



CARABAO GROUP

ANALYST MEETING 1Q2023

23 May 2023

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Agenda

CBG Summary

Financial Performance

Business Outlook

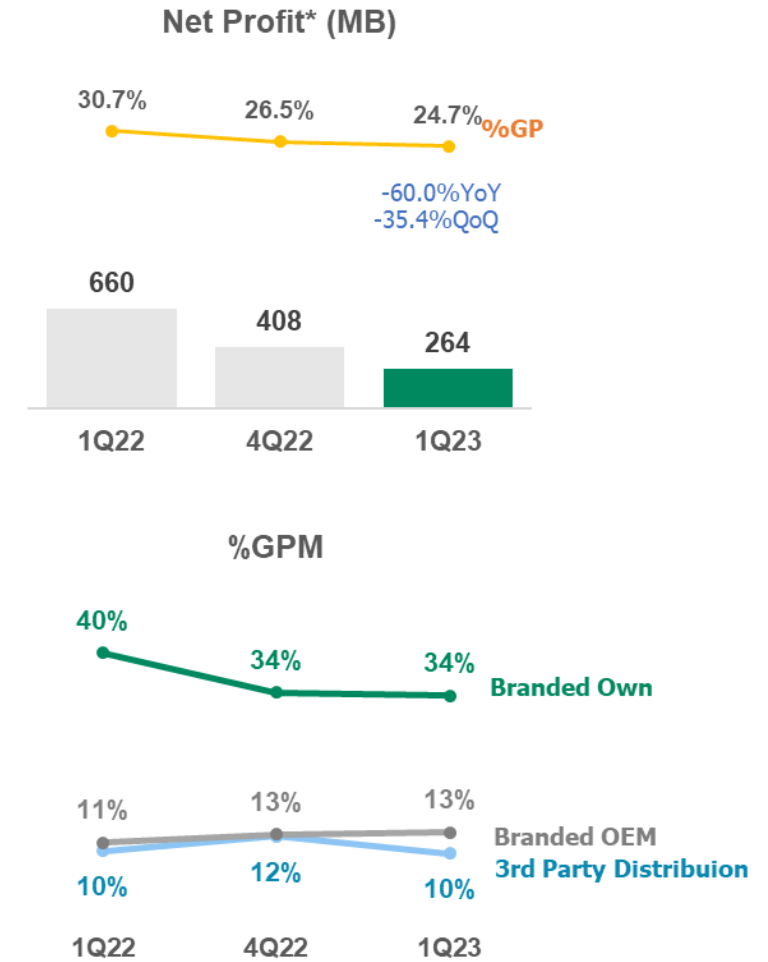
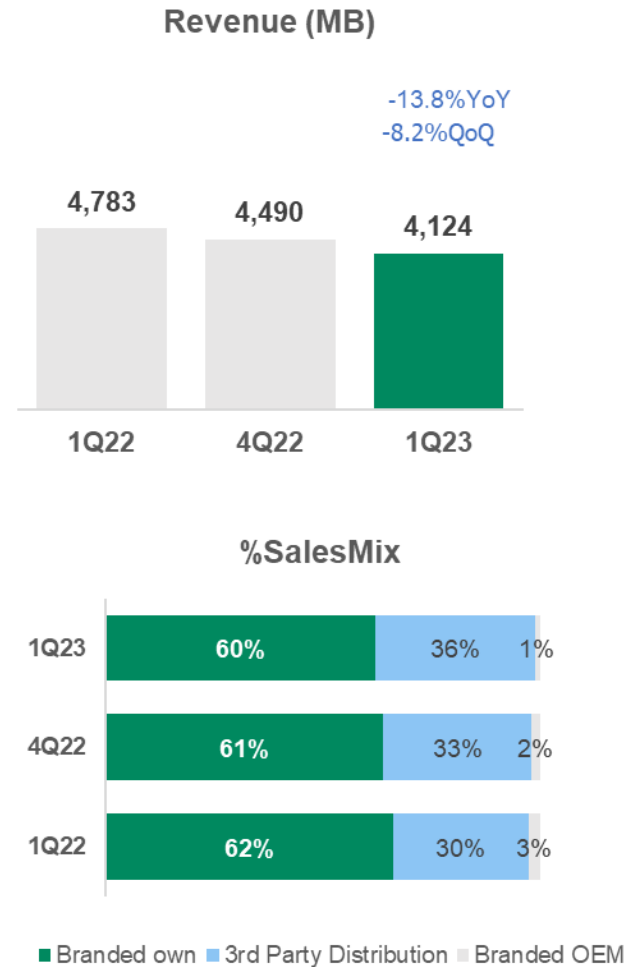
Q&A



CBG 1Q23 Summary

1Q23 Review

- Domestic sales of branded own products down by -9% YoY, mainly from Carabao Dang energy drinks. However, a major competitor have raised their selling price to 12 baht in March 2023 while we maintained the selling price at 10 baht and launching marketing activities under the campaign “Carabao Great Thai Good Career Project Season 2” with Thairath TV channel from Mar – Jul 23, resulted in an increase in our market share during March 2023 and expected to gradually gain more share.
- Overseas sales of branded own products down by -23% YoY, caused by the continuing economic recession after the COVID-19 pandemic in many countries. However, we expected that will start to improve in the near future. moreover, our sales in Myanmar and Laos recorded +86% QoQ and +105% QoQ, respectively.
- Sales of branded OEM down by -61% YoY, mainly from coffee RTD product is in the process of redesign and new formula development, which expected to be re-launched in the near future.
- Net Profits in 1Q23 were still pressured by sales in both domestic and overseas markets and higher raw materials prices and utility related expenses. This resulted in a decrease of %GPM Branded own products at 34% compared with 1Q22 at 40%. However, we expected to recover through our business plan and marketing strategy.



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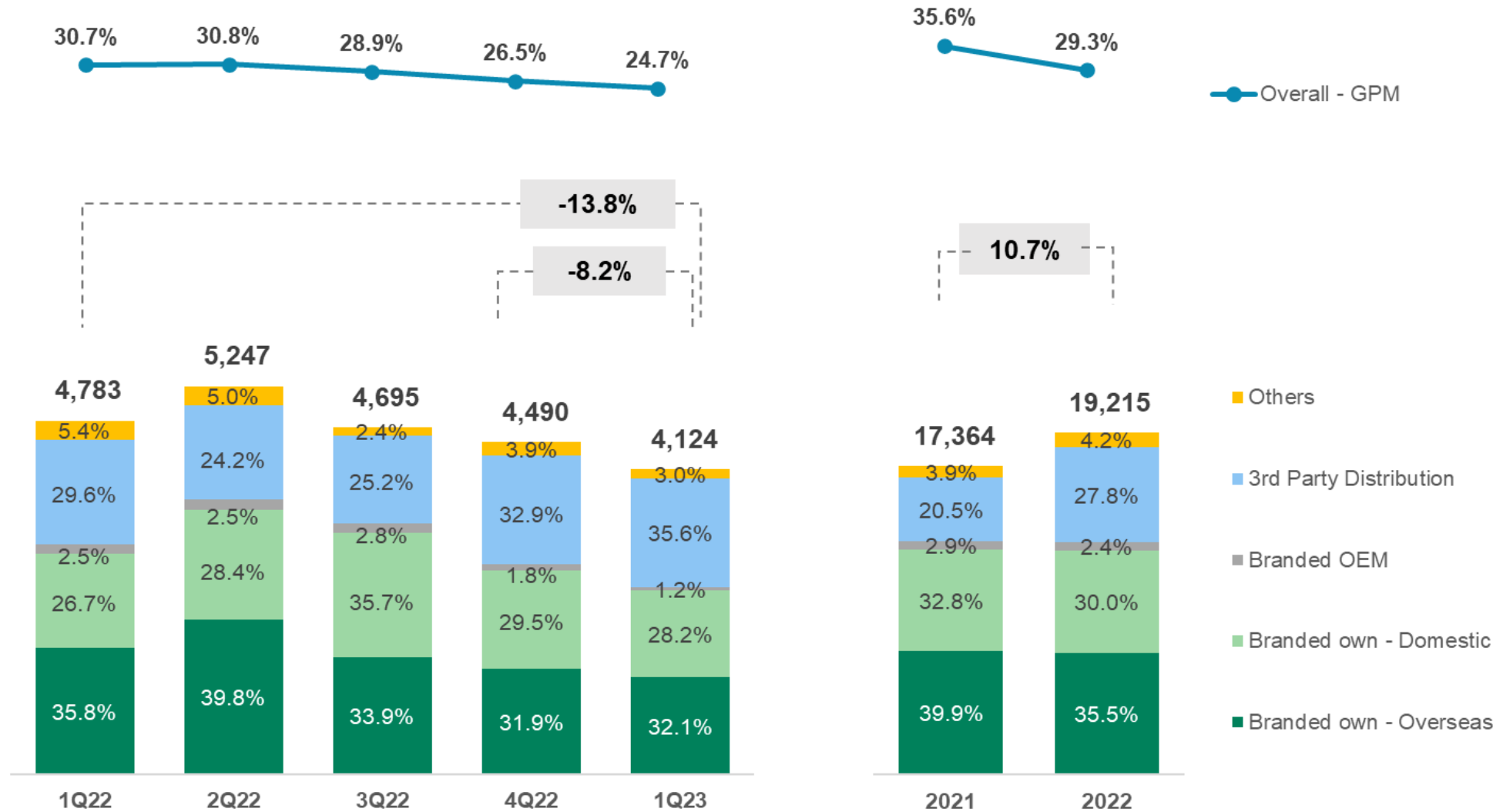
Q&A



Performance

CBG Revenue from Sales

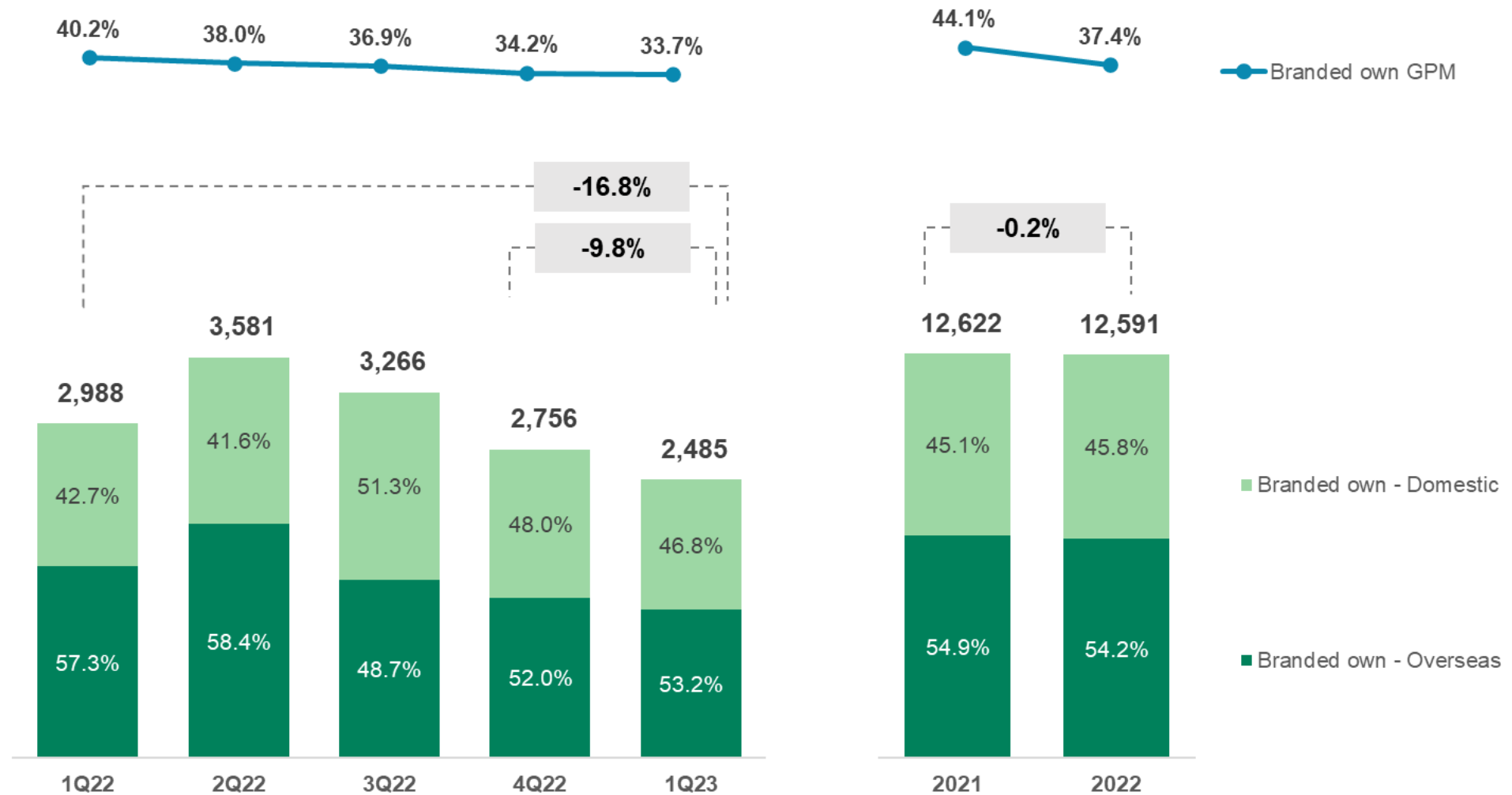
Sales (THB mn) and Gross Profit Margin



Branded Own

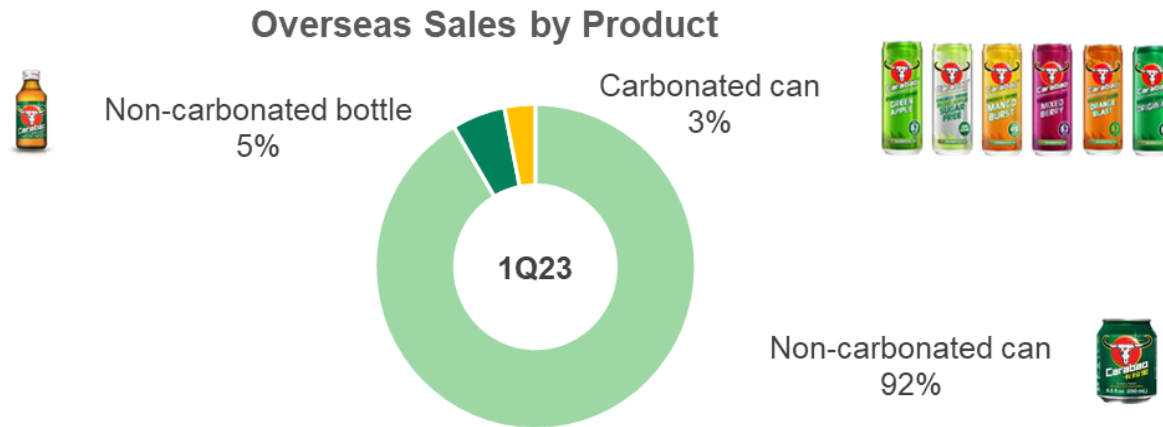
Revenue breakdown (Domestic and Overseas)

Sales (THB mn) and Gross Profit Margin



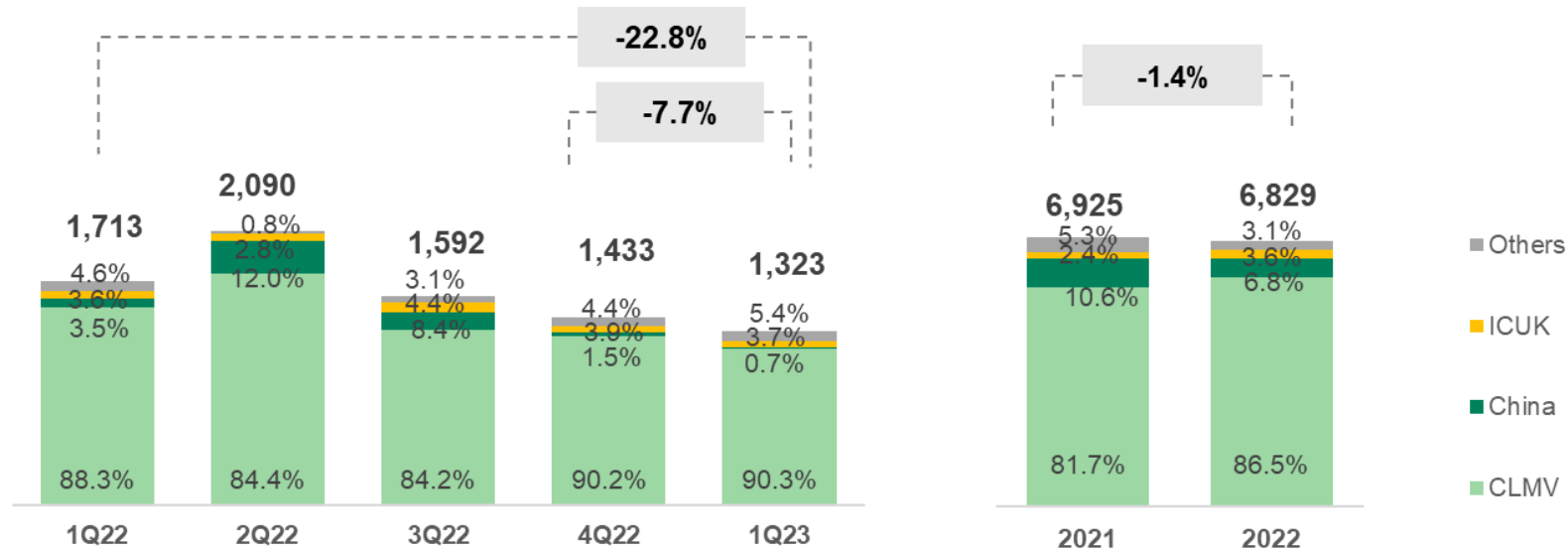
Branded Own

Revenue breakdown (Overseas)



Country	1Q23	%YoY	%QoQ	2022	%YoY
CLMV	1,194	-21.1%	-7.6%	5,909	+4.4%
China	9	-85.0%	-58.2%	467	-36.2%
ICUK	49	-20.0%	-12.3%	245	+47.6%
Others	71	-9.9%	+11.5%	209	-43.4%

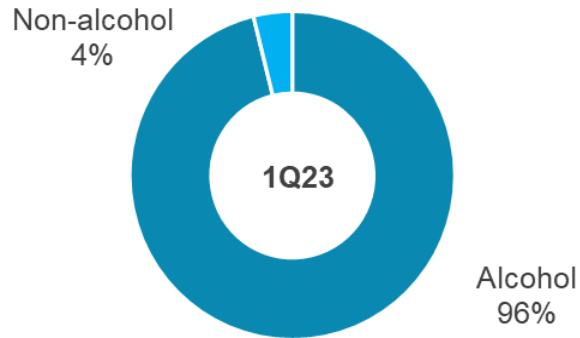
Overseas Sales by Geography (THB mn)



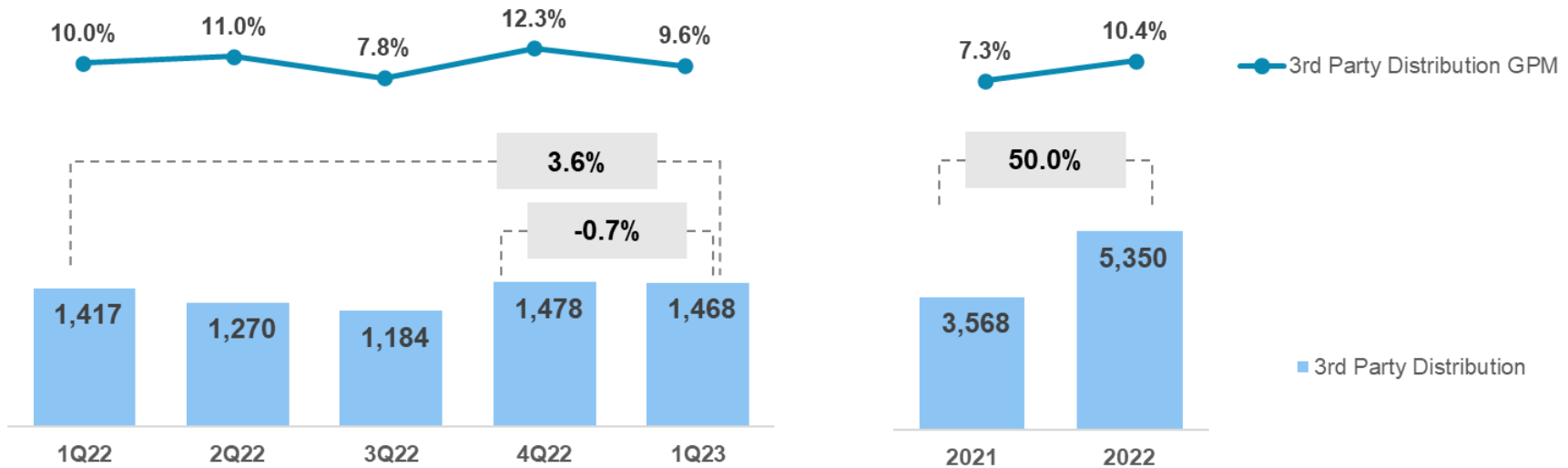
Distribution for 3rd Party

Revenue breakdown

3rd Party Distribution Sales by Product



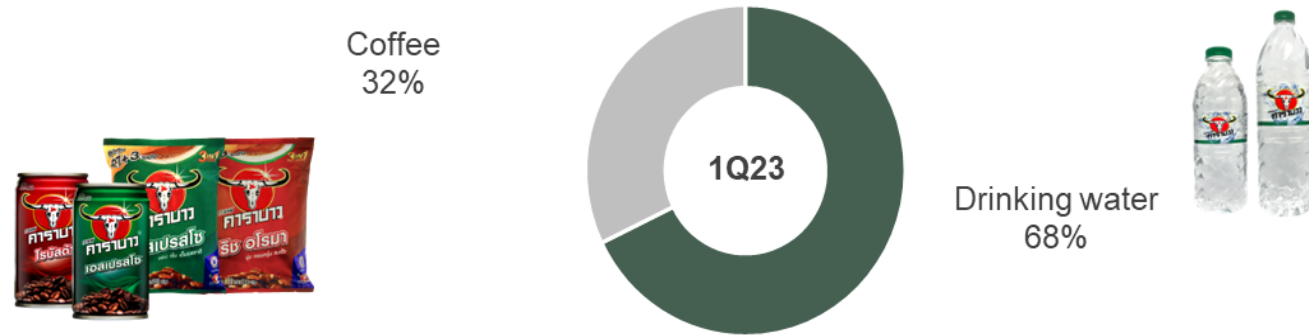
Sales (THB mn) and Gross Profit Margin



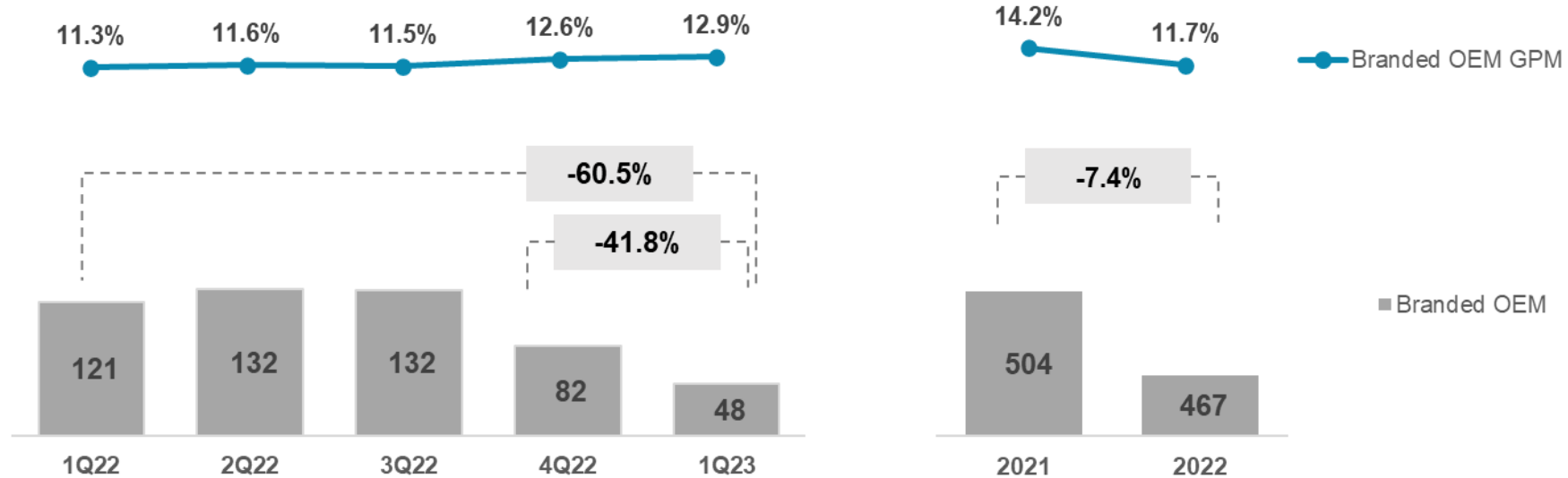
Branded OEM

Revenue breakdown

Branded OEM Sales by Product

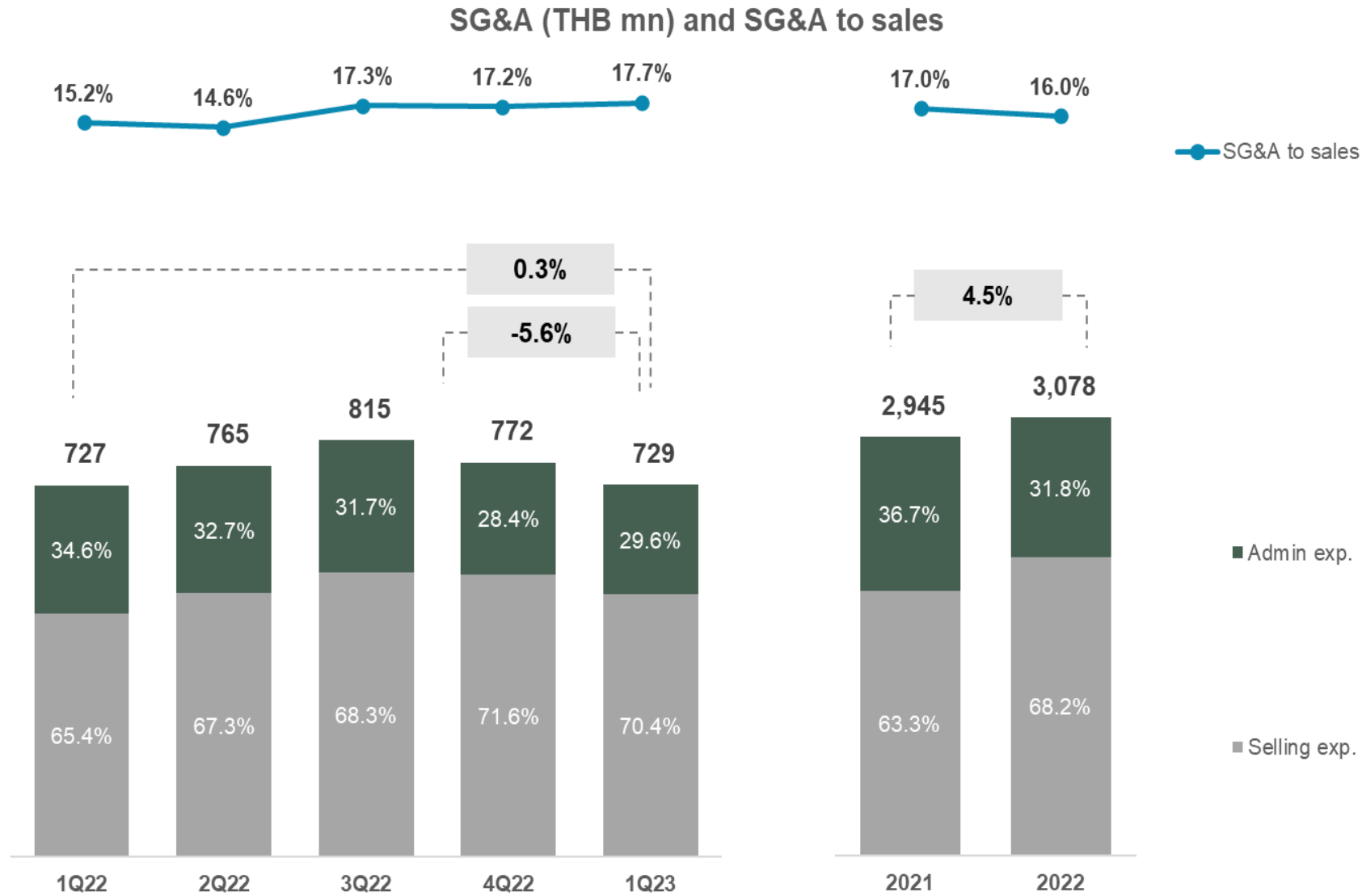


Sales (THB mn) and Gross Profit Margin



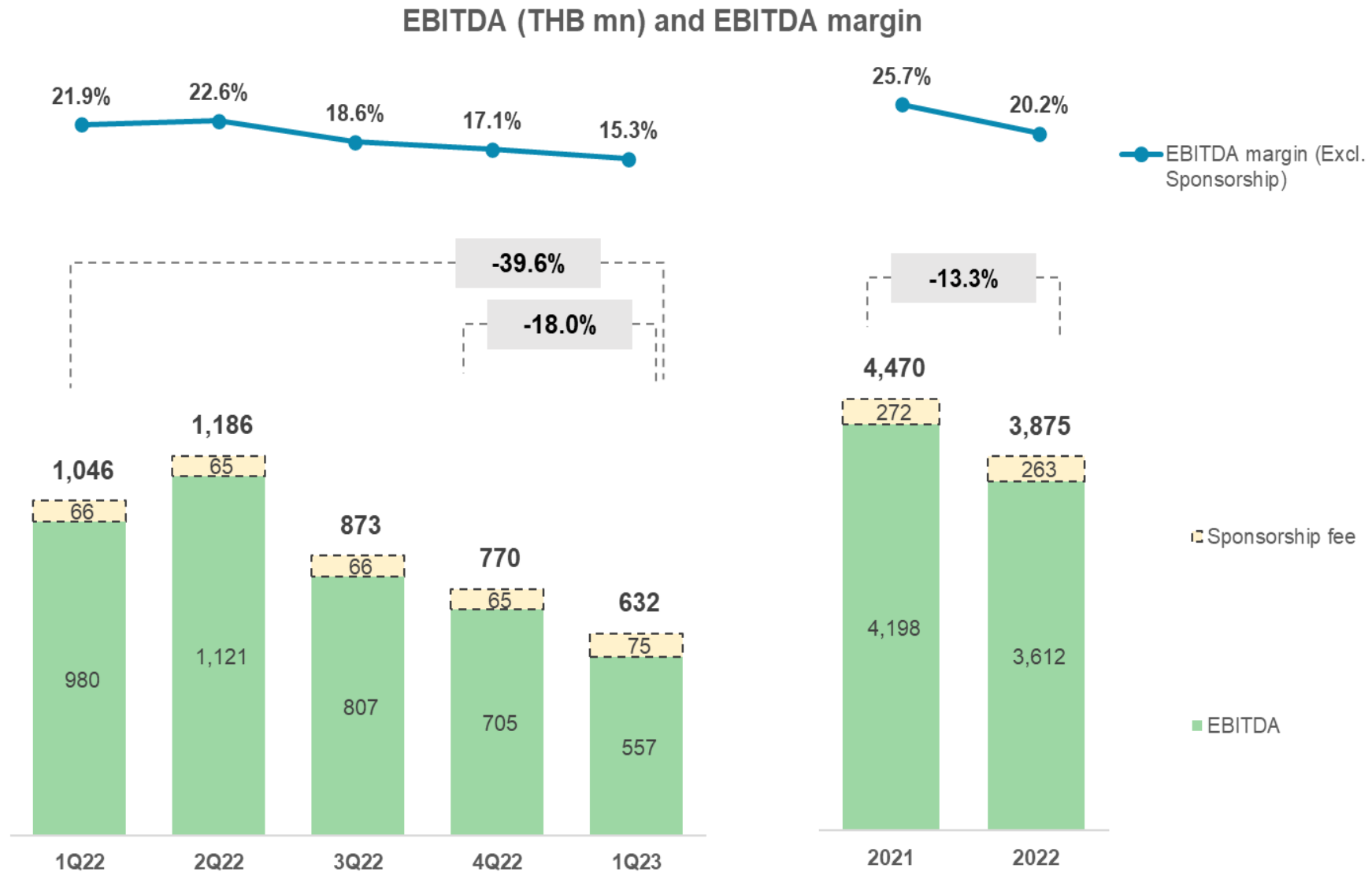
SG&A

SG&A breakdown



Profitability Trend

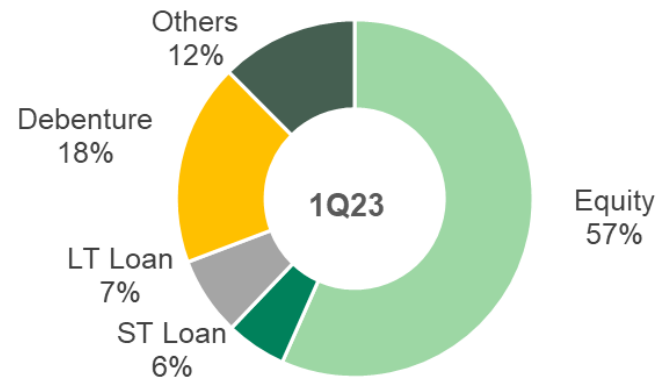
Consolidated EBITDA



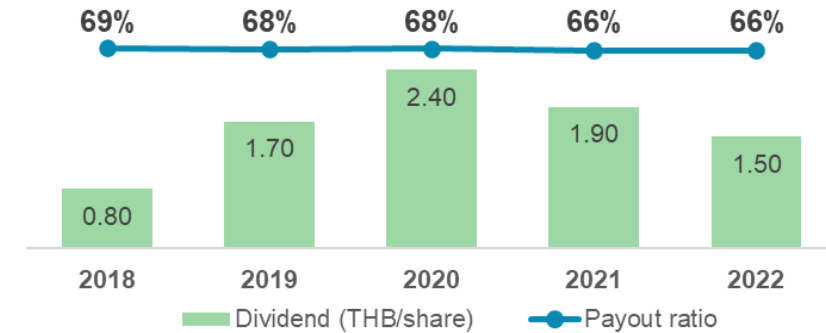
Capital Management

Capital structure & Key financial ratios

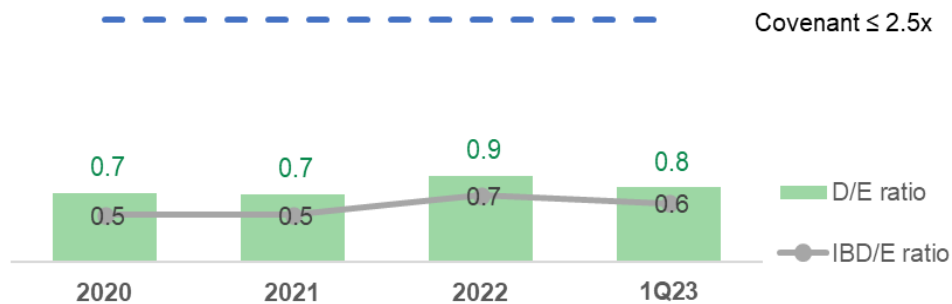
Capital structure as 31 Mar 2023



Dividend payment



Gearing ratios



Key financial ratios

Profitability Ratio	1Q22	4Q22	1Q23
Gross profit margin	30.7%	26.5%	24.7%
Operating margin	15.5%	9.3%	7.0%
Net profit margin	13.8%	8.9%	6.1%
ROA	18.5%	14.2%	12.3%
ROE	26.7%	21.9%	17.3%

Remark: * Contributing to major shareholders of the company
 ** Return = EBIT

Statement of comprehensive income

Unit: THB mn

	1Q22	4Q22	1Q23	%YoY	%QoQ	2021	2022	%YoY
Revenue from sales	4,783	4,490	4,124	-13.8%	-8.2%	17,364	19,215	10.7%
Costs of goods sold	3,317	3,299	3,107	-6.3%	-5.8%	11,181	13,582	21.5%
Gross profits	1,466	1,191	1,017	-30.7%	-14.7%	6,183	5,633	-8.9%
Selling expenses	475	553	513	8.0%	-7.1%	1,863	2,100	12.7%
G&A expenses	251	219	215	-14.3%	-1.7%	1,082	979	-9.5%
Operating profits	739	420	288	-61.1%	-31.4%	3,239	2,555	-21.1%
Other income	43	72	62	44.4%	-13.8%	205	239	16.5%
Other expenses	-	-	-	N.A.	N.A.	-	-	N.A.
EBIT	783	492	350	-55.2%	-28.8%	3,444	2,794	-18.9%
EBITDA	980	700	554	-43.5%	-20.8%	4,197	3,607	-14.1%
Interest incomes	0	0	0	-81.0%	-99.2%	1	1	-2.0%
Interest expenses	25	35	36	47.0%	4.2%	89	115	29.7%
EBT	758	458	314	-58.5%	-31.4%	3,356	2,679	-20.2%
Income tax expenses	112	55	61	-45.7%	11.6%	513	433	-15.7%
Net profits for the period	646	403	253	-60.8%	-37.2%	2,843	2,247	-21.0%
Net profits attributed to the Company's shareholders	660	408	264	-60.0%	-35.4%	2,881	2,286	-20.6%
Key ratios								
Gross profit margin	30.7%	26.5%	24.7%	-6.0%	-1.9%	35.6%	29.3%	-6.3%
Operating margin	15.5%	9.3%	7.0%	-8.5%	-2.4%	18.7%	13.3%	-5.4%
Net profit margin	13.8%	9.1%	6.4%	-7.4%	-2.7%	16.6%	11.9%	-4.7%
EBIT margin	16.4%	11.0%	8.5%	-7.9%	-2.5%	19.8%	14.5%	-5.3%

Statement of financial position

Unit: THB mn

ASSETS	Dec-22	Mar-23	Change	LIABILITIES	Dec-22	Mar-23	Change
Current Assets				Current Liabilities			
Cash, Cash Equivalents	936	837	-99	Short-term loans	3,518	1,050	-2,468
Current Investments	-	-	-	Trade and other payable	1,853	1,408	-444
Trade and other receivable	2,533	1,983	-550	Current portion of long-term loans	1,069	844	-225
Inventories	2,718	2,545	-172	Current portion of Debentures	1,499	1,500	0.3
Other current assets	160	122	-38	Other current liabilities	248	286	38
Total Current Assets	6,347	5,488	-859	Total Current Liabilities	8,187	5,088	-3,099
Non-Current Assets				Long-term loans	555	513	-42
Investment Properties	-	-	-	Debentures	-	1,996	1,996
Property, plant & equipment	12,229	12,188	-41	Other non-current liabilities	731	690	-42
Intangible Assets	98	97	-1	Total non-current liabilities	1,287	3,199	1,912
Goodwill	105	104	-1	Total Liabilities	9,474	8,287	-1,187
Other non-current assets	1,260	1,240	-20	SHAREHOLDERS' EQUITY			
Total Non-Current Assets	13,692	13,628	-64	Issued and fully paid-up share capital	1,000	1,000	-
Total Assets	20,039	19,116	-923	Premium on shares	3,963	3,963	-0
Key ratios				Retained earnings	6,055	6,319	264
D/E	0.90	0.77	-0.13	Other components of shareholders' equity	-336	-322	14
IBD/E	0.69	0.60	-0.09	Equity attributable to owners of the Company	10,683	10,960	277
ROA**	14.2%	12.3%	-1.9%	Non-controlling interests of the subsidiary	-118	-130	-13
ROE*	21.9%	17.3%	-4.6%	Total shareholders' equity	10,565	10,830	264
				Total liabilities and Equity	20,039	19,116	-923

Remark: * Net profit attributed to owner / Averaged equity contributing to major shareholders of the company

** EBIT / Averaged total assets

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Business Outlook

Promotions

การขาวแดง
ลด 2 ขวด 18 บาท
รับร้อนนี้

จากราคาปกติ 20 บาท

ถูก·ดี มีมาตรฐาน

7-11 MORE

ตั้งแต่วันที่ 1 - 31 พ.ค. 2566

ตั้งแต่วันที่ 25 เม.ย. - 24 พ.ค. 2566

คันโซคุณสอง
ราคาพิเศษ
รับทุบตอนนี้เลย!!!

1 ขวด 13 บาท
จากราคาปกติ 15 บาท

เครื่องดื่มคันโซ คุณสอง
(มีส่วนผสมจากคันโซ)

คันโซ X2
คันโซ X2

มีส่วนผสมจากคันโซ 100 มล.

มีคาร์บอนต่ำ 200 มล.
ส่วนผสมจากคันโซ 200 มล.

ถูก·ดี มีมาตรฐาน

โปรโมชันเฉพาะที่ร้าน

ตั้งแต่วันที่ 12 - 31 พ.ค. 2566

Business Outlook

Marketing activities



Business Outlook

Overseas market



Carabao Concert Tour, another marketing activity which always receives positive feedback from Cambodian customers, is coming back in 2023.

Since the COVID-19 pandemic, even though many outdoor activities gathering of people including a concert were banned and cancelled, Carabao Cambodia Concert had been however continuously televised Live on TV channel for 3 years. And this year 2023 will be the year that the "Carabao Cambodian Concert Tour" reemerges to give happiness to the Cambodian in every region again by bringing famous artists, a variety of entertaining activities and plenty of giveaways. The concert tour will take place during January - May 2023.

Business Outlook

Overseas market



With the aim of being the top selling energy drink in Laos, Carabao's marketing strategy for this year focuses on all-encompassing distribution to every channel, especially in retail stores which are considered a crucial distribution channel in which Carabao Energy Drink can be easily accessed by consumers. Additionally, massive amounts of distribution vehicles have been incorporated into the distribution network in order to access rural and remote areas. Also, an in-store product placement strategy has been implemented in modern trade channels ensuring that Carabao Energy Drink products stand out on store shelves.

Furthermore, in order to advertise and promote the products, Carabao Thailand and Carabao Laos have collaborated to bring Add Carabao, a man of stellar reputation in Thailand, to the Vientiane region, which is not only the country's capital and largest city, but also a key distribution center, allowing him to closely visit store owners and consumers.

With these marketing strategies, Carabao Laos are certain that it will become the number 1 energy drink in Laos.

Business Outlook

Overseas market



CARABAO GROUP

SEE YOU AT

THAIFEX - ANUGA ASIA 2023

23-27 MAY 2023

10:00 AM - 06:00 PM



thai
fex
anuga
ASIA

Visit us at Impact Challenger Hall 2 Booth FF15
For enquiry, please contact us at inter-sale@carabao.co.th

The Department of International Trade Promotion (DITP), Thai Chamber of Commerce (TCC), and Koelnmesse (KM) have co-organized THAIFEX, Asia's largest and most comprehensive food and beverage trade show. The stage is set for networking, market exposure, and driving revenue growth. There will be food & beverage highlights, expert talks, and chef competitions.

Due to the COVID-19 pandemic, it has been a while since we last exhibited in THAIFEX. This year, we would like both local and international visitors to experience not only the quality of our world-class products, but also the potential of our world-class manufacturing factories as well as showcase our new products.

Welcome to meet us at the event during 23-27 May 2023 at Hall 2 Booth FF15 Impact Muang Thong Thani, Bangkok.

See you at THAIFEX.

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Appendix





CO-FOUNDERS

**Miss Nutchamai
Thanombooncharoen**



**Mr. Sathien
Sathientham**



**Mr. Yuenyong
Opakul**



MANAGEMENT TEAM



**Mr. Sathien
Sathientham**
*Chief Executive
Officer*



**Mr. Romtham
Sathientham**
Managing Director



**Mrs. Wongdao
Thanombooncharoen**
*Senior Deputy Managing
Director*



**Mr. Kamoldist
Smuthkochorn**
*Deputy Managing
Director*

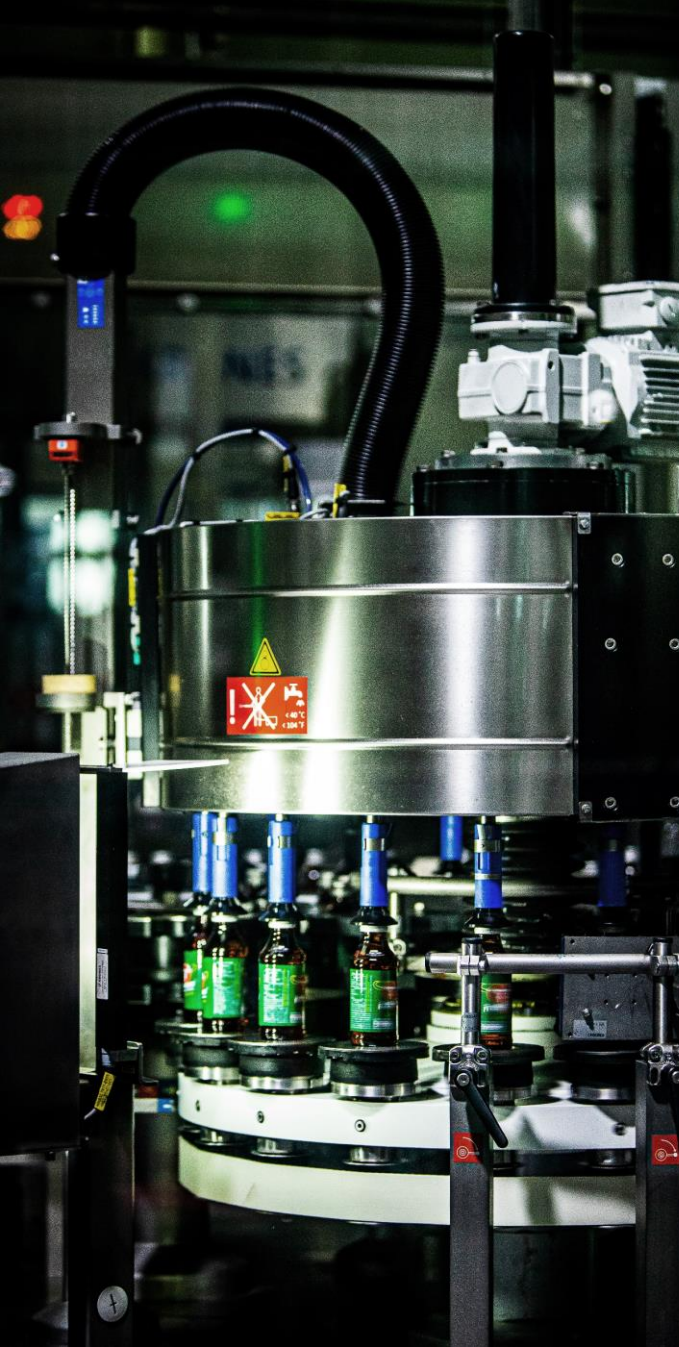


**Mr. Pongsarn
Klongwathanakith**
Chief Financial Officer

Brand Recognition

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





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

OUR GOAL

Carabao Group remains committed to the communities that we serve and continues to act under our “Add Value to Life” mantra to grow our business aggressively, but also responsibly and sustainably. Our aim is to maximize our customers’ satisfaction with our products whilst continuously developing our organization to produce only World Class Product under our World Class Brand. We are confident that this goal will ensure that Carabao Group will be successful, despite that challenges that lie ahead.

The company maintains its business goal in the next 3-5 years with sale growth and the sustainable revenue. The growth will come from the company’s original business, launches of new innovative products to the market and investing in new business to become the world’s leading company.

Beside of that, the company focuses on being a leader in the energy drink business and other drinks by focusing on the development of products that are worthwhile and valuable to consumers, including modern packaging design launching to the market, produce the good quality products as new alternatives for consumers. Additionally, operational strategies will be applied cautiously along with human resources development and efficient working process enhancing the quality to achieve business excellence by encourage all operation framework covering 3 dimensions of sustainability economic, social, and environment aspects for aiming to be a leader in beverage industry which empathized on the sustainable development features at the world class level in accordance with the criteria of international standard for sustainable development such as S&P, GRI, DJSI, etc






Company Overview

Carabao is the 2nd largest energy drink company in Thailand and a successful overseas business

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 in Thailand ranked with c.21% 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
- Started to diversify product portfolio into functional drink segment by launching WOODY C+ Lock in March 2020 and new product in energy drink segment by launching Kanzou x2 in August 2022
- Strong local distribution channel with presence in both traditional and modern channels
 - Over 50 first tier agents
 - 31 distribution centers across Thailand
 - >300 cash vans (direct distribution) covering c.180,000 retailers
- Successfully tapped into global markets
 - Strong presence in international markets including Cambodia, Myanmar, Vietnam, Laos, China and other countries
 - Opportunities in new export markets thanks to the fame of Carabao Cup

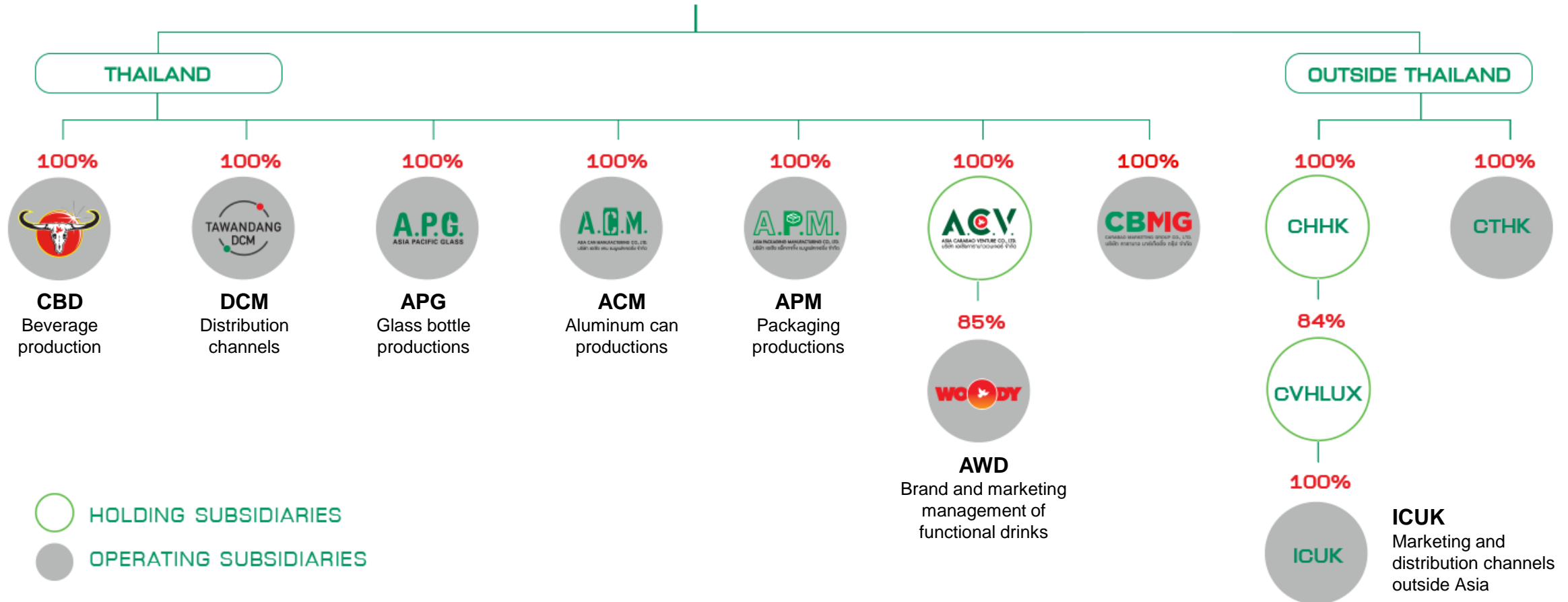
Product overview

Categories	Product Portfolio
Energy drink Non-carbonated	 <p>Carabao Dang Kanzou X2</p>
Energy drink Carbonated	
Functional drink	 <p>WOODY C+ Lock</p>
Coffee	 <p>3-in-1 instant coffee RTD coffee drink</p>
Others branded products	 <p>Drinking water Carabao Sport Carabao Sport Isotonic</p>

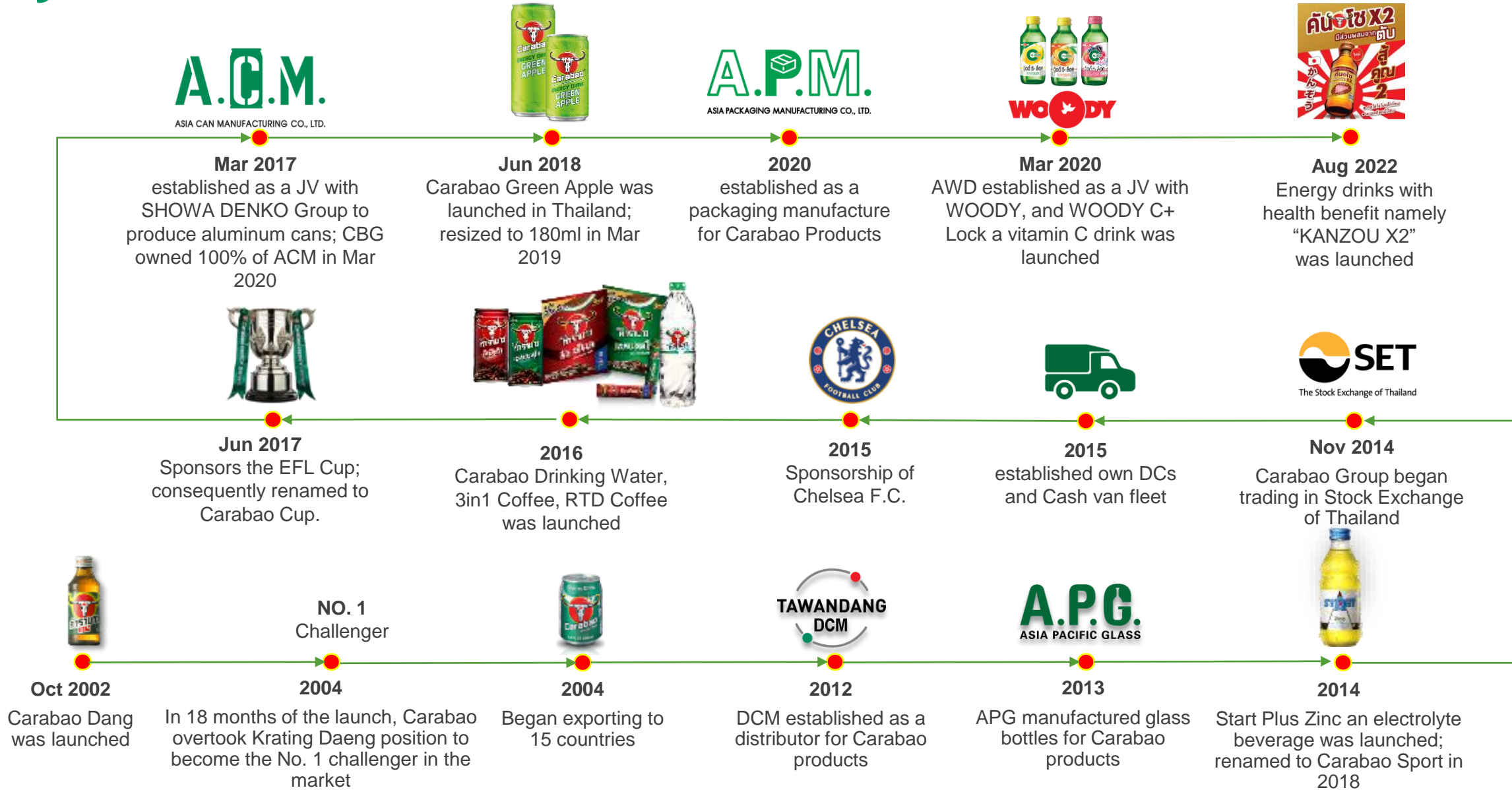
Remark: 1. Nielsen energy drink market report, as of Dec 2022 ("Nielsen Report"), in terms of volume.

Note: Since 2018, the market has been driven by some niched players, combining herbal ingredients with energy drinks, which Nielsen categorizes these as energy drink segment.

Company Structure



Key Milestones



Manufacturing Facilities

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



Filling production facilities

- Production capacity of 2.5 billion bottles p.a.
- Production capacity of 2.0 billion cans p.a.

Certifications:



Packaging manufacturing facility

Production capacity

- Carton box 72.0 million pieces p.a.
- OPP Label 30.9 million square meters p.a.
- Shrink Film 3,000 Ton p.a.



Glass bottle manufacturing facility

- Production capacity of 1.3 billion bottles p.a.
- Maximum molten glass production of 310X2 tons per day

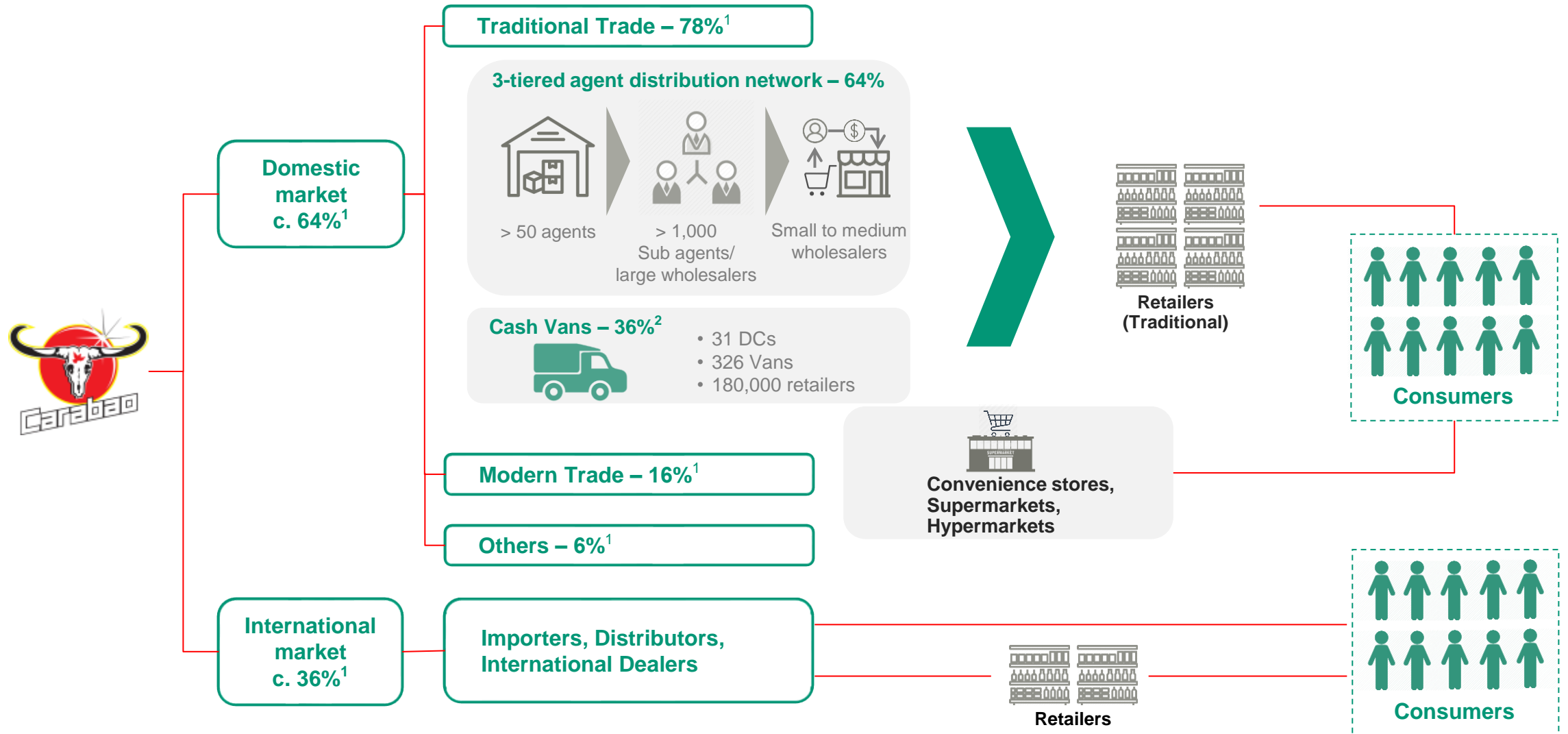


Aluminum can manufacturing facility

- Production capacity of 1.0 billion cans p.a.
- Sizable plant to accommodate the 2nd production line installation for expansion purpose, if any

Distribution Channels

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

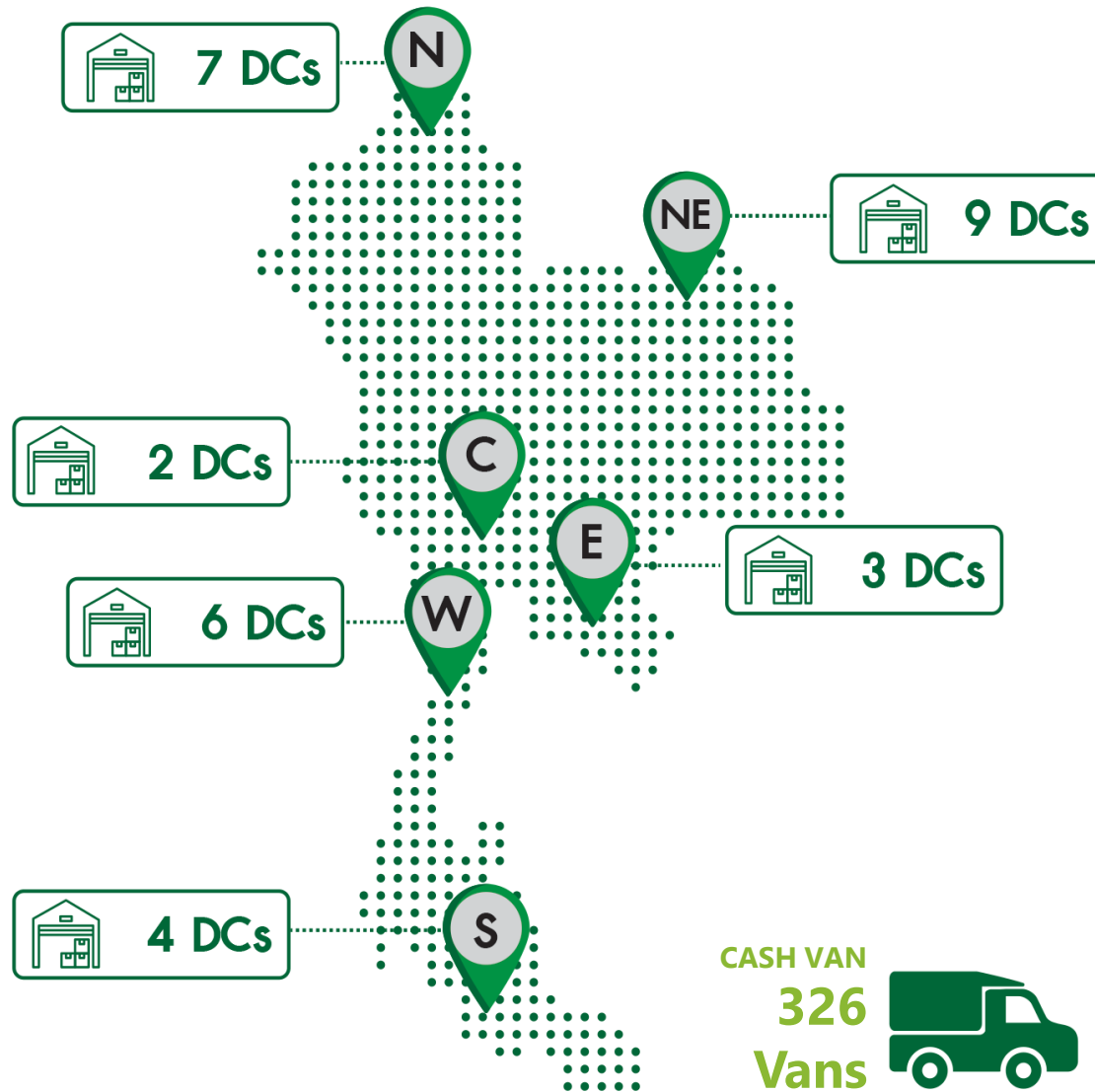


Note: 1. Sales Figure, 2022

2. Launched in 2Q15. 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



31 DCs with **326 Vans**, covering approx. 180,000 registered retailers nationwide

Direct access to retailers

Distribution Channels

International market



Carabao Global Map

42 Countries

all over the world

EUROPE

Bulgaria
Czech Republic
Germany
Greece
Netherlands
Ukraine
United Kingdom

OCEANIA

Australia
New Zealand

AFRICA

Ivory coast
Kenya
Mauritius
Nigeria
Republic of Somalia
Senegal

ASIA

Afghanistan Malaysia
Bangladesh Myanmar
Bhutan Oman
Brunei Pakistan
Cambodia Saudi Arabia
China Singapore
India South Korea
Israel Turkey
Japan United Arab Emirates
Kazakhstan Vietnam
Laos Yemen

NORTH AMERICA

Canada
USA

SOUTH AMERICA

Bolivia
Venezuela



Marketing Channels

Be wealthy and modern world class brand



BRAND AMBASSADOR AND EVENTS SPONSORSHIPS

- Celebrity spokesperson promoting our brand, as well as enhancing corporate image
- Contributes significantly to establishing our brand
- Regularly sponsor events which appeal to global target consumers

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





SUSTAINABILITY

บริษัทฯ ร่วมกันผลักดันกระบวนการบริหารจัดการต่างๆ เพื่อสนับสนุนพัฒนาธุรกิจอย่างยั่งยืน ที่ครอบคลุมทุกมิติ ทั้งในด้านสิ่งแวดล้อม ความรับผิดชอบต่อสังคม และหลักบรรษัทภิบาล (ESG)



ได้รับการจัดอันดับอยู่ในกลุ่มหุ้น
ยั่งยืน ประเภทเกษตรและ
อุตสาหกรรม (ARGO)
จากตลาดหลักทรัพย์แห่งประเทศไทย

ได้รับการรับรองเครื่องหมายคาร์บอนฟุตพริ้นท์
ขององค์กร จากองค์กรการบริหารจัดการก๊าซ
เรือนกระจก (องค์การมหาชน) ตามเลขใบรับรอง
เลขที่ TGO CFO FY22-152

ได้รับคะแนนการตอบแบบสอบถาม
ด้านความยั่งยืน S&P เพิ่มขึ้น 5 เท่า
จากปีก่อนหน้า

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