



# CARABAO GROUP

**ANALYST MEETING 3Q2024**

**12 November 2024**

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# Agenda

Financial Performance

Business Outlook

Q&A



# CBG 3Q24 Summary

## 3Q24 Review

**Domestic sales** up by both +9%YoY and +10%QoQ, as a result of

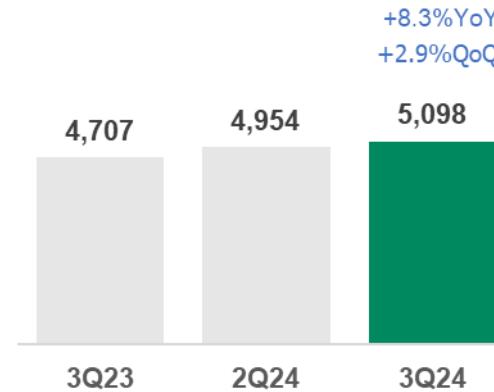
**Domestic sales of branded own products** up by both +7 YoY and +23% QoQ. This growth was driven by improved the sales strategy with partners to maintain optimal inventory levels, as well as a continuous increase in market share due to CBG keeping the retail price unchanged at 10 Baht and continues to expand distribution strategy, broadening coverage through partnerships with small wholesalers to enhance distribution channels.

**3rd party's products for distribution** up by both +26% YoY and +6% QoQ which was mainly derived from spirit business. Due to the product's popularity. However, distribution revenue from new beer business remains stable due to intensifying competition from large players.

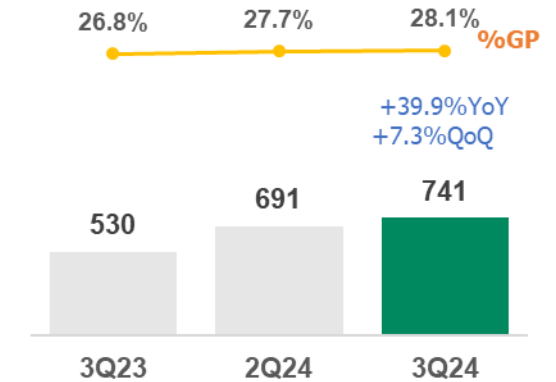
CBG are currently drive core marketing strategy by focusing on on-trade segments, events, and Carabao Cup to emphasizes the strengths of the products to increase the brand recognition of "Carabao Beer" and "Tawandang Beer" being widely known and accessible to consumers.

**Other sales** up by both -56%YoY and -34% QoQ which was mainly derived from Carabao beer and Tawandang beer manufacturers placing large packaging orders (glass bottles, aluminum cans, and various packaging materials) in preparation for new product launches in Q4/2023. However, the resumption of APG's green glass bottles aligning with upward trend in sales from spirit business.

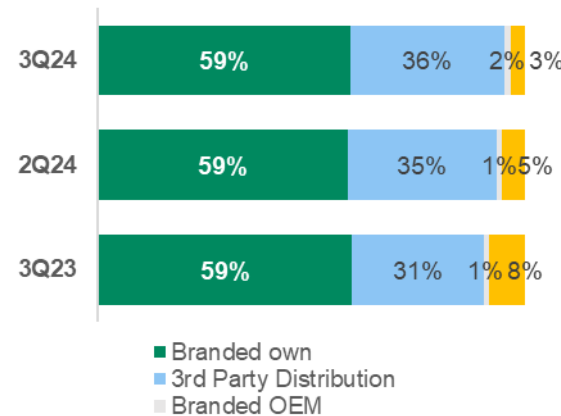
Revenue (MB)



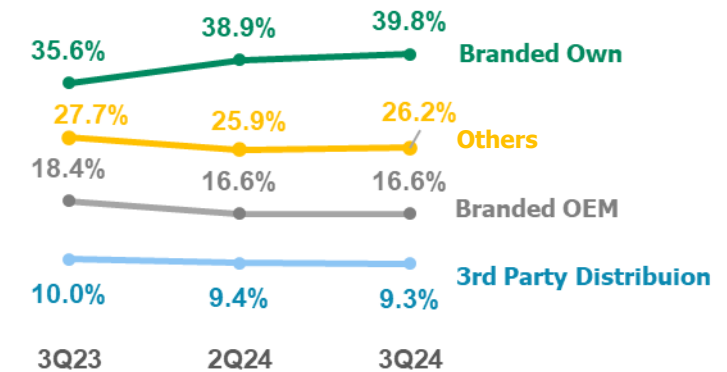
Net Profit\* (MB)



%SalesMix



%GPM



# CBG 3Q24 Summary (Continued)

## 3Q24 Review

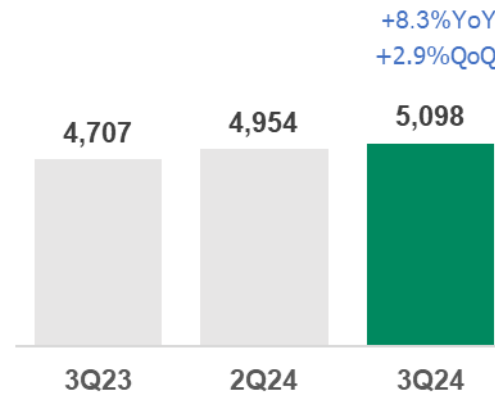
**Overseas sales** up by +9% YoY, mainly due to the decrease in overseas sales to the CLMV countries, which significantly contributed to overseas sales, rebounded and grew by +6% YoY. Additionally, other countries, particularly Afghanistan, saw a strong recovery, achieving +100% YoY growth.

Whereas overseas sales down by -14% QoQ due to seasonal factors. Also, the flood situation and political tension in Myanmar made logistics challenging.

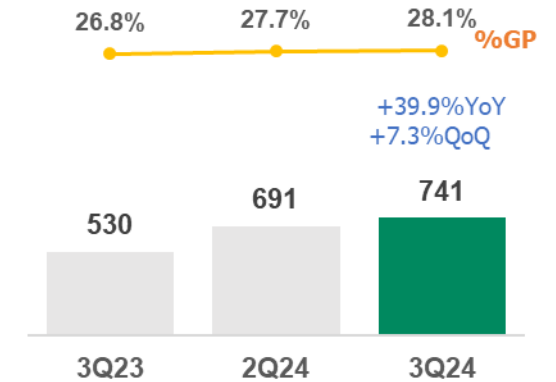
**Gross profits** grew both +13% YoY and +4% QoQ of which, the gradually decrease in raw materials and packaging price and utility costs as well as the improvement in economies of scale aligns with sales growth.

**Net Profits** in 3Q24 were significant recovery of +40% YoY and +7% QoQ, resulting from the increase of sales, cost reduction, efficient operational expenses for the reasons mentioned above, and sharing EFL fee of the sponsorship rights to our beer brewing business partners for their marketing purposes.

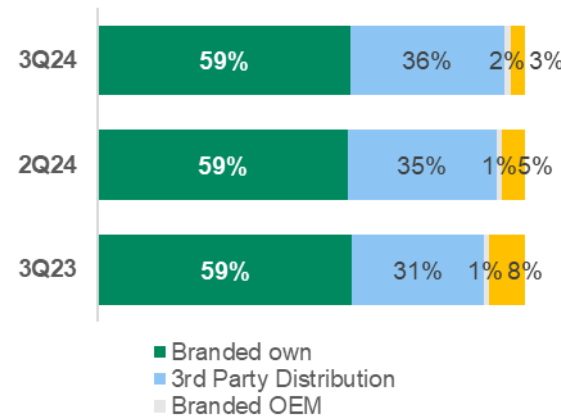
Revenue (MB)



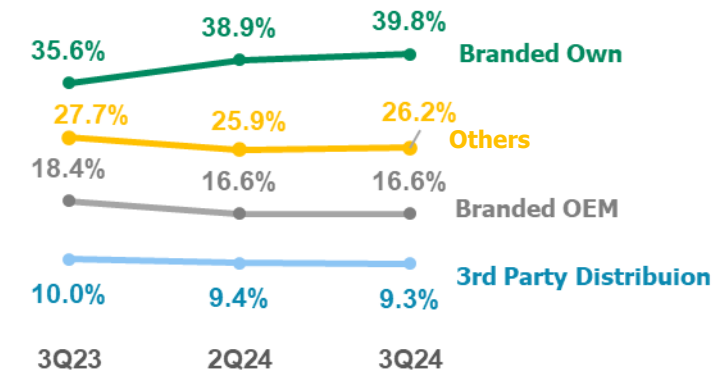
Net Profit\* (MB)



%SalesMix



%GPM

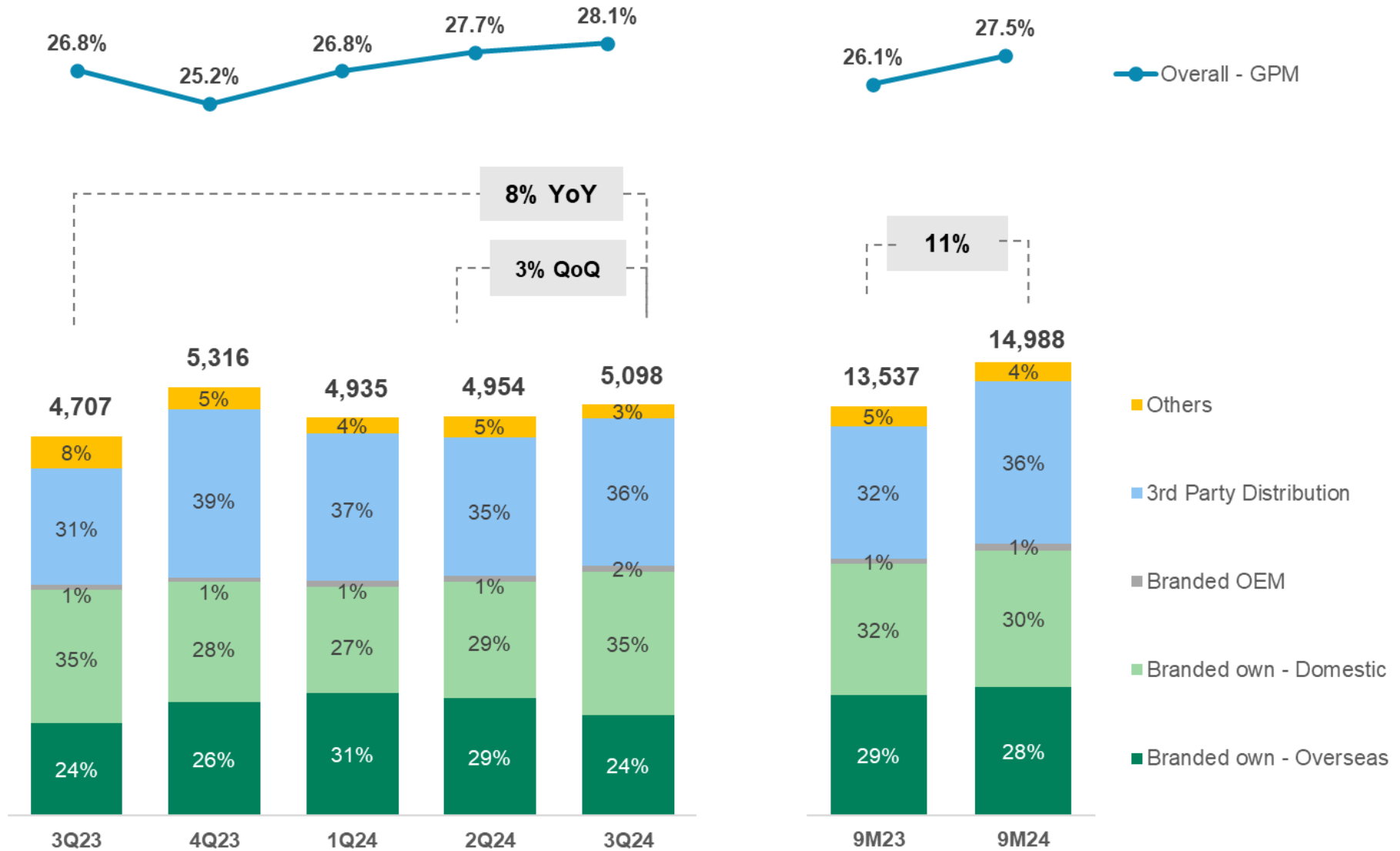


Remark: \* Contributing to major shareholders of the company

# Performance

## CBG Revenue from Sales

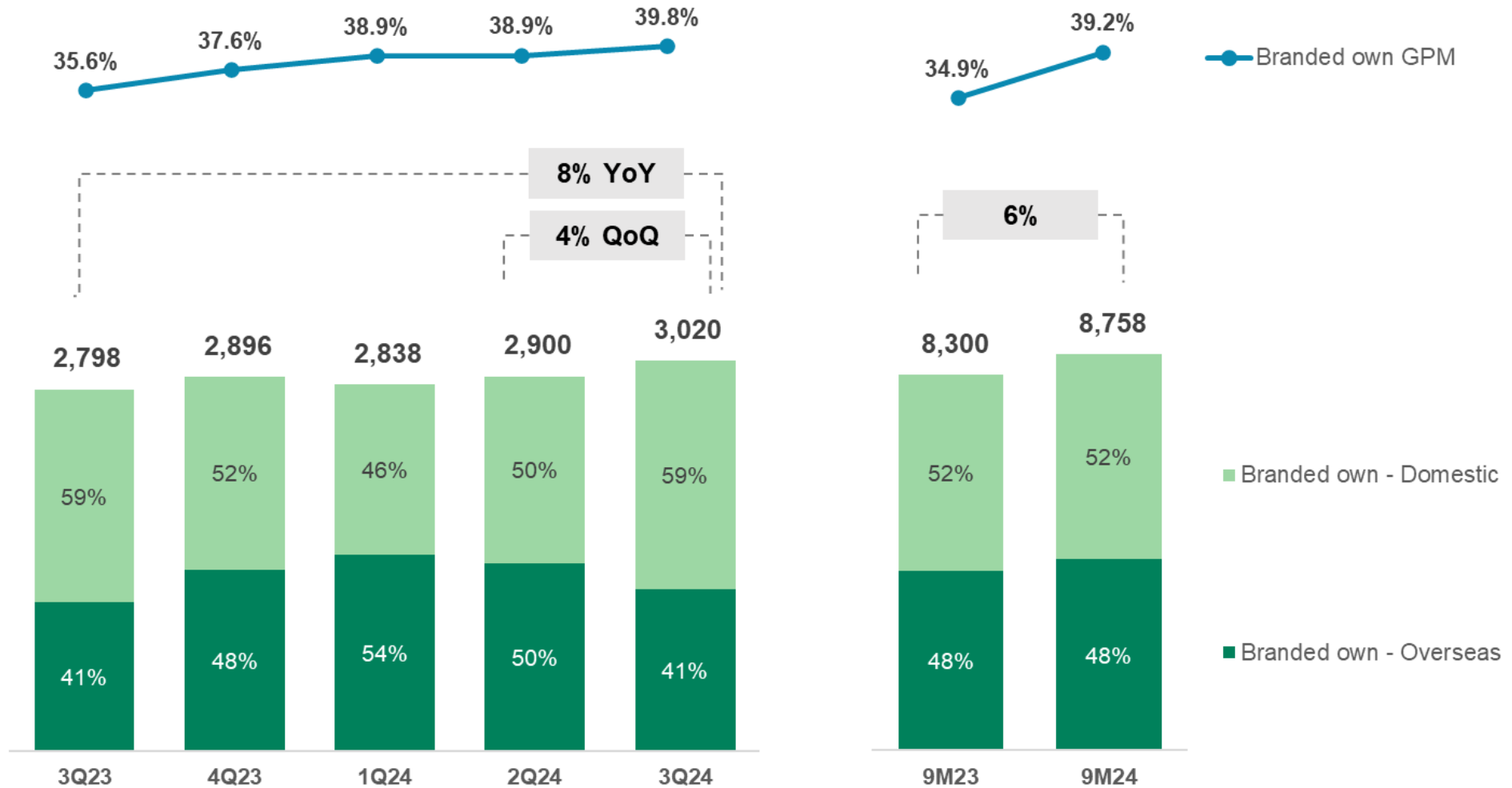
Sales (THB mn) and Gross Profit Margin



# Branded Own

## Revenue breakdown (Domestic and Overseas)

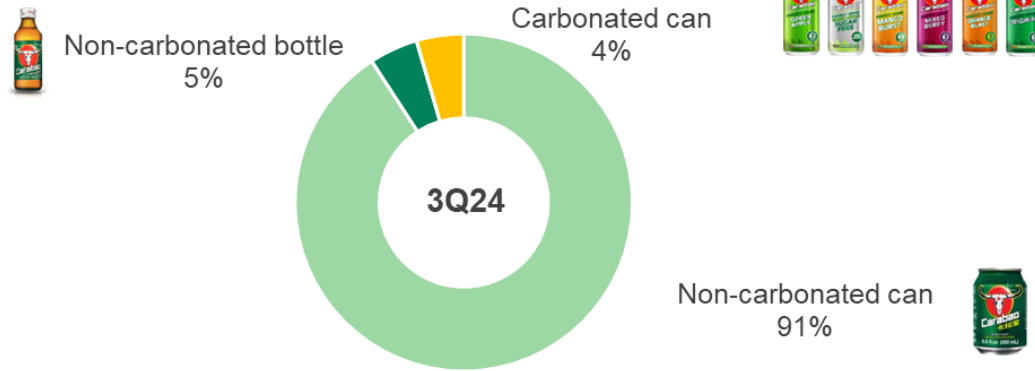
Sales (THB mn) and Gross Profit Margin



# Branded Own

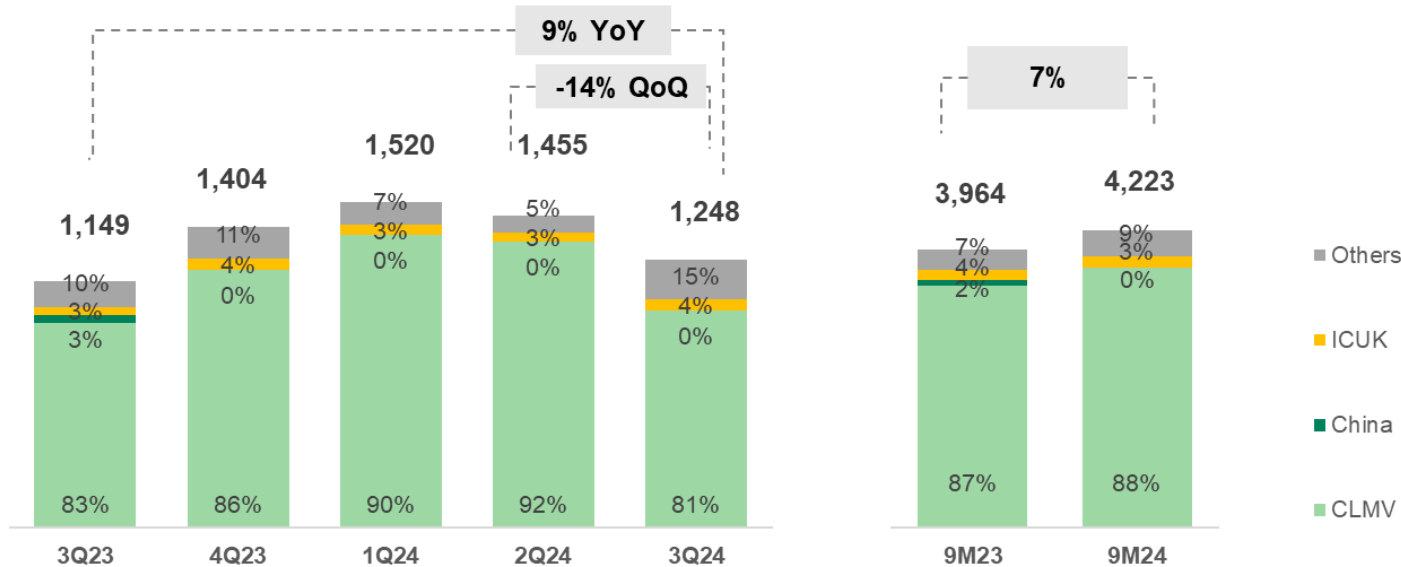
## Revenue breakdown (Overseas)

Overseas Sales by Product



| Country | 3Q24  | %YoY    | %QoQ   | 9M24  | %YoY    |
|---------|-------|---------|--------|-------|---------|
| CLMV    | 1,011 | 6.0%    | -24.2% | 3,708 | 7.8%    |
| China   | -     | -100.0% | N/A    | -     | -100.0% |
| ICUK    | 53    | 33.9%   | 15.3%  | 147   | 3.5%    |
| Others  | 185   | 57.0%   | 143.0% | 369   | 24.8%   |

Overseas Sales by Geography (THB mn)

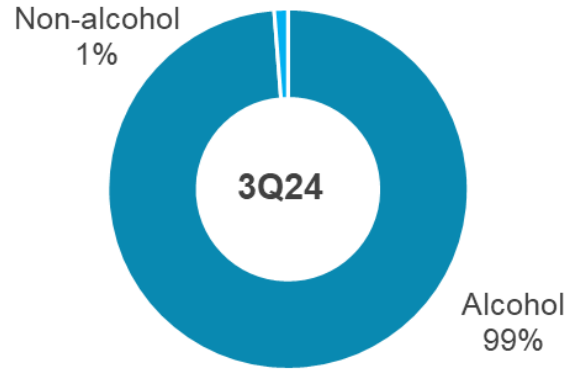




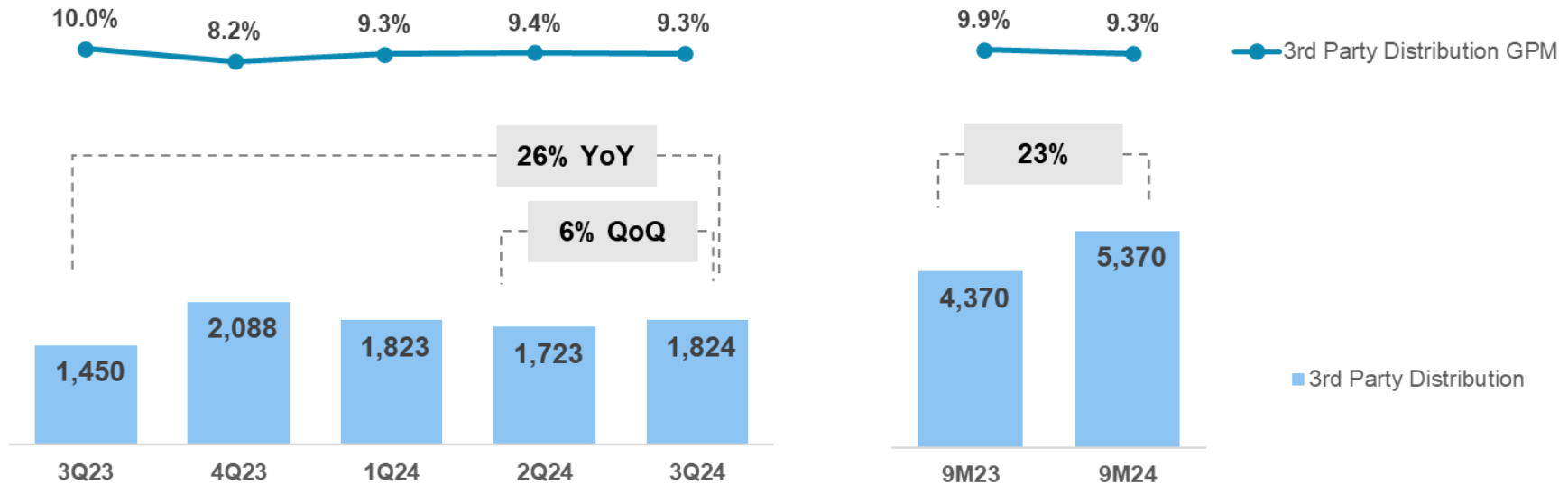
# Distribution for 3<sup>rd</sup> Party

Revenue breakdown

### 3rd Party Distribution Sales by Product



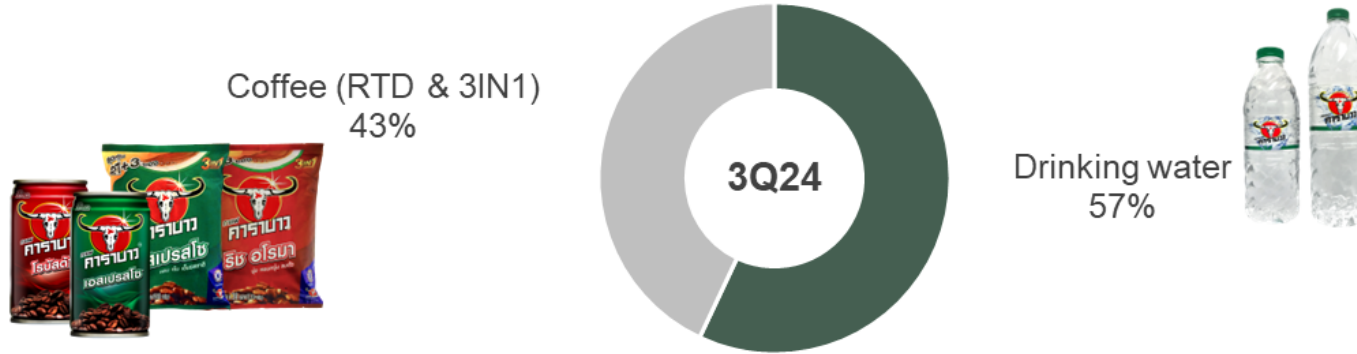
### Sales (THB mn) and Gross Profit Margin



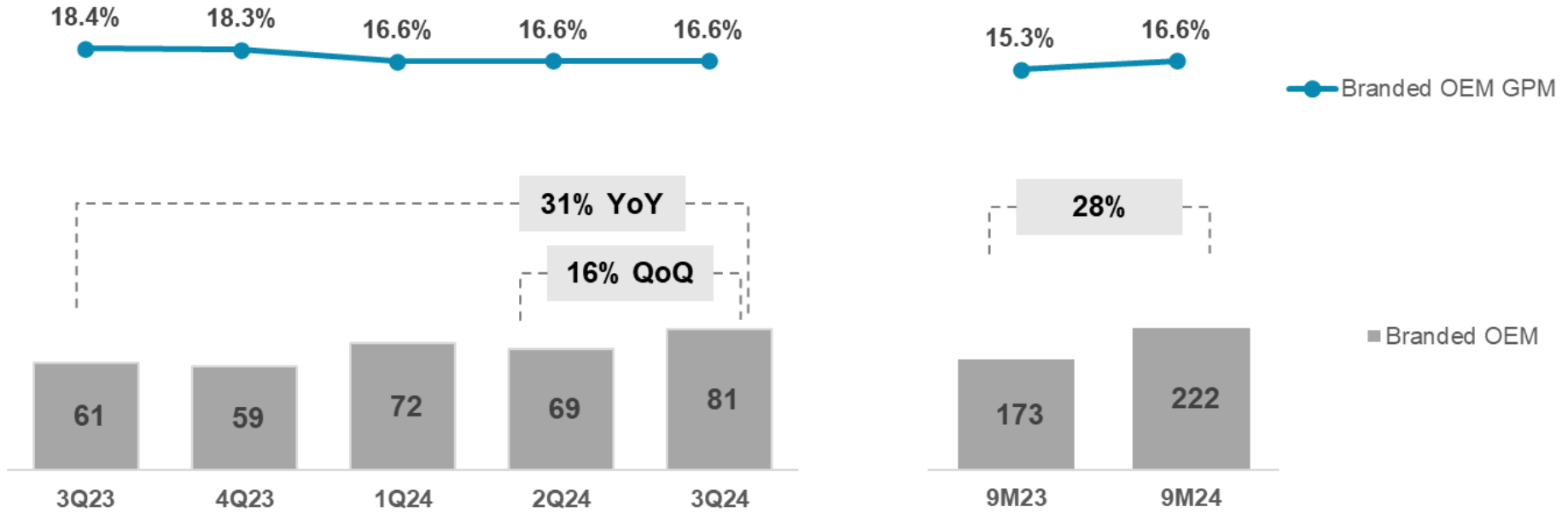
# Branded OEM

## Revenue breakdown

### Branded OEM Sales by Product



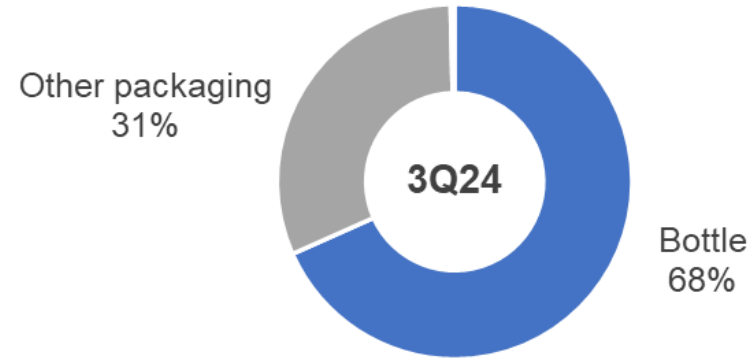
### Sales (THB mn) and Gross Profit Margin



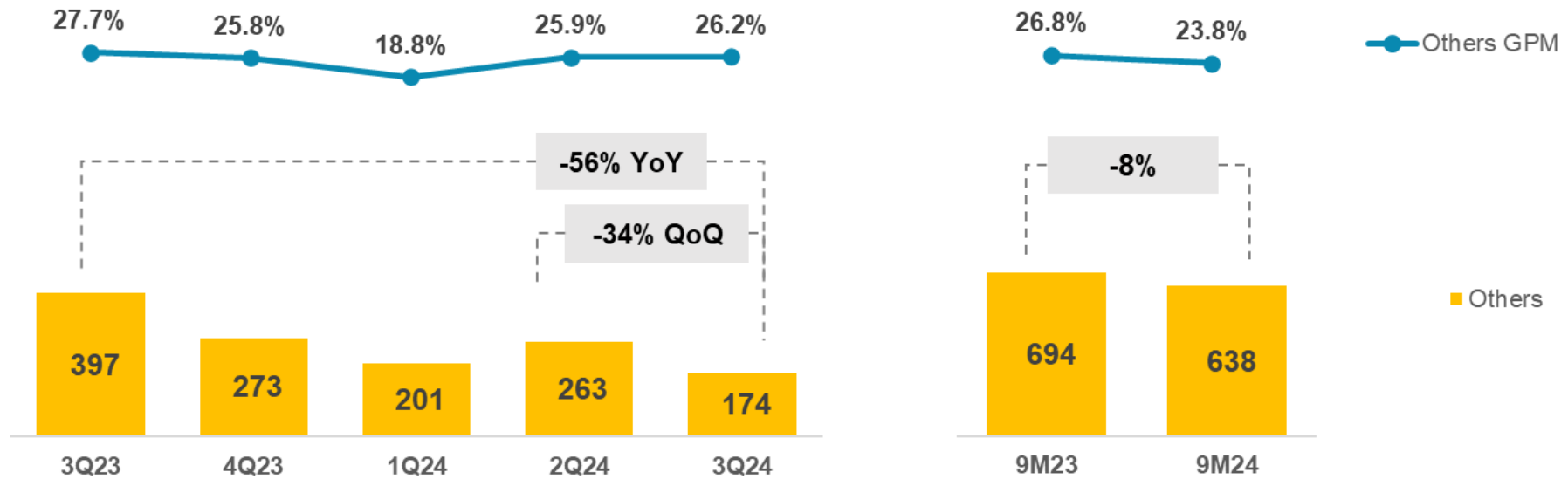
# Others segment

## Revenue breakdown

### Others Sales by Product



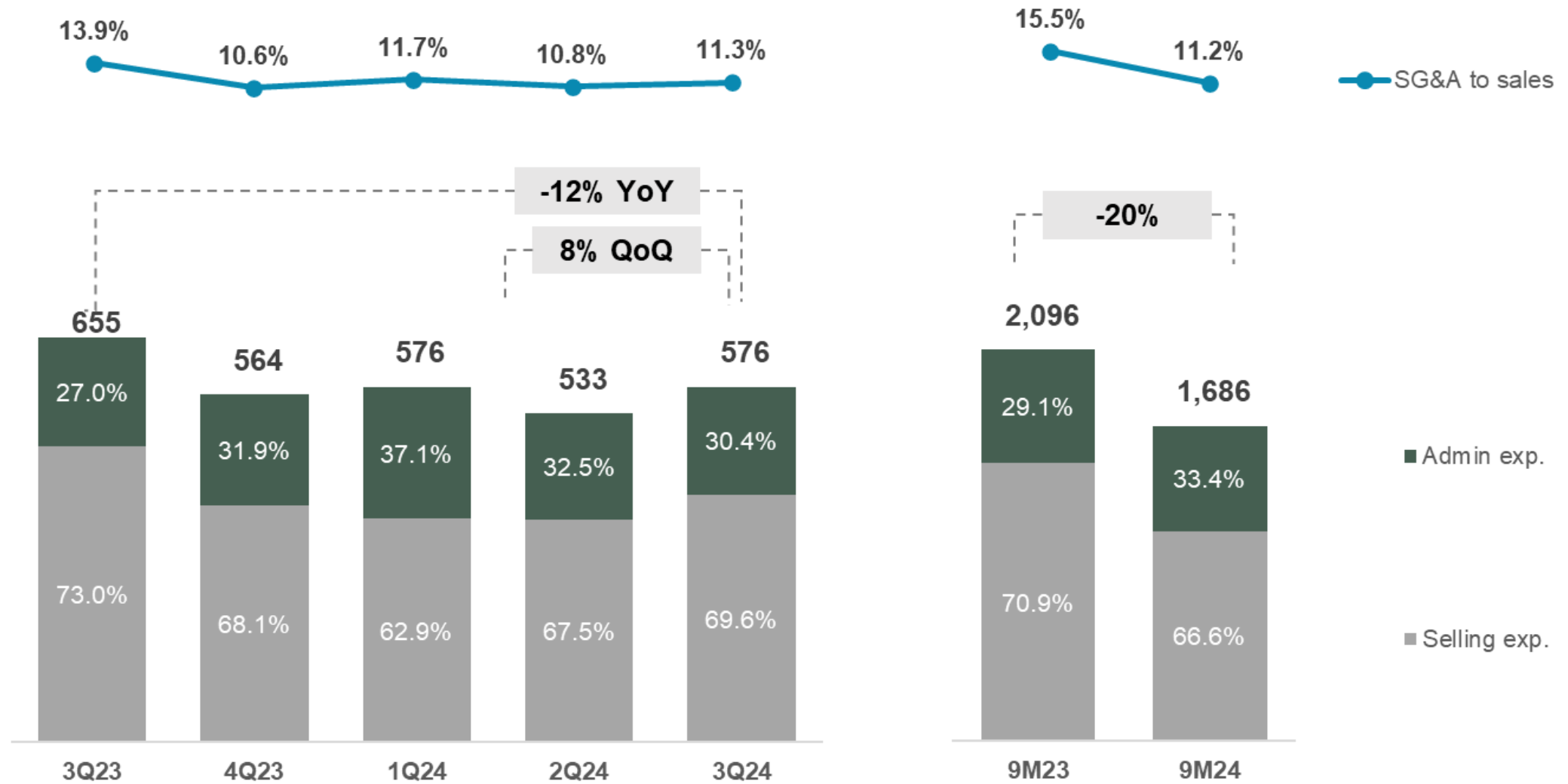
### Sales (THB mn) and Gross Profit Margin



# SG&A

## SG&A breakdown

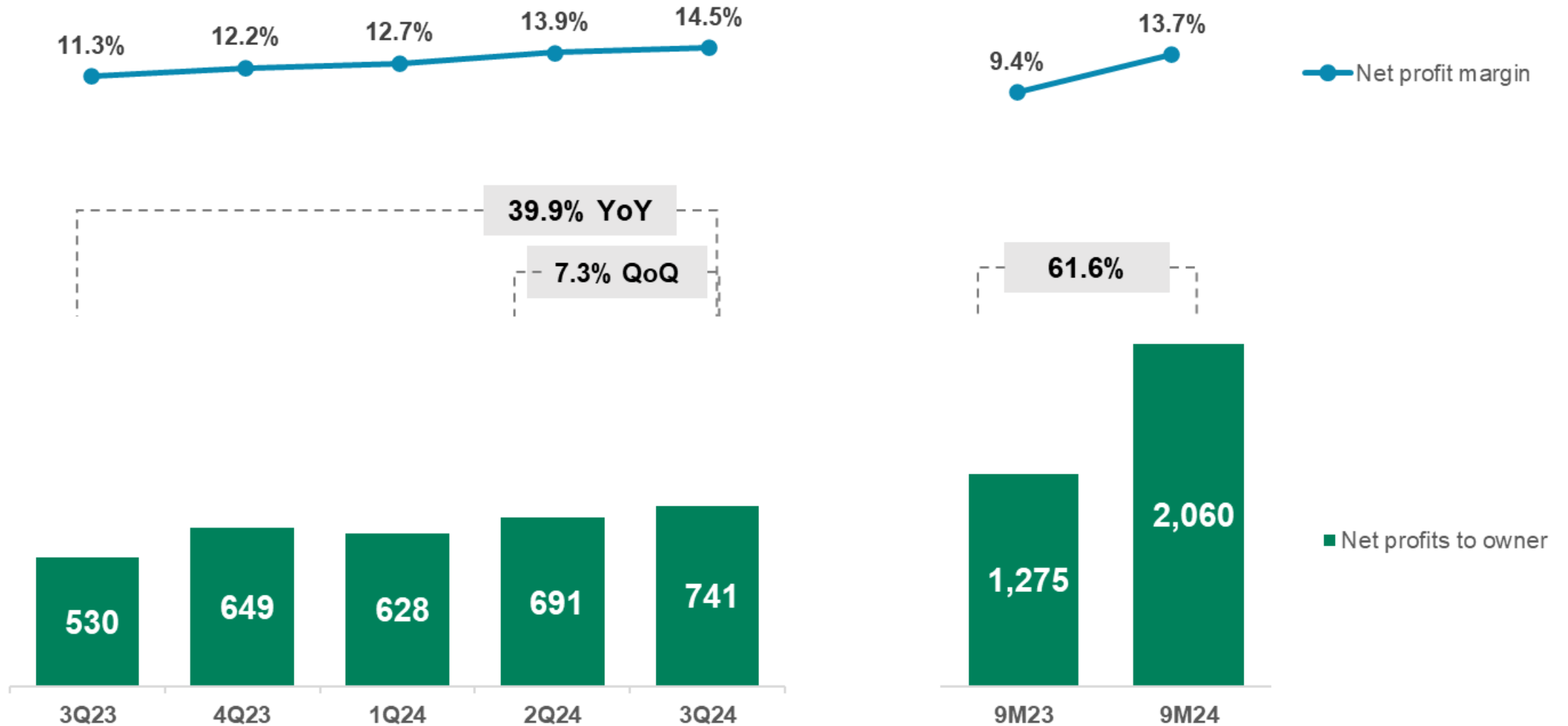
### SG&A (THB mn) and SG&A to sales



# Net Profits to Owner

Consolidated

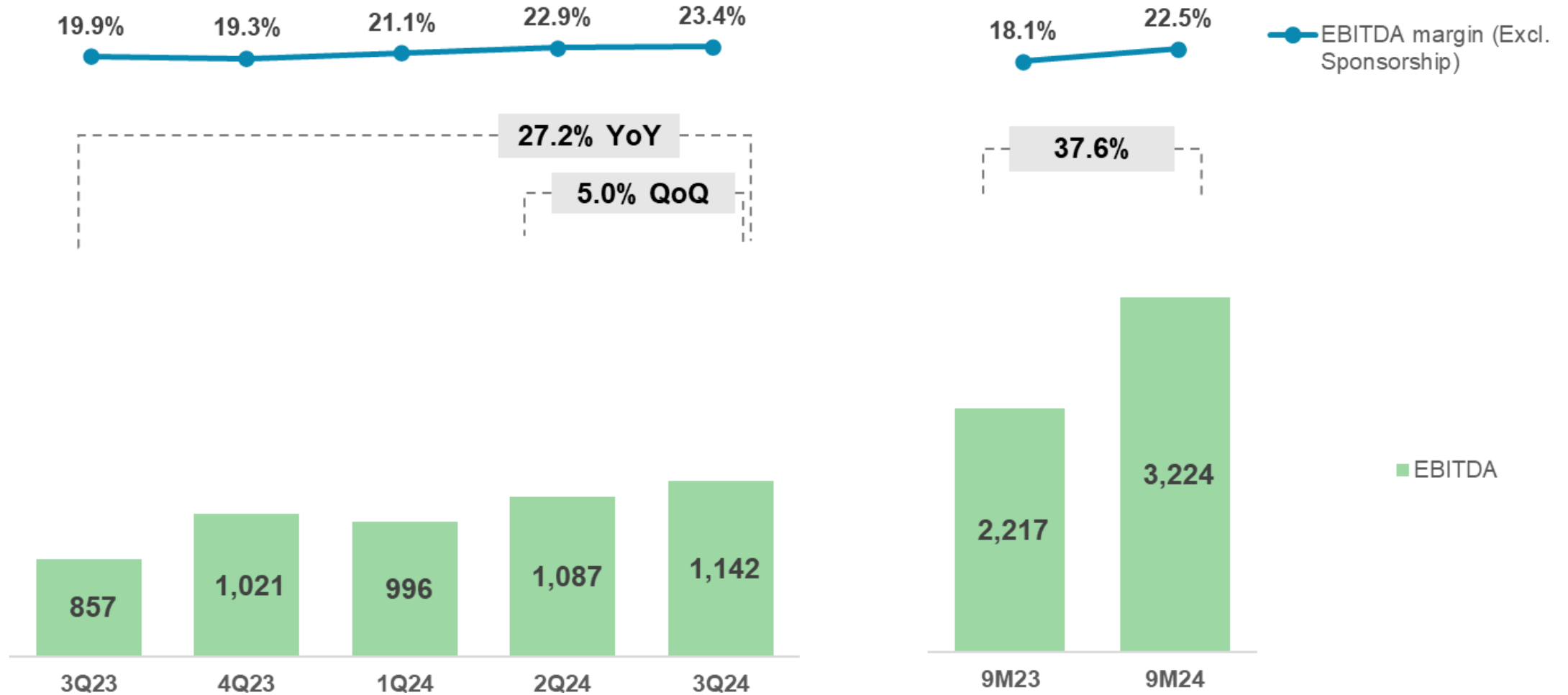
### Net profits (THB mn) and Net profits margin



# Profitability Trend

## Consolidated EBITDA

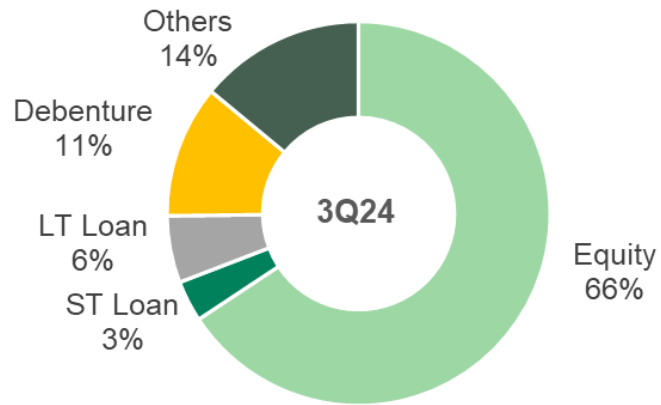
EBITDA (THB mn) and EBITDA margin



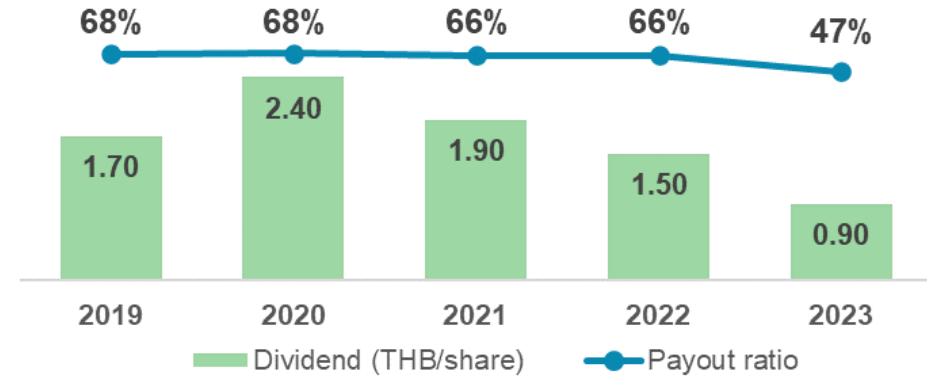
# Capital Management

## Capital structure & Key financial ratios

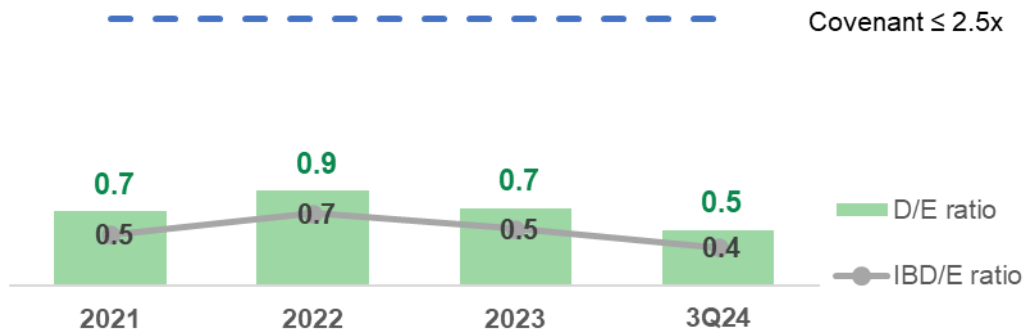
### Capital structure as 30 September 2024



### Dividend payment



### Gearing ratios



### Key financial ratios

| Profitability Ratio | 3Q23  | 2Q24  | 3Q24  |
|---------------------|-------|-------|-------|
| Gross profit margin | 26.8% | 27.7% | 28.1% |
| Operating margin    | 12.9% | 16.9% | 16.8% |
| Net profit margin   | 11.0% | 13.7% | 14.2% |
| ROA                 | 10.6% | 16.4% | 17.9% |
| ROE                 | 15.9% | 21.7% | 23.3% |

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

# Statement of comprehensive income

Unit: THB mn

|   | 3Q23         | 2Q24         | 3Q24         | %YoY         | %QoQ        | 9M23         | 9M24         | %YoY         |
|---|--------------|--------------|--------------|--------------|-------------|--------------|--------------|--------------|
| Revenue from sales  | 4,707        | 4,954        | 5,098        | 8.3%         | 2.9%        | 13,537       | 14,987       | 10.7%        |
| Costs of goods sold   | 3,445        | 3,583        | 3,667        | 6.5%         | 2.4%        | 9,998        | 10,863       | 8.6%         |
| <b>Gross profits</b>  | <b>1,262</b> | <b>1,371</b> | <b>1,431</b> | <b>13.4%</b> | <b>4.4%</b> | <b>3,539</b> | <b>4,124</b> | <b>16.6%</b> |
| Selling expenses  | 479          | 360          | 401          | -16.2%       | 11.4%       | 1,486        | 1,123        | -24.4%       |
| G&A expenses  | 177          | 173          | 175          | -0.8%        | 1.1%        | 610          | 562          | -7.8%        |
| <b>Operating profits</b>                                    | <b>607</b>   | <b>838</b>   | <b>855</b>   | <b>40.9%</b> | <b>2.0%</b> | <b>1,442</b> | <b>2,439</b> | <b>69.1%</b> |
| Other income  | 43           | 38           | 77           | 78.1%        | 104.7%      | 146          | 157          | 7.3%         |
| Other expenses  | -            | -            | -            | N.A.         | N.A.        | -            | -            | N.A.         |
| <b>EBIT</b>   | <b>650</b>   | <b>876</b>   | <b>932</b>   | <b>43.4%</b> | <b>6.5%</b> | <b>1,588</b> | <b>2,595</b> | <b>63.4%</b> |
| <b>EBITDA</b>   | <b>853</b>   | <b>1,085</b> | <b>1,141</b> | <b>33.7%</b> | <b>5.1%</b> | <b>2,197</b> | <b>3,220</b> | <b>46.6%</b> |
| Interest incomes  | 0            | 3            | 0            | -97.4%       | -99.7%      | 2            | 3            | 55.8%        |
| Interest expenses   | 51           | 37           | 33           | -36.0%       | -11.4%      | 131          | 115          | -12.1%       |
| <b>EBT</b>  | <b>599</b>   | <b>841</b>   | <b>899</b>   | <b>50.1%</b> | <b>6.9%</b> | <b>1,459</b> | <b>2,483</b> | <b>70.2%</b> |
| Income tax expenses   | 80           | 158          | 168          | 108.9%       | 6.5%        | 221          | 449          | 102.6%       |
| Net profits for the period                                  | 519          | 684          | 731          | 41.0%        | 7.0%        | 1,238        | 2,034        | 64.4%        |
| <b>Net profits attributed to the Company's shareholders</b> | <b>530</b>   | <b>691</b>   | <b>741</b>   | <b>39.9%</b> | <b>7.3%</b> | <b>1,275</b> | <b>2,060</b> | <b>61.6%</b> |
| <b>Key ratios</b>   |              |              |              |              |             |              |              |              |
| Gross profit margin   | 26.8%        | 27.7%        | 28.1%        | 1.3%         | 0.4%        | 26.1%        | 27.5%        | 1.4%         |
| Operating margin  | 12.9%        | 16.9%        | 16.8%        | 3.9%         | -0.1%       | 10.7%        | 16.3%        | 5.6%         |
| Net profit margin   | 11.3%        | 13.9%        | 14.5%        | 3.3%         | 0.6%        | 9.4%         | 13.7%        | 4.3%         |
| EBIT margin   | 13.8%        | 17.7%        | 18.3%        | 4.5%         | 0.6%        | 11.7%        | 17.3%        | 5.6%         |



# Statement of financial position

Unit: THB mn

| <b>ASSETS</b>                   | <b>Dec-23</b> | <b>Sep-24</b> | <b>Change</b> | <b>LIABILITIES</b>                           | <b>Dec-23</b> | <b>Sep-24</b> | <b>Change</b> |
|---------------------------------|---------------|---------------|---------------|--|---------------|---------------|---------------|
| <b>Current Assets</b>           |               |               |               | <b>Current Liabilities</b>                   |               |               |               |
| Cash, Cash Equivalents          | 1,184         | 1,254         | 70            | Short-term loans                             | 1,225         | 646           | -579          |
| Current Investments             | -             | -             | -             | Trade and other payable                      | 2,045         | 1,721         | -324          |
| Trade and other receivable      | 2,192         | 1,416         | -776          | Current portion of long-term loans           | 769           | 600           | -169          |
| Inventories                     | 2,295         | 2,502         | 207           | Current portion of Debentures                | -             | 1,563         | 1,563         |
| Other current assets            | 131           | 109           | -22           | Other current liabilities                    | 244           | 325           | 81            |
| <b>Total Current Assets</b>     | <b>5,802</b>  | <b>5,280</b>  | <b>-522</b>   | <b>Total Current Liabilities</b>             | <b>4,283</b>  | <b>4,854</b>  | <b>571</b>    |
| <b>Non-Current Assets</b>       |               |               |               | Long-term loans                              | 1,286         | 450           | -836          |
| Investment Properties           | 94            | 90            | -3            | Debentures                                   | 2,040         | 522           | -1,518        |
| Property, plant & equipment     | 12,376        | 12,083        | -293          | Other non-current liabilities                | 621           | 564           | -57           |
| Intangible Assets               | 94            | 90            | -3            | <b>Total non-current liabilities</b>         | <b>3,948</b>  | <b>1,536</b>  | <b>-2,412</b> |
| Goodwill                        | 95            | 88            | -7            | <b>Total Liabilities</b>                     | <b>8,231</b>  | <b>6,390</b>  | <b>-1,841</b> |
| Other non-current assets        | 1,084         | 1,008         | -76           | <b>SHAREHOLDERS' EQUITY</b>                  |               |               |               |
| <b>Total Non-Current Assets</b> | <b>13,741</b> | <b>13,359</b> | <b>-383</b>   | Issued and fully paid-up share capital       | 1,000         | 1,000         | -             |
| <b>Total Assets</b>             | <b>19,544</b> | <b>18,639</b> | <b>-905</b>   | Premium on shares                            | 3,963         | 3,963         | -             |
|                                 |               |               |               | Retained earnings                            | 6,824         | 7,780         | 957           |
| <b>Key ratios</b>               |               |               |               | Other components of shareholders' equity     | -296          | -290          | 5             |
| D/E                             | 0.17          | 0.22          | 0.05          | Equity attributable to owners of the Company | 11,491        | 12,453        | 962           |
| IBD/E                           | 0.12          | 0.18          | 0.06          | Non-controlling interests of the subsidiary  | -178          | -204          | -26           |
| ROA**                           | 12.2%         | 17.9%         | 5.7%          | <b>Total shareholders' equity</b>            | <b>11,312</b> | <b>12,249</b> | <b>936</b>    |
| ROE*                            | 17.4%         | 23.3%         | 5.9%          | <b>Total liabilities and Equity</b>          | <b>19,544</b> | <b>18,639</b> | <b>-905</b>   |

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

\*\* EBIT / Averaged total assets

# 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*

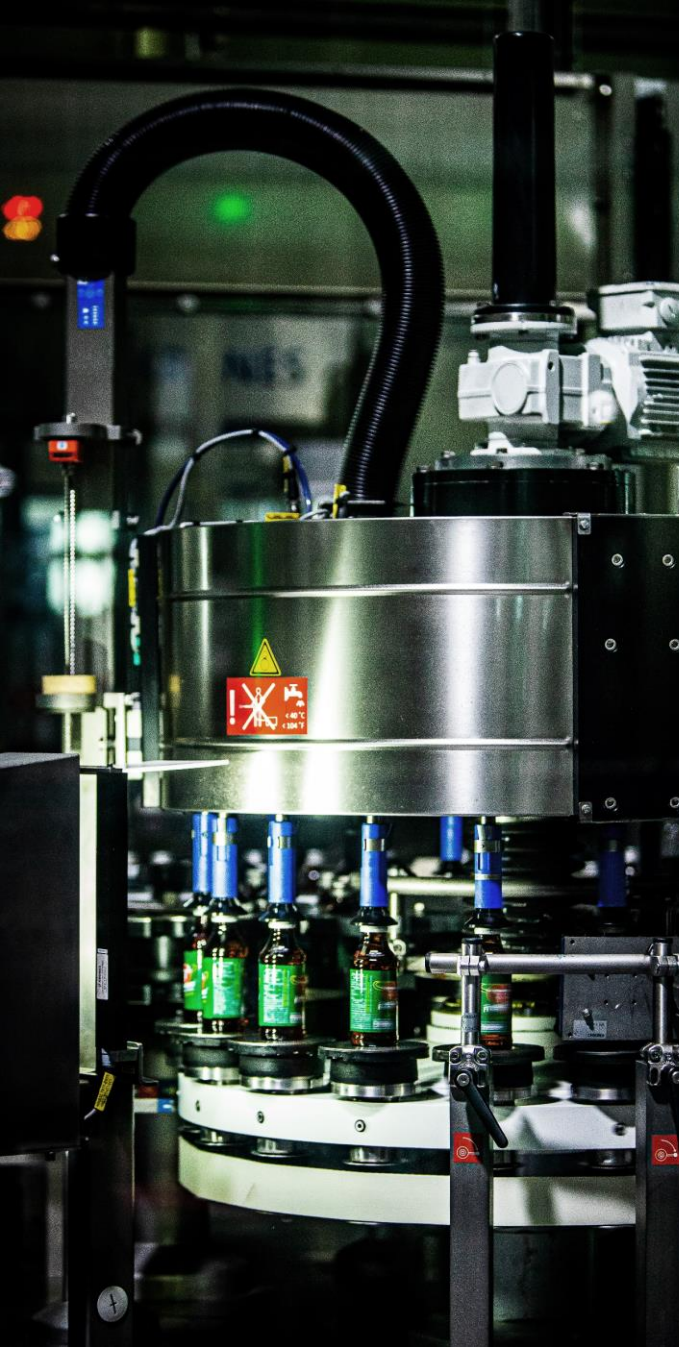


**Mr. Pongsarn  
Klongwathanakith**  
*Chief Financial Officer*

# 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.25.8% market share<sup>1</sup>
- 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 3<sup>rd</sup> 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 100 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

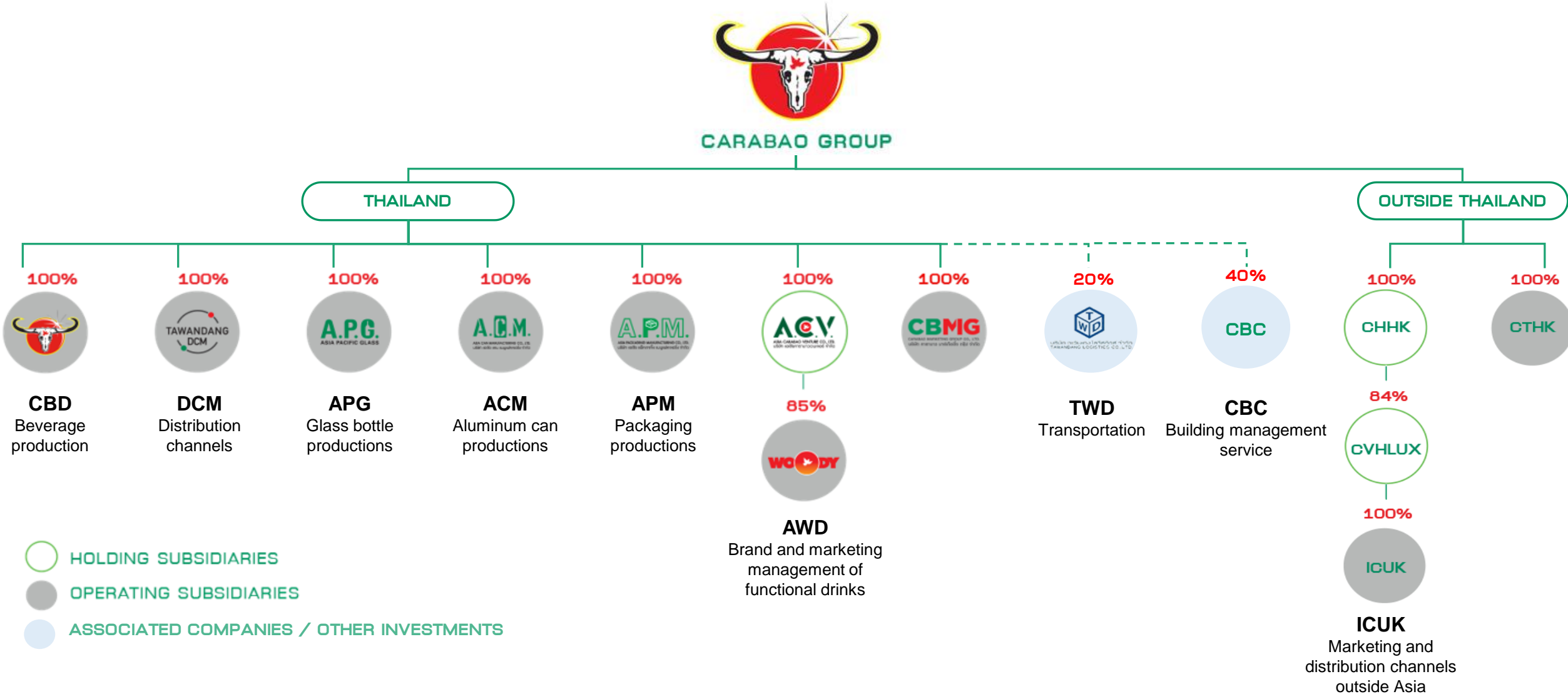
## Product overview

| Categories                     | Product Portfolio  |
|--------------------------------|--|
| Energy drink<br>Non-carbonated |  <p>Carabao Dang      Kanzou X2</p>                                     |
| Energy drink<br>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> |

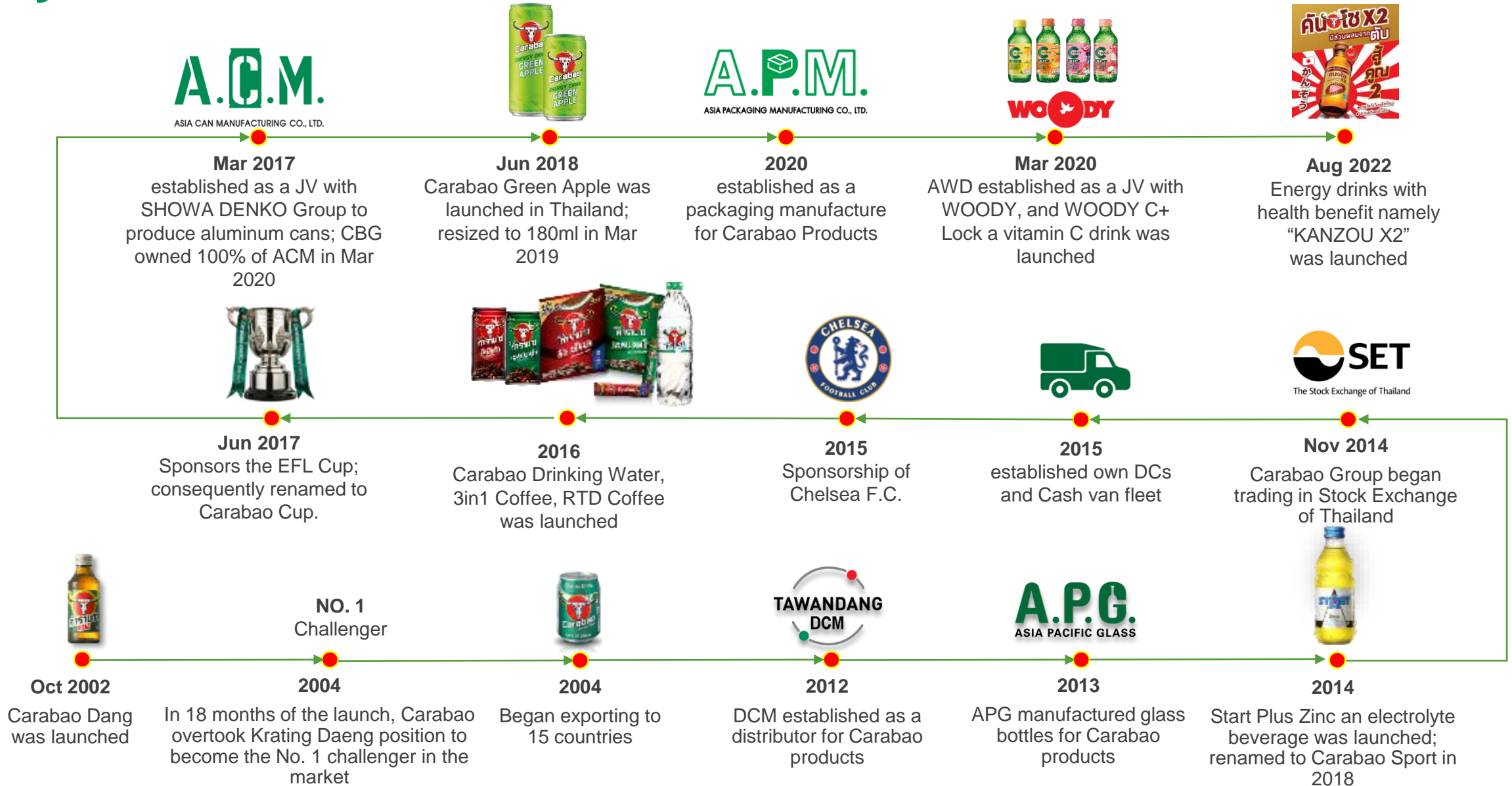
Remark: 1. Nielsen energy drink market report, as of September 2024 ("Nielsen Report"), in terms of volume.

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:



**A.P.G.**  
ASIA PACIFIC GLASS

## Glass bottle manufacturing facility

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

**A.P.M.**  
ASIA PACKAGING MANUFACTURING CO., LTD.

## Packaging manufacturing facility

Production capacity

- Carton box 90 million pieces p.a.
- OPP Label 45 million square meters p.a.
- Shrink Film 3,000 Ton p.a.
- T-shirt Bag 3,000 Ton p.a.

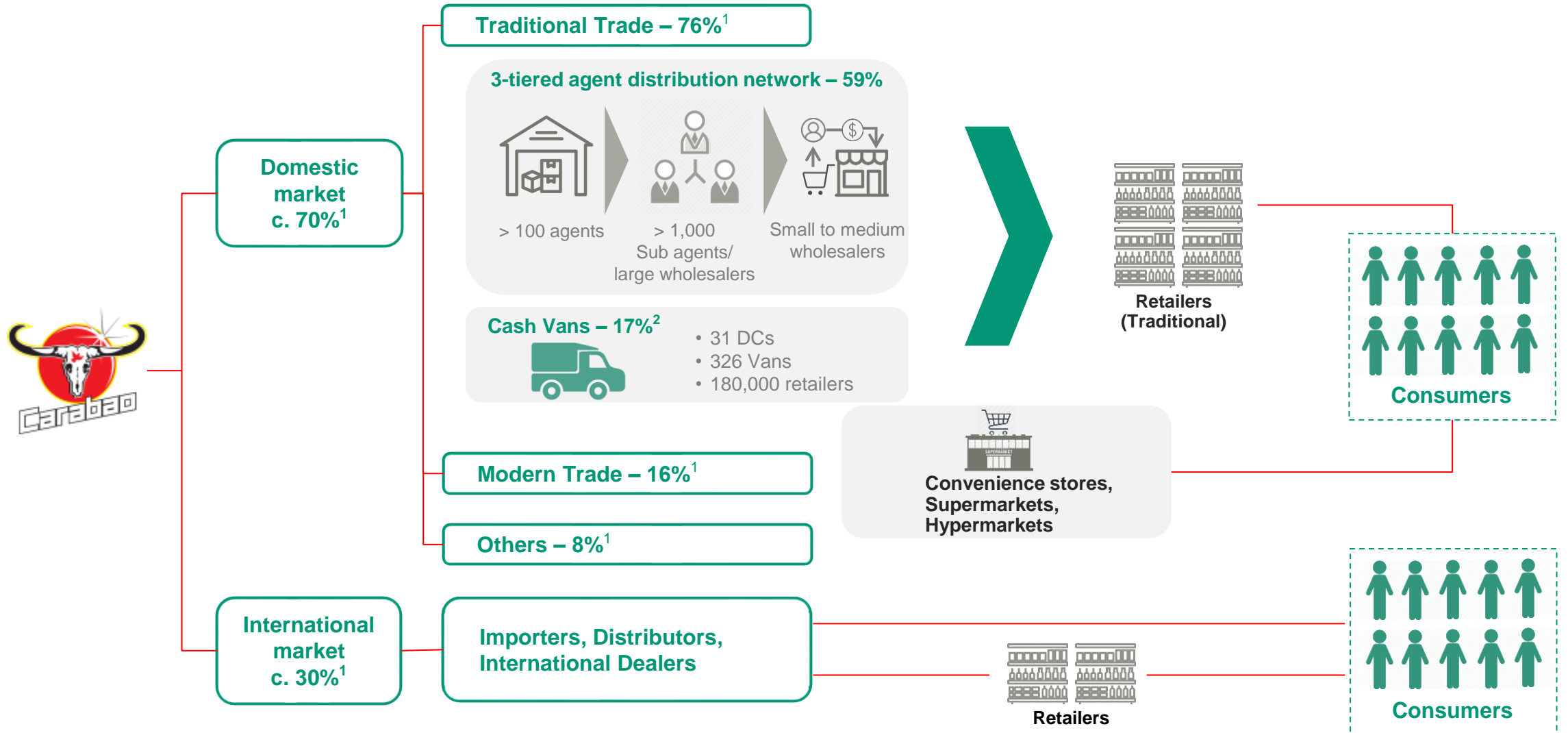
**A.C.M.**  
ASIA CAN MANUFACTURING

## Aluminum can manufacturing facility

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

# Distribution Channels

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

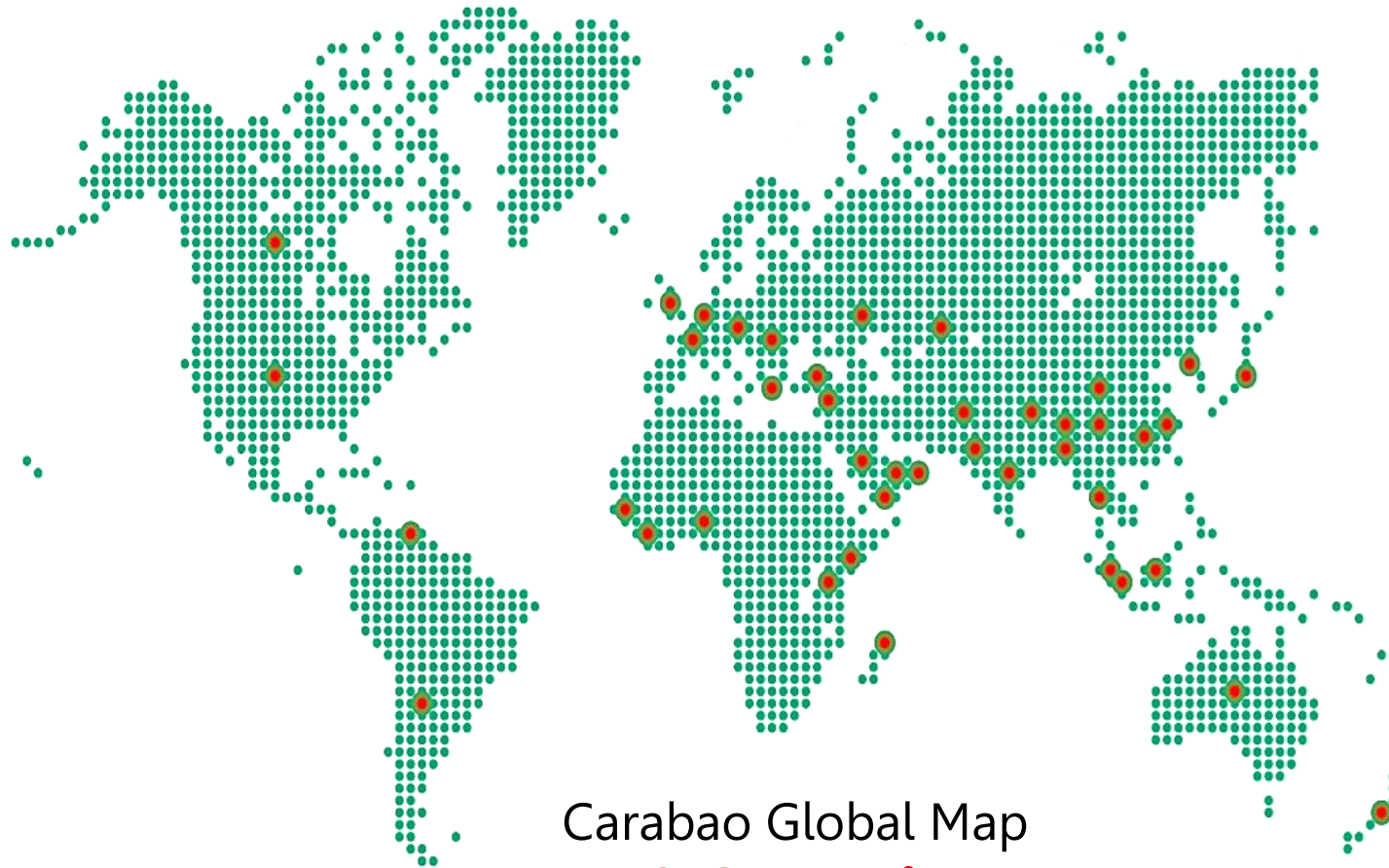


Note: 1. Sales Figure, As of September 2024

2. Launched in 2Q15. Reached 31 distribution centers in March 2017

# Distribution Channels

International market



Carabao Global Map  
**42 Countries**  
All over the world

## EUROPE

Belgium  
Germany  
Greece  
Italy  
Netherlands  
United Kingdom  
Spain

## OCEANIA

Australia  
New Zealand

## AFRICA

Ghana  
Ivory coast  
Kenya  
Libya  
Nigeria  
Senegal  
Somalia

## ASIA

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

## NORTH AMERICA

Canada  
USA



# 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, posters and billboard

### BELOW THE LINE

- On-ground marketing
- **BaoDang Girl Teams** to promote social activities

### DIGITAL MARKETING

- To communicate with end consumers, particularly the new generations, via social medias i.e. website, Facebook, YouTube, Tiktok and Line Official Account





# SUSTAINABILITY



## “ร่วมสร้างสังคมแห่งโอกาส เพื่อชีวิตที่ดีกว่า”

### “คุณภาพชีวิตที่ดีกว่า”



- การพัฒนาและรักษาบุคลากรที่มีความสามารถ
- สุขภาพของผู้บริโภคและโภชนาการ
- การดูแลและการปฏิบัติต่อแรงงาน
- อาชีวอนามัยและความปลอดภัย
- ความเป็นอยู่ที่ดีของชุมชนและสังคม

เศรษฐกิจ  
ชุมชนที่ดีกว่า



คาราบาวกรุ๊ป

คุณภาพ  
ชีวิตที่ดีกว่า

สิ่งแวดล้อม  
ที่ดีกว่า

### “เศรษฐกิจชุมชนที่ดีกว่า”



- การจัดหาและห่วงโซ่อุปทานที่ยั่งยืน
- นวัตกรรมและเทคโนโลยี
- การพัฒนาสินค้าและบริการ

### “สิ่งแวดล้อมที่ดีกว่า”



- การจัดการด้านสภาพภูมิอากาศ
- การใช้น้ำอย่างรับผิดชอบ
- ของเสียจากการดำเนินงาน
- การจัดการการใช้พลังงาน
- บรรจุภัณฑ์และการหมุนเวียน
- ความหลากหลายทางชีวภาพ



# Investor Relations



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