

**Thai Beverage Public Company Limited and
its Subsidiaries
(Formerly: Thai Beverages Public Company
Limited)**

Consolidated financial statements

For the years ended
31 December 2005, 2004 and 2003
and
Report of the independent auditors



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Report of the independent auditors

To the Board of Directors of Thai Beverage Public Company Limited (Formerly: Thai Beverages Public Company Limited)

We have audited the accompanying consolidated balance sheets of Thai Beverage Public Company Limited and its subsidiaries as at 31 December 2005, 2004 and 2003, and the related consolidated statements of income, changes in shareholders' equity and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards in Thailand. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial positions of Thai Beverage Public Company Limited and its subsidiaries as at 31 December 2005, 2004 and 2003, and the consolidated results of their operations and their cash flows for the years then ended in conformity with generally accepted accounting principles in Thailand.

As more fully described in note 1 of the notes to the consolidated financial statements, the consolidated financial statements for the years ended 31 December 2004 and 2003 have been revised to give retrospective application to four transactions involving entities under common control, which occurred in 2005 and were accounted for in a manner similar to a pooling of interest method.

The accompanying consolidated balance sheet as at 31 December 2005 and the consolidated statements of income and cash flows for the year ended 31 December 2005 have been translated into United States Dollars solely for the convenience of the reader. We have audited the translation and, in our opinion, the consolidated balance sheet as at 31 December 2005 and statements of income and cash flows for the year then ended expressed in Thai Baht have been translated into United States Dollars on the basis set forth in note 2 of the notes to the consolidated financial statements.

KPMG Phoomchai Audit Ltd

KPMG Phoomchai Audit Ltd.
Bangkok
31 March 2006

Thai Beverage Public Company Limited and its Subsidiaries
(Formerly: Thai Beverages Public Company Limited)

Consolidated balance sheets

As at 31 December 2005, 2004 and 2003

Assets	<i>Note</i>	(see note 2) 2005 <i>(in million US\$)</i>	2005	(Revised) 2004 <i>(in million Baht)</i>	(Revised) 2003
<i>Current assets</i>					
Cash and cash equivalents	5	79.15	3,250.65	886.00	3,960.35
Current investments		0.24	10.00	1.53	102.05
Trade accounts receivable	6	9.75	400.60	840.64	1,077.32
Short-term loans to and amounts due from related parties	4	3.48	142.94	5,553.64	1,146.71
Inventories	7, 13	633.89	26,034.67	30,737.92	32,172.65
Prepaid excise tax		37.83	1,553.55	1,971.91	3,920.77
Other current assets	8	24.50	1,006.22	1,556.11	1,171.92
Total current assets		<u>788.84</u>	<u>32,398.63</u>	<u>41,547.75</u>	<u>43,551.77</u>
<i>Non-current assets</i>					
Other long-term investments, net	9	0.03	1.27	1,110.67	10.83
Property, plant and equipment, net	10, 13, 16	1,175.89	48,294.95	45,950.19	47,193.14
Intangible assets, net	11	6.39	262.20	233.59	230.54
Other non-current assets, net	12	6.19	254.33	279.24	519.69
Total non-current assets		<u>1,188.50</u>	<u>48,812.75</u>	<u>47,573.69</u>	<u>47,954.20</u>
Total assets	1	<u>1,977.34</u>	<u>81,211.38</u>	<u>89,121.44</u>	<u>91,505.97</u>

The accompanying notes are an integral part of these consolidated financial statements.

Thai Beverage Public Company Limited and its Subsidiaries
(Formerly: Thai Beverages Public Company Limited)

Consolidated balance sheets

As at 31 December 2005, 2004 and 2003

Liabilities and shareholders' equity	<i>Note</i>	(see note 2) 2005 <i>(in million US\$)</i>	2005	(Revised) 2004 <i>(in million Baht)</i>	(Revised) 2003
<i>Current liabilities</i>					
Bank overdrafts and short-term loans from financial institutions	<i>13</i>	956.88	39,300.15	44,720.15	46,802.90
Trade accounts payable		36.63	1,504.62	1,797.93	2,373.85
Current portion of long-term loan	<i>13</i>	26.46	1,086.60	1,320.00	10,172.60
Short-term loans from and amounts due to related parties	<i>4</i>	0.93	38.34	562.14	1,625.40
Income tax payable		61.27	2,516.30	2,935.85	2,131.34
Other current liabilities	<i>14</i>	126.73	5,204.98	3,186.98	3,350.93
Total current liabilities		<u>1,208.90</u>	<u>49,650.99</u>	<u>54,523.05</u>	<u>66,457.02</u>
<i>Non-current liabilities</i>					
Long-term loan	<i>13</i>	-	-	1,086.60	-
Other non-current liabilities		4.73	194.36	149.23	112.86
Total non-current liabilities		<u>4.73</u>	<u>194.36</u>	<u>1,235.83</u>	<u>112.86</u>
Total liabilities	<i>1</i>	<u>1,213.63</u>	<u>49,845.35</u>	<u>55,758.88</u>	<u>66,569.88</u>
<i>Shareholders' equity</i>					
<i>Share capital</i>					
Authorised share capital	<i>15, 26</i>	706.09	29,000.00	22,000.00	22,000.00
Issued and paid-up share capital		535.66	22,000.00	22,000.00	22,000.00
Difference arising from common control transactions	<i>1</i>	(389.07)	(15,979.27)	(6,609.86)	(4,682.79)
Currency translation reserve	<i>16</i>	(0.13)	(5.34)	-	-
Fair value and revaluation reserve	<i>10, 16</i>	160.33	6,584.74	6,699.30	6,452.97
<i>Retained earnings</i>					
Appropriated to legal reserve	<i>16</i>	27.03	1,110.00	2.50	-
Unappropriated		429.89	17,655.90	11,270.62	938.39
Total equity attributable to the Company		763.71	31,366.03	33,362.56	24,708.57
Equity not attributable to the Company	<i>1, 17</i>	-	-	-	227.52
Total shareholders' equity	<i>1</i>	<u>763.71</u>	<u>31,366.03</u>	<u>33,362.56</u>	<u>24,936.09</u>
Total liabilities and shareholders' equity		<u>1,977.34</u>	<u>81,211.38</u>	<u>89,121.44</u>	<u>91,505.97</u>

The accompanying notes are an integral part of these consolidated financial statements.

**Thai Beverage Public Company Limited and its Subsidiaries
(Formerly: Thai Beverages Public Company Limited)**

Consolidated statements of income

For the years ended 31 December 2005, 2004 and 2003

	Note	(see note 2) 2005 <i>(in million US\$)</i>	2005	(Revised) 2004 <i>(in million Baht)</i>	(Revised) 2003
Revenues					
Revenue from sales	4	2,242.24	92,091.21	90,126.26	91,629.74
Interest income		1.52	62.23	14.85	447.33
Other income		5.47	224.70	478.46	1,108.32
Total revenues		2,249.23	92,378.14	90,619.57	93,185.39
Expenses					
Cost of sales	4	1,537.42	63,143.48	63,603.13	66,829.93
Selling and administrative expenses	19	304.77	12,516.95	11,115.42	11,173.37
Total expenses		1,842.19	75,660.43	74,718.55	78,003.30
Profit before interest and income tax expenses		407.04	16,717.71	15,901.02	15,182.09
Interest expense	4	(38.84)	(1,595.39)	(1,740.31)	(2,781.93)
Income tax expense		(114.75)	(4,712.95)	(4,492.14)	(3,339.93)
Net profit before the portion not attributable to the Company		253.45	10,409.37	9,668.57	9,060.23
Net profit (loss) not attributable to the Company	1, 17	-	-	(748.89)	2,132.35
Net profit	1	253.45	10,409.37	10,417.46	6,927.88
Earnings per share (Baht)					
Based on net profit before the portion not attributable to the Company	1, 20	0.01	0.47	0.44	0.41
Based on net profit	1, 20	0.01	0.47	0.47	0.31

The accompanying notes are an integral part of these consolidated financial statements.

**Thai Beverage Public Company Limited and its Subsidiaries
(Formerly: Thai Beverages Public Company Limited)**

Consolidated statements of changes in shareholders' equity

For the years ended 31 December 2005, 2004 and 2003

	Note	Issued and paid-up share capital	Difference arising from common control transactions	Currency translation reserve	Fair value and revaluation reserve	Retained earnings			Equity not attributable to the Company	Total shareholder s' equity
						Legal reserve	Unappropriated	Total equity attributable to the Company		
<i>(2004 and 2003: revised)</i>										
Balance at 1 January 2003	<i>1</i>	-	31,747.54	-	-	-	-	31,747.54	579.10	32,326.64
Share capital increase	<i>15</i>	22,000.00	-	-	-	-	-	22,000.00	-	22,000.00
Surplus on revaluation of assets	<i>10, 16</i>	-	-	-	6,453.00	-	-	6,453.00	0.34	6,453.34
Unrealised loss on investment		-	-	-	(0.03)	-	-	(0.03)	-	(0.03)
Net profit for the year	<i>1</i>	-	5,989.49	-	-	-	938.39	6,927.88	2,132.35	9,060.23
Dividend payments of subsidiaries before common control transactions	<i>1</i>	-	(7,635.07)	-	-	-	-	(7,635.07)	-	(7,635.07)
Reduction of share capital in subsidiaries before common control transactions	<i>1</i>	-	(25,510.00)	-	-	-	-	(25,510.00)	-	(25,510.00)
Increase in share capital in subsidiaries before common control transactions	<i>1</i>	-	7,068.00	-	-	-	-	7,068.00	-	7,068.00
Equity contributions from shareholders	<i>1</i>	-	22,291.87	-	-	-	-	22,291.87	-	22,291.87
Equity distributions not attributable to the Company	<i>1</i>	-	-	-	-	-	-	-	(2,484.27)	(2,484.27)
Consideration paid to shareholders of subsidiaries for common control transactions	<i>1</i>	-	(38,634.62)	-	-	-	-	(38,634.62)	-	(38,634.62)
Balance at 31 December 2003		22,000.00	(4,682.79)	-	6,452.97	-	938.39	24,708.57	227.52	24,936.09

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**Thai Beverage Public Company Limited and its Subsidiaries
(Formerly: Thai Beverages Public Company Limited)**
Consolidated statements of changes in shareholders' equity (continued)
For the years ended 31 December 2005, 2004 and 2003

	Note	Issued and paid-up share capital	Difference arising from common control transactions	Currency translation reserve	Fair value and revaluation reserve	Retained earnings			Equity not attributable to the Company	Total shareholder s' equity
						Legal reserve <i>(in million Baht)</i>	Unappropriated	Total equity attributable to the Company		
Balance at 1 January 2004	<i>1</i>	22,000.00	(4,682.79)	-	6,452.97	-	938.39	24,708.57	227.52	24,936.09
Dividend payments of subsidiaries before common control transactions	<i>1</i>	-	(2,009.80)	-	-	-	-	(2,009.80)	-	(2,009.80)
Surplus on revaluation of assets	<i>10, 16</i>	-	-	-	246.30	-	-	246.30	0.08	246.38
Reversal of unrealised loss on investment		-	-	-	0.03	-	-	0.03	-	0.03
Appropriation to legal reserve	<i>16, 21</i>	-	-	-	-	2.50	(2.50)	-	-	-
Net profit (loss) for the year	<i>1</i>	-	82.73	-	-	-	10,334.73	10,417.46	(748.89)	9,668.57
Equity contributions not attributable to the Company	<i>1</i>	-	-	-	-	-	-	-	521.29	521.29
Balance at 31 December 2004		22,000.00	(6,609.86)	-	6,699.30	2.50	11,270.62	33,362.56	-	33,362.56
Consideration paid to shareholders of subsidiaries for common control transactions	<i>1</i>	-	(9,646.00)	-	-	-	-	(9,646.00)	-	(9,646.00)
Currency translation reserve		-	-	(5.34)	-	-	-	(5.34)	-	(5.34)
Surplus on revaluation	<i>10, 16</i>	-	-	-	(114.48)	-	-	(114.48)	-	(114.48)
Unrealised loss on investment		-	-	-	(0.08)	-	-	(0.08)	-	(0.08)
Appropriation to legal reserve	<i>16, 21</i>	-	-	-	-	1,107.50	(1,107.50)	-	-	-
Dividend payments of the Company	<i>21</i>	-	-	-	-	-	(2,640.00)	(2,640.00)	-	(2,640.00)
Net profit for the year	<i>1</i>	-	276.59	-	-	-	10,132.78	10,409.37	-	10,409.37
Balance at 31 December 2005		22,000.00	(15,979.27)	(5.34)	6,584.74	1,110.00	17,655.90	31,366.03	-	31,366.03

The accompanying notes are an integral part of these consolidated financial statements.

Thai Beverage Public Company Limited and its Subsidiaries
(Formerly: Thai Beverages Public Company Limited)

Consolidated statements of cash flows

For the years ended 31 December 2005, 2004 and 2003

	(see note 2)		(Revised)	(Revised)	
	Note	2005	2004	2003	
		(in million US\$)	(in million Baht)		
<i>Cash flows from operating activities</i>					
Net profit		253.45	10,409.37	10,417.46	6,927.88
<i>Adjustments for</i>					
Depreciation and amortisation		104.26	4,282.22	4,294.29	4,110.95
Loss on land revaluation		-	-	110.99	57.39
Allowance for obsolete inventories		3.97	162.90	33.69	39.53
Allowance for declining in value of investments		(0.04)	(1.46)	2.19	3.60
(Gain) Loss on sales of long-term investments		(0.02)	(0.93)	411.09	49.57
Allowance for impairment loss on equipment		0.02	0.92	-	-
(Gain) Loss on sales and disposal of property, plant and equipment		(0.32)	(13.26)	28.30	66.37
Unrealised (gain) loss on exchange rate		(0.24)	(9.89)	(13.29)	6.09
Net profit (loss) not attributable to the Company	1	-	-	(748.89)	2,132.35
Provisions		1.72	70.83	-	-
Interest income		(1.52)	(62.23)	(14.85)	(447.33)
Interest expense		38.85	1,595.39	1,740.31	2,781.93
Income tax expense		114.75	4,712.95	4,492.14	3,339.93
Profit from operating activities before changes in operating assets and liabilities		514.88	21,146.81	20,753.43	19,068.26
<i>Changes in operating assets and liabilities</i>					
Decrease in trade accounts receivable		10.72	440.23	236.67	1,873.76
(Increase) Decrease in amounts due from related parties		122.57	5,033.87	(4,659.92)	1,472.43
Decrease in inventories		110.55	4,540.34	1,401.04	3,977.01
Prepaid excise tax		10.19	418.36	1,948.85	(210.28)
(Increase) Decrease in other current assets		13.44	552.13	(386.88)	(80.37)
Decrease in trade accounts payable		(7.11)	(291.85)	(562.62)	(549.31)
Increase (Decrease) in amounts due to related parties		(5.96)	(244.84)	54.67	(143.01)
Increase in other current liabilities		49.33	2,026.01	18.00	60.00
Increase (Decrease) in other non-current liabilities		(0.63)	(25.71)	36.37	(178.17)
Cash generated from the operations		817.98	33,595.35	18,839.61	25,290.32
Income taxes paid		(124.97)	(5,132.50)	(3,687.63)	(1,836.42)
Net cash provided by operating activities		693.01	28,462.85	15,151.98	23,453.90

The accompanying notes are an integral part of these consolidated financial statements.

Thai Beverage Public Company Limited and its Subsidiaries
(Formerly: Thai Beverages Public Company Limited)

Consolidated statements of cash flows

For the years ended 31 December 2005, 2004 and 2003

	(see note 2)		(Revised)	(Revised)
Note	2005	2005	2004	2003
	(in million US\$)		(in million Baht)	
<i>Cash flows from investing activities</i>				
Interest received	1.47	60.22	15.56	453.36
(Increase) Decrease in current investments	(0.21)	(8.47)	100.52	250.58
Decrease in short-term loans to related parties	9.18	376.84	252.99	8,919.70
Decrease in other short-term loan receivable	-	-	2.00	192.47
Consideration paid to shareholders of subsidiaries for common control transactions	1	(234.86)	-	(38,634.62)
Acquisition of other long-term investments	-	-	(1,766.91)	(914.06)
Proceeds from sales of other long-term investments	27.07	1,111.71	253.81	3,321.95
Acquisition of property, plant and equipment	(175.80)	(7,220.15)	(3,070.85)	(3,060.83)
Proceeds from sales of property, plant and equipment	13.42	551.26	173.92	855.67
Acquisition of intangible assets	(1.79)	(73.56)	(33.65)	(62.38)
Decrease in other non-current assets	0.23	9.63	223.74	27.13
Net cash used in investing activities	(361.29)	(14,838.52)	(3,848.87)	(28,651.03)
<i>Cash flows from financing activities</i>				
Interest paid	(38.84)	(1,595.38)	(1,772.25)	(2,791.30)
Increase (Decrease) in bank overdrafts and short-term loans from financial institutions	(131.97)	(5,420.00)	(2,082.76)	40,572.03
Decrease in short-term loans from related parties	(6.79)	(278.96)	(1,117.94)	(12,522.42)
Increase (Decrease) in other short-term loan payable	-	-	(150.00)	100.00
Decrease in long-term loans	(32.14)	(1,320.00)	(7,766.00)	(33,254.38)
Proceeds from issuance of share capital	15	-	-	22,000.00
Reduction of share capital of subsidiaries before common control transactions	1	-	-	(25,510.00)
Increase in share capital in subsidiaries before common control transactions	1	-	-	7,068.00
Dividend payments of subsidiaries before common control transactions	1	-	(2,009.80)	(7,635.07)
Dividend payments of the Company	21	(64.28)	-	-
Equity contributions (distributions) not attributable to the Company	1	-	521.29	(2,484.27)
Equity contributions from shareholders	1	-	-	22,291.87
Net cash provided by (used in) financing activities	(274.02)	(11,254.34)	(14,377.46)	7,834.46
Currency translation reserve	16	(0.12)	-	-
Net increase (decrease) in cash and cash equivalents	57.58	2,364.65	(3,074.35)	2,637.33
Cash and cash equivalents at 1 January	21.57	886.00	3,960.35	1,323.02
Cash and cash equivalents at 31 December	5	79.15	886.00	3,960.35

The accompanying notes are an integral part of these consolidated financial statements.

**Thai Beverage Public Company Limited and its Subsidiaries
(Formerly: Thai Beverages Public Company Limited)**

Notes to the consolidated financial statements

For the years ended 31 December 2005, 2004 and 2003

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Thai Beverage Public Company Limited and its Subsidiaries (Formerly: Thai Beverages Public Company Limited)

Notes to the consolidated financial statements

For the years ended 31 December 2005, 2004 and 2003

These notes form an integral part of the consolidated financial statements.

The consolidated financial statements were authorised for issue by the directors on 27 March 2006.

1 General information and business restructuring

General information

Thai Beverage Public Company Limited, the “Company”, was incorporated and registered as a public company in Thailand on 29 October 2003. The registered office of the Company is at 14 Vibhavadi Rangsit Road, Chomphon, Chatuchak, Bangkok. On 8 July 2005, the Extraordinary Meeting of Shareholders of the Company No. 1/2005 unanimously approved to change the Company’s name to “Thai Beverage Public Company Limited”.

The principal activities of the Company and its subsidiaries, the “Group”, are the production, distribution and marketing of alcoholic and non-alcoholic beverages, industrial alcohol and other by-products.

The Group primarily operates in Thailand and employs 19,932 employees as of 31 December 2005 (2004: 22,017, 2003: 20,960). The employee costs of the Group for the year ended 31 December 2005 amounted to Baht 3,986.10 million (2004: Baht 3,645.97 million, 2003: Baht 3,339.69 million).

Business restructuring

The Company was formed in 2003 to combine the separate beverages businesses of the ultimate controlling shareholder group, the Siriwadhanabhakdi family, which were held as part of the operations of 69 separate companies, into a single group of companies. Of these, 65 businesses were transferred between 2003 and 2004 and four businesses were transferred during 2005. Pursuant to the restructuring these businesses were under the common control of the ultimate controlling shareholder of the Company.

As the same ultimate controlling shareholder controlled the businesses and operations transferred to the Company both before and after the restructuring, the consolidated financial statements have been prepared on the basis of a business combination involving entities and businesses under common control. Accordingly, the transfer of businesses and operations has been accounted for in a manner similar to a pooling of interests and the assets, liabilities and contingent liabilities transferred have been accounted for at book values.

The consolidated balance sheets have been prepared to present assets and liabilities as if the restructuring had been completed as of the beginning of 2003. Therefore, the consolidated financial statements for the years ended 31 December 2003 and 2004 have been revised to include the assets, liabilities and operations of the businesses transferred during 2005. The assets and liabilities transferred have been stated at their carrying values, after adjusting for intercompany transactions and transactions with the ultimate controlling shareholder. The consolidated statements of income and cash flows include the results of operations and cash flows as if the businesses and operations had been transferred at the beginning of 2003.

Thai Beverage Public Company Limited and its Subsidiaries (Formerly: Thai Beverages Public Company Limited)

Notes to the consolidated financial statements

For the years ended 31 December 2005, 2004 and 2003

Transfer of businesses that are now subsidiaries of the Company

At the beginning of 2003 the total book value of the net assets of the businesses combined of Baht 31,747.54 million was recorded as “Difference arising from common control transactions”. This was recognised in the statements of changes in shareholders’ equity as a separate component of shareholders’ equity. The consideration paid to the common ultimate controlling shareholder during 2003 of Baht 38,634.62 million (primarily comprised of cash and cash equivalents) was deducted from this Difference. Net profit for the period 2003 attributable to the entities transferred prior to the restructuring of Baht 5,989.49 million resulted in an increase in the “Difference arising from common control transactions” as it was attributable to the shareholders of those entities prior to restructuring but was contributed to the Company upon restructuring.

During 2003, prior to being transferred to the Company, certain businesses, now subsidiaries of the Company, approved the payment of dividends to shareholders totalling Baht 7,635.07 million (comprised of cash and cash equivalents), which resulted in a reduction in the “Difference arising from common control transactions”.

During 2003, prior to being transferred to the Company, certain companies, now subsidiaries of the Company, underwent capital restructuring through share capital reduction, and returned a total of Baht 25,510.00 million to their shareholders (comprised of cash and cash equivalents), which resulted in a reduction in the “Difference arising from common control transactions”. Similarly, certain companies, now subsidiaries of the Company, received a share capital injection totalling Baht 7,068.00 million, which resulted in an increase in the “Difference arising from common control transactions”.

Also during 2003, prior to being transferred to the Company, certain companies, now subsidiaries of the Company, had transactions with the ultimate controlling shareholder of the Company as part of the ultimate controlling shareholder’s financial management of the businesses before the Group was formed. Upon consolidation these transactions are reflected as equity contributions from shareholders, totalling Baht 22,291.87 million (comprised of cash and cash equivalents), which resulted in an increase in the “Difference arising from common control transactions”. This contribution was consequent to equity distributions of the same amount, which occurred prior to 2003, which are included in the balance of the “Difference arising from common control transactions” at the beginning of 2003.

During 2004, prior to being transferred to the Company, certain businesses, now subsidiaries of the Company, approved the payment of dividends to shareholders totalling Baht 2,009.80 million, which resulted in a reduction in the “Difference arising from common control transactions”. Net profit for the period 2004 attributable to these entities transferred prior to being transferred to the Company of Baht 82.73 million resulted in an increase in the “Difference arising from common control transactions” as it was attributable to the shareholders of those entities prior to restructuring but was contributed to the Company upon restructuring.

During 2005, further consideration was paid to the ultimate controlling shareholder of Baht 9,646.00 million (primarily comprised of cash and cash equivalents) for the transfers of the four businesses and was deducted from the “Difference arising from common control transactions”. Net profit for the period 2005 attributable to these entities transferred prior to being transferred to the Company of Baht 276.59 million resulted in an increase in the “Difference arising from common control transactions” as it was attributable to the shareholders of those entities prior to restructuring but was contributed to the Company upon restructuring.

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The balance of the “Difference arising from common control transactions”, which is shown as a reduction in shareholders’ equity, as a separate component in the consolidated and the Company’s balance sheets as at 31 December 2005, represents the total excess of the consideration paid for the entities and businesses transferred over the book value of the net assets transferred at the dates of transfer.

Transfer of businesses from companies outside the Group

During 2003, as part of the business restructuring, some assets, liabilities and operations of certain beverages businesses were transferred from companies outside the Group, but under the common control of the ultimate controlling shareholder of the Company, to companies which are now subsidiaries within the Group. These transactions are also recognised as business combinations involving businesses under common control and have been accounted for in a manner similar to a pooling of interests, whereby the assets, liabilities and contingent liabilities have been accounted for at book values.

In preparing the consolidated financial statements, those assets, liabilities, revenues and expenses that are clearly applicable to the businesses and operations transferred are included in the consolidated financial statements and are stated at their carrying values, after adjusting for intercompany transactions and transactions with the ultimate controlling shareholder. Expenses for which the specific identification method was not practical have been allocated on a percentage of sales basis. Management believes that this is a reasonable basis of estimating what the expenses would have been on a stand alone basis.

As at 31 December 2003, some assets and liabilities clearly applicable to these beverage businesses transferred to the Group had not yet been formally transferred to the Group. The transfers were formally completed during 2004. The portion of net assets not formally transferred to the Group as at 31 December 2003 is included in the consolidated net assets in the consolidated balance sheet as at 31 December 2003 but disclosed separately as “Equity not attributable to the Company” to arrive at total equity. The profits or losses derived by these businesses prior to their formal transfer to the Group were retained by the transferor companies and were not subsequently contributed to the Group. The financial results of these businesses prior to their transfer to the Group have been included in income and expenses in the consolidated statements of income, to facilitate comparison of the consolidated income and expenditure between the financial periods presented, but are then disclosed separately as “Net profit (loss) not attributable to the Company” to arrive at the “Net profit attributable to the Company”, being the net profit attributable to shareholders of the Company by virtue of their shareholding in the Company.

The movements in “Equity not attributable to the Company”, presented in the Consolidated Statement of Changes in Shareholders’ Equity, include the net profit (loss) not attributable to the Company of Baht 2,132.35 million and Baht (748.89) million for the years ended 31 December 2003 and 2004, respectively. The item also includes equity distributions made by the businesses before being wholly transferred to the Group of Baht 2,484.27 million and equity contributions received of Baht 521.29 million for the years ended 31 December 2003 and 2004, respectively. As at 31 December 2004 all assets and liabilities applicable to the businesses transferred had been formally transferred, therefore all consolidated net assets were attributable to the Company.

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These beverages businesses were transferred to and from the following companies:

Business transferred from	Business transferred to
Wattanapat Trading Co., Ltd	Thipchalothorn Co., Ltd. & Krittayabun Co., Ltd.
B.T.C.L. Trading PCL.	Thipchalothorn Co., Ltd. & Krittayabun Co., Ltd.
Praserdsuk Karnsura Co., Ltd.	Num Nakorn Co., Ltd.
Peampolkanka Co., Ltd.	Num Thurakij Co., Ltd.
Parksiri Co., Ltd.	Num Kijjakarn Co., Ltd.
Yingmitr Co., Ltd.	Num Palang Co., Ltd.
Permpoonkarnsura Co., Ltd.	Num Yuk Co., Ltd.
Sermsarng Karnkaa Co., Ltd.	Num Muang Co., Ltd.
Surapiset Rungroj Co., Ltd.	Red Bull Distillery (1988) Co., Ltd.

For businesses acquired that are not under common control, the assets and liabilities and contingent liabilities are measured, for consolidation purposes, at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired is credited to profit and loss in the period of acquisition.

Revisions to consolidated financial statements for prior years

The consolidated financial statements for the years ended 31 December 2004 and 2003 have been revised to give retrospective application to four transactions involving entities under common control, which occurred in 2005 and were accounted for in a manner similar to a pooling of interest method. The effects of the revisions on the consolidated balance sheets as at 31 December 2004 and 2003 and the consolidated statements of income for the years ended 31 December 2004 and 2003 are summarised as follows:

	Previously reported	2004 Adjustments	As revised
	<i>(in million Baht)</i>		
<i>Balance sheet</i>			
Total assets	85,632.11	3,489.33	89,121.44
Total liabilities	55,312.32	446.56	55,758.88
Difference arising from common control transactions	(9,652.63)	3,042.77	(6,609.86)
Shareholders' equity	30,319.79	3,042.77	33,362.56
<i>Statement of income</i>			
Net profit	10,334.73	82.73	10,417.46
Basic earnings per share (Baht)	0.47	-	0.47

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	Previously reported	2003	
		Adjustments	As revised
		<i>(in million Baht)</i>	
Balance sheet			
Total assets	86,314.18	5,191.79	91,505.97
Total liabilities	66,358.96	210.92	66,569.88
Difference arising from common control transactions	(9,652.63)	4,969.84	(4,682.79)
Equity not attributable to the Company	216.49	11.03	227.52
Shareholders' equity	19,955.22	4,980.87	24,936.09
Statement of income			
Net profit	6,343.97	583.91	6,927.88
Basic earnings per share (Baht)	0.29	0.02	0.31

Current shareholding structure

As of 31 December, the Group consisted of the Company and the following subsidiaries:

Subsidiaries	Country of incorporation	Nature of business	Ownership interest (%)		
			2005	2004	2003
<i>Direct subsidiaries</i>					
1. Beer Thai (1991) PCL.	Thailand	Beer brewery	100.00	100.00	100.00
2. Beer Thip Brewery (1991) Co., Ltd.	Thailand	Beer brewery	100.00	100.00	100.00
3. Sangsom Co., Ltd.	Thailand	Spirits distillery	100.00	100.00	100.00
4. Fuengfuanant Co., Ltd.	Thailand	Spirits distillery	100.00	100.00	100.00
5. Mongkolsamai Co., Ltd.	Thailand	Spirits distillery	100.00	100.00	100.00
6. Thanapakdi Co., Ltd.	Thailand	Spirits distillery	100.00	100.00	100.00
7. Kanchanasingkorn Co., Ltd.	Thailand	Spirits distillery	100.00	100.00	100.00
8. Sura Bangyikhan Co., Ltd.	Thailand	Spirits distillery	100.00	100.00	100.00
9. Athimart Co., Ltd.	Thailand	Spirits distillery	100.00	100.00	100.00
10. S.S. Kamsura Co., Ltd.	Thailand	Spirits distillery	100.00	100.00	100.00
11. Kankwan Co., Ltd.	Thailand	Spirits distillery	100.00	100.00	100.00
12. Theparunothai Co., Ltd.	Thailand	Spirits distillery	100.00	100.00	100.00
13. Red Bull Distillery (1988) Co., Ltd.	Thailand	Spirits distillery	100.00	100.00	100.00
14. United Winery and Distillery Co., Ltd.	Thailand	Spirits distillery	100.00	100.00	100.00
15. Simathurakij Co., Ltd.	Thailand	Spirits distillery	100.00	100.00	100.00
16. Nateechai Co., Ltd.	Thailand	Spirits distillery	100.00	100.00	100.00
17. Luckchai Liquor Trading Co., Ltd.	Thailand	Spirits distillery	100.00	100.00	100.00
18. Thai Alcohol PCL.	Thailand	Alcohol distillery	100.00	100.00	100.00
19. Pomthip Co., Ltd.	Thailand	Beer distributor	100.00	100.00	100.00
20. Pomkit Co., Ltd.	Thailand	Beer distributor	100.00	100.00	100.00
21. Pomkung Co., Ltd.	Thailand	Beer distributor	100.00	100.00	100.00
22. Pomchok Co., Ltd.	Thailand	Beer distributor	100.00	100.00	100.00
23. Pomcharoen Co., Ltd.	Thailand	Beer distributor	100.00	100.00	100.00
24. Pomburapa Co., Ltd.	Thailand	Beer distributor	100.00	100.00	100.00

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Subsidiaries	Country of incorporation	Nature of business	Ownership interest (%)		
			2005	2004	2003
<i>Direct subsidiaries (continued)</i>					
25. Num Yuk Co., Ltd.	Thailand	Spirits distributor	100.00	100.00	100.00
26. Num Kijjakarn Co., Ltd.	Thailand	Spirits distributor	100.00	100.00	100.00
27. Num Palang Co., Ltd.	Thailand	Spirits distributor	100.00	100.00	100.00
28. Num Muang Co., Ltd.	Thailand	Spirits distributor	100.00	100.00	100.00
29. Num Nakorn Co., Ltd.	Thailand	Spirits distributor	100.00	100.00	100.00
30. Num Thurakij Co., Ltd.	Thailand	Spirits distributor	100.00	100.00	100.00
31. Thipchalothorn Co., Ltd.	Thailand	Beer agency	100.00	100.00	100.00
32. Krittayabun Co., Ltd.	Thailand	Beer agency	100.00	100.00	100.00
33. Surathip Co., Ltd.	Thailand	Spirits agency	100.00	100.00	100.00
34. Sunthronpirom Co., Ltd.	Thailand	Spirits agency	100.00	100.00	100.00
35. Piromsurang Co., Ltd.	Thailand	Spirits agency	100.00	100.00	100.00
36. Bionic Humus Co., Ltd.	Thailand	Trading of fertilizer	100.00	100.00	100.00
37. Maharas Agri Co., Ltd.	Thailand	Japanese rice farming	100.00	100.00	100.00
38. Thai Molasses Co., Ltd.	Thailand	Trading of molasses	99.72	99.72	99.66
39. Additive Food Co., Ltd.	Thailand	Trading of feeds	100.00	100.00	100.00
40. Pan International (Thailand) Co., Ltd.	Thailand	Trading of equipment and supplies	100.00	100.00	100.00
41. Charun Business 52 Co., Ltd.	Thailand	Brick producer	100.00	100.00	100.00
42. Thai Cooperage Co., Ltd.	Thailand	Oak barrel producer	100.00	100.00	100.00
43. Bang-Na Logistic Co., Ltd.	Thailand	Trading of bottles	100.00	100.00	100.00
44. Sahatipkarnkonsong Co., Ltd.	Thailand	Transportation	100.00	100.00	100.00
45. Thai Beverage Marketing Co., Ltd. (formerly Thai Beverages Marketing Co., Ltd.)	Thailand	International marketing (import / export of spirits)	100.00	100.00	100.00
46. Dhanasindhi Co., Ltd.	Thailand	Construction	100.00	100.00	100.00
47. Dhospaak Co., Ltd.	Thailand	Advertising agency	100.00	100.00	100.00
48. International Beverage Holding Ltd.**	Hong Kong	Holding company	100.00	100.00	-
49. Cosmos Brewery (Thailand) Co., Ltd.***	Thailand	Beer brewery	100.00	-	-
50. Beer Chang Co., Ltd.***	Thailand	Trademark owner	100.00	-	-
51. Archa Beer Co., Ltd.***	Thailand	Trademark owner	100.00	-	-
52. T.C.C. Cosmo Corporation Ltd.***	Thailand	Trademark owner	100.00	-	-
<i>Indirect subsidiaries</i>					
53. Thai Thum Distillery Co., Ltd.*	Thailand	Trading of spirits	99.90	99.90	99.90
54. Sura Piset Sahasan Co., Ltd.*	Thailand	Production / distribution of spirits	100.00	100.00	100.00
55. Sura Piset Sampan Co., Ltd.*	Thailand	Production / distribution of spirits	100.00	100.00	100.00
56. Sura Piset Phatra Lanna Co., Ltd.*	Thailand	Production / distribution of spirits	100.00	100.00	100.00
57. Sura Piset Thipparat Co., Ltd.*	Thailand	Production / distribution of spirits	100.00	100.00	100.00
58. Muangkij Co., Ltd.*	Thailand	Import of oak woods	100.00	100.00	99.99
59. Sint Ek Panich Co., Ltd.*	Thailand	Mining	100.00	99.99	99.99
60. Pan Alcohol Co., Ltd.*	Thailand	Production / distribution of vinegar	100.00	100.00	99.98
61. Banglen Agriculture Co., Ltd.*	Thailand	Agriculture	100.00	99.99	99.99
62. Vitayathan Co., Ltd.**	Thailand	Environmental public relations	100.00	100.00	-
63. Interbev (Singapore) Ltd.****	Singapore	Trading and investment	100.00	-	-

* These are currently non-trading companies.

** These two subsidiaries were acquired during 2004.

*** These companies were transferred during 2005.

**** This subsidiary was acquired during 2005.

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2 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared for inclusion in filings associated with a proposed listing of the Company's shares on the Singapore Exchange Securities Trading Limited ("SGX-ST"). The consolidated financial statements are prepared in accordance with Thai Accounting Standards ("TAS") including related interpretations and guidelines promulgated by the Federation of Accounting Professions and with generally accepted accounting principles in Thailand.

In 2005, the Group adopted the following new TAS which are relevant to its operations:

TAS 52 *Events after the Balance Sheet Date*

TAS 53 *Provisions, Contingent Liabilities and Contingent Assets*

The adoption of these new TAS has no material effect on the consolidated financial statements.

The consolidated financial statements have been presented in Thai Baht ("Baht"), rounded to the nearest million. The figures in United States Dollars ("U.S. Dollars" or "US\$") as at and for the year ended 31 December 2005, which are presented as supplementary information solely for the convenience of the reader, have been calculated by translating the amounts in the consolidated financial statements at the weighted average interbank exchange rate announced by the Bank of Thailand as at 30 December 2005 of Baht 41.071 to US\$ 1. This translation should not be construed as a representation that those amounts now translated into U.S. Dollars have been, or could be, converted into U.S. Dollars at this or any other rate.

The consolidated financial statements are prepared on the historical cost basis except for the following assets which are stated at fair value: land and investments in available-for-sale equity securities.

The preparation of financial statements in conformity with TAS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

The consolidated financial statements for the years ended 31 December 2005, 2004 and 2003 comprise the Company, its subsidiaries, (together referred to as the "Group") and some businesses that were transferred from companies outside the Group, under the common control of the ultimate controlling shareholder of the Company, to companies now within the Group as detailed in Note 1.

Significant intra-group transactions between the Company and its subsidiaries are eliminated on consolidation.

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3 Significant accounting policies

3.1 Basis of consolidation

Subsidiaries are those companies controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of a company so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

3.2 Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of income.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the date of the transactions.

Financial statements of foreign entities

The assets and liabilities of foreign entities are translated to Thai Baht at the average foreign exchange rates ruling at the balance sheet date.

The revenues and expenses of foreign entities are translated to Thai Baht at rates approximating the average foreign exchange rates ruling at the dates of the transactions.

Foreign exchange differences arising on translation are recognised in a separate component of shareholders' equity until disposal of the investments.

3.3 Derivative financial instruments

Forward exchange contracts are treated as off-balance sheet items.

3.4 Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

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3.5 Trade and other accounts receivable

Trade and other accounts receivables (including balances with related parties) are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

3.6 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost of raw materials, packaging materials, work in progress and finished goods is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

3.7 Investments

Investments in other equity securities

Marketable equity securities classified as available-for-sale equity securities are stated at fair value with any resultant gains or losses being recognised directly in equity. The exception is impairment losses, which are recognised in the statement of income.

The fair value of financial instruments classified as available-for-sale is determined as the quoted bid price at the balance sheet date.

Equity securities which are not marketable are stated at cost less impairment losses.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in the statement of income.

3.8 Property, plant and equipment

Owned assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses except for land, which is stated at its revalued amount.

Property that is being constructed or developed for future use is classified as property, plant and equipment and stated at cost until construction or development is complete.

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Leased assets

Leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the statement of income.

Revalued assets

Land is stated at fair value, based on valuations by independent professional valuers. The Group's policy requires an appraisal to be conducted every three to five years or when there are factors that might materially impact the value of the land, to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the balance sheet date.

Any increase in value, on revaluation, is credited to the revaluation reserve unless it offsets a previous decrease in value recognised in the statement of income. A decrease in value is recognised in the statement of income to the extent it exceeds an increase previously recognised in the revaluation reserve. Upon disposal, any related revaluation surplus is transferred directly from the revaluation reserve to retained earnings and is not taken into account in calculating the gain or loss on disposal.

Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is added to the carrying amount of the asset when it is probable that the future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

Depreciation

Depreciation is charged to the statement of income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives are as follows:

Land improvement	5-20 years
Buildings and improvements	5-30 years
Machinery and equipment	5-30 years
Oak barrels	20 years
Vehicles	5-10 years
Furniture, fixtures and office equipment	3-10 years

No depreciation is provided on freehold land and assets under construction.

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3.9 Intangible assets

Intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and impairment losses.

Amortisation

Amortisation is charged to the statement of income on a straight-line and unit of production basis over the estimated useful lives of each part of an item of intangible asset. Intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

Trademarks	10 years (straight-line method)
Leasehold	Lease term (straight-line method)
Computer software	5-10 years (straight-line method)
Broadcasting rights	1-4 years (unit of production method)

3.10 Impairment

The carrying amounts of the Group's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in the statement of income unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

3.11 Interest-bearing liabilities

Interest-bearing liabilities are recognised initially at cost less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in the statement of income over the period of the borrowings on an effective interest basis.

3.12 Trade and other accounts payable

Trade and other accounts payable (including balances with related parties) are stated at cost as per invoice value.

3.13 Provisions

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

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3.14 Difference arising from common control transactions

Difference arising from common control transactions relates to the transactions disclosed in Note 1 and arises from the difference between the cost of the combination and the carrying amounts of net identifiable assets at the date of combination. The difference arising from common control transactions is recognised as a separate component of shareholders' equity until disposal of the investment.

3.15 Revenue

Revenue excludes value added taxes or other sales taxes and is arrived at after deduction of trade discounts.

Sale of goods and services rendered

Revenue from the sale of goods is recognised in the statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs, the probable return of goods or the continuing management involvement with the goods.

As soon as the outcome of a contract for the rendering of services can be estimated reliably, revenue associated with the contract is recognised in the statement of income in proportion to the stage of completion of the contract at the balance sheet date. When the outcome of the contract cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Construction contracts

When the outcome of a construction contract can be estimated reliably, contract revenue and expenses are recognised in the statement of income in proportion to the stage of completion of the contract at the balance sheet date. The stage of completion is assessed using the percentage of completion method, which is measured by the project engineer. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised immediately as an expense in the statement of income.

Interest and dividend income

Interest income is recognised in the statement of income as it accrues. Dividend income is recognised in the statement of income on the date the Group's right to receive payments is established, which in the case of quoted securities is usually the ex-dividend date.

3.16 Expenses

Operating leases

Payments made under operating leases are recognised in the statement of income on a straight line basis over the term of the lease. Lease incentives received are recognised in the statement of income as an integral part of the total lease payments made. Contingent rentals are charged to the statement of income in the accounting period in which they are incurred.

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Finance costs

Interest expenses and similar costs are charged to the statement of income in the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale. The interest component of finance lease payments is recognised in the statement of income using the effective interest rate method.

Research and development

Research and development costs, including costs of developing new drinks products and package design, are expensed in the period in which they are incurred.

Other income and expenses are recognised on an accrual basis.

3.17 Income tax

Income tax on the profit or loss for the year comprises current tax. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

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4 Related party transactions and balances

Related parties are those parties linked to companies in the Group by common shareholders or directors. Transactions with related parties are conducted at prices based on market prices or at contractually agreed prices where no obvious market prices exist.

The pricing policies for particular types of transactions are explained further below:

	Pricing policies
Sale of finished goods	Agreed prices which approximate market prices
Purchase of raw materials	Agreed prices which approximate market prices
Purchase of services	Contractual prices
Purchase and sale of property, plant and equipment	Contractual prices
Purchase and sale of investments	Contractual prices
Interest income and expense	Rate as mutually agreed by shareholders with reference to interest rates quoted by domestic commercial banks

Significant transactions with related parties for the years ended 31 December 2005, 2004 and 2003, are summarised as follows:

	2005	2004	2003
	<i>(in million Baht)</i>		
Revenues			
Revenue from sales	194.00	342.47	1,269.64
Service income	9.03	10.30	50.68
Interest income	27.45	5.06	436.23
Other income	24.96	41.94	744.14
Expenses			
Purchase of raw materials and packaging	4,126.00	4,427.85	3,711.25
Production service fees	10.70	1.44	-
Interest expense	2.83	50.00	707.81
Overhead costs	235.86	231.12	81.45
Directors' remuneration	248.38	154.77	96.51
Loss on sales of investment	-	410.79	-
Other expenses	141.74	273.06	688.88
Others			
Sales of investments	1,108.98	247.78	3,115.89
Sales of land	474.83	-	-
Sales of plant and equipment	52.02	0.56	-
Consideration paid for common control transactions	9,646.00	-	38,634.62
Purchases of investments	-	1,766.61	-
Purchases of land	491.35	1,260.37	-
Purchases of equipment and others	17.36	-	-

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Balances as at 31 December 2005, 2004 and 2003 with related parties are summarised as follows:

Assets

	2005	2004	2003
	<i>(in million Baht)</i>		
Trade accounts receivable (being part of trade accounts receivable in the balance sheet)			
Sukothai Marketing Co., Ltd.	-	373.40	657.93
UWD Marketing Co., Ltd.	34.15	42.50	1.95
Pisetkij Co., Ltd.	6.49	23.58	0.24
P.S. Recycle Co., Ltd.	8.83	0.96	1.04
Nakornchuen Co.,Ltd.	-	-	53.92
Others	1.80	10.53	22.96
Total	<u>51.27</u>	<u>450.97</u>	<u>738.04</u>

	2005	2004	2003
	<i>(in million Baht)</i>		
Short-term loans to and amounts due from related parties			
LSPV Co., Ltd.	-	4,035.85	180.00
LSPV (2001) Co., Ltd.	-	1,021.53	116.93
T.C.C. Group's Management Co., Ltd.	-	247.86	-
Wattanapat Trading Co., Ltd.	-	129.82	300.22
Taksin Paisarn Co., Ltd.	-	-	195.28
Suramahathip Co., Ltd.	-	-	109.11
Surathip Nakornket Co., Ltd.	-	-	74.47
Pattaralanna Co., Ltd.	-	-	50.00
Plastic Agachon Co., Ltd.	43.95	40.91	-
Surasate (2005) Co., Ltd. (Formerly: Thai Molasses (2004) Co., Ltd.)	38.50	38.50	-
Green Centre Co., Ltd.	-	-	34.58
Parksiri Co., Ltd.	-	-	33.78
Padermchai Co., Ltd.	21.75	21.76	-
The Suphanburi Sugar Industry Co., Ltd.	10.50	-	-
Pisetkij Co., Ltd.	1.22	8.02	9.91
T.C.C.Technology Co., Ltd.	-	-	7.51
Dolpark Co., Ltd.	-	-	6.33
T.C.C. Agriculture Co., Ltd.	-	-	5.17
Sukothai Marketing Co., Ltd.	1.18	-	5.39
Asiabev Co., Ltd.	-	-	4.61
Better Impact Presentation Co., Ltd.	-	-	1.61
The Chonburi Sugar Corp. Ltd.	7.93	-	-
The Mae Wang Sugar Industry Co., Ltd.	3.86	-	-
Uttaradit Sugar Industry Co., Ltd.	7.03	-	-
T.C.C. Argo Co., Ltd.	3.25	-	-
Others	3.77	9.39	11.81
Total	<u>142.94</u>	<u>5,553.64</u>	<u>1,146.71</u>

	2005	2004	2003
	<i>(in million Baht)</i>		
Movement on short-term loans to related parties			
At 1 January	417.69	670.68	9,590.38
Increase	6,483.15	1,351.73	9,245.62
Decrease	<u>(6,859.99)</u>	<u>(1,604.72)</u>	<u>(18,165.32)</u>
At 31 December	<u>40.85</u>	<u>417.69</u>	<u>670.68</u>

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Liabilities

	2005	2004	2003
	<i>(in million Baht)</i>		
<i>Trade accounts payable</i> (being part of trade accounts payable in the balance sheet)			
Berli Jucker Plc.	273.74	507.08	572.15
Thai Beverage Can Ltd.	97.00	74.25	81.15
Pisetkij Co., Ltd.	58.78	33.58	46.29
Plastic Agachon Co., Ltd.	-	3.09	10.77
P.S. Recycle Co., Ltd.	75.98	42.25	30.29
Nakornchuen Co.,Ltd.	-	-	21.26
Inverhouse Distillers Co., Ltd.	11.15	-	-
Bang-Na Glass Co., Ltd.	4.37	25.56	8.14
B.T.C.L. Trading PCL.	-	-	5.86
Others	0.32	1.89	5.48
Total	<u>521.34</u>	<u>687.70</u>	<u>781.39</u>

	2005	2004	2003
	<i>(in million Baht)</i>		
<i>Short-term loans from and amounts due to related parties</i>			
T.C.C. Technology Co., Ltd.	6.17	5.15	21.38
Southeast Capital Co., Ltd. (formerly: T.C.C. Car rent Co., Ltd.)	13.32	6.93	0.38
Wattanapat Trading Co., Ltd.	-	192.60	1,111.34
Thaksin Paisan Co., Ltd.	-	-	191.49
T.C.C. Property Development Co., Ltd.	6.38	-	-
Ms. Wantanee Chevasiri	-	100.25	145.62
Mr. Paisal Chevasiri	-	-	80.06
Red Bull Brewery (1991) Co., Ltd.	-	179.00	-
Inverhouse Distillers Co., Ltd.	3.91	-	-
T.C.C. Holding Co., Ltd.	-	58.21	-
Dr.Pisanu Vichiensanth	-	-	19.05
Surathip Vieng Ping Co., Ltd.	-	-	18.99
LSPV (2001) Co., Ltd.	-	-	12.00
Dolpark Co., Ltd.	-	-	6.73
T.C.C. Agriculture Co., Ltd.	-	-	3.52
Surathip San Sukho Co.,Ltd	-	-	2.43
Plastic Agachon Co., Ltd.	0.73	0.08	2.34
P.S. Recycle Co., Ltd.	-	5.07	-
Thai Charoen Insurance Co., Ltd.	6.24	12.08	2.37
Others	1.59	2.77	7.70
Total	<u>38.34</u>	<u>562.14</u>	<u>1,625.40</u>

	2005	2004	2003
	<i>(in million Baht)</i>		
<i>Movement on short-term loans from related parties</i>			
At 1 January	278.96	1,396.90	13,919.32
Increase	25.18	709.46	11,622.19
Decrease	(304.14)	(1,827.40)	(24,144.61)
At 31 December	<u>-</u>	<u>278.96</u>	<u>1,396.90</u>

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5 Cash and cash equivalents

	2005	2004	2003
	<i>(in million Baht)</i>		
Cash on hand	22.44	17.76	18.75
Cash at banks	<u>3,228.21</u>	<u>868.24</u>	<u>3,941.60</u>
Cash and cash equivalents	<u>3,250.65</u>	<u>886.00</u>	<u>3,960.35</u>

6 Trade accounts receivable

	2005	2004	2003
	<i>(in million Baht)</i>		
Trade accounts receivable from third parties	352.05	394.65	346.29
Trade accounts receivable from related parties	51.27	450.97	738.04
Total	<u>403.32</u>	<u>845.62</u>	<u>1,084.33</u>
<i>Less</i> allowance for doubtful accounts	<u>(2.72)</u>	<u>(4.98)</u>	<u>(7.01)</u>
Net	<u>400.60</u>	<u>840.64</u>	<u>1,077.32</u>

	2005	2004	2003
	<i>(in million Baht)</i>		
Current	320.95	4.11	179.15
Overdue:			
Less than 3 months	33.58	430.16	504.80
3-6 months	8.47	9.29	182.26
6-12 months	25.89	78.49	195.12
Over 12 months	<u>14.43</u>	<u>323.57</u>	<u>23.00</u>
Total	<u>403.32</u>	<u>845.62</u>	<u>1,084.33</u>
<i>Less</i> allowance for doubtful accounts	<u>(2.72)</u>	<u>(4.98)</u>	<u>(7.01)</u>
Net	<u>400.60</u>	<u>840.64</u>	<u>1,077.32</u>

The normal credit term granted by the Group is 7 - 30 days.

7 Inventories

	2005	2004	2003
	<i>(in million Baht)</i>		
Finished goods	16,066.58	20,203.01	21,750.09
Maturing spirits	4,547.04	4,228.78	4,083.39
Work in progress	3,240.25	3,796.36	3,768.87
Raw materials	909.92	977.43	1,078.98
Packaging materials	443.82	659.83	559.22
Spare parts	539.19	642.20	715.27
Others	<u>287.87</u>	<u>230.31</u>	<u>216.83</u>
Total	<u>26,034.67</u>	<u>30,737.92</u>	<u>32,172.65</u>

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As at 31 December 2005, certain finished goods of subsidiary companies were pledged as security for short-term and long-term loans, as disclosed in Note 13.

8 Other current assets

	2005	2004	2003
	<i>(in million Baht)</i>		
Refundable excise tax	168.35	199.11	231.57
Refundable VAT	260.80	515.79	391.51
Prepaid property tax	148.45	161.90	176.76
Withholding tax	43.32	35.68	14.29
Prepaid income tax	33.63	0.45	1.20
Deposits	103.94	234.69	147.44
Prepaid expenses	120.21	116.76	73.43
Advanced payments for construction	73.81	123.28	4.19
Other advanced payments	44.23	20.07	5.77
Other receivables	10.54	153.54	82.33
Others	12.96	17.16	46.90
Total	1,020.24	1,578.43	1,175.39
<i>Less</i> allowance for doubtful accounts	<i>(14.02)</i>	<i>(22.32)</i>	<i>(3.47)</i>
Net	1,006.22	1,556.11	1,171.92

9 Other long-term investments

	2005	2004	2003
	<i>(in million Baht)</i>		
Available-for-sale equity securities	-	0.08	6.38
Non-marketable equity securities	5.59	1,116.38	8.05
Total	5.59	1,116.46	14.43
<i>Less</i> allowance for decline in value of investments	<i>(4.32)</i>	<i>(5.79)</i>	<i>(3.60)</i>
Net	1.27	1,110.67	10.83

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10 Property, plant and equipment

	2005											
	Beginning	Addition	Disposal	Transfer	Ending	Beginning (in million Baht)	Depreciation	Disposal	Transfer	Ending	Beginning	Ending
Land - cost	7,837.15	560.54	(474.74)	-	7,922.95	-	-	-	-	-	7,837.15	7,922.95
- surplus on revaluation of land	6,699.72	20.35	(134.83)	-	6,585.24	-	-	-	-	-	6,699.72	6,585.24
Total land	14,536.87	580.89	(609.57)	-	14,508.19	-	-	-	-	-	14,536.87	14,508.19
Land improvement	719.20	0.06	-	0.83	720.09	155.76	45.40	-	-	201.16	563.44	518.93
Buildings and improvements	13,976.69	18.89	(44.04)	150.68	14,102.22	4,185.61	672.34	(5.69)	-	4,852.26	9,791.08	9,249.96
Machinery and equipment	33,144.97	87.14	(38.19)	538.77	33,732.69	16,135.29	2,963.30	(25.51)	18.94	19,092.02	17,009.68	14,640.67
Oak barrels	2,428.66	0.36	-	-	2,429.02	973.29	116.35	(0.01)	-	1,089.63	1,455.37	1,339.39
Furniture, fixtures and office equipment	446.12	74.12	(11.67)	51.22	559.79	271.27	64.83	(8.31)	(15.43)	312.36	174.85	247.43
Vehicles	2,698.08	50.77	(30.88)	(2.46)	2,715.51	1,758.90	359.76	(21.96)	(3.51)	2,093.19	939.18	622.32
Construction in progress	1,479.72	6,428.26	(0.88)	(739.04)	7,168.06	-	-	-	-	-	1,479.72	7,168.06
Total	69,430.31	7,240.49	(735.23)	-	75,935.57	23,480.12	4,221.98	(61.48)	-	27,640.62	45,950.19	48,294.95

As at 31 December 2005 the historical cost of fully depreciated plant and equipment still in use amounted to Baht 2,253.62 million.

As at 31 December 2005 the net book value of property, plant and equipment of certain subsidiary companies, used as security under the Negative Pledge agreement, as disclosed in Note 13, totalled Baht 31,658.05 million.

As at 31 December 2005 the carrying amount of idle land, which is held for planned future business operations amounted to Baht 1,735.21 million.

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	2004				2003				Net book value			
	Beginning	Addition	Disposal	Transfer	Ending	Beginning	Depreciation	Disposal	Transfer	Ending	Beginning	Ending
	<i>(in million Baht)</i>											
Land - cost	6,707.37	1,265.63	(135.85)	-	7,837.15	-	-	-	-	-	6,707.37	7,837.15
- surplus on revaluation of land	6,453.34	246.38	-	-	6,699.72	-	-	-	-	-	6,453.34	6,699.72
Total land	13,160.71	1,512.01	(135.85)	-	14,536.87	-	-	-	-	-	13,160.71	14,536.87
Land improvement	660.03	1.88	(0.10)	57.39	719.20	112.24	43.57	(0.05)	-	155.76	547.79	563.44
Buildings and improvements	13,873.00	30.80	(31.41)	104.30	13,976.69	3,527.71	669.33	(3.51)	(7.92)	4,185.61	10,345.29	9,791.08
Machinery and equipment	32,767.90	183.19	(103.67)	297.55	33,144.97	13,220.27	2,957.33	(50.24)	7.93	16,135.29	19,547.63	17,009.68
Oak barrels	2,420.44	8.69	(0.47)	-	2,428.66	838.78	134.51	-	-	973.29	1,581.66	1,455.37
Furniture, fixtures and office equipment	388.16	66.68	(10.97)	2.25	446.12	227.18	52.39	(8.29)	(0.01)	271.27	160.98	174.85
Vehicles	2,784.05	106.77	(197.53)	4.79	2,698.08	1,478.43	389.85	(109.38)	-	1,758.90	1,305.62	939.18
Construction in progress	543.46	1,407.21	(4.67)	(466.28)	1,479.72	-	-	-	-	-	543.46	1,479.72
Total	66,597.75	3,317.23	(484.67)	-	69,430.31	19,404.61	4,246.98	(171.47)	-	23,480.12	47,193.14	45,950.19

As at 31 December 2004 the carrying amount of idle land, which is held for planned future business operations amounted to Baht 1,377.87 million.

	2003				2002				Net book value			
	Beginning	Addition	Disposal	Transfer	Ending	Beginning	Depreciation	Disposal	Transfer	Ending	Beginning	Ending
	<i>(in million Baht)</i>											
Land - cost	6,051.33	724.52	(67.98)	(0.50)	6,707.37	-	-	-	-	-	6,051.33	6,707.37
- surplus on revaluation of land	-	6,453.34	-	-	6,453.34	-	-	-	-	-	-	6,453.34
Total land	6,051.33	7,177.86	(67.98)	(0.50)	13,160.71	-	-	-	-	-	6,051.33	13,160.71
Land improvement	611.44	48.59	-	-	660.03	78.12	34.12	-	-	112.24	533.32	547.79
Buildings and improvements	13,589.10	316.50	(295.25)	262.65	13,873.00	2,862.37	699.56	(34.22)	-	3,527.71	10,726.73	10,345.29
Machinery and equipment	31,355.65	601.17	(248.38)	1,059.46	32,767.90	10,582.91	2,783.51	(159.73)	13.58	13,220.27	20,772.74	19,547.63
Oak barrels	2,408.60	11.84	-	-	2,420.44	696.27	142.51	-	-	838.78	1,712.33	1,581.66
Furniture, fixtures and office equipment	372.97	54.01	(38.95)	0.13	388.16	204.36	52.31	(29.49)	-	227.18	168.61	160.98
Vehicles	2,422.47	829.91	(449.98)	(18.35)	2,784.05	1,241.59	337.35	(86.93)	(13.58)	1,478.43	1,180.88	1,305.62
Construction in progress	1,561.83	474.29	(189.27)	(1,303.39)	543.46	-	-	-	-	-	1,561.83	543.46
Total	58,373.39	9,514.17	(1,289.81)	-	66,597.75	15,665.62	4,049.36	(310.37)	-	19,404.61	42,707.77	47,193.14

As at 31 December 2003 the carrying amount of idle land, which is held for planned future business operations amounted to Baht 758.32 million.

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In 2005 and 2004, the Group revalued its land, as disclosed in Note 16.

Depreciation of plant and equipment for the years ended 31 December 2005, 2004 and 2003 consisted of:

	2005	2004	2003
		<i>(in million Baht)</i>	
Included in cost of production	2,315.71	2,821.59	2,821.57
Included in selling and administrative expenses	1,906.27	1,425.39	1,227.79
Total	<u>4,221.98</u>	<u>4,246.98</u>	<u>4,049.36</u>

Borrowing costs for the year ended 31 December 2005 capitalised as part of asset cost amounted to Baht 82.71 million (2004: Baht nil; 2003 Baht 2.07 million)

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11 Intangible assets

	Cost			Accumulated amortisation		Net book value	
	Beginning	Addition	Disposal	Beginning	Ending	Beginning	Ending
Trademarks	304.86	1.82	-	158.01	24.67	146.85	124.00
Leasehold land	1.04	0.12	-	0.13	0.18	0.91	0.85
Computer software	4.28	11.68	-	0.58	1.57	3.70	13.81
Broadcasting rights	101.96	59.94	-	19.83	18.53	82.13	123.54
Total	412.14	73.56	-	178.55	44.95	233.59	262.20

	Cost			Accumulated amortisation		Net book value	
	Beginning	Addition	Disposal	Beginning	Ending	Beginning	Ending
Trademarks	303.51	1.35	-	133.53	24.48	169.98	146.85
Leasehold land	-	1.04	-	-	0.13	-	0.91
Computer software	2.88	1.40	-	0.18	0.40	2.70	3.70
Broadcasting rights	72.10	29.86	-	14.24	5.59	57.86	82.13
Total	378.49	33.65	-	147.95	30.60	230.54	233.59

	Cost			Accumulated amortisation		Net book value	
	Beginning	Addition	Disposal	Beginning	Ending	Beginning	Ending
Trademarks	302.39	1.12	-	109.23	24.30	193.16	169.98
Leasehold land	15.10	-	(15.10)	2.37	0.65	12.73	-
Computer software	1.87	3.80	(2.79)	0.05	0.37	1.82	2.70
Broadcasting rights	-	72.10	-	-	14.24	-	57.86
Total	319.36	77.02	(17.89)	111.65	39.56	207.71	230.54

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12 Other non-current assets

	2005	2004	2003
	<i>(in million Baht)</i>		
Bottles, crates and pallets	174.69	159.50	435.67
Deposits	67.29	67.74	60.95
Others	18.60	59.45	23.07
Total	260.58	286.69	519.69
<i>Less</i> allowance for impairment of assets	(6.25)	(7.45)	-
Net	254.33	279.24	519.69

13 Borrowings

Borrowings from financial institutions as at 31 December comprised:

	<i>Note</i>	2005	2004	2003
		<i>(in million Baht)</i>		
Current				
Bank overdrafts				
- secured		-	0.14	42.68
- guaranteed		0.15	125.27	825.73
- unsecured		-	224.74	9.66
		<u>0.15</u>	<u>350.15</u>	<u>878.07</u>
Short-term loans from financial institutions				
- secured		2,700.00	3,300.00	10,055.00
- guaranteed / negative pledge		36,600.00	38,100.00	33,100.00
- unsecured		-	2,970.00	2,769.83
		<u>39,300.00</u>	<u>44,370.00</u>	<u>45,924.83</u>
Current portion of long-term loans				
- secured		1,086.60	1,320.00	10,172.60
		<u>1,086.60</u>	<u>1,320.00</u>	<u>10,172.60</u>
		40,386.75	46,040.15	56,975.50
Non-current				
Long-term loans from financial institutions				
- secured		-	1,086.60	-
		<u>-</u>	<u>1,086.60</u>	<u>-</u>
Total		40,386.75	47,126.75	56,975.50

As at 31 December, the interest rate exposure of the borrowings is as follows:

	2005		2004		2003	
	Range	Weighted	Range	Weighted	Range	Weighted
Bank overdrafts	7.00	7.00	5.50 - 7.75	6.12	5.85 - 6.50	6.16
Short-term loans from financial institutions	3.75 - 5.00	4.74	2.35 - 3.50	3.13	2.50 - 5.00	2.75
Long-term loan and current portion	5.00	5.00	4.00	4.00	4.00 - 5.00	4.82

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Secured borrowings are secured by the following assets:

	2005	2004	2003
	<i>(in million Baht)</i>		
Land	-	-	80.00
Inventories	<u>3,786.60</u>	<u>5,706.60</u>	<u>20,147.60</u>
Total	<u>3,786.60</u>	<u>5,706.60</u>	<u>20,227.60</u>

As at 31 December 2005 the net book value of property, plant and equipment of certain subsidiary companies subject to the Negative Pledge agreement (see below) totalled Baht 31,658.05 million.

The principal features of the borrowings are as follows:

- (a) Bank overdrafts are repayable on demand. As at 31 December 2005, the Group has total overdraft facilities amounting to Baht 2,533.00 million (*2004: Baht 2,535.00 million; 2003: Baht 2,015.00 million*) which is partially guaranteed by five subsidiary companies and a related company.
- (b) Short-term loans from financial institutions primarily comprise promissory notes issued by the Company to several domestic commercial banks totalling Baht 36,600.00 million as at 31 December 2005 (*2004: Baht 38,100.00 million; 2003: Baht 33,100 million*) with interest payable monthly. These loans are guaranteed by certain subsidiaries, namely Sangsom Co., Ltd.; Sura Bangyikhan Co., Ltd.; Beer Thai (1991) PCL.; and Beer Thip Brewery (1991) Co., Ltd.

In addition, 17 subsidiary companies entered into a Negative Pledge agreement, whereby these subsidiaries agree not to sell, transfer, mortgage, pledge, encumber or grant any preferential right in relation to their land, buildings, plant and machinery, during any period that the Company has not yet repaid these loans and/or is still liable to the banks under these promissory notes, unless written consent from the banks is received. These subsidiaries are Sangsom Co., Ltd., Sura Bangyikhan Co., Ltd., United Winery and Distillery Co., Ltd., Red Bull Distillery (1988) Co., Ltd., Fuengfuanant Co., Ltd., Athimart Co., Ltd., S.S. Karnsura Co., Ltd., Kankwan Co., Ltd., Theparunothai Co., Ltd., Thanapakdi Co., Ltd., Simathurakij Co., Ltd., Mongkolsamai Co., Ltd., Kanchanasingkorn Co., Ltd., Luckchai Liquor Trading Co., Ltd., Nateechai Co., Ltd., Beer Thai (1991) PCL. and Beer Thip Brewery (1991) Co., Ltd.

The remaining short-term loans from financial institutions are guaranteed by certain subsidiary companies and are secured on inventories of certain subsidiaries.

- (c) The current portion of long-term loan in the consolidated balance sheets as at 31 December 2005 and 2004 comprised the contractual current portion of the remaining long-term loan. The current portion as at 31 December 2003 comprised the contractual current portion and the early repaid portion of loans from domestic commercial banks, which are secured on certain inventories of subsidiary companies, and the current portion of promissory notes and bills of exchange issued to various private lenders.

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- (d) The remaining long-term loan in the consolidated balance sheets as at 31 December 2004 was obtained from a domestic commercial bank by a subsidiary and is to be repaid in 23 monthly instalments of Baht 110.00 million for the first 22 instalments and Baht 96.60 million for the last instalment, from December 2004. Interest is payable monthly at a fixed rate of 4% per annum for the first year and MLR minus 1.75% per annum afterwards. This loan is secured by inventories of certain subsidiaries.

As at 31 December 2005 the Group had unutilised credit facilities totalling Baht 14,851.74 million.

14 Other current liabilities

	2005	2004	2003
	<i>(in million Baht)</i>		
Outstanding cheque paid for excise tax	918.68	-	-
Value added tax payable	723.24	563.24	958.88
Withholding tax payable	72.80	75.87	60.71
Advanced payments from customers for purchase of goods	1,879.05	1,669.65	1,539.92
Accrued expenses	364.52	488.75	456.65
Accrued interest expense	15.13	15.12	47.07
Deposits and retentions payable	318.74	63.44	23.54
Construction payables	596.98	178.51	17.14
Accrued promotion expenses	230.41	8.39	8.73
Others	85.43	124.01	238.29
Total	<u>5,204.98</u>	<u>3,186.98</u>	<u>3,350.93</u>

15 Share capital

	<i>Par value</i> <i>(in Baht)</i>	2005		2004		2003	
		Number	Baht	Number	Baht	Number	Baht
<i>(in million)</i>							
Authorised							
At 1 January							
- ordinary shares	1	22,000	22,000	22,000	22,000	-	-
Creation of new shares							
- ordinary shares	1	<u>7,000</u>	<u>7,000</u>	<u>-</u>	<u>-</u>	<u>22,000</u>	<u>22,000</u>
At 31 December							
- ordinary shares	1	<u>29,000</u>	<u>29,000</u>	<u>22,000</u>	<u>22,000</u>	<u>22,000</u>	<u>22,000</u>
Issued and fully paid							
At 1 January							
- ordinary shares	1	22,000	22,000	22,000	22,000	-	-
Issue of new shares							
- ordinary shares		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,000</u>	<u>22,000</u>
At 31 December							
- ordinary shares	1	<u>22,000</u>	<u>22,000</u>	<u>22,000</u>	<u>22,000</u>	<u>22,000</u>	<u>22,000</u>

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On 29 October 2003, Thai Beverages Public Company Limited was registered as a public company with authorised and paid-up share capital of Baht 20,000.00 million. Subsequently, the Extraordinary Meeting of Shareholders No. 1/2003 held on 21 November 2003 approved resolutions to increase the authorised share capital from Baht 20,000.00 million to Baht 22,000 million through the issue of 2,000 million ordinary shares with a Baht 1 par value. This issue comprises 600 million shares allocated to specific investors or shareholders and 1,400 million shares allocated to the existing shareholders at a ratio of seven new shares for every 100 existing shares held.

The Extraordinary Meeting of Shareholders of the Company No. 1/2005 held on 8 July 2005 unanimously approved to increase the authorised share capital of the Company from Baht 22,000.00 million to Baht 29,000.00 million through the creation of 7,000 million ordinary shares with a Baht 1 par value. Of this increase, an amount not exceeding 6,000 million shares will be allocated to the public and an amount not exceeding 1,000 million shares will be available as a “Greenshoe Option”. The Company registered the increase of its authorised share capital with the Ministry of Commerce on 11 July 2005.

16 Reserves

Currency translation reserve

Currency translation reserve consisted of foreign exchange differences arising from translation of the financial statements of foreign operations to Thai Baht

Fair value and revaluation reserves

Revaluation reserve

During 2003 and 2004, the Group revalued all land held. Revaluations of land are carried out by independent professional valuers on an open market basis. The revaluations were originally based on valuations reported by the independent professional valuers in 2003 and 2004. In September 2005, the valuers updated the valuations, which have been recognised as adjusting events occurring after the balance sheet date. As a result of the updated revaluations a surplus of Baht 6,453.34 million was recognised as a revaluation reserve in 2003 as a component of shareholders’ equity, of which Baht 0.34 million was not attributable to the Company and a surplus of Baht 246.38 million was recognized in 2004, of which Baht 0.08 million was not attributable to the Company and a surplus of Baht 134.83 million was reversed in 2005.

In addition, in 2005, a subsidiary company obtained a revaluation of its land from independent professional valuers and a surplus of Baht 20.35 million was recognised in the 2005 financial statements.

Fair value reserve

The fair value and revaluation reserve also includes the cumulative net change in the fair value of available-for-sale equity securities.

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Legal reserve

A legal reserve is set up under the provisions of Section 116 of the Public Companies Act B.E. 2535. Section 116 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

17 Net profit (loss) and equity not attributable to the Company

Net profit (loss) not attributable to the Company has arisen from the basis of consolidation adopted (see Note 1) and relates to the portion of income and expense that is included in the consolidated statements of income but which is not attributable to the shareholders of the Company by virtue of their shareholding in the Company.

Equity not attributable to the Company relates to net assets belonging to businesses transferred to the Group and included in the consolidated balance sheets, but which had not yet been formally transferred to the Group at the balance sheet date.

18 Segment information

Segment information is presented in respect of the Group’s business and geographical segments. The primary format – business segments – is based on the Group’s management and internal reporting structure. Management considers that the Group operates primarily in a single geographical area, namely in Thailand, and has, therefore, only one major geographical segment.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Liabilities and related interest expense that were not specifically attributable to a particular segment have been allocated on a percentage of net assets basis. Management believes this to be a fair indication of the actual use of the liabilities.

Inter-segment transactions are eliminated on consolidation.

Business segments

The business operations of the Group, as reflected in the consolidated financial statements, are classified into four major segments as follows:

<i>Beer/water</i>	Production and sales of branded beer and water products (mostly outside the Group);
<i>Spirits</i>	Production and sales of branded spirits products (mostly outside the Group);
<i>Alcohol</i>	Production and sales of alcohol (mostly outside the Group); and
<i>Related</i>	Purchasing of packaging materials and sale of by-products (mostly within the Group).

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Segment financial information

	2005					Total
	Beer/ Water	Spirits	Alcohol	Related	Elimination	
	<i>(in million Baht)</i>					
Results of operations						
Revenue from sales	42,263.9	49,910.0	869.2	6,633.0	(7,584.9)	92,091.2
Interest income	9.2	41.9	0.4	12.2	(1.5)	62.2
Other income	141.0	103.7	12.4	20.7	(53.1)	224.7
Total Revenues	42,414.1	50,055.6	882.0	6,665.9	(7,639.5)	92,378.1
Cost of sales	32,543.7	29,920.4	471.3	6,068.3	(5,860.3)	63,143.4
Selling and administrative expenses	6,953.7	6,656.3	166.0	515.3	(1,774.3)	12,517.0
Profit before interest expense and income tax	2,916.7	13,478.9	244.7	82.3	(4.9)	16,717.7
Interest expense	349.8	1,143.8	42.3	60.9	(1.4)	1,595.4
Income tax expense	1,332.0	3,249.3	51.7	79.9	-	4,712.9
Net profit before the portion not attributable to the Company	1,234.9	9,085.8	150.7	(58.5)	(3.5)	10,409.4
Net loss not attributable to the Company	-	-	-	-	-	-
Net profit	1,234.9	9,085.8	150.7	(58.5)	(3.5)	10,409.4
Financial positions						
Inventories, net	2,812.4	22,817.5	119.0	285.8		26,034.7
Property, plant & equipment, net	20,480.9	23,732.9	1,736.7	2,344.5		48,295.0
Other assets	846.1	4,840.5	144.8	1,050.3		6,881.7
Total assets	24,139.4	51,390.9	2,000.5	3,680.6		81,211.4
Total debt	10,416.7	27,377.2	1,035.0	1,557.8		40,386.7
Other liabilities	4,792.0	3,801.4	78.1	787.1		9,458.6
Total liabilities	15,208.7	31,178.6	1,113.1	2,344.9		49,845.3
Gross capital expenditure						
- Fixed assets	6,388.8	399.7	254.3	177.4		7,220.2
- Intangible assets	4.6	5.4	0.2	63.3		73.5
Depreciation	1,901.4	2,114.3	120.5	85.8		4,222.0
Amortisation	16.4	25.1	-	18.7		60.2

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	2004					
	Beer/ Water	Spirits	Alcohol	Related	Elimination	Total
	<i>(in million Baht)</i>					
Results of operations						
Revenue from sales	47,749.2	42,188.6	697.7	7,289.6	(7,798.8)	90,126.3
Interest income	10.8	6.3	0.3	4.1	(6.6)	14.9
Other income	306.7	171.8	6.5	31.7	(38.3)	478.4
Total Revenues	48,066.7	42,366.7	704.5	7,325.4	(7,843.7)	90,619.6
Cost of sales	36,846.7	26,089.9	468.9	6,670.6	(6,473.0)	63,603.1
Selling and administrative expenses	4,580.0	7,030.9	65.6	790.2	(1,351.2)	11,115.5
Profit before interest expense and income tax	6,640.0	9,245.9	170.0	(135.4)	(19.5)	15,901.0
Interest expense	284.5	1,401.0	26.0	35.4	(6.6)	1,740.3
Income tax expense	1,704.2	2,608.8	69.2	109.9	-	4,492.1
Net profit before the portion not attributable to the Company	4,651.3	5,236.1	74.8	(280.7)	(12.9)	9,668.6
Net loss not attributable to the Company	-	(748.9)	-	-	-	(748.9)
Net profit	4,651.3	5,985.0	74.8	(280.7)	(12.9)	10,417.5
Financial positions						
Inventories, net	3,771.4	26,296.1	316.9	353.5		30,737.9
Property, plant & equipment, net	16,671.0	25,434.8	1,601.3	2,243.1		45,950.2
Other assets	3,630.2	8,277.7	65.9	459.5		12,433.3
Total assets	24,072.6	60,008.6	1,984.1	3,056.1		89,121.4
Total debt	10,630.4	34,426.1	990.7	1,079.6		47,126.8
Other liabilities	4,383.6	3,085.1	126.6	1,036.8		8,632.1
Total liabilities	15,014.0	37,511.2	1,117.3	2,116.4		55,758.9
Gross capital expenditure						
- Fixed assets	1,550.7	1,019.2	445.4	55.6		3,070.9
- Intangible assets	1.7	2.0	-	29.9		33.6
Depreciation	1,929.3	2,120.9	120.3	76.4		4,246.9
Amortisation	17.5	24.2	-	5.7		47.4

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	2003					Total
	Beer/ Water	Spirits	Alcohol	Related	Elimination	
	<i>(in million Baht)</i>					
Results of operations						
Revenue from sales	52,085.2	38,713.1	609.6	2,143.6	(1,921.8)	91,629.7
Interest income	27.6	446.5	5.8	4.2	(36.8)	447.3
Other income	213.8	495.3	51.9	365.1	(17.8)	1,108.3
Total Revenues	52,326.6	39,654.9	667.3	2,512.9	(1,976.4)	93,185.3
Cost of sales	39,641.1	26,338.6	450.3	1,762.5	(1,362.6)	66,829.9
Selling and administrative expenses	4,969.9	6,419.8	65.4	295.2	(576.9)	11,173.4
Profit before interest expense and income tax	7,715.6	6,896.5	151.6	455.2	(36.9)	15,182.0
Interest expense	294.5	2,487.9	1.6	34.7	(36.8)	2,781.9
Income tax expense	1,937.9	1,203.4	48.1	150.5	-	3,339.9
Net profit before the portion not attributable to the Company	5,483.2	3,205.2	101.9	270.0	(0.1)	9,060.2
Net profit not attributable to the Company	1,139.1	993.2	-	-	-	2,132.3
Net profit	4,344.1	2,212.0	101.9	270.0	(0.1)	6,927.9
Financial positions						
Inventories, net	3,519.3	28,076.5	292.8	284.1		32,172.7
Property, plant & equipment, net	17,203.0	27,232.2	1,272.8	1,485.1		47,193.1
Other assets	5,705.7	6,029.1	121.6	283.8		12,140.2
Total assets	26,428.0	61,337.8	1,687.2	2,053.0		91,506.0
Total debt	12,224.9	42,878.4	923.0	1,099.2		57,125.5
Other liabilities	5,197.3	3,963.6	68.8	214.7		9,444.4
Total liabilities	17,422.2	46,842.0	991.8	1,313.9		66,569.9
Gross capital expenditure						
- Fixed assets	660.7	1,987.3	327.1	85.7		3,060.8
- Intangible assets	4.9	-	-	72.1		77.0
Depreciation	1,821.2	2,042.3	125.1	60.8		4,049.4
Amortisation	22.6	24.8	-	14.2		61.6

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19 Selling and administrative expenses

	2005	2004	2003
	<i>(in million Baht)</i>		
Marketing and advertising expenses	4,746.41	4,206.40	4,842.65
Employee costs	2,709.74	2,455.18	2,282.62
Depreciation and amortisation	464.38	531.01	605.15
Unallocated overheads	2,165.00	1,239.59	722.04
Vehicle and transportation expenses	773.77	747.97	941.04
Loss on sale of investments	-	411.09	53.87
Others	1,657.65	1,524.18	1,726.00
Total	<u>12,516.95</u>	<u>11,115.42</u>	<u>11,173.37</u>

20 Earnings per share

Based on net profit before the portion not attributable to the Company

Earnings per share based on net profit before the portion not attributable to the Company has been calculated based on the net profit from businesses and operations comprising the Group on the basis that those businesses and operations had been transferred at the beginning of 2003 and on the 22,000 million shares issued by the Company, pursuant to the formation of the Group.

Based on net profit

Earnings per share based on net has been calculated based on net profit after deducting profit included from businesses and operations transferred during 2003 and 2004, which is not attributable to shareholders of the Company by virtue of their shares held in the Company, and on the 22,000 million shares issued by the Company, pursuant to the formation of the Group.

Diluted earnings per share

For the years ended 31 December 2005, 2004 and 2003 there were no potential common shares, therefore diluted earnings per share is not presented.

21 Dividends and appropriations to legal reserve

The Annual General Meeting of Shareholders held on 27 April 2005 unanimously approved the appropriation of Baht 597.50 million from earnings to the legal reserve and the payment of dividends at Baht 0.12 per share, totalling Baht 2,640.00 million. Subsequently, the Company additionally appropriated Baht 510.00 million from its earnings to the legal reserve.

The Annual General Meeting of Shareholders held on 29 May 2004 unanimously approved the appropriation of Baht 2.50 million from earnings to the legal reserve.

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22 Financial instruments

Financial risk management and policies

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not issue derivative financial instruments for speculative or trading purposes.

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the balance sheet date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet. However, due to the large number of parties comprising the Group's customer base, management does not anticipate material losses from debt collection.

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because loan interest rates are mainly fixed. The Group is primarily exposed to interest rate risk from its borrowings (Note 13).

Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Group primarily utilises forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the balance sheet date also relate to anticipated purchases and sales, denominated in foreign currencies, for the subsequent period.

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The table below provides an indication of the Group's foreign currency positions as at 31 December 2005, 2004 and 2003 relating to the Group's exposure and forward exchange contracts used to hedge against the exposure as a result of the Group's policy. The amounts for forward exchange contracts shown below are presented at fair value.

	2005		2004		2003	
	<i>(in foreign currency – million)</i>	<i>(in million Baht)</i>	<i>(in foreign currency – million)</i>	<i>(in million Baht)</i>	<i>(in foreign currency – million)</i>	<i>(in million Baht)</i>
<i>Financial assets denominated in foreign currencies</i>						
Australian Dollar (AUD)	-	-	0.01	0.41	-	-
US Dollar (USD)	0.19	7.84	0.15	5.73	0.20	7.86
Singaporean Dollar (SGD)	0.15	3.57	0.08	1.83	0.04	0.87
Hong Kong Dollar (HKD)	-	-	0.01	0.05	-	-
Euro (EUR)	-	0.11	-	-	-	-
Total		<u>11.52</u>		<u>8.02</u>		<u>8.73</u>
<i>Financial liabilities denominated in foreign currencies</i>						
British Pounds (GBP)	0.59	42.03	0.96	72.33	1.91	135.11
Euro (EUR)	0.79	38.62	1.25	66.74	1.43	71.56
Australian Dollar (AUD)	0.24	7.42	0.72	21.96	5.52	165.45
US Dollar (USD)	1.28	52.55	0.32	12.65	1.04	41.30
Swiss Francs (CHF)	0.01	0.03	-	-	0.01	0.36
Danish Krone (KR)	0.03	0.19	0.01	0.07	0.28	1.89
Total		<u>140.84</u>		<u>173.75</u>		<u>415.67</u>
<i>Forward exchange contracts to buy foreign currencies</i>						
British Pounds (GBP)	5.41	384.81	1.39	104.26	6.46	434.17
Euro (EUR)	20.17	991.86	4.57	243.43	0.78	35.37
Australian Dollar (AUD)	3.97	119.55	7.76	228.10	13.52	376.72
US Dollar (USD)	16.24	667.39	38.92	1,521.20	7.39	293.99
Total		<u>2,163.61</u>		<u>2,096.99</u>		<u>1,140.25</u>
<i>Forward exchange contracts to sell foreign currencies</i>						
US Dollar (USD)	1.20	49.16	4.63	187.00	1.98	80.94
Total		<u>49.16</u>		<u>187.00</u>		<u>80.94</u>

Fair values

The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. In determining the fair value of its financial assets and liabilities, the Group takes into account its current circumstances and the costs that would be incurred to exchange or settle the underlying financial instrument. As the carrying amounts of financial assets and financial liabilities presented in the balance sheets are mostly short-term, the management believes that the fair value of those financial assets and financial liabilities does not materially differ from their carrying amounts.

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23 Commitments

As at 31 December 2005 commitments of the Group are as follows:

	In Million Baht	In Million US\$	In Million AUD	In Million Euro	In Million GBP
Construction contracts	1,330.20	-	-	7.17	-
Raw material purchasing agreements (Malt & Hop)	-	17.63	4.45	11.58	5.09
Raw material sale agreements	20.84	-	-	-	-
Operating lease agreements for land, buildings and equipment	487.06	-	-	-	-
Consulting and supervising service agreement for beer production	33.12	-	-	-	-
Advertising and sponsorship agreements	99.56	-	-	-	0.50
Other service agreements	110.98	-	-	-	-
Others	-	-	-	0.27	-

Further to the above, the Group has the following additional commitments:

- (a) A subsidiary of the Company entered into a number of molasses purchasing agreements with various suppliers (including some related parties) totalling Baht 1,448.09 million. As at 31 December 2005 the outstanding commitments relating to these agreements totalled Baht 855.83 million.
- (b) During 2004, the Company and four subsidiaries entered into production and blending control agreements with a specialist for a period of 40 years from 1 August 2004 to 1 August 2044. Under the agreements, the Company and its subsidiaries are obliged to pay monthly service fees of Baht 4.30 million which are to be annually increased by 5% for the first 20 years from 1 August 2004 to 1 August 2024. Afterwards, the Company has to pay monthly service fees of Baht 0.25 million until the expiration of the agreements. The total service fees under the agreements, both outstanding and already paid, amounted to Baht 1,766.20 million. As at 31 December 2005 the remaining commitments to be paid, relating to these agreements, was Baht 1,692.03 million.

Subsequently, on 30 December 2005, the Company and the four subsidiaries entered into addendums to the original agreements described above. The addendum became effective on 1 January 2006 whereby the Company paid Baht 375.00 million and the four subsidiaries paid a total of Baht 1,625.00 million as consideration to the specialist in January 2006 to exclusively secure his services. Under the addendum, the Company and the four subsidiaries concerned are entitled to seek damages, not exceeding Baht 2,000.00 million, for any intentional breach that the specialist fails to remedy, including non-performance of his contractual duties.

- (c) During 2005, a subsidiary renewed a sponsorship agreement with Everton Football Club, in the United Kingdom, for a period of three years in order to promote the Group's businesses globally. Under the agreement, the subsidiary is obliged to pay a minimum amount of £0.50 million and a maximum amount of £2.90 million per year, dependent on the performance of the Everton football team in each year.

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- (d) A subsidiary has a commitment to provide sponsorship to the Football Association of Thailand at the rate of 10% of the subsidiary's net profit generated by the subsidiary's World Cup 2006 broadcasting project.

24 Promotional privileges

Promotional privileges from the Board of Investment

In 2004, a subsidiary was granted promotional privileges from the Board of Investment for the production of alcohol and agricultural fuel. The privileges granted include the exemption from the payment of import duty on approved machinery and exemption from the payment of corporate income tax for eight years from the date revenues are first generated. In the event the subsidiary incurs a loss during this eight year period, the subsidiary can carry these losses forward to deduct from any future profits for a period of five years. The Company also obtains a privilege related to the exemption from corporate income tax on dividends derived from the promoted business of its subsidiary during this eight year period. However, the subsidiary has to comply with terms and conditions outlined in the investment promotional certificate.

Privileges granted to business operator in Free Zone

Also in 2004 another subsidiary was granted approval from the Customs Department to operate in a "Free Zone", whereby the subsidiary obtains privileges related to the payment of import and export taxes, valued added tax and excise tax. Various other privileges are also granted.

25 Litigation

As at 31 December 2005 the Group was involved in litigation proceedings as follows:

Property tax

Since 2002 up to 2005, a subsidiary's property tax assessment totalled Baht 161.30 million, which it recognised as expenses of Baht 13.03 million and other current assets of Baht 148.27 million. However, the subsidiary filed an application to the Central Tax Court to withdraw the assessment of the property tax (amount recognised as other current assets). During 2004 and 2005, the Central Tax Court ruled that the subsidiary should pay additional property taxes amounting to Baht 13.55 million. These additional taxes have been paid by the subsidiary and recognised as an expense.

The subsidiary has appealed and the case is currently being considered by the Central Tax Court and the Supreme Court. The management of the subsidiary and their attorney believe that the likelihood of winning is high.

Health Hazardous Work Permit

In 2002 a subsidiary was ordered by the Administrative Court to be co-defendant with a government officer in a lawsuit whereby one local public organisation filed for the government officer to withdraw an order given to the local public organisation to extend the subsidiary's Health Hazardous Work Permit at Phra Nakorn Sri Ayudhaya province. In 2004 the Administrative Court ruled in favour of the subsidiary by discharging the lawsuit and extending the Health Hazardous Work Permits.

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26 Events after the balance sheet date

Significant events after the balance sheet date were as follows:

- (a) The Extraordinary Meeting of Shareholders of the Company No. 1/2006 held on 16 January 2006 unanimously approved the following resolutions:
- To seek a listing on the Singapore Exchange Securities Trading Limited (“SGX-ST”) and/or other foreign stock exchanges as appropriate.
 - The amendment of the Extraordinary Meeting of Shareholders of the Company No. 1/2005 held on 8 July 2005 relating to the share capital as follows:
 - The allocation of not exceeding 6,000 million shares with a Baht 1 par value to the local and/or foreign public.
 - To seek a future listing on the Stock Exchange of Thailand and/or other foreign stock exchanges.
 - The issuance of all types of bonds with total credit line not exceeding Baht 20,000.00 million and a credit period not exceeding 7 years from the date of the issue.
- (b) On 22 February 2006 the Company issued guaranteed bonds totalling Baht 10,000.00 million with a full co-guarantee by four subsidiaries and a further agreement made by 17 subsidiaries not to pledge their existing land, buildings, plant and machinery (“Negative pledge”). The Executive Board of Directors’ Meeting No. 1/2006 held on 1 February 2006 unanimously approved the negative pledge of the subsidiary companies. The bonds were issued with a consolidated debt to equity ratio covenant of 2.5 to 1 and the following terms:

	Amount	Fixed interest rate	Maturity
	<i>(in million Baht)</i>	<i>(%)</i>	
First tranche	2,500.00	4.95%	6 months
Second tranche	2,200.00	5.40%	12 months
Third tranche	2,300.00	5.55%	18 months
Fourth tranche	3,000.00	5.75%	24 months

These terms were subsequently recognised by the Board of Directors’ Meeting No. 3/2006 held on 24 February 2006.

- (c) The Board of Directors’ Meeting No. 3/2006 held on 24 February 2006 unanimously passed the following resolutions:
- Approval for the reorganisation of the management structure.
 - Recognition of the permission granted by the Office of the Securities Exchange Commission for the overseas initial public offering.
- (d) On 3 March 2006 a subsidiary entered into purchasing contracts for machinery with an overseas supplier totalling Euro 13.90 million.

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- (e) Between 17 March 2006 and 24 March 2006, the Company entered into loan agreements with eight commercial banks as previously approved by the Executive Board of Directors' Meeting No. 3/2006 to obtain long-term borrowings totaling Baht 26,000.00 million in order to repay short-term loans. The borrowings will be fully co-guaranteed by four subsidiaries with a negative pledge made by 17 subsidiaries whereby these subsidiaries agree not to sell, transfer, mortgage, pledge, encumber or grant any preferential right in relation to their land, buildings, plant and machinery. The loans were approved by the Board of Directors' Meeting No. 3/2006 held on 24 February 2006.
- (f) The Annual General Meeting of Shareholders held on 27 March 2006 unanimously passed the following resolutions:
- Approval for a dividend payment of Baht 0.24 per share, totalling Baht 5,280.00 million.
 - Consent for payments made by the Company and its four subsidiaries under addendums to production and blending control agreements with a specialist totalling Baht 2,000.00 million, as disclosed in Note 23.

27 Reclassification of accounts

Certain accounts in the consolidated financial statements for the years ended 31 December 2004 and 2003 have been reclassified to conform with the presentation in the consolidated financial statements for the year ended 31 December 2005.