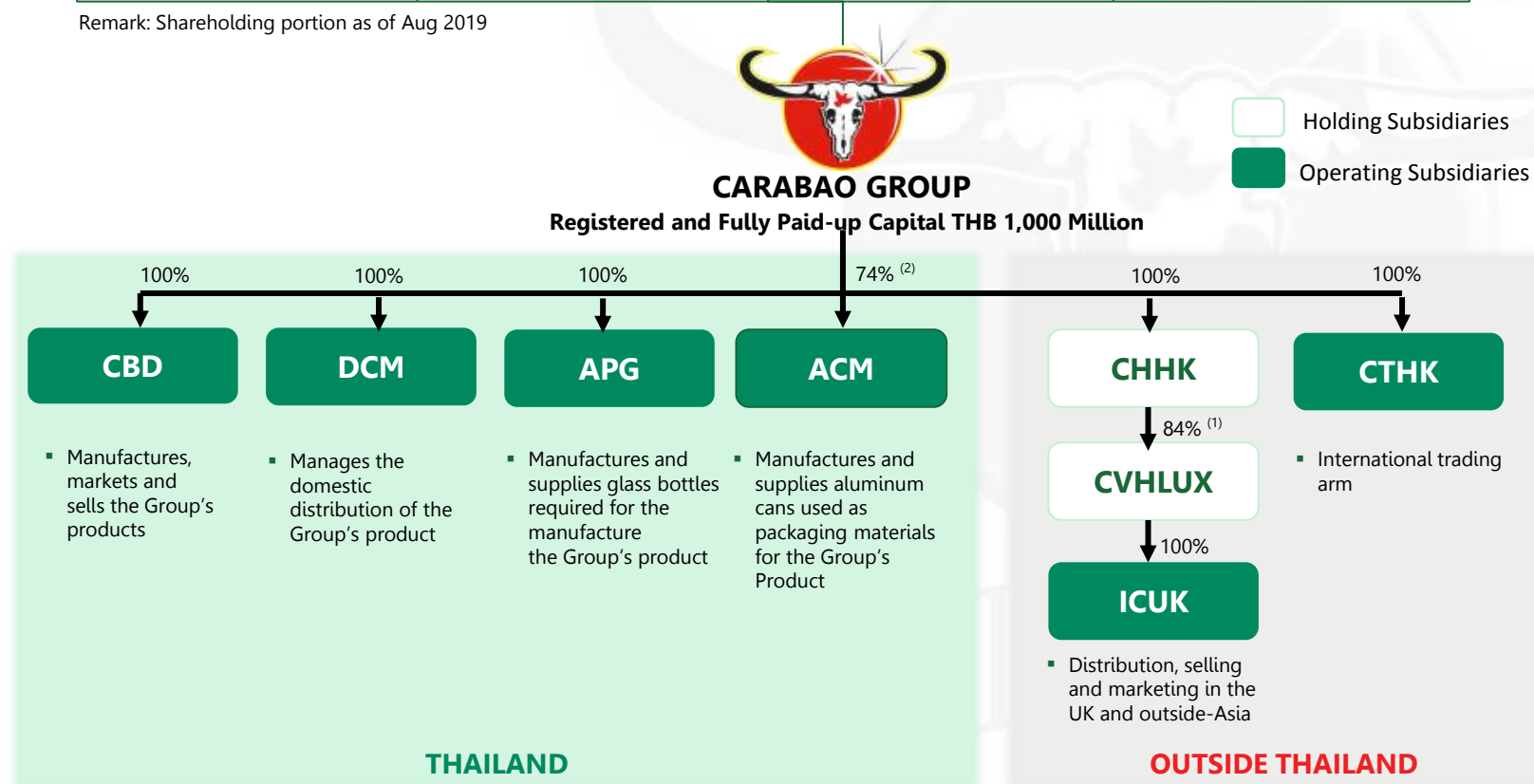


Carabao & Santana in Bangkok 29th Feb. 2016

Shareholding structure



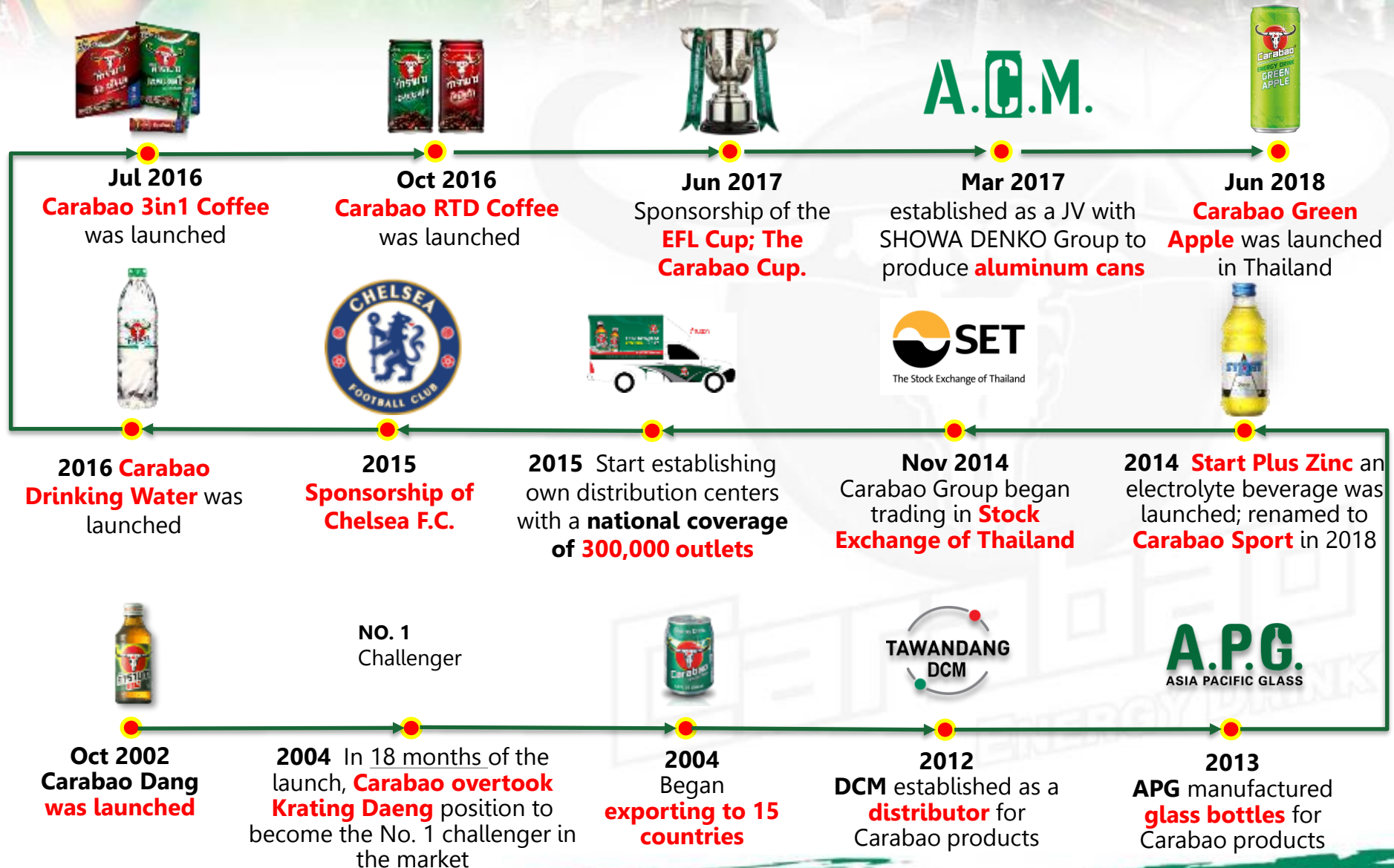
Remark: Shareholding portion as of Aug 2019



Note: (1) CBG's shareholding in CVHLUX increased from 51.0% to 84.3% effectively on 8 January 2018 due to exercising the right offerings of CVHLUX and converting shareholders' loans to equity, in accordance with the Change of Overseas Subsidiaries' Capital Structure transaction

(2) The remaining portion of 26% is held by SHOWA DENKO Group, a Japanese business partner

Key Milestones and Developments



Our Product Portfolio (Energy Drink SKUs)



Carabao Energy Drink (Original)	Carabao Energy Drink (Original Export)	Carabao Carbonated	Carabao Ginseng Edition	Carabao Carbonated (Original)	Carabao Carbonated (Sugar Free)	Carabao Carbonated (Green Apple)	Carabao Energy Drink (The PRC Market)	Carabao Carbonated (Mandarin Orange)	Carabao Carbonated (Green Apple)
<ul style="list-style-type: none"> • 150ml amber glass bottle • Flat taste • Caffeinated + B12 	<ul style="list-style-type: none"> • 250ml aluminum can • Flat taste • Caffeinated + B12 	<ul style="list-style-type: none"> • 330ml aluminum can • Carbonated • Caffeinated + Multivitamins 	<ul style="list-style-type: none"> • 330 ml aluminum can • Carbonated • Caffeinated + Multivitamins • Ginseng Extract 	<ul style="list-style-type: none"> • 330ml aluminum can • Carbonated • Caffeinated + Multivitamins • Less sugar (1:4) 	<ul style="list-style-type: none"> • 330 ml aluminum can • Carbonated • Caffeinated + Multivitamins • Sugar Free 	<ul style="list-style-type: none"> • 330 ml aluminum can • Carbonated • Caffeinated + Multivitamins • Green Apple Flavour 	<ul style="list-style-type: none"> • 250 ml aluminum can • Non-Carbonated 	<ul style="list-style-type: none"> • 330 ml aluminum can • Carbonated • Caffeinated + Multivitamins • Orange Flavour 	<ul style="list-style-type: none"> • 180 ml aluminum can • Carbonated • Caffeinated + Multivitamins • Green Apple Flavour
Domestic (mainly)	Export Only	Export in Asia	First market: Afghanistan	First market: UK	First market: UK	First market: UK	The PRC Market	First market: UK	First market: Thailand
October 2001	2004	May 2015	February 2016	April 2016	August 2016	October 2016	March 2017	April 2018	Mar 2019
10 THB (domestic)	Differ in various countries	2,000 Riel (17 Baht)	Differ in various countries	1.19 GBP	1.19 GBP	1.19 GBP	6 CNY	1.19 GBP	15 THB

Our Product Portfolio (Non-Energy Drink SKUs)



Products	Carabao Sport	Carabao Drinking Water	Carabao Coffee (Rich Aroma)	Carabao Coffee (Espresso)	Carabao Coffee (Robusta)	Carabao Coffee (Espresso)
Descriptions	<ul style="list-style-type: none"> 250ml glass bottle Flat taste Electrolyte & vitamins (No caffeine) 	<ul style="list-style-type: none"> 2 size = 600ml & 1200ml Outsource production Distribution through Cash Vans Channel 	<ul style="list-style-type: none"> 30 small sticks in 1 pack Outsource production Distribution through Cash Vans Channel and Tesco 	<ul style="list-style-type: none"> 30 small sticks in 1 pack Outsource production Distribution through Cash Vans Channel and Tesco 	<ul style="list-style-type: none"> 180ml can Outsource production Distribution through Cash Vans Channel, BigC and 7-Eleven 	<ul style="list-style-type: none"> 180ml can Outsource production Distribution through Cash Vans Channel, BigC and 7-Eleven
Domestic Market						
Launch Date	May 2014	February 2016	July 2016		November 2016	
Retail Selling Price	10 THB	7 & 12 THB	85 THB		10 THB	

3rd Party Products for distribution



Products	Seaweed	Dish Washing Liquid	Peanuts	Toothbrush	Razor	Fabric Softener
Retail Selling Price (THB)	5	10	5	10	10	10
Launch Date	November 2015	April 2016	June 2016	July 2016		August 2016



Products	Toilet Cleaner	Tissue	Detergent	Dried Tamarind	Canned fish	Coconut Nectar
Retail Selling Price (THB)	25	5	10	5	16	12
Launch Date	October 2016	December 2016	December 2016	July 2017	October 2017	January 2018

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INVESTOR RELATIONS

Carabao Group Public Co., Ltd.

Tel: +66 2636 6111 Ext.882

Email : IR@carabaogroup.com

www.carabaogroup.com/en