

Carabao Group Public Company Limited and its subsidiaries  
Review report and interim financial information  
For the three-month and nine-month periods ended  
30 September 2020

## **Independent Auditor's Report on Review of Interim Financial Information**

To the Shareholders of Carabao Group Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Carabao Group Public Company Limited and its subsidiaries as at 30 September 2020, the related consolidated statements of income and comprehensive income for the three-month and nine-month periods then ended, the related consolidated statements of changes in shareholders' equity and cash flows for the nine-month period then ended, as well as the condensed notes to the interim consolidated financial statements, and have also reviewed the separate financial information of Carabao Group Public Company Limited for the same periods (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of Review**

I conducted my review in accordance with Thai Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

### **Conclusion**

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting.

## **Emphasis of Matter**

I draw attention to Note 1.2 to the interim consolidated financial statements regarding the COVID-19 pandemic which is resulting in an economic slowdown and adversely impacting most businesses and industries. This situation affects the Group's business activities in terms of ability to achieve the expected sales and profit of the entity in the United Kingdom and may significantly impact the financial performance and cash flows used in the consideration of the impairment of investments in subsidiaries and goodwill. However, the impact cannot be reasonably estimated at this stage. The Group's management has continuously monitored the ongoing developments and assessed the financial impact and will record the impact when it is possible to do so.

Moreover, I draw attention to Note 1.5 to the interim consolidated financial statements. Due to the impact of the COVID-19 outbreak, in preparing the interim financial information for the three-month and nine-month periods ended 30 September 2020, the Group has adopted the Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic issued by the Federation of Accounting Professions.

My conclusion is not modified in respect of the above matters.

Kamontip Lertwitworatep

Certified Public Accountant (Thailand) No. 4377

EY Office Limited

Bangkok: 9 November 2020

**Carabao Group Public Company Limited and its subsidiaries**

**Statement of financial position**

**As at 30 September 2020**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September	31 December	30 September	31 December
		2020	2019	2020	2019
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	4	945,444	961,954	20,223	576,955
Trade and other receivables	3, 5	1,372,690	1,140,321	1,846	2,652
Short-term loans to related parties	3	-	-	3,763,000	2,486,368
Dividend receivable from related parties	3	-	-	-	2,949,991
Inventories	6	1,356,641	991,625	-	-
Other current financial assets	7	277	-	277	-
Other current assets	8	140,533	103,510	1,102	73
<b>Total current assets</b>		<b>3,815,585</b>	<b>3,197,410</b>	<b>3,786,448</b>	<b>6,016,039</b>
<b>Non-current assets</b>					
Investments in subsidiaries	9	-	-	4,442,116	3,670,617
Investment properties	10	108,026	103,220	-	-
Property, plant and equipment	11	11,218,632	10,872,367	-	-
Right-of-use assets	12	270,886	-	58,231	-
Goodwill	13	495,325	481,115	-	-
Intangible assets	14	94,343	81,156	7,323	4,376
Deferred tax assets		48,913	33,492	308,421	307,742
Other long-term receivable - related party	3	-	-	26,172	26,172
Other non-current assets		11,587	11,275	-	-
<b>Total non-current assets</b>		<b>12,247,712</b>	<b>11,582,625</b>	<b>4,842,263</b>	<b>4,008,907</b>
<b>Total assets</b>		<b>16,063,297</b>	<b>14,780,035</b>	<b>8,628,711</b>	<b>10,024,946</b>

The accompanying notes are an integral part of the financial statements.

**Carabao Group Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 30 September 2020**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September	31 December	30 September	31 December
		2020	2019	2020	2019
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term loans from financial institutions	15	2,053,000	6,762	1,933,000	-
Trade and other payables	3, 16	1,806,283	1,446,721	181,536	75,661
Current portion of long-term loan from financial institution	17	291,000	291,000	-	-
Current portion of lease liabilities	3, 18	81,889	-	1,745	-
Current portion of debentures	19	1,089,405	1,699,428	1,089,405	1,699,428
Income tax payable		275,821	320,547	-	1,606
Other current liabilities		9,388	12,822	-	-
<b>Total current liabilities</b>		<b>5,606,786</b>	<b>3,777,280</b>	<b>3,205,686</b>	<b>1,776,695</b>
<b>Non-current liabilities</b>					
Long-term loan from financial institution, net of current portion	17	824,500	1,042,750	-	-
Lease liabilities, net of current portion	3, 18	191,236	-	57,070	-
Debentures, net of current portion	19	-	1,088,692	-	1,088,692
Provision for long-term employee benefits	20	138,889	135,780	63,518	68,006
Deferred tax liabilities		-	1,411	-	-
Deposits received for rental	3	4,114	15,758	-	-
<b>Total non-current liabilities</b>		<b>1,158,739</b>	<b>2,284,391</b>	<b>120,588</b>	<b>1,156,698</b>
<b>Total liabilities</b>		<b>6,765,525</b>	<b>6,061,671</b>	<b>3,326,274</b>	<b>2,933,393</b>

The accompanying notes are an integral part of the financial statements.

**Carabao Group Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 30 September 2020**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2020 (Unaudited but reviewed)	31 December 2019 (Audited)	30 September 2020 (Unaudited but reviewed)	31 December 2019 (Audited)
<b>Liabilities and shareholders' equity (continued)</b>				
<b>Shareholders' equity</b>				
Share capital				
Registered				
1,000,000,000 ordinary shares of Baht 1 each	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
Issued and fully paid up				
1,000,000,000 ordinary shares of Baht 1 each	1,000,000	1,000,000	1,000,000	1,000,000
Share premium	3,962,980	3,962,980	3,962,980	3,962,980
Surplus on business combination under common control	323,216	323,216	-	-
Surplus on changes in percentage of shareholding				
in local subsidiary	108,959	108,959	108,959	108,959
Deficit on changes in percentage of shareholding				
in overseas subsidiary	(368,686)	(368,686)	-	-
Retained earnings				
Appropriated - statutory reserve	100,000	100,000	100,000	100,000
Unappropriated	4,088,539	3,536,648	130,498	1,919,614
Other components of shareholders' equity	<u>(124,591)</u>	<u>(97,307)</u>	<u>-</u>	<u>-</u>
Equity attributable to owners of the Company	9,090,417	8,565,810	5,302,437	7,091,553
Non-controlling interests of the subsidiaries	<u>207,355</u>	<u>152,554</u>	<u>-</u>	<u>-</u>
<b>Total shareholders' equity</b>	<u>9,297,772</u>	<u>8,718,364</u>	<u>5,302,437</u>	<u>7,091,553</u>
<b>Total liabilities and shareholders' equity</b>	<u>16,063,297</u>	<u>14,780,035</u>	<u>8,628,711</u>	<u>10,024,946</u>
	-	-	-	-

The accompanying notes are an integral part of the financial statements.

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Directors  
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(Unaudited but reviewed)

**Carabao Group Public Company Limited and its subsidiaries****Statement of income****For the three-month period ended 30 September 2020**

(Unit: Thousand Baht except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
<b>Revenues</b>					
Revenues from contracts with customers	21	4,405,318	3,861,924	-	-
Other income	22	72,371	28,278	96,576	92,964
<b>Total revenues</b>		<u>4,477,689</u>	<u>3,890,202</u>	<u>96,576</u>	<u>92,964</u>
<b>Expenses</b>					
Cost of sales		2,574,645	2,268,159	-	-
Selling and distribution expenses		479,442	487,789	-	-
Administrative expenses		239,329	181,021	77,606	52,416
Other expenses		-	25,694	-	1,226
<b>Total expenses</b>		<u>3,293,416</u>	<u>2,962,663</u>	<u>77,606</u>	<u>53,642</u>
<b>Profit from operating activities</b>		<u>1,184,273</u>	<u>927,539</u>	<u>18,970</u>	<u>39,322</u>
Finance cost		(21,277)	(34,147)	(10,223)	(17,188)
<b>Profit before income tax expenses</b>		<u>1,162,996</u>	<u>893,392</u>	<u>8,747</u>	<u>22,134</u>
Income tax expenses	23	(190,805)	(167,358)	(608)	(4,422)
<b>Profit for the period</b>		<u>972,191</u>	<u>726,034</u>	<u>8,139</u>	<u>17,712</u>
<b>Profit or loss attributable to</b>					
Equity holders of the Company		969,607	732,016	8,139	17,712
Non-controlling interests of the subsidiaries		2,584	(5,982)		
		<u>972,191</u>	<u>726,034</u>		
<b>Earnings per share</b>					
Basic earnings per share	24				
Profit attributable to equity holders of the Company (Baht)		<u>0.97</u>	<u>0.73</u>	<u>0.01</u>	<u>0.02</u>
Weighted average number of ordinary shares (Thousand shares)		<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Carabao Group Public Company Limited and its subsidiaries**

**Statement of comprehensive income**

**For the three-month period ended 30 September 2020**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Profit for the period</b>	<u>972,191</u>	<u>726,034</u>	<u>8,139</u>	<u>17,712</u>
<b>Other comprehensive income:</b>				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Exchange differences on translation of financial statements in foreign currencies	<u>(5,763)</u>	<u>6,413</u>	<u>-</u>	<u>-</u>
<b>Other comprehensive income for the period</b>	<u>(5,763)</u>	<u>6,413</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the period</b>	<u>966,428</u>	<u>732,447</u>	<u>8,139</u>	<u>17,712</u>
<b>Total comprehensive income attributable to</b>				
Equity holders of the Company	972,599	736,863	<u>8,139</u>	<u>17,712</u>
Non-controlling interests of the subsidiaries	<u>(6,171)</u>	<u>(4,416)</u>		
<b>Total comprehensive income for the period</b>	<u>966,428</u>	<u>732,447</u>		

The accompanying notes are an integral part of the financial statements.



(Unaudited but reviewed)

**Carabao Group Public Company Limited and its subsidiaries****Statement of income****For the nine-month period ended 30 September 2020**

(Unit: Thousand Baht except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
<b>Revenues</b>					
Revenues from contracts with customers	21	12,973,801	10,976,215	-	-
Dividend income from subsidiaries	9	-	-	299,999	369,999
Other income	22	129,773	84,172	277,882	282,777
<b>Total revenues</b>		<b>13,103,574</b>	<b>11,060,387</b>	<b>577,881</b>	<b>652,776</b>
<b>Expenses</b>					
Cost of sales		7,587,560	6,783,255	-	-
Selling and distribution expenses		1,449,173	1,499,284	-	-
Administrative expenses		761,211	567,206	219,488	154,714
Other expenses		-	33,135	-	2,000
<b>Total expenses</b>		<b>9,797,944</b>	<b>8,882,880</b>	<b>219,488</b>	<b>156,714</b>
<b>Profit from operating activities</b>		<b>3,305,630</b>	<b>2,177,507</b>	<b>358,393</b>	<b>496,062</b>
Finance cost		(84,111)	(102,019)	(45,402)	(51,880)
<b>Profit before income tax expenses</b>		<b>3,221,519</b>	<b>2,075,488</b>	<b>312,991</b>	<b>444,182</b>
Income tax expenses	23	(535,383)	(402,635)	(2,107)	(14,837)
<b>Profit for the period</b>		<b>2,686,136</b>	<b>1,672,853</b>	<b>310,884</b>	<b>429,345</b>
<b>Profit or loss attributable to</b>					
Equity holders of the Company		2,651,891	1,703,625	310,884	429,345
Non-controlling interests of the subsidiaries		34,245	(30,772)		
		<b>2,686,136</b>	<b>1,672,853</b>		
<b>Earnings per share</b>					
	24				
Basic earnings per share					
Profit attributable to equity holders of the Company					
(Baht)		2.65	1.70	0.31	0.43
Weighted average number of ordinary shares					
(Thousand shares)		1,000,000	1,000,000	1,000,000	1,000,000

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Carabao Group Public Company Limited and its subsidiaries**

**Statement of comprehensive income**

**For the nine-month period ended 30 September 2020**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Profit for the period</b>	<u>2,686,136</u>	<u>1,672,853</u>	<u>310,884</u>	<u>429,345</u>
<b>Other comprehensive income:</b>				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Exchange differences on translation of financial statements in foreign currencies	<u>(36,728)</u>	<u>(9,559)</u>	<u>-</u>	<u>-</u>
<b>Other comprehensive income for the period</b>	<u>(36,728)</u>	<u>(9,559)</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the period</b>	<u>2,649,408</u>	<u>1,663,294</u>	<u>310,884</u>	<u>429,345</u>
<b>Total comprehensive income attributable to</b>				
Equity holders of the Company	2,624,607	1,693,253	<u>310,884</u>	<u>429,345</u>
Non-controlling interests of the subsidiaries	<u>24,801</u>	<u>(29,959)</u>		
<b>Total comprehensive income for the period</b>	<u>2,649,408</u>	<u>1,663,294</u>		

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Carabao Group Public Company Limited and its subsidiaries****Statement of cash flows****For the nine-month period ended 30 September 2020**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Cash flows from operating activities</b>				
Profit before tax	3,221,519	2,075,488	312,991	444,182
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Dividend income	-	-	(299,999)	(369,999)
Depreciation and amortisation	497,515	399,703	2,249	388
Gain on sales of investments in trading securities	(328)	-	(328)	-
Gain on changes in value of investments in trading securities	(4)	-	(4)	-
Allowance for expected credit losses	4,788	8,226	-	-
Reduction of inventories to net realisable value	211	1,765	-	-
Gain on disposals of equipment	(4,740)	(2,240)	-	-
Provision for long-term employee benefits	11,715	19,276	2,111	3,412
Amortisation of transaction cost for debenture issuance	1,285	1,646	1,285	1,646
Realised and unrealised loss (gain) on exchange	(5,116)	4,483	(2,719)	1,963
Interest income	(3,606)	(670)	(64,633)	(72,182)
Interest expenses	77,470	95,800	43,972	50,096
<b>Profit (loss) from operating activities before changes in operating assets and liabilities</b>	<b>3,800,709</b>	<b>2,603,477</b>	<b>(5,075)</b>	<b>59,506</b>
Operating assets (increase) decrease				
Trade and other receivables	(234,871)	(514,151)	216	365
Inventories	(365,298)	(89,527)	-	-
Other current assets	(35,938)	(2,281)	40	6
Other non-current assets	(312)	503	-	-
Operating liabilities increase (decrease)				
Trade and other payables	347,795	(55,450)	101,017	66,874
Other current liabilities	(3,434)	(7)	-	-
Deposits received for rental	(11,644)	122	-	-
Cash paid for long-term employee benefits	(8,606)	-	(6,599)	-
<b>Cash from operating activities</b>	<b>3,488,401</b>	<b>1,942,686</b>	<b>89,599</b>	<b>126,751</b>
Cash received from interest income	3,895	670	65,222	76,720
Interest paid	(68,117)	(79,793)	(37,764)	(34,059)
Cash paid for income tax	(598,045)	(471,747)	(5,461)	(20,897)
<b>Net cash from operating activities</b>	<b>2,826,134</b>	<b>1,391,816</b>	<b>111,596</b>	<b>148,515</b>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Carabao Group Public Company Limited and its subsidiaries****Statement of cash flows (continued)****For the nine-month period ended 30 September 2020**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Cash flows from investing activities</b>				
Increase in investments in trading securities	(840,000)	-	(840,000)	-
Cash received from sales of investments in trading securities	840,055	-	840,055	-
Increase in short-term loans to related parties	-	-	(2,538,000)	(1,612,000)
Cash received from repayment of short-term loans to related parties	-	-	1,264,088	2,264,840
Increase in investments in subsidiaries	-	-	(771,499)	(733,327)
Proceeds from disposals of equipment	5,200	5,983	-	-
Cash paid for acquisitions of property, plant and equipment	(745,334)	(379,977)	-	-
Cash paid for acquisitions of intangible assets	(17,805)	(8,463)	(3,337)	-
Cash paid for acquisitions of investment properties	(333)	-	-	-
Dividend income from subsidiaries	-	-	3,249,990	849,997
<b>Net cash from (used in) investing activities</b>	<b>(758,217)</b>	<b>(382,457)</b>	<b>1,201,297</b>	<b>769,510</b>
<b>Cash flows from financing activities</b>				
Increase in short-term loans from financial institutions	3,740,024	5,595,815	2,293,000	2,190,000
Cash paid for repayment of short-term loans from financial institutions	(1,694,123)	(5,232,148)	(360,000)	(2,005,000)
Increase in long-term loan from financial institution	-	55,050	-	-
Cash paid for repayment of long-term loan from financial institution	(218,250)	(298,500)	-	-
Cash paid for lease liabilities	(95,136)	-	(2,625)	-
Cash paid for redemption of debentures	(1,700,000)	-	(1,700,000)	-
Cash received from non-controlling interests of the subsidiary from issuance of ordinary shares of subsidiary	30,000	-	-	-
Dividend paid	(2,100,000)	(1,100,000)	(2,100,000)	(1,100,000)
<b>Net cash used in financing activities</b>	<b>(2,037,485)</b>	<b>(979,783)</b>	<b>(1,869,625)</b>	<b>(915,000)</b>
Increase (decrease) in translation adjustments	(50,137)	31,620	-	-
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(19,705)</b>	<b>61,196</b>	<b>(556,732)</b>	<b>3,025</b>
Cash and cash equivalents at beginning of period	961,954	137,599	576,955	18,659
Effect of change in foreign exchange rate on cash at banks	3,195	(311)	-	-
<b>Cash and cash equivalents at end of period</b>	<b>945,444</b>	<b>198,484</b>	<b>20,223</b>	<b>21,684</b>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Carabao Group Public Company Limited and its subsidiaries**

**Statement of cash flows (continued)**

**For the nine-month period ended 30 September 2020**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Supplemental disclosures of cash flows information</b>				
Non-cash related transactions				
Decrease in payable for purchasing of plant and equipment	(7,582)	(171,682)	-	-
Increase (decrease) in payable for purchasing of intangible assets	594	(1,355)	-	-
Increase (decrease) in retention payable	13,581	(3,792)	-	-
Transfer property, plant and equipment to investment properties	7,821	7,424	-	-
Right-of-use assets increase from lease agreements	28,389	-	-	-

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

## Carabao Group Public Company Limited and its subsidiaries

## Statement of changes in shareholders' equity

For the nine-month period ended 30 September 2020

(Unit: Thousand Baht)

Consolidated financial statements												
Equity attributable to owners of the Company												
	Note	Issued and paid-up share capital	Share premium	Surplus on combination under common control	Surplus on changes in percentage of shareholding in local subsidiary	Deficit on changes in percentage of shareholding in overseas subsidiary	Retained earnings		Other components of equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
							Appropriated - statutory reserve	Unappropriated				
<b>Balance as at 1 January 2019</b>		1,000,000	3,962,980	323,216	108,959	(368,686)	100,000	2,140,042	(89,678)	7,176,833	187,876	7,364,709
Profit for the period		-	-	-	-	-	-	1,703,625	-	1,703,625	(30,772)	1,672,853
Other comprehensive income for the period		-	-	-	-	-	-	-	(10,372)	(10,372)	813	(9,559)
Total comprehensive income for the period		-	-	-	-	-	-	1,703,625	(10,372)	1,693,253	(29,959)	1,663,294
Dividend paid	26	-	-	-	-	-	-	(1,100,000)	-	(1,100,000)	-	(1,100,000)
<b>Balance as at 30 September 2019</b>		<u>1,000,000</u>	<u>3,962,980</u>	<u>323,216</u>	<u>108,959</u>	<u>(368,686)</u>	<u>100,000</u>	<u>2,743,667</u>	<u>(100,050)</u>	<u>7,770,086</u>	<u>157,917</u>	<u>7,928,003</u>
<b>Balance as at 1 January 2020</b>		1,000,000	3,962,980	323,216	108,959	(368,686)	100,000	3,536,648	(97,307)	8,565,810	152,554	8,718,364
Profit for the period		-	-	-	-	-	-	2,651,891	-	2,651,891	34,245	2,686,136
Other comprehensive income for the period		-	-	-	-	-	-	-	(27,284)	(27,284)	(9,444)	(36,728)
Total comprehensive income for the period		-	-	-	-	-	-	2,651,891	(27,284)	2,624,607	24,801	2,649,408
Dividend paid	26	-	-	-	-	-	-	(2,100,000)	-	(2,100,000)	-	(2,100,000)
Increase in non-controlling interests of subsidiaries												
from joint investments	9.2.2	-	-	-	-	-	-	-	-	-	30,000	30,000
<b>Balance as at 30 September 2020</b>		<u>1,000,000</u>	<u>3,962,980</u>	<u>323,216</u>	<u>108,959</u>	<u>(368,686)</u>	<u>100,000</u>	<u>4,088,539</u>	<u>(124,591)</u>	<u>9,090,417</u>	<u>207,355</u>	<u>9,297,772</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Carabao Group Public Company Limited and its subsidiaries**

**Statement of changes in shareholders' equity (continued)**

**For the nine-month period ended 30 September 2020**

(Unit: Thousand Baht)

		Separate financial statements					
		Issued and paid-up share capital	Share premium	Surplus on changes in percentage of shareholding in local subsidiary	Retained earnings		Total
					Appropriated - statutory reserve	Unappropriated	
Note							
	<b>Balance as at 1 January 2019</b>	1,000,000	3,962,980	108,959	100,000	836,313	6,008,252
	Profit for the period	-	-	-	-	429,345	429,345
	Other comprehensive income for the period	-	-	-	-	-	-
	Total comprehensive income for the period	-	-	-	-	429,345	429,345
	Dividend paid	26	-	-	-	(1,100,000)	(1,100,000)
	<b>Balance as at 30 September 2019</b>	<u>1,000,000</u>	<u>3,962,980</u>	<u>108,959</u>	<u>100,000</u>	<u>165,658</u>	<u>5,337,597</u>
	<b>Balance as at 1 January 2020</b>	1,000,000	3,962,980	108,959	100,000	1,919,614	7,091,553
	Profit for the period	-	-	-	-	310,884	310,884
	Other comprehensive income for the period	-	-	-	-	-	-
	Total comprehensive income for the period	-	-	-	-	310,884	310,884
	Dividend paid	26	-	-	-	(2,100,000)	(2,100,000)
	<b>Balance as at 30 September 2020</b>	<u>1,000,000</u>	<u>3,962,980</u>	<u>108,959</u>	<u>100,000</u>	<u>130,498</u>	<u>5,302,437</u>

The accompanying notes are an integral part of the financial statements.

**Carabao Group Public Company Limited and its subsidiaries**

**Notes to interim consolidated financial statements**

**For the three-month and nine-month periods ended 30 September 2020**

**1. General information**

**1.1 Corporate information**

Carabao Group Public Company Limited (“the Company”) was incorporated as a limited company on 28 August 2013, and registered the change of its status to a public limited company under The Public Limited Companies Act on 8 July 2014. The Company is domiciled in Thailand and is principally engaged in the investment in subsidiaries. The registered office of the Company is at 393, 393 Silom Building, 7th - 10th Floor, Silom Road, Silom, Bangrak, Bangkok.

**1.2 Coronavirus disease 2019 pandemic**

The Coronavirus disease 2019 pandemic is resulting in an economic slowdown and adversely impacting most businesses and industries in terms of supply chains, consumer spending, limited or suspended production, operational delays, and more.

This situation affects the Group’s business activities in terms of ability to achieve the expected sales and profit of the entity in the United Kingdom and may significantly impact the financial performance and cash flows used in the consideration of the impairment of investments in subsidiaries and goodwill. However, the impact cannot be reasonably estimated at this stage. The Group’s management has continuously monitored the ongoing developments and assessed the financial impact and will record the impact when it is possible to do so.

**1.3 Basis for the preparation of interim financial statements**

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income, comprehensive income, changes in shareholders’ equity, and cash flows in the same format as that used for the annual financial statements.

These interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.



## 1.4 Basis of consolidation

These consolidated interim financial statements include the financial statements of Carabao Group Public Company Limited and its subsidiaries and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2019. There have been changes in the composition of its subsidiaries from the establishment of new subsidiaries as discussed in Note 9 to the financial statements.

## 1.5 New financial reporting standards

### a) Financial reporting standards that became effective in the current period

During the period, the Group has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, the new standards involve changes to key principles, which are summarised below.

#### Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial Reporting Standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting Standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments.

These standards do not have any significant impact on the Group's financial statements.

## **TFRS 16 Leases**

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases.

The Group adopted these financial reporting standards using the modified retrospective method of initial adoption of which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 2.

## **Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the Covid-19 Pandemic**

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the Covid-19 Pandemic. Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On 22 April 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between 1 January 2020 and 31 December 2020.

The Group has elected to apply the following temporary relief measures on accounting alternatives:

- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets. This relief measure may affect the carrying amount of investments in subsidiaries.
- Not to use information relating to the COVID-19 situation that may affect the cash flow forecasts used in testing goodwill. This relief measure may affect the carrying amount of goodwill.

**b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2021**

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

**1.6 Significant accounting policies**

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2019 except the changes in accounting policies related to financial instruments and leases.

**1.6.1 Financial instruments**

***Classification and measurement***

Financial assets that are debt instruments are measured at fair value through profit or loss, fair value through other comprehensive income, or amortised cost. Classification is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial liabilities are classified and measured at amortised cost.

Derivatives are classified and measured at fair value through profit or loss.

***Impairment of financial assets***

The Group recognises an allowance for expected credit losses on its financial assets measured at amortised cost, without requiring a credit-impaired event to have occurred prior to the recognition. The Group accounts for changes in expected credit losses in stages, with differing methods of determining allowance for credit losses and the effective interest rate applied at each stage. An exception from this approach is that for trade receivables that do not contain a significant financing component, the Group applies a simplified approach to determine the lifetime expected credit losses.

## 1.6.2 Leases

### ***Right-of-use assets***

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised through initial measurement, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

Unless the Group is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use asset is depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

### ***Lease liabilities***

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

### ***Short-term leases and Leases of low-value assets***

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognised as expenses on a straight-line basis over the lease term.

## **2. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards**

As described in Note 1.5 to the financial statements, during the current period, the Group has adopted financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards is recognised as an adjustment to retained earnings as at 1 January 2020. Therefore, the comparative information was not restated.

(Unaudited but reviewed)

The impacts from changes in accounting policies due to the adoption of TFRS 16 are presented as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		
	The impacts of		
	31 December 2019	TFRS 16	1 January 2020
<b>Statement of financial position</b>			
<b>Assets</b>			
<b>Non-current assets</b>			
Right-of-use assets	-	334,537	334,537
<b>Liabilities and shareholders' equity</b>			
<b>Current liabilities</b>			
Current portion of lease liabilities	-	113,126	113,126
<b>Non-current liabilities</b>			
Lease liabilities, net of current portion	-	221,411	221,411

(Unit: Thousand Baht)

	Separate financial statements		
	The impacts of		
	31 December 2019	TFRS 16	1 January 2020
<b>Statement of financial position</b>			
<b>Assets</b>			
<b>Non-current assets</b>			
Right-of-use assets	-	60,090	60,090
<b>Liabilities and shareholders' equity</b>			
<b>Current liabilities</b>			
Current portion of lease liabilities	-	1,706	1,706
<b>Non-current liabilities</b>			
Lease liabilities, net of current portion	-	58,384	58,384

(Unaudited but reviewed)

Upon initial application of TFRS 16, the Group recognised lease liabilities previously classified as operating leases at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at 1 January 2020. For leases previously classified as finance leases, the Group recognised the carrying amount of the right-of-use assets and lease liabilities based on the carrying amounts of the lease assets and lease liabilities immediately before the date of initial application of TFRS 16.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Operating lease commitments as at 31 December 2019	162,654	2,735
Add: Operating lease commitments with related parties	68,778	-
Option to extend lease term	138,797	83,981
Less: Short-term leases and leases of low-value assets	(486)	-
Contracts reassessed as service contracts	(15,266)	(1,860)
Deferred interest expenses	(19,940)	(24,766)
Lease liabilities as at 1 January 2020	<u>334,537</u>	<u>60,090</u>
Comprise:		
Current lease liabilities	113,126	1,706
Non-current lease liabilities	<u>221,411</u>	<u>58,384</u>
	<u>334,537</u>	<u>60,090</u>

The adjustments of right-of-use assets due to TFRS 16 adoption as at 1 January 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Building and structures	180,478	60,090
Machinery and equipment	14,616	-
Furniture, fixtures and office equipment	990	-
Motor vehicles	138,453	-
<b>Total right-of-use assets</b>	<u>334,537</u>	<u>60,090</u>

### 3. Related party transactions

During the periods, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Million Baht)

	For the three-month periods ended 30 September				Transfer Pricing Policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	
<b><u>Transactions with subsidiaries</u></b>					
(Eliminated from the consolidated financial statements)					
Management income	-	-	70	70	Contract price
Interest income	-	-	25	23	Contract price
<b><u>Transactions with individuals or related companies</u></b>					
Sales of goods	214	224	-	-	Market price
Service income	3	2	-	-	Contract price
Rental income	1	1	-	-	Contract price
Other income	2	1	-	-	Market price/ Mutually agreed prices
Purchase of goods	634	318	-	-	Market price
Promotion expenses	7	4	-	-	Contract price/ Mutually agreed prices
Rental and service expenses	8	11	-	-	Contract price

(Unaudited but reviewed)

(Unit: Million Baht)

For the nine-month periods ended 30 September

	Consolidated		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	
<b><u>Transactions with subsidiaries</u></b>					
(Eliminated from the consolidated financial statements)					
Dividend income	-	-	300	370	At the declared rate
Management income	-	-	210	210	Contract price
Interest income	-	-	63	72	Contract price
<b><u>Transactions with individuals or related companies</u></b>					
Sales of goods	623	534	-	-	Market price
Service income	7	6	-	-	Contract price
Rental income	4	4	-	-	Contract price
Other income	3	3	-	-	Market price/ Mutually agreed prices
Purchase of goods	1,564	854	-	-	Market price
Promotion expenses	19	12	-	-	Contract price/ Mutually agreed prices
Rental and service expenses	21	23	-	-	Contract price
Other expenses	3	3	-	-	Mutually agreed prices



The balances of the accounts as at 30 September 2020 and 31 December 2019 between the Company and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2020	31 December 2019	30 September 2020	31 December 2019
<b><u>Trade and other receivables - related parties</u></b>				
<b>(Note 5)</b>				
Subsidiaries	-	-	288	592
Related companies				
(related by shareholders and directors)	337,579	181,747	-	-
Total trade and other receivables - related parties	<u>337,579</u>	<u>181,747</u>	<u>288</u>	<u>592</u>
<b><u>Dividend receivable from related party</u></b>				
Subsidiary	-	-	-	2,949,991
Total dividend receivable from related party	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,949,991</u>
<b><u>Other long-term receivable - related party</u></b>				
Subsidiary	-	-	26,172	26,172
Total other long-term receivable - related party	<u>-</u>	<u>-</u>	<u>26,172</u>	<u>26,172</u>
<b><u>Trade and other payables - related parties</u></b>				
<b>(Note 16)</b>				
Subsidiaries	-	-	33	-
Related companies				
(related by shareholders and directors)	35,632	22,917	-	-
Total trade and other payables - related parties	<u>35,632</u>	<u>22,917</u>	<u>33</u>	<u>-</u>
<b><u>Lease liabilities - related parties (Note 18)</u></b>				
Subsidiary	-	-	58,815	-
Related companies				
(related by shareholders and directors)	73,628	-	-	-
Total lease liabilities - related parties	<u>73,628</u>	<u>-</u>	<u>58,815</u>	<u>-</u>
<b><u>Deposits received from rental - related parties</u></b>				
Related companies				
(related by shareholders and directors)	3,714	3,230	-	-
Total deposits received from rental - related parties	<u>3,714</u>	<u>3,230</u>	<u>-</u>	<u>-</u>

(Unaudited but reviewed)

As at 30 September 2020 and 31 December 2019, the balance of short-term loans between the Company and those related parties and the movements are as follows:

### **Short-term loans to related parties**

(Unit: Thousand Baht)

		Separate financial statements				
		Balance as at 31 December 2019	Increase during the period	Decrease during the period	Gain on exchange	Balance as at 30 September 2020
Loans to related parties	Related by					
Carabao Tawandang Co., Ltd.	Subsidiary	2,460,000	2,340,000	(1,235,000)	-	3,565,000
Asia Carabao Venture Co., Ltd.	Subsidiary	-	170,000	-	-	170,000
Carabao Trading (Hong Kong) Limited	Subsidiary	26,368	-	(29,088)	2,720	-
Asia Packaging Manufacturing Co., Ltd.	Subsidiary	-	28,000	-	-	28,000
Total		<u>2,486,368</u>	<u>2,538,000</u>	<u>(1,264,088)</u>	<u>2,720</u>	<u>3,763,000</u>

As at 30 September 2020, short-term loans to related parties are in form of promissory notes, carrying interest at 2.8 percent per annum (31 December 2019: 2.8 percent per annum).

### **Directors and management's benefits**

During the three-month and nine-month periods ended 30 September 2020 and 2019, the Group had employee benefit expenses payable to its directors and management as below.

(Unit: Million Baht)

	For the three-month periods ended 30 September			
	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Short-term employee benefits	60.9	38.6	60.9	38.6
Post-employment benefits	0.6	0.5	0.6	0.5
Total	<u>61.5</u>	<u>39.1</u>	<u>61.5</u>	<u>39.1</u>

(Unit: Million Baht)

	For the nine-month periods ended 30 September			
	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Short-term employee benefits	174.2	111.0	174.2	111.0
Post-employment benefits	1.7	1.6	1.7	1.6
Total	<u>175.9</u>	<u>112.6</u>	<u>175.9</u>	<u>112.6</u>

**Guarantee obligation**

As at 30 September 2020, the Company had guarantee obligations on credit facilities of the two subsidiaries, as described in Note 27.5.1 to the financial statements.

**4. Cash and cash equivalents**

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	30 September 2020	31 December 2019	30 September 2020	31 December 2019
Cash	230	210	10	10
Bank deposits	945,214	275,744	20,213	21,945
Call deposit receipts	-	686,000	-	555,000
Total cash and cash equivalents	<u>945,444</u>	<u>961,954</u>	<u>20,223</u>	<u>576,955</u>

As at 30 September 2020, bank deposits in savings accounts carried interest between 0.01 and 0.25 percent per annum (31 December 2019: bank deposits in savings accounts and call deposit receipts carried interest between 0.01 and 1.00 percent per annum).

**5. Trade and other receivables**

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	30 September 2020	31 December 2019	30 September 2020	31 December 2019
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	292,616	122,921	-	-
Past due				
Not over 3 months	5	55,633	-	-
Total trade receivables - related parties	<u>292,621</u>	<u>178,554</u>	<u>-</u>	<u>-</u>
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	671,605	752,210	-	-
Past due				
Not over 3 months	212,173	111,601	-	-
3 - 6 months	-	221	-	-
6 - 12 months	-	659	-	-
Over 12 months	19,977	14,650	-	-
Total trade receivables - unrelated parties	<u>903,755</u>	<u>879,341</u>	<u>-</u>	<u>-</u>
Less: Allowance for expected credit losses	<u>(19,977)</u>	<u>(14,687)</u>	<u>-</u>	<u>-</u>
Total trade receivables - unrelated parties - net	<u>883,778</u>	<u>864,654</u>	<u>-</u>	<u>-</u>
Total trade receivables - net	<u>1,176,399</u>	<u>1,043,208</u>	<u>-</u>	<u>-</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December
	2020	2019	2020	2019
<u>Other receivables</u>				
Other receivables - related parties	2,591	2,922	5	1
Other receivables - unrelated parties	2,620	6,794	1	-
Accrued income - related parties	300	271	283	591
Accrued income - unrelated parties	2	367	-	283
Prepaid expenses	138,594	81,150	1,557	1,777
Advance payments for purchase of goods - related party	42,067	-	-	-
Advances	7,537	1,922	-	-
Others	2,580	3,687	-	-
Total other receivables	<u>196,291</u>	<u>97,113</u>	<u>1,846</u>	<u>2,652</u>
Total trade and other receivables - net	<u>1,372,690</u>	<u>1,140,321</u>	<u>1,846</u>	<u>2,652</u>

## 6. Reduction of inventories to net realisable value

Movements in reduction of inventories to net realisable value account during the nine-month period ended 30 September 2020 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements
Balance as at 31 December 2019	7,293
Reduction of inventory value during the period	211
Write-off due to inventory destruction	(5,348)
Translation adjustment	71
Balance as at 30 September 2020	<u>2,227</u>

**7. Other current financial assets**

As at 30 September 2020, other current financial assets which were investments in trading securities are summarised below.

	(Unit: Thousand Baht)	
	Consolidated/Separate financial statements	
	Cost	Fair value
Open-ended fund in debt instruments of a financial institution	273	277
Add: Gain on change in value	4	
Total investments in trading securities	<u>277</u>	

Movements of investments in trading securities for the nine-month period ended 30 September 2020 are summarised below.

	(Unit: Thousand Baht)
	Consolidated/ Separate financial statements
Net book value as at 31 December 2019	-
Acquisition during the period - at cost	840,000
Sales during the period	
Proceeds from sales	(840,055)
Gain on sales	328
Total	(839,727)
Gain on change in value	4
Net book value as at 30 September 2020	<u>277</u>

**8. Other current assets**

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	30 September 2020	31 December 2019	30 September 2020	31 December 2019
VAT receivable	112,144	78,861	-	-
Undue input VAT	15,664	11,220	33	73
Supplies for marketing promotion	7,935	7,690	-	-
Withholding tax deducted at sources	1,085	11	1,069	-
Others	3,705	5,728	-	-
Total other current assets	<u>140,533</u>	<u>103,510</u>	<u>1,102</u>	<u>73</u>

## 9. Investments in subsidiaries

Investments in subsidiaries presented in the separate financial statements are as follows:

Company's name	Paid-up capital		Percentage of shareholding		Cost method		Allowance for impairment of investment		Carrying amount - net		Dividend received during the nine-month periods ended	
	30 September 2020	31 December 2019	30 September 2020	31 December 2019	30 September 2020	31 December 2019	30 September 2020	31 December 2019	30 September 2020	31 December 2019	30 September 2020	30 September 2019
	(Thousand Baht)	(Thousand Baht)	(Percent)	(Percent)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
<b>Local subsidiaries</b>												
Carabao Tawandang Co., Ltd.	300,000	300,000	100	100	408,958	408,958	-	-	408,958	408,958	299,999	239,999
Asia Pacific Glass Co., Ltd.	1,299,998	1,299,998	100	100	1,299,998	1,299,998	-	-	1,299,998	1,299,998	-	130,000
Tawandang DCM Co., Ltd.	100,000	100,000	100	100	99,998	99,998	-	-	99,998	99,998	-	-
Asia Can Manufacturing Co., Ltd.	700,000	700,000	74	74	518,000	518,000	-	-	518,000	518,000	-	-
Asia Packaging Manufacturing Co., Ltd.	525,000	-	100	-	525,000	-	-	-	525,000	-	-	-
Asia Carabao Venture Co., Ltd.	5,000	-	100	-	5,000	-	-	-	5,000	-	-	-
<b>Overseas subsidiaries</b>												
Carabao Holdings (Hong Kong) Limited	USD 93.6 million	USD 85.9 million	100	100	3,082,160	2,840,661	(1,498,756)	(1,498,756)	1,583,404	1,341,905	-	-
Carabao Trading (Hong Kong) Limited	USD 50,000	USD 50,000	100	100	1,758	1,758	-	-	1,758	1,758	-	-
Total					<u>5,940,872</u>	<u>5,169,373</u>	<u>(1,498,756)</u>	<u>(1,498,756)</u>	<u>4,442,116</u>	<u>3,670,617</u>	<u>299,999</u>	<u>369,999</u>

### 9.1 Changes in investments in Carabao Holdings (Hong Kong) Limited and its subsidiaries

9.1.1 On 6 February 2020, the meeting of the Board of Directors of Intercarabao Limited (ICUK) passed a resolution to additionally call up the remaining amount of its registered share capital of GBP 0.1 million. Carabao Venture Holdings (Luxembourg) S.à.r.l. (CVHLUX) paid for the share subscription on 6 February 2020.

On 6 February 2020, the meeting of the Board of Directors of Intercarabao Limited (ICUK) (a subsidiary) passed a resolution to increase its registered share capital from GBP 74.6 million to GBP 80.6 million (increase GBP 6.0 million or EUR 7.1 million). Such subsidiary registered the share capital increase on 6 February 2020.

On 6 February 2020, CVHLUX purchased the additional ordinary shares of ICUK of GBP 6.0 million or EUR 7.1 million and partially made the payment for such share subscription totaling GBP 2.9 million.

On 6 February 2020, the meeting of the Board of Directors of Carabao Holdings (Hong Kong) Limited (CHHK) (a subsidiary) passed a resolution to increase its registered share capital from USD 85.9 million to USD 89.8 million (increase USD 3.9 million). The Company already made the payment for share subscription. Such subsidiary registered the share capital increase on 6 February 2020.

9.1.2 On 8 June 2020, the meeting of the Board of Directors of Intercarabao Limited (ICUK) passed a resolution to additionally call up the remaining amount of its registered share capital of GBP 3.0 million. Carabao Venture Holdings (Luxembourg) S.à.r.l. (CVHLUX) paid for the share subscription on 11 June 2020.

On 11 June 2020, the meeting of the Board of Directors of Carabao Holdings (Hong Kong) Limited (CHHK) (a subsidiary) passed a resolution to increase its registered share capital from USD 89.8 million to USD 93.6 million (increase USD 3.8 million). The Company already made the payment for share subscription. Such subsidiary registered the share capital increase on 11 June 2020.

## 9.2 Investments in new subsidiaries

During the period, the Company invested in the new subsidiaries as follows:

9.2.1 On 20 February 2020, the meeting of the Company's Board of Directors passed a resolution to approve an establishment of Asia Packaging Manufacturing Co., Ltd. (APM), incorporated in Thailand, being engaged in the manufacture and distribution of packaging with a registered capital of Baht 700 million (7,000,000 ordinary shares of Baht 100 each). The Company holds 100 percent interest in APM.

APM registered its establishment with the Ministry of Commerce on 2 March 2020. The share capital was called up at Baht 25 each, or equivalent to 25 percent of its registered share capital. The Company already made payment for such called up capital.

On 25 June 2020, APM additionally called up for its shares at Baht 50 each. The Company already made payment for such additional called up capital on 16 July 2020.

9.2.2 On 10 March 2020, the meeting of the Company's Board of Directors passed a resolution to approve an establishment of Asia Carabao Venture Co., Ltd. (ACV), incorporated in Thailand, being engaged in the investment with other commercial partners, with a registered capital of Baht 20 million (200,000 ordinary shares of Baht 100 each). The Company holds 100 percent interest in ACV.

ACV registered its establishment with the Ministry of Commerce on 10 March 2020. The share capital was called up at Baht 25 each, or equivalent to 25 percent of its registered share capital. The Company already made payment for such called up capital.

Moreover, the meeting of the Company's Board of Directors passed a resolution to approve ACV to enter into joint venture agreement with an unrelated person for investing in A Woody Drink Co., Ltd. (AWD), a company newly established on 26 February 2020, being engaged in marketing and sales of functional drinks, with a registered capital of Baht 0.1 million (1,000 ordinary shares of Baht 100 each). According to such joint venture agreement, ACV and such unrelated person hold 85 percent interest and 15 percent interest, respectively, in AWD. The share capital was fully called up and paid by ACV.

On 27 March 2020, the Extraordinary General Meeting of the shareholders of A Woody Drink Co., Ltd. (AWD) (a subsidiary) passed a resolution to approve an increase its registered share capital from Baht 0.1 million (1,000 ordinary shares of Baht 100 each) to Baht 200 million (2,000,000 ordinary shares of Baht 100 each) through the issuance of additional 1,999,000 ordinary shares of Baht 100 each.

AWD registered the share capital increase with the Ministry of Commerce on 10 April 2020. The share capital was fully called up and paid by ACV.

## 10. Investment properties

Movements of the investment properties account during the nine-month period ended 30 September 2020 are summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements
Net book value as at 31 December 2019	103,220
Cost of asset improvement	333
Transfer from property, plant and equipment	7,821
Depreciation for the period	(3,348)
Net book value as at 30 September 2020	<u>108,026</u>

## 11. Property, plant and equipment

Movements in the property, plant and equipment account during the nine-month period ended 30 September 2020 are summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements
Net book value as at 31 December 2019	10,872,367
Acquisitions during the period - at cost	751,333
Disposals during the period - net book value at disposal date	(460)
Transfer to investment properties	(7,821)
Depreciation for the period	(396,907)
Translation adjustment	120
Net book value as at 30 September 2020	<u>11,218,632</u>



**12. Right-of-use assets**

Movements in the right-of-use assets account during the nine-month period ended 30 September 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	<u>                    </u>	<u>                    </u>
Net book value as at 1 January 2020	-	-
The adjustment due to TFRS 16 adoption	334,537	60,090
Net book value as at 1 January 2020 - adjusted	334,537	60,090
Increase during the period	28,389	-
Depreciation for the period	(92,040)	(1,859)
Net book value as at 30 September 2020	<u>270,886</u>	<u>58,231</u>

**13. Goodwill**

Movements in the goodwill account during the nine-month period ended 30 September 2020 are summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements
	<u>                    </u>
Net book value as at 31 December 2019	481,115
Translation adjustment	14,210
Net book value as at 30 September 2020	<u>495,325</u>

**14. Intangible assets**

Movements of the intangible assets account during the nine-month period ended 30 September 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	<u>                    </u>	<u>                    </u>
Net book value as at 31 December 2019	81,156	4,376
Acquisitions during the period - at cost	18,399	3,337
Amortisation for the period	(5,220)	(390)
Translation adjustment	8	-
Net book value as at 30 September 2020	<u>94,343</u>	<u>7,323</u>

**15. Short-term loans from financial institutions**

The short-term loans from financial institutions carry interest at a reference fixed loan rate of commercial banks. The loans are unsecured loans with no imposed financial conditions or covenants.

**16. Trade and other payables**

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	30 September 2020	31 December 2019	30 September 2020	31 December 2019
Trade payables - related parties	20,401	16,611	-	-
Trade payables - unrelated parties	649,242	614,553	-	-
Other payables - related parties	4,659	5,339	33	-
Other payables - unrelated parties	307,071	297,781	62,045	22,087
Accrued expenses - related parties	10,572	967	-	-
Accrued expenses - unrelated parties	624,439	319,501	119,458	53,574
Accrued excise tax	137,345	137,700	-	-
Advances received	52,554	54,269	-	-
Total trade and other payables	<u>1,806,283</u>	<u>1,446,721</u>	<u>181,536</u>	<u>75,661</u>

**17. Long-term loan from financial institution**

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	30 September 2020	31 December 2019
Long-term loan	1,115,500	1,333,750
Less: Portion due within one year	(291,000)	(291,000)
Long-term loan - net of current portion	<u>824,500</u>	<u>1,042,750</u>

During the nine-month period ended 30 September 2020, movements in long-term loan from financial institution are summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements
Balance as at 31 December 2019	1,333,750
Less: Repayment during the period	(218,250)
Balance as at 30 September 2020	<u>1,115,500</u>

On 12 July 2017, a subsidiary entered into long-term loan agreement with a financial institution with given credit facilities of Baht 1,455 million, which the last drawn down period was within 28 December 2018. The interest is charged at the fixed rate for the first 2 years and the reference Minimum Loan Rate (MLR) minus fixed rate per annum for the following years. The loan is repayable in 1-month installments over a period of 5 years, with the first installment due in August 2019. This long-term loan is unsecured. The long-term loan agreement contains conditions that require the subsidiary to comply with certain conditions and restrictions stipulated in the agreement, pertaining to maintaining the subsidiary's debt to equity ratio at the rate prescribed in the agreement.

Subsequently on 21 January 2019, such subsidiary entered into an amendment to the agreement, extending the last drawn down period from 28 December 2018 to 31 January 2019.

## 18. Lease liabilities

Lease liabilities as at 30 September 2020 are presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Lease liabilities	290,442	82,231
Less: Deferred interest expenses	(17,317)	(23,416)
Total	273,125	58,815
Less: Portion due within one year	(81,889)	(1,745)
Lease liabilities - net of current portion	191,236	57,070
Of which with related parties	73,628	58,815

Movements in lease liabilities during the nine-month period ended 30 September 2020 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2020	-	-
The adjustment due to TFRS 16 adoption	334,537	60,090
Balance as at 1 January 2020 - adjusted	334,537	60,090
Add: Additions during the period	28,389	-
Accretion of interest	5,335	1,350
Less: Payments during the period	(95,136)	(2,625)
Balance as at 30 September 2020	273,125	58,815

**19. Debentures**

	Interest rate (Percent per annum)	Maturity date	(Unit: Thousand Baht)	
			Consolidated/Separate financial statements	
			30 September 2020	31 December 2019
No. 1/2018 - Series 1	2.23	15 June 2020	-	1,700,000
- Series 2	2.42	15 June 2021	720,000	720,000
No. 2/2018	2.42	15 June 2021	370,000	370,000
Total			1,090,000	2,790,000
Less: Deferred transaction costs			(595)	(1,880)
Total debentures			1,089,405	2,788,120
Less: Portion due within one year			(1,089,405)	(1,699,428)
Debentures - net of current portion			-	1,088,692

During the nine-month period ended 30 September 2020, movements in debentures are summarised below.

	(Unit: Thousand Baht)
	Consolidated/ Separate financial statements
Balance as at 31 December 2019	2,788,120
Add: Amortisation of transaction costs for debenture issuance during the period	1,285
Less: Redemption of debentures during the period	(1,700,000)
Balance as at 30 September 2020	1,089,405

These debentures are in the name of specific holders, unsubordinated and unsecured.

These debentures contain a covenant that require the Company to maintain the consolidated financial statements' debt to equity ratio at the prescribed rate.

On 22 June 2020, the Annual General Meeting of the shareholders of the Company approved the issuance and offering of debentures in principal amount not exceeding Baht 5,000 million or in foreign currencies in equivalent value, depending on the market conditions at each time of issuance and offering of debentures.

**20. Provision for long-term employee benefits**

During the nine-month period ended 30 September 2020, movements in the provision for long-term employee benefits, which are post-employment benefits, are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 31 December 2019	135,780	68,006
Current service cost	10,518	1,872
Interest cost	1,197	239
Benefits paid during the period	(8,606)	(6,599)
Balance as at 30 September 2020	<u>138,889</u>	<u>63,518</u>

**21. Revenues from contracts with customers**

	(Unit: Thousand Baht)	
	For the three-month periods ended 30 September	
	Consolidated financial statements	
	<u>2020</u>	<u>2019</u>
Revenue from sales of drinks under Group's trademark	3,616,863	3,370,778
Revenue from sales of OEM products under Group's trademark	135,251	121,966
Revenue from other products	613,091	351,458
Others	40,113	17,722
Total revenues from contracts with customers - recognised at a point in time	<u>4,405,318</u>	<u>3,861,924</u>

	(Unit: Thousand Baht)	
	For the nine-month periods ended 30 September	
	Consolidated financial statements	
	<u>2020</u>	<u>2019</u>
Revenue from sales of drinks under Group's trademark	10,744,010	9,565,158
Revenue from sales of OEM products under Group's trademark	341,392	410,852
Revenue from other products	1,685,704	957,081
Others	202,695	43,124
Total revenues from contracts with customers - recognised at a point in time	<u>12,973,801</u>	<u>10,976,215</u>

**22. Other income**

(Unit: Thousand Baht)

For the three-month periods ended 30 September

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Management income	-	-	70,050	70,050
Gain on exchange	54,010	-	2,009	-
Rental and service income	3,801	16,351	-	-
Scrap sales	2,706	3,027	-	-
Gain on disposals of fixed assets	2,343	2,468	-	-
Interest income	101	55	24,516	22,816
Income from sales and trade-off premium goods	436	1,096	-	-
Others	8,974	5,281	1	98
<b>Total other income</b>	<b>72,371</b>	<b>28,278</b>	<b>96,576</b>	<b>92,964</b>

(Unit: Thousand Baht)

For the nine-month periods ended 30 September

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Management income	-	-	210,150	210,150
Gain on exchange	60,133	-	2,766	-
Rental and service income	24,234	52,538	-	-
Scrap sales	8,254	9,714	-	-
Gain on disposals of fixed assets	4,834	2,240	-	-
Interest income	3,606	670	64,633	72,182
Income from sales and trade-off premium goods	1,375	2,505	-	-
Others	27,337	16,505	333	445
<b>Total other income</b>	<b>129,773</b>	<b>84,172</b>	<b>277,882</b>	<b>282,777</b>

**23. Income tax**

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month and nine-month periods ended 30 September 2020 and 2019 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 September			
	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Current income tax:</b>				
Interim corporate income tax charge	193,364	168,005	803	4,750
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(2,559)	(647)	(195)	(328)
<b>Income tax expenses reported in the income statements</b>	<b>190,805</b>	<b>167,358</b>	<b>608</b>	<b>4,422</b>

  

	(Unit: Thousand Baht)			
	For the nine-month periods ended 30 September			
	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Current income tax:</b>				
Interim corporate income tax charge	552,234	389,196	2,786	15,849
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(16,851)	13,439	(679)	(1,012)
<b>Income tax expenses reported in the income statements</b>	<b>535,383</b>	<b>402,635</b>	<b>2,107</b>	<b>14,837</b>

**24. Earnings per share**

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

	For the three-month periods ended 30 September			
	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Profit for the period attributable to equity holders of the Company (Thousand Baht)	969,607	732,016	8,139	17,712
Weighted average number of ordinary shares (Thousand shares)	1,000,000	1,000,000	1,000,000	1,000,000
Basic earnings per share (Baht/share)	0.97	0.73	0.01	0.02

	For the nine-month periods ended 30 September			
	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Profit for the period attributable to equity holders of the Company (Thousand Baht)	2,651,891	1,703,625	310,884	429,345
Weighted average number of ordinary shares (Thousand shares)	1,000,000	1,000,000	1,000,000	1,000,000
Basic earnings per share (Baht/share)	2.65	1.70	0.31	0.43

**25. Segment information**

The Group is organised into business units based on its products and services. During the current period, the Group has not changed the organisation of its reportable segments.

The following table presents revenue and profit information regarding the Group's operating segments for the three-month and nine-month periods ended 30 September 2020 and 2019.



(Unaudited but reviewed)

(Unit: Million Baht)

Consolidated financial statements										
For the three-month periods ended 30 September										
	Manufacture and distribution of drinks under Group's trademark		Distribution of OEM products under Group's trademark		Distribution of other products		Others		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
<b>Revenue</b>										
Revenue from external customers	3,617	3,371	135	122	613	351	40	18	4,405	3,862
<b>Segment gross profit</b>	1,752	1,538	22	18	40	29	16	9	1,830	1,594
Other income									72	28
Selling and distribution expenses									(479)	(488)
Administrative expenses									(239)	(181)
Other expenses									-	(26)
Finance cost									(21)	(34)
<b>Profit before income tax expenses</b>									1,163	893
Income tax expenses									(191)	(167)
<b>Profit for the period</b>									972	726

(Unit: Million Baht)

Consolidated financial statements										
For the nine-month periods ended 30 September										
	Manufacture and distribution of drinks under Group's trademark		Distribution of OEM products under Group's trademark		Distribution of other products		Others		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
<b>Revenue</b>										
Revenue from external customers	10,744	9,565	341	411	1,686	957	203	43	12,974	10,976
<b>Segment gross profit</b>	5,135	4,038	53	54	121	83	76	18	5,385	4,193
Other income									130	84
Selling and distribution expenses									(1,449)	(1,499)
Administrative expenses									(761)	(567)
Other expenses									-	(33)
Finance cost									(84)	(102)
<b>Profit before income tax expenses</b>									3,221	2,076
Income tax expenses									(535)	(403)
<b>Profit for the period</b>									2,686	1,673

**Geographic information**

Revenue from external customers is based on locations of the customers as below.

	(Unit: Million Baht)			
	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenue from external customers				
Domestic				
Thailand	2,357	2,088	6,550	5,800
Overseas				
CLMV group	1,657	1,472	5,426	4,192
China	133	171	356	411
United Kingdom	17	12	34	41
Others	241	119	608	532
Total	<u>4,405</u>	<u>3,862</u>	<u>12,974</u>	<u>10,976</u>

During the nine-month period ended 30 September 2020, the Group had revenue from domestic sales of 50 percent (2019: 53 percent) and revenue from overseas sales of 50 percent (2019: 47 percent).

**Major customers**

During the nine-month period ended 30 September 2020, the Group had revenue from 2 major customers with revenue of more than 10 percent of its consolidated revenue (2019: 2 major customers).

**26. Dividend**

Dividend	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)	Paid in
<b><u>The Company</u></b>				
<b><u>For the year 2020</u></b>				
Interim dividend	Board of directors' meeting of the Company on 30 March 2020	1,200	1.2	April 2020
Interim dividend	Board of directors' meeting of the Company on 7 August 2020	900	0.9	September 2020
<b>Total dividend for 2020</b>		2,100		
<b><u>For the year 2019</u></b>				
Dividend from 2018 income	Annual General Meeting of the Shareholders on 23 April 2019	600	0.6	May 2019
Interim dividend	Board of directors' meeting of the Company on 8 August 2019	500	0.5	September 2019
<b>Total dividend for 2019</b>		1,100		
<b><u>Subsidiaries</u></b>				
<b><u>For the year 2020</u></b>				
Interim dividend	Board of directors' meeting of Carabao Tawandang Co., Ltd. on 8 May 2020	300	100.0	September 2020
<b>Total dividend for 2020</b>		300		
<b><u>For the year 2019</u></b>				
Interim dividend	Board of directors' meeting of Carabao Tawandang Co., Ltd. on 10 May 2019	240	80.0	September 2019
Interim dividend	Board of directors' meeting of Asia Pacific Glass Co., Ltd. on 10 May 2019	130	1.0	September 2019
<b>Total dividend for 2019</b>		370		

## 27. Commitments and contingent liabilities

### 27.1 Capital commitments

As at 30 September 2020, the subsidiaries had capital commitments, relating to the construction of factory buildings and acquisitions of machinery as follows:

	(Unit: Million)
	Consolidated financial statements
Currencies:	
Thai Baht	423.3
Euro	10.3

### 27.2 Lease and service commitments

The Group entered into several lease agreements in respect of the lease of accommodation for employees and service agreements. The terms of the agreements are generally between 1 year and 5 years.

As at 30 September 2020, the future minimum lease payments required under these non-cancellable lease and service contracts were as follows:

	(Unit: Million Baht)	
	Consolidated financial statements	Separate financial statements
Payable:		
In up to 1 year	15.2	1.1
In over 1 year and up to 5 years	0.5	-

### 27.3 Significant agreements with related parties

27.3.1 On 17 July 2012, Carabao Tawandang Co., Ltd. (a subsidiary) and Tawandang DCM Co., Ltd. (another subsidiary) entered into an agency agreement whereby the Tawandang DCM Co., Ltd. agreed to be a sole distributor of Carabao Tawandang Co., Ltd.'s beverage. The agreement is effective for a period of 10 years, expiring on 14 October 2022 and renewable every 5 years. Under the conditions of this agreement, Carabao Tawandang Co., Ltd. is obliged to support Tawandang DCM Co., Ltd. with regard to its advertising and promotional expenses incurred according to the terms and conditions of the agreement.

27.3.2 Carabao Tawandang Co., Ltd. (a subsidiary) and Asia Pacific Glass Co., Ltd., (another subsidiary), entered into a sale and purchase agreement for 150 ml amber glass bottle, 250 ml clear glass bottle, and 140 ml green glass bottle in accordance with quantity and design as depurated in the agreement. This agreement is effective since the date on the agreement unless being cancelled by either party.

27.3.3 On 20 November 2013, Carabao Tawandang Co., Ltd. (a subsidiary) entered into a public relation and brand image agreement with a related company. Under the condition of this agreement, the subsidiary is obliged to pay a fee of Baht 10 million per annum. The agreement is effective for a period of 3 years between 1 January 2014 and 31 December 2016.

On 1 July 2014, the subsidiary entered into a supplemental agreement to modify the period of the agreement from 3 years to 5 years, whereby the rate of public relation and brand image fee remains unchanged. In addition, the subsidiary agrees to automatically extend the agreement for another 5 years after the expiration on 31 December 2018 and also agrees to pay for the fee of Baht 12 million per annum. This agreement is effective from 1 July 2014 onwards.

27.3.4 On 25 January 2018, the Company entered into a technical assistance and management agreement with a subsidiary. The agreement is effective since 1 November 2017 unless being cancelled by either party. Under the condition of this agreement, the Company receives a monthly service fee of Baht 1.2 million.

On 20 March 2019, the Company entered into a technical assistance and management agreement with other three subsidiaries. The agreements are effective for a period of 3 years between 1 January 2019 and 31 December 2021. Under the condition of this agreement, the Company receives a monthly service fee of Baht 22.2 million. Subsequently, the Company agreed to change the expiration date of the agreement from 31 December 2021 to 31 December 2019.

On 10 March 2020, the Company agreed to change the expiration date of the agreement from 31 December 2019 to 31 December 2020.

27.3.5 Carabao Tawandang Co., Ltd. (a subsidiary) and Tawandang DCM Co., Ltd. (another subsidiary) entered into trademark license agreements for using trademark of Carabao Tawandang Co., Ltd. for certain products. The agreements are effective for a period of 1 year (expiring on 31 January 2019 and 21 June 2019) and 5 years (expiring on 19 October 2023) unless being cancelled by either party. Under the conditions of these agreements, Tawandang DCM Co., Ltd. is obliged to pay trademark license fees as specified in the agreements and Carabao Tawandang Co., Ltd. is obliged to support the marketing expenses incurred in respect of such trademark.

- 27.3.6 Tawandang DCM Co., Ltd. (a subsidiary) entered into agency agreements with three related companies whereby Tawandang DCM Co., Ltd. agreed to be a sole distributor of such related companies' products. The agreements are effective for a period of 1 year, and renewable every year. Under the conditions of these agreements, such related companies are obliged to support Tawandang DCM Co., Ltd. with regard to its advertising and promotional expenses incurred according to the terms and conditions of the agreements.
- 27.3.7 On 20 October 2016, Carabao Tawandang Co., Ltd. (a subsidiary) and Carabao Venture Holdings (Luxembourg) S.à.r.l. (another subsidiary) entered into an agency agreement whereby Carabao Venture Holdings (Luxembourg) S.à.r.l. agreed to be a sole distributor of Carabao Tawandang's products in the countries as specified in the agreement. The agreement is effective for a period of 9 years, expiring on 19 October 2025.
- 27.3.8 On 1 July 2017, Asia Can Manufacturing Co., Ltd. (a subsidiary) entered into license agreement with an overseas unrelated company for using manufacturing knowhow. This agreement is effective since the date on the agreement unless being cancelled by either party. Under the conditions of this agreement, such subsidiary paid for license fee of Baht 50 million, and it is obliged to pay a royalty fee quarterly at a rate specified in the agreement.
- 27.3.9 On 1 September 2017, Asia Pacific Glass Co., Ltd. (a subsidiary) entered into a land lease agreement with Asia Can Manufacturing Co., Ltd. (another subsidiary). The agreement is effective for a period of 30 years, expiring on 31 August 2047 and renewable. Under the conditions of this agreement, Asia Pacific Glass Co., Ltd. received rental in advance of Baht 50 million.
- 27.3.10 On 11 March 2020, A Woody Drink Co., Ltd. (a subsidiary) and Carabao Tawandang Co., Ltd. (another subsidiary) entered into a sale and purchase agreement for a product as deperated in the agreement. This agreement is effective since the date on the agreement unless being cancelled by either party.
- 27.3.11 On 11 March 2020, A Woody Drink Co., Ltd. (a subsidiary) entered into an agency agreement with Tawandang DCM Co., Ltd. (another subsidiary) whereby the Tawandang DCM Co., Ltd. agreed to be a sole distributor of A Woody Drink Co., Ltd.'s product. The agreement is effective since the date of the agreement unless being cancelled by either party. Under the conditions of this agreement, A Woody Drink Co., Ltd. is obliged to support Tawandang DCM Co., Ltd. according to the terms and conditions of the agreement.

27.3.12 On 20 May 2020, A Woody Drink Co., Ltd. (a subsidiary) and Carabao Tawandang Co., Ltd. (another subsidiary) entered into the licensing agreement for using name, brand and trademark of A Woody Drink Co., Ltd. for export products outside Thailand. The agreement is effective for a period of 10 years, expiring on 19 May 2030. Under the conditions of this agreement, Carabao Tawandang Co., Ltd. is obliged to pay license fees as specified in the agreement.

27.3.13 On 1 August 2020, Asia Pacific Glass Co., Ltd. (a subsidiary) entered into a land lease agreement with Asia Packaging Manufacturing Co., Ltd. (another subsidiary). The agreement is effective for a period of 3 years, expiring on 31 July 2023 and renewable. Under the conditions of this agreement, Asia Packaging Manufacturing Co., Ltd. is obliged to pay a rental fee annually at a rate specified in the agreement.

#### **27.4 Sponsorship agreements**

27.4.1 On 1 April 2016, Carabao Tawandang Co., Ltd. (a subsidiary) entered into a sponsorship agreement with a local football club concerning the marketing right regarding privileges and public relations as stipulated in the agreement. The agreement is effective from the date on the agreement until 31 December 2020.

27.4.2 On 18 November 2015, Carabao Tawandang Co., Ltd. (a subsidiary) and an overseas unrelated company entered into a sponsorship agreement with a football club registered in England concerning the marketing right to promote the brands and trademarks of the subsidiary in a football match. The agreement is effective for a period of 3 years between 1 May 2016 and 30 June 2019.

On 10 January 2017, the unrelated company entered into an agreement to transfer its rights and obligations under the sponsorship agreement to Intercarabao Limited (another subsidiary) and Carabao Venture Holdings (Luxembourg) S.à.r.l. (another subsidiary). The agreement is effective from 21 October 2016 onwards.

On 27 April 2017, such three subsidiaries entered into an amendment to the agreement with respect to the marketing right and sponsorship fee. The subsidiaries obtained a special condition to extend the period of the agreement from 3 years to 5 years, expiring on 30 June 2021, with additional fee totaling Pound 3 million. However, the marketing right in year 4 - 5 will lower from Principal Partner to be Global Sponsorship.

On 10 January 2020, such three subsidiaries entered into an amendment to the agreement to transfer all of their rights and obligations solely to Carabao Tawandang Co., Ltd. The agreement is effective from 1 January 2020 onwards.

As at 30 September 2020, Carabao Tawandang Co., Ltd. is obliged to pay a fee of Pound 1.5 million to the football club under conditions of this agreement.

27.4.3 On 1 November 2016, Carabao Venture Holdings (Luxembourg) S.à.r.l. (a subsidiary) entered into a sponsorship agreement with The Football League Limited which was incorporated in England. Under the condition of this agreement, the subsidiary is entitled to formally use the name and trademark of Carabao Tawandang Co., Ltd. (another subsidiary) to be the title of the football match and to promote the brand and trademark over a period of 3 seasons (from 2017/2018 Season to 2019/2020 Season). The subsidiary is obliged to pay a fee to such company under the terms and conditions specified in this agreement. The agreement is effective for a period of 3 years between 1 June 2017 and 31 May 2020.

On 30 March 2018, Carabao Venture Holdings (Luxembourg) S.à.r.l. entered into an amendment to the agreement to transfer its rights and obligations under the sponsorship agreement with The Football League Limited to Intercarabao Limited (another subsidiary) and Carabao Tawandang Co., Ltd. (another subsidiary). The agreement is effective from 30 March 2018 onwards.

On 22 May 2019, such two subsidiaries entered into an amendment to the agreement to extend a period under the sponsorship agreement with The Football League Limited over a period of 2 seasons (from 2020/2021 Season to 2021/2022 Season). The subsidiaries are obliged to pay a fee to such company under the terms and conditions specified in this agreement. The agreement is effective from the date on the agreement until 31 May 2022.

On 7 January 2020, such two subsidiaries entered into an amendment to the agreement to transfer all of its rights and obligations solely to Carabao Tawandang Co., Ltd. The agreement is effective from 1 January 2020 onwards.

## **27.5 Guarantees**

27.5.1 As at 30 September 2020, the Company guaranteed for credit facilities, in forms of letter of credit and forward contract, of Carabao Tawandang Co., Ltd. (a subsidiary) and Asia Pacific Glass Co., Ltd. (another subsidiary) amounting to Baht 1,100 million.

27.5.2 As at 30 September 2020, the subsidiaries had outstanding bank guarantees of approximately Baht 34.1 million issued by banks on behalf of the subsidiaries to guarantee the use of electricity and natural gas, and the submission of excise tax.



**28. Financial instruments****Foreign currency risk**

The Group's exposure to foreign currency risk arises mainly from trading transactions and services that are denominated in foreign currencies.

The balances of financial assets and liabilities denominated in foreign currencies as at 30 September 2020 are summarised below.

Foreign currencies	Consolidated financial statements		Average exchange rate	
	Financial assets	Financial liabilities	Bought	Sold
	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	10.9	0.9	31.4900	31.8258
Euro	0.9	0.1	36.7782	37.5314
Pound sterling	0.4	-	40.2576	41.1203
Hong Kong dollar	-	0.9	4.0444	4.1295
Yuan	-	0.5	4.5816	4.7228

**29. Fair value hierarchy**

As at 30 September 2020, the Group had the financial assets that were measured at fair value using different levels of inputs as follows:

	(Unit: Thousand Baht)	
	Consolidated/Separate financial statements	
	Level 2	Total
<b>Financial assets measured at fair value</b>		
Investments in trading securities	277	277

**30. Approval of financial statements**

These interim financial statements were authorised for issue by the Company's Board of Directors on 9 November 2020.