

**Thai Beverage Public Company Limited
and its Subsidiaries**

Financial statements for the nine-month period ended
30 September 2016
and
Independent Auditor's Report



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Independent Auditor's Report

To the Shareholders of Thai Beverage Public Company Limited

I have audited the accompanying consolidated and separate financial statements of Thai Beverage Public Company Limited and its subsidiaries (the "Group") and of Thai Beverage Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 30 September 2016, the consolidated and separate statements of income and comprehensive income, changes in equity and cash flows for the nine-month period then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated and separate financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated and separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion. ⁷



Opinion

In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 30 September 2016 and their financial performance and cash flows for the nine-month period then ended in accordance with Thai Financial Reporting Standards.

Other matter

I draw attention to the following; the Company changed its financial year-end from 31 December to 30 September. Consequently, the consolidated and separate statements of income and comprehensive income, changes in equity and cash flows for the accounting period ended 30 September 2016 comprise only nine months whereas the comparative information presented for the year ended 31 December 2015 comprise 12 months, which results in the periods presented being not comparable. Therefore, supplementary information in Note 40 has been prepared by the Group and the Company as additional information in the form of unaudited consolidated and separate statements of income and comprehensive income, cash flows and segment information for the nine-month period ended 30 September 2015. I have not audited the supplementary information and do not express any audit opinion on such information.

(Nittaya Chetchotiros)
Certified Public Accountant
Registration No. 4439

KPMG Phoomchai Audit Ltd.
Bangkok
18 November 2016

Thai Beverage Public Company Limited and its Subsidiaries

Statement of financial position

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		30 September 2016	31 December 2015	30 September 2016	31 December 2015
<i>(in thousand Baht)</i>					
Assets					
<i>Current assets</i>					
Cash and cash equivalents	5	5,059,219	3,489,986	1,734,302	594,577
Current investments		3,963	3,962	-	-
Trade accounts receivable	4, 6	2,588,209	3,906,403	454,969	2,440,775
Other receivables		721,253	594,138	92	17,312
Short-term loans to and other receivables					
from related parties	4	418,741	792,972	7,030,836	7,055,502
Inventories	7	38,145,322	35,204,112	-	-
Other current assets	8	3,167,189	4,136,088	47,879	21,767
Total current assets		50,103,896	48,127,661	9,268,078	10,129,933
<i>Non-current assets</i>					
Investments in associates	10	78,462,833	75,736,975	-	-
Investments in subsidiaries	11	-	-	167,792,016	142,490,266
Other long-term investments		275,378	266,946	-	-
Long-term loans to and other receivables					
from related parties	4	97,821	88,273	11,467	12,987
Investment properties	13	1,208,503	1,261,244	-	-
Property, plant and equipment	14	47,870,826	46,921,247	95,707	78,292
Goodwill	15	7,025,111	7,050,851	-	-
Other intangible assets		212,191	177,140	42,040	34,971
Leasehold rights		137,893	151,238	-	-
Deferred tax assets	16	372,056	417,448	34,335	36,875
Other non-current assets	17	1,886,819	1,817,759	261,028	268,059
Total non-current assets		137,549,431	133,889,121	168,236,593	142,921,450
Total assets		187,653,327	182,016,782	177,504,671	153,051,383

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

Thai Beverage Public Company Limited and its Subsidiaries

Statement of financial position

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2016	31 December 2015	30 September 2016	31 December 2015
<i>(in thousand Baht)</i>					
Liabilities and equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	18	3,495,328	7,842,092	1,989,550	5,629,479
Trade accounts payable	4, 19	4,532,296	4,850,977	-	-
Other payables	20	5,298,375	5,003,271	215,390	184,108
Current portion of debenture	18	-	1,000,000	-	-
Current portion of bill of exchanges and long-term loans from financial institutions	18	15,500,615	9,532,044	14,955,640	8,878,541
Short-term loans from and other payables to related parties	4, 18	315,358	271,282	50,838,947	32,370,750
Income tax payable		1,716,489	2,266,910	114,436	1,799
Short-term provisions		19,104	32,628	-	-
Other current liabilities	21	1,941,153	2,291,075	308,279	79,342
Total current liabilities		32,818,718	33,090,279	68,422,242	47,144,019
Non-current liabilities					
Long-term loans from and other payables to related parties	4, 18	104	104	1,264,536	1,316,504
Debentures	18	2,000,000	1,000,000	-	-
Bill of exchanges and long-term loans from financial institutions	18	25,089,353	24,883,036	24,763,289	23,955,008
Deferred tax liabilities	16	1,026,732	820,008	-	-
Employee benefit obligations	22	2,886,553	2,817,220	201,261	200,109
Other non-current liabilities		119,617	140,622	122	122
Total non-current liabilities		31,122,359	29,660,990	26,229,208	25,471,743
Total liabilities		63,941,077	62,751,269	94,651,450	72,615,762
Equity					
Share capital:	23				
Authorised share capital		25,155,025	29,000,000	25,155,025	29,000,000
Issued and paid-up share capital		25,110,025	25,110,025	25,110,025	25,110,025
Difference arising from common control transactions		(19,718,440)	(19,718,440)	31,035	31,035
Premium on ordinary shares	23	17,215,737	17,215,737	17,215,737	17,215,737
Retained earnings:					
Appropriated - legal reserve	24	2,900,000	2,900,000	2,900,000	2,900,000
Unappropriated		86,796,632	84,385,026	37,596,424	35,178,824
Other components of equity	24	7,765,846	5,992,932	-	-
Equity attributable to owners of the Company		120,069,800	115,885,280	82,853,221	80,435,621
Non-controlling interests	12	3,642,450	3,380,233	-	-
Total equity		123,712,250	119,265,513	82,853,221	80,435,621
Total liabilities and equity		187,653,327	182,016,782	177,504,671	153,051,383

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

Thai Beverage Public Company Limited and its Subsidiaries
Statement of income

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		For the nine-month	For the year	For the nine-month	For the year
		period ended	ended	period ended	ended
		30 September	31 December	30 September	31 December
		2016	2015	2016	2015
<i>(in thousand Baht)</i>					
<i>Income</i>	25				
Revenue from sale of goods	4, 33	139,152,663	172,049,209	-	-
Management fees	4	-	-	5,158,683	3,867,285
Dividend income	4, 11	4,984	2,901	17,369,640	9,583,848
Interest income	4	37,490	18,880	218,744	768,580
Net gain on foreign exchange		49,922	189,417	66,353	-
Other income	4, 26	642,515	1,159,083	2,406	13,120
Total income		139,887,574	173,419,490	22,815,826	14,232,833
<i>Expenses</i>	25				
Cost of sale of goods	4, 7	97,590,784	121,830,030	-	-
Cost of rendering of services	4	-	-	1,448,797	1,626,240
Selling expenses	4, 27	13,388,906	15,552,968	-	-
Administrative expenses	4, 28	8,790,385	11,475,266	384,568	512,237
Net loss on foreign exchange		-	-	-	96,920
Finance costs	4, 31	813,036	1,363,086	1,678,840	2,217,706
Total expenses		120,583,111	150,221,350	3,512,205	4,453,103
Share of profit from disposal of interest in associate, net of income tax	4, 10	-	3,847,973	-	-
Share of profit of investment in associates, net of income tax	4, 10	3,374,649	3,925,609	-	-
Profit before income tax expense		22,679,112	30,971,722	19,303,621	9,779,730
Income tax expense	32	(3,642,816)	(4,508,084)	(316,865)	(64,444)
Profit for the period / year		19,036,296	26,463,638	18,986,756	9,715,286
Profit attributable to:					
Owners of the Company		18,919,624	26,463,319	18,986,756	9,715,286
Non-controlling interests	12	116,672	319	-	-
Profit for the period / year		19,036,296	26,463,638	18,986,756	9,715,286
Basic earnings per share (Baht)	34	0.75	1.05	0.76	0.39

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

Thai Beverage Public Company Limited and its Subsidiaries
Statement of comprehensive income

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		For the nine-month period ended	For the year ended	For the nine-month period ended	For the year ended
		30 September 2016	31 December 2015	30 September 2016	31 December 2015
		<i>(in thousand Baht)</i>			
Profit for the period / year		19,036,296	26,463,638	18,986,756	9,715,286
Other comprehensive income					
<i>Items that will not be reclassified to profit or loss</i>					
Defined employee benefit plan actuarial gains (losses)	22	75,358	(109,384)	4,325	(15,107)
Income tax on other comprehensive income	32	(14,725)	24,519	(865)	3,023
		60,633	(84,865)	3,460	(12,084)
<i>Items that are or may be reclassified to profit or loss</i>					
Share of other comprehensive income of investment in associates	4, 10	2,136,647	1,147,720	-	-
Foreign currency translation differences for foreign operations		(1,532,917)	2,401,154	-	-
Revaluation of land	14	1,730,671	-	-	-
Net change in fair value of available-for-sale investments		8,726	-	-	-
Income tax on other comprehensive income	32	(337,486)	20,340	-	-
		2,005,641	3,569,214	-	-
Other comprehensive income for the period / year, net of income tax		2,066,274	3,484,349	3,460	(12,084)
Total comprehensive income for the period / year		21,102,570	29,947,987	18,990,216	9,703,202
Total comprehensive income attributable to:					
Owners of the Company		20,757,136	29,939,756	18,990,216	9,703,202
Non-controlling interests	12	345,434	8,231	-	-
Total comprehensive income for the period / year		21,102,570	29,947,987	18,990,216	9,703,202

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

Thai Beverage Public Company Limited and its Subsidiaries
Statement of changes in equity

	Consolidated financial statements													
	Note	Retained earnings				Other components of equity							Total equity	
		Issued and paid-up share capital	Difference arising from common control transactions	Premium on ordinary shares	Legal reserve	Unappropriated	Currency translation differences	Revaluation surplus	Fair value changes in available-for-sale investments	Share of other comprehensive income of associates	Total other components of equity	Equity attributable to owners of the Company		Non-controlling interests
<i>(in thousand Baht)</i>														
Year ended 31 December 2015														
Balance at 1 January 2015		25,110,025	(19,718,440)	17,215,737	2,900,000	73,290,094	(1,757,547)	4,002,732	7,079	212,959	2,465,223	101,262,639	3,413,674	104,676,313
Transactions with owners, recorded directly in equity														
<i>Distributions to owners of the Company</i>														
Dividends to owners of the Company	35	-	-	-	-	(15,317,115)	-	-	-	-	-	(15,317,115)	(61,184)	(15,378,299)
Total distributions to owners of the Company		-	-	-	-	(15,317,115)	-	-	-	-	-	(15,317,115)	(61,184)	(15,378,299)
Acquisition of non-controlling interest		-	-	-	-	-	-	-	-	-	-	-	19,512	19,512
Total transactions with owners, recorded directly in equity		-	-	-	-	(15,317,115)	-	-	-	-	-	(15,317,115)	(41,672)	(15,358,787)
Comprehensive income for the year														
Profit		-	-	-	-	26,463,319	-	-	-	-	-	26,463,319	319	26,463,638
Other comprehensive income		-	-	-	-	(51,272)	2,421,411	(41,422)	-	1,147,720	3,527,709	3,476,437	7,912	3,484,349
Total comprehensive income for the year		-	-	-	-	26,412,047	2,421,411	(41,422)	-	1,147,720	3,527,709	29,939,756	8,231	29,947,987
Balance at 31 December 2015		25,110,025	(19,718,440)	17,215,737	2,900,000	84,385,026	663,864	3,961,310	7,079	1,360,679	5,992,932	115,885,280	3,380,233	119,265,513

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

Thai Beverage Public Company Limited and its Subsidiaries
Statement of changes in equity

Note	Consolidated financial statements												
	Issued and paid-up share capital	Difference arising from common control transactions	Premium on ordinary shares	Retained earnings		Other components of equity					Equity attributable to owners of the Company	Non-controlling interests	Total equity
				Legal reserve	Unappropriated	Currency translation differences	Revaluation surplus	Fair value changes in available-for-sale investments	Share of other comprehensive income of associates	Total other components of equity			
<i>(in thousand Baht)</i>													
For the nine-month period ended 30 September 2016													
Balance at 1 January 2016	25,110,025	(19,718,440)	17,215,737	2,900,000	84,385,026	663,864	3,961,310	7,079	1,360,679	5,992,932	115,885,280	3,380,233	119,265,513
Transactions with owners, recorded directly in equity													
<i>Distributions to owners of the Company</i>													
Dividends to owners of the Company	35	-	-	-	(16,572,616)	-	-	-	-	-	(16,572,616)	(97,667)	(16,670,283)
<i>Total distributions to owners of the Company</i>		-	-	-	(16,572,616)	-	-	-	-	-	(16,572,616)	(97,667)	(16,670,283)
Acquisition of non-controlling interest		-	-	-	-	-	-	-	-	-	-	14,450	14,450
Total transactions with owners, recorded directly in equity		-	-	-	(16,572,616)	-	-	-	-	-	(16,572,616)	(83,217)	(16,655,833)
Comprehensive income for the period													
Profit		-	-	-	18,919,624	-	-	-	-	-	18,919,624	116,672	19,036,296
Other comprehensive income		-	-	-	64,598	(1,522,591)	1,154,344	4,514	2,136,647	1,772,914	1,837,512	228,762	2,066,274
Total comprehensive income for the period		-	-	-	18,984,222	(1,522,591)	1,154,344	4,514	2,136,647	1,772,914	20,757,136	345,434	21,102,570
Balance at 30 September 2016	25,110,025	(19,718,440)	17,215,737	2,900,000	86,796,632	(858,727)	5,115,654	11,593	3,497,326	7,765,846	120,069,800	3,642,450	123,712,250

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

Thai Beverage Public Company Limited and its Subsidiaries
Statement of changes in equity

	Note	Separate financial statements					Total equity
		Issued and paid-up share capital	Difference arising from common control transactions	Premium on ordinary shares	Retained earnings		
					Legal reserve	Unappropriated	
<i>(in thousand Baht)</i>							
Year ended 31 December 2015							
Balance at 1 January 2015		25,110,025	31,035	17,215,737	2,900,000	40,792,737	86,049,534
Transactions with owners, recorded directly in equity							
Dividends to owners of the Company	35	-	-	-	-	(15,317,115)	(15,317,115)
Total transactions with owners, recorded directly in equity		-	-	-	-	(15,317,115)	(15,317,115)
Comprehensive income for the year							
Profit		-	-	-	-	9,715,286	9,715,286
Other comprehensive income		-	-	-	-	(12,084)	(12,084)
Total comprehensive income for the year		-	-	-	-	9,703,202	9,703,202
Balance at 31 December 2015		25,110,025	31,035	17,215,737	2,900,000	35,178,824	80,435,621

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

Thai Beverage Public Company Limited and its Subsidiaries
Statement of changes in equity

	Note	Issued and paid-up share capital	Difference arising from common control transactions	Separate financial statements		Total equity	
				Premium on ordinary shares <i>(in thousand Baht)</i>	Retained earnings		
				Legal reserve	Unappropriated		
For the nine-month period ended 30 September 2016							
Balance at 1 January 2016		25,110,025	31,035	17,215,737	2,900,000	35,178,824	80,435,621
Transactions with owners, recorded directly in equity							
Dividends to owners of the Company	35	-	-	-	-	(16,572,616)	(16,572,616)
Total transactions with owners, recorded directly in equity		-	-	-	-	(16,572,616)	(16,572,616)
Comprehensive income for the period							
Profit		-	-	-	-	18,986,756	18,986,756
Other comprehensive income		-	-	-	-	3,460	3,460
Total comprehensive income for the period		-	-	-	-	18,990,216	18,990,216
Balance at 30 September 2016		25,110,025	31,035	17,215,737	2,900,000	37,596,424	82,853,221

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

Thai Beverage Public Company Limited and its Subsidiaries
Statement of cash flows

	Consolidated financial statements		Separate financial statements		
	Note	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015
		<i>(in thousand Baht)</i>			
Cash flows from operating activities					
Profit for the period / year		19,036,296	26,463,638	18,986,756	9,715,286
<i>Adjustments for</i>					
Depreciation and amortisation		3,293,208	4,400,333	22,335	22,968
Interest income		(37,490)	(18,880)	(218,744)	(768,580)
Finance costs		813,036	1,363,086	1,678,840	2,217,706
Unrealised (gain) loss on exchange		(2,809)	(130,959)	(59,255)	101,722
(Reversal of) bad and doubtful debts expenses	6	(5,511)	14,256	-	-
Amortisation of advance payments to a specialist		37,500	50,000	7,031	9,375
(Reversal of) write-off allowance for decline in value of inventories		(1,541)	485	-	-
Impairment loss on investment properties		2,405	-	-	-
Gain on disposal of assets classified as held for sale		-	(445,766)	-	-
Gain on disposal of investment properties		(2,408)	-	-	-
(Gain) loss on disposal and write-off of property, plant and equipment and intangible assets		49,960	(11,035)	1	(18)
(Reversal of) impairment loss on property, plant and equipment		(88,057)	65,010	-	-
Dividend income		(4,984)	(2,901)	(17,369,640)	(9,583,848)
Employee benefit expenses		187,457	240,422	17,747	18,394
Share of profit from disposal of interest in associate, net of income tax	4, 10	-	(3,847,973)	-	-
Share of profit of investments in associates, net of income tax	4, 10	(3,374,649)	(3,925,609)	-	-
Income tax expense	32	3,642,816	4,508,084	316,865	64,444
		23,545,229	28,722,191	3,381,936	1,797,449
Changes in operating assets and liabilities					
Trade accounts receivable		1,310,168	(248,260)	1,985,806	(2,041,773)
Other receivables from related parties		363,712	(351,098)	(4,933)	(67,736)
Other receivables		(113,536)	25,107	(18,262)	10,196
Inventories		(2,941,425)	(1,136,370)	-	-
Other current assets		861,729	(399,139)	9,371	(4,008)
Trade accounts payable		(318,943)	47,179	-	-
Other payables to related parties		49,467	137,915	91,742	3,593
Other payables		478,159	504,138	107,137	(30,305)
Other current liabilities		(349,922)	318,987	176,698	(68,885)
Employee benefit paid		(78,976)	(115,590)	(12,269)	(584)
Other non-current liabilities		(3,127)	(18,474)	-	45
Cash generated from (used in) operating activities		22,802,535	27,486,586	5,717,226	(402,008)
Income tax paid		(4,314,120)	(5,002,548)	(202,554)	(114,021)
Net cash from (used in) operating activities		18,488,415	22,484,038	5,514,672	(516,029)
Cash flows from investing activities					
Interest received		35,520	18,934	259,662	767,826
Dividends received		2,355,752	2,275,873	17,369,640	9,583,848
Increase in current investments		(1)	(3)	-	-
Increase in loans to related parties		-	-	(7,161,100)	(19,813,312)
Decrease in loans to related parties		-	-	7,151,300	28,812,512

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

Thai Beverage Public Company Limited and its Subsidiaries
Statements of cash flows

	Consolidated		Separate	
	financial statements		financial statements	
	For the nine-month period ended	For the year ended	For the nine-month period ended	For the year ended
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	<i>Note</i>			
		<i>(in thousand Baht)</i>		
<i>Cash flows from investing activities (continued)</i>				
Cash inflow on disposal of investments in subsidiaries	-	-	-	74,200
Cash outflow on investments in subsidiaries	-	-	(351,750)	(40,734,573)
Cash inflow on investments in indirect subsidiary	14,450	19,512	-	-
Sale of assets classified as held for sale	-	1,736,271	-	-
Purchase of investment properties	-	(154,405)	-	-
Sale of investment properties	22,483	-	-	-
Purchase of property, plant and equipment	(2,954,297)	(4,064,668)	(42,001)	(32,084)
Sale of property, plant and equipment	132,316	119,072	56	26
Purchase of intangible assets	(56,355)	(57,120)	(10,558)	(12,224)
Sale of intangible assets	1,210	3,955	-	-
Increase in leasehold rights	-	(500)	-	-
(Increase) decrease in other non-current assets	2,656	(14,841)	-	2
Net cash from (used in) investing activities	(446,266)	(117,920)	17,215,249	(21,353,779)
<i>Cash flows from financing activities</i>				
Interest paid	(942,360)	(1,377,630)	(1,847,680)	(2,360,786)
Dividends paid to owners of the Company	(16,572,616)	(15,317,115)	(16,572,616)	(15,317,115)
Dividends paid to non-controlling interests	(97,667)	(61,184)	-	-
Bank overdrafts	(375,737)	84,292	-	-
Proceeds from short-term loans from financial institutions	3,768,903	104,294,829	2,700,000	85,480,000
Repayment of short-term loans from financial institutions	(7,750,000)	(105,053,000)	(6,350,000)	(85,130,000)
Proceeds from loans from related parties	-	-	32,342,400	59,193,204
Repayment of loans from related parties	-	-	(38,862,300)	(45,938,000)
Proceeds from long-term loans from financial institutions and debentures	11,000,000	30,500,000	10,000,000	29,000,000
Repayment of long-term loans from financial institutions	(4,633,731)	(33,554,525)	(3,000,000)	(2,500,000)
Net cash from (used in) financing activities	(15,603,208)	(20,484,333)	(21,590,196)	22,427,303
Net increase in cash and cash equivalents	2,438,941	1,881,785	1,139,725	557,495
Cash and cash equivalents at 1 January 2016 and 2015	3,489,986	2,230,079	594,577	37,082
Foreign currency translation differences for foreign operations	(869,708)	(621,878)	-	-
Cash and cash equivalents at 30 September / 31 December	5,059,219	3,489,986	1,734,302	594,577
	5			
<i>Non-cash items</i>				
Investment in subsidiary to be paid according to the agreement	-	-	24,950,000	-
Payable for acquisition of assets	500,249	601,174	3,203	8,886
Reclassify from long-term to short-term loan to related parties	-	-	-	3,719,000
Reclassify from long-term to short-term loan from related parties	-	-	-	12,569,000

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

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the financial statements

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Thai Beverage Public Company Limited and its Subsidiaries

Notes to the financial statements

These notes form an integral part of the financial statements.

The financial statements were approved and authorised for issue by the Board of Directors on 18 November 2016.

1 General information

Thai Beverage Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 14 Vibhavadi Rangsit Road, Kwang Chomphon, Khet Chatuchak, Bangkok, Thailand.

The Company was listed on the Singapore Exchange Securities Trading Limited (SGX-ST) in May 2006.

The principal businesses of the Company are investment and management services. The principal businesses of Thai Beverage Public Company Limited and its subsidiaries, the “Group”, are the production and distribution of alcoholic and non-alcoholic beverages, and food. Details of the Company’s subsidiaries and associates as at 30 September 2016 and 31 December 2015 were as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			30 September 2016	31 December 2015
<i>Direct subsidiaries</i>				
1. Beer Thai (1991) Plc.	Beer brewery and production of drinking water and soda water	Thailand	100.00	100.00
2. Beer Thip Brewery (1991) Co., Ltd.	Beer brewery and production of drinking water and soda water	Thailand	100.00	100.00
3. Cosmos Brewery (Thailand) Co., Ltd.	Beer brewery and production of drinking water and soda water	Thailand	100.00	100.00
4. Sangsom Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
5. Fuengfuanant Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
6. Mongkolsamai Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
7. Thanapakdi Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
8. Kanchanasingkorn Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
9. Sura Bangyikhan Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
10. Athimart Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
11. S.S. Karnsura Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
12. Kankwan Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
13. Theparunothai Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
14. Red Bull Distillery (1988) Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
15. United Winery and Distillery Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
16. Simathurakij Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
17. Nateechai Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
18. Luckchai Liquor Trading Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
19. Sura Piset Thipparat Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
20. Modern Trade Management Co., Ltd.	Beer, spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
21. Horeca Management Co., Ltd.	Beer, spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
22. Pomkit Co., Ltd.	Beer, drinking water and soda water distributor	Thailand	100.00	100.00
23. Pomklung Co., Ltd.	Beer, drinking water and soda water distributor	Thailand	100.00	100.00
24. Pomchok Co., Ltd.	Beer, drinking water and soda water distributor	Thailand	100.00	100.00
25. Pomcharoen Co., Ltd.	Beer, drinking water and soda water distributor	Thailand	100.00	100.00
26. Pomburapa Co., Ltd.	Beer, drinking water and soda water distributor	Thailand	100.00	100.00
27. Pompalang Co., Ltd.	Beer, drinking water and soda water distributor	Thailand	100.00	100.00
28. Pomnakorn Co., Ltd.	Beer, drinking water and soda water distributor	Thailand	100.00	100.00

Thai Beverage Public Company Limited and its Subsidiaries

Notes to the financial statements

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			30 September 2016	31 December 2015
<i>Direct subsidiaries (continued)</i>				
29. Pomthip (2012) Co., Ltd.	Beer, drinking water and soda water distributor	Thailand	100.00	100.00
30. Num Yuk Co., Ltd.	Spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
31. Num Kijjakarn Co., Ltd.	Spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
32. Num Palang Co., Ltd.	Spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
33. Num Muang Co., Ltd.	Spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
34. Num Nakorn Co., Ltd.	Spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
35. Num Thurakij Co., Ltd.	Spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
36. Numrungrad Co., Ltd.	Spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
37. Numthip Co., Ltd.	Spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
38. Thipchalothorn Co., Ltd.	Beer, spirits and non-alcoholic beverages agency	Thailand	100.00	100.00
39. Krittayabun Co., Ltd.	Beer, spirits and non-alcoholic beverages agency	Thailand	100.00	100.00
40. Surathip Co., Ltd.	Beer, spirits and non-alcoholic beverages agency	Thailand	100.00	100.00
41. Sunthronpirom Co., Ltd.	Beer, spirits and non-alcoholic beverages agency	Thailand	100.00	100.00
42. Piromsurang Co., Ltd.	Beer, spirits and non-alcoholic beverages agency	Thailand	100.00	100.00
43. Thai Beverage Energy Co., Ltd.	Production and distribution of biogas	Thailand	100.00	100.00
44. Thai Molasses Co., Ltd.	Trading of molasses	Thailand	99.72	99.72
45. Feed Addition Co., Ltd.	Trading of feeds and fertilizer	Thailand	100.00	100.00
46. Pan International (Thailand) Co., Ltd.	Trading of supplies and procurement	Thailand	100.00	100.00
47. Charun Business 52 Co., Ltd.	Brick producer and distribution of spirits	Thailand	100.00	100.00
48. Thai Cooperage Co., Ltd.	Oak barrel producer	Thailand	100.00	100.00
49. Thai Beverage Recycle Co., Ltd.	Trading of bottles	Thailand	100.00	100.00
50. Thai Beverage Logistics Co., Ltd.	Transportation and distribution	Thailand	100.00	100.00
51. Thai Beverage Marketing Co., Ltd.	Advertising and marketing promotion	Thailand	100.00	100.00
52. Dhospaak Co., Ltd.	Advertising agency	Thailand	100.00	100.00
53. Thai Beverage Training Co., Ltd.	Training	Thailand	100.00	100.00
54. International Beverage Holdings Limited	Holding company	Hong Kong	100.00	100.00
55. Thai Beverage Brands Co., Ltd.	Trademark holding	Thailand	100.00	100.00
56. Beer Chang Co., Ltd.	Trademark holding and production of beer concentrate	Thailand	100.00	100.00
57. Archa Beer Co., Ltd.	Trademark holding and production of beer concentrate	Thailand	100.00	100.00
58. Sura Piset Phatra Lanna Co., Ltd.	Holding company	Thailand	100.00	100.00
59. United Products Co., Ltd.	Production and distribution of spirits	Thailand	100.00	100.00
60. Thai Drinks Co., Ltd. ^{8,9}	Distribution of beverages	Thailand	100.00	100.00
61. Oishi Group Plc.	Japanese restaurants and distribution of foods and beverages	Thailand	79.66	79.66

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the financial statements

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			30 September 2016	31 December 2015
Direct subsidiaries (continued)				
62. C A C Co., Ltd.	Management of the ASEAN Economic Community (AEC) centre	Thailand	100.00	100.00
63. Chang International Co., Ltd.	Advertising and marketing services	Thailand	100.00	100.00
64. Cash Van Management Co., Ltd.	Beer, spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
65. Food of Asia Co., Ltd.	Restaurant business	Thailand	100.00	100.00
66. BevCo Limited ⁴	Holding company	Thailand	100.00	100.00
67. Chang Corporation Co., Ltd. ⁴	Holding company	Thailand	100.00	100.00
Indirect subsidiaries				
68. Thai Thum Distillery Co., Ltd. ¹⁰	Production and distribution of spirits	Thailand	99.90	99.90
69. Sura Piset Sahasan Co., Ltd. ¹¹	Trading of spirits	Thailand	100.00	100.00
70. Sura Piset Sampan Co., Ltd. ¹²	Trading of spirits	Thailand	100.00	100.00
71. InterBev (Singapore) Limited ¹	Marketing, Trading of alcoholic beverages	Singapore	100.00	100.00
72. InterBev (Cambodia) Co., Ltd. ^{1.5}	Dormant	Cambodia	100.00	100.00
73. InterBev Malaysia Sdn. Bhd. ¹	Trading of beverage product and providing of marketing services	Malaysia	100.00	100.00
74. Best Spirits Company Limited ¹	Trading of alcoholic beverages	Hong Kong	100.00	100.00
75. International Beverage Holdings (UK) Limited ¹	Holding company	United Kingdom	100.00	100.00
76. International Beverage Holdings (China) Limited ¹	Holding company	Hong Kong	100.00	100.00
77. Oishi Trading Co., Ltd. ²	Production and distribution of food and beverage	Thailand	79.66	79.66
78. Oishi Ramen Co., Ltd. ²	Japanese restaurants	Thailand	79.66	79.66
79. Oishi International Holdings Limited ²	International distribution of beverage	Hong Kong	79.66	79.66
80. Chang Beer International Co., Ltd. ^{5, 13}	Dormant	Thailand	100.00	100.00
81. Maekhong Distillery Limited ¹⁴	Consultancy service	Thailand	100.00	100.00
82. Chang Corp Co., Ltd. ¹⁵	Advertising and marketing services	Thailand	100.00	100.00
83. Beer Chang International Limited ^{1, 5}	Dormant	Singapore	100.00	100.00
84. International Beverage Trading Limited ¹	Trading of alcoholic beverages	Bermuda	100.00	100.00
85. InterBev Investment Limited ¹	Holding company	Hong Kong	100.00	100.00
86. InterBev Trading (Hong Kong) Limited ¹	Distribution and marketing of food and beverage products	Hong Kong	100.00	100.00
87. Oishi Snack Co., Ltd. ²	Serving future snack business expansion	Thailand	79.66	79.66
88. BeerCo Limited ¹	Holding company	Hong Kong	100.00	100.00
89. Wellwater Limited ¹	Holding company	Hong Kong	100.00	100.00
90. Koykiao Co., Ltd. ⁷	Food and beverage business	Thailand	51.00	-
91. Max Asia Co., Ltd. ⁷	Bakery business	Thailand	70.00	-
Subsidiaries of indirect subsidiaries				
92. International Beverage Holdings Limited USA, Inc. ¹	Trading of alcoholic beverages	United States of America	100.00	100.00
93. Super Brands Company Pte. Ltd. ¹	Trademark holding	Singapore	100.00	100.00
94. Blairmhor Limited ¹	Holding company	United Kingdom	100.00	100.00
95. Inver House Distillers Limited ¹	Production and distribution of spirits	United Kingdom	100.00	100.00

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the financial statements

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			30 September 2016	31 December 2015
<i>Subsidiaries of indirect subsidiaries (continued)</i>				
96. InterBev Trading (China) Limited ¹	Trading of alcoholic beverages	People's Republic of China	100.00	100.00
97. Yunnan Yulinquan Liquor Co., Ltd. ¹			Spirits distillery	People's Republic of China
98. Blairnbor Distillers Limited ^{1,5}	Dormant	United Kingdom		
99. Wee Beastie Limited ^{1,5}	Dormant	United Kingdom	100.00	100.00
100. Moffat & Towers Limited ^{1,5}	Dormant	United Kingdom	100.00	100.00
101. Glen Calder Blenders Limited ^{1,5}	Dormant	United Kingdom	100.00	100.00
102. Hankey Bannister & Company Limited ^{1,5}	Dormant	United Kingdom	100.00	100.00
103. R. Carmichael & Sons Limited ^{1,5}	Dormant	United Kingdom	100.00	100.00
104. J MacArthur Junior & Company Limited ^{1,5}	Dormant	United Kingdom	100.00	100.00
105. Mason & Summers Limited ^{1,5}	Dormant	United Kingdom	100.00	100.00
106. James Catto & Company Limited ^{1,5}	Dormant	United Kingdom	100.00	100.00
107. The Knockdhu Distillery Co., Ltd. ^{1,5}	Dormant	United Kingdom	100.00	100.00
108. Speyburn-Glenlivet Distillery Co., Ltd. ^{1,5}	Dormant	United Kingdom	100.00	100.00
109. The Pulteney Distillery Co., Ltd. ^{1,5}	Dormant	United Kingdom	100.00	100.00
110. The Balblair Distillery Co., Ltd. ^{1,5}	Dormant	United Kingdom	100.00	100.00
111. Sermsuk Plc. ¹	Production and distribution of beverages	Thailand	64.66	64.66
112. Sermsuk Holdings Co., Ltd. ¹	Holding company	Thailand	64.66	64.66
113. Sermsuk Beverage Co., Ltd. ¹	Production and distribution of beverages	Thailand	64.66	64.66
114. Sermsuk Training Co., Ltd. ¹	Human resources and organisation development services	Thailand	64.66	64.66
115. Great Brands Limited ¹	Brands management	Hong Kong	64.66	64.66
116. Wrangyer Beverage (2008) Co., Ltd. ¹	Production and distribution of energy drink	Thailand	64.66	64.66
117. InterBev Timor, Unipessoal Lda ^{1,5}	Dormant	Democratic Republic of Timor-Leste	100.00	100.00
118. Oishi F&B (Singapore) Pte. Ltd. ²	Brands management and consulting services	Singapore	79.66	79.66
119. Oishi Myanmar Limited ²	Japanese Restaurant business	Union of Myanmar	43.81	43.81
120. Oishi Group Limited Liability Company ²	Marketing management consulting services	Socialist Republic of Vietnam	79.66	79.66

Thai Beverage Public Company Limited and its Subsidiaries

Notes to the financial statements

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			30 September 2016	31 December 2015
<i>Subsidiaries of indirect subsidiaries (continued)</i>				
121. S.P.M. Foods & Beverages Co., Ltd. ¹	Production and distribution of drinking water and energy drinks and spirits agency	Thailand	99.84	99.84
122. Chang Beer Co., Ltd. ¹	Holding company	Thailand	100.00	100.00
123. So Water Company Limited ¹	Holding company	Thailand	100.00	100.00
<i>Associates of indirect subsidiaries</i>				
124. Fraser and Neave, Limited ³	Manufacture and distribution of food and beverage and publishing and printing	Singapore	28.53	28.53
125. Frasers Centrepoint Limited ³	Development and investment in property	Singapore	28.44	28.44
<i>Associates of subsidiary of indirect subsidiaries</i>				
126. Liquorland Limited ³	Licences	United Kingdom	49.49	49.49
127. Petform (Thailand) Co., Ltd. ⁶	Manufacture and distribution of plastic packaging	Thailand	25.86	25.86

¹ Direct or indirect subsidiaries of International Beverage Holdings Limited

² Direct or indirect subsidiaries of Oishi Group Plc.

³ Indirect associates of International Beverage Holdings Limited

⁴ 51% direct and 49% indirect share holding held by the Company

⁵ These companies are currently not doing the operation.

⁶ Direct associates of Sermsuk Plc.

⁷ Direct subsidiaries of Food of Asia Co., Ltd.

⁸ As at 30 September 2016, 95% direct and 5% indirect share holding held by the Company

⁹ As at 31 December 2015, 54% direct and 46% indirect share holding held by the Company

¹⁰ Direct subsidiary of Thai Cooperage Co., Ltd.

¹¹ 41.45% share holding held by Thai Cooperage Co., Ltd., 40% share holding held by Thai Thum Distillery Co., Ltd. and 18.55% share holding held by Sura Piset Phatra Lanna Co., Ltd.

¹² Direct subsidiary of Sura Piset Sahasan Co., Ltd.

¹³ Direct subsidiary of Beer Chang Co., Ltd.

¹⁴ Direct subsidiary of Sura Bangyikhan Co., Ltd.

¹⁵ Direct subsidiary of Thai Beverage Marketing Co., Ltd.

2 Basis of preparation of the financial statements

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS); guidelines promulgated by the Federation of Accounting Professions (“FAP”); and applicable rules and regulations of the related Securities and Exchange Commission.

Thai Beverage Public Company Limited and its Subsidiaries

Notes to the financial statements

The FAP has issued the new and revised TFRS effective for annual accounting periods beginning on or after 1 January 2016. The initial application of these new and revised TFRS has resulted in changes in certain of the Group's accounting policies. These changes have no material effect on the financial statements.

In addition to the above new and revised TFRS, the FAP has issued a number of other new and revised TFRS which are effective for annual financial periods beginning on or after 1 January 2017 and have not been adopted in the preparation of these financial statements. These new and revised TFRS that are relevant to the Group's operations are disclosed in Note 39.

(b) *Basis of measurement*

The financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative basis on each reporting date.

<i>Items</i>	<i>Measurement bases</i>
Available-for-sale financial assets	Fair value
Land	Revaluation
Employee benefit obligations	Present value of the defined benefit obligation, as explained in Note 3 (p)

(c) *Functional and presentation currency*

The financial statements are presented in Thai Baht, which is the Company's functional currency. All financial information presented in Thai Baht has been rounded in the financial statements and in the notes to the financial statements to the nearest million unless otherwise stated.

(d) *Use of judgements and estimates*

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

Information about significant areas of estimation uncertainty that have a significant risk of resulting in a material adjustments to the amounts recognised in the financial statements is included in the following notes:

Note 3 (v)	Current and deferred taxation
Note 10	Valuation of investments in associates
Note 14	Valuation of the recoverable amount of property, plant and equipment
Note 15	Valuation of the recoverable amount of goodwill
Note 16	Utilisation of tax losses
Note 22	Measurement of employee benefit obligations
Note 36	Valuation of financial instruments

Thai Beverage Public Company Limited and its Subsidiaries

Notes to the financial statements

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief finance officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Group Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognised transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 13 Investment properties
- Note 14 Property, plant and equipment
- Note 36 Financial instruments

(e) *Change in accounting period*

At the Board of Directors meeting held on 26 February 2016, the Board of Directors approved to change the Company's accounting period from the period starting from 1 January and ending on 31 December to the period starting from 1 October and ending on 30 September. Subsequently at the Annual General meeting of the shareholders held on 28 April 2016, the shareholders approved the amendment to the Articles of Association of the Company regarding the change of the accounting period. The Company completed the registration with Department of Business Development, Ministry of Commerce and obtained an approval from Revenue Department for this change, which has an effect on the Company's first change of accounting period ended 30 September 2016. Consequently, the financial statements for the period ended 30 September 2016 have been prepared from 1 January 2016 to 30 September 2016. As such, the amounts presented in the statements of income and comprehensive income, changes in equity and cash flows of comparative information are not directly comparable.

Thai Beverage Public Company Limited and its Subsidiaries

Notes to the financial statements

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) *Basis of consolidation*

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associates.

Business combinations

The Group applies the acquisition method for all business combinations when control is transferred to the Group other than those with entities under common control.

The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration and share-based payment awards of the acquiree that are replaced mandatorily in the business combination. If a business combination results in the termination of pre-existing relationships between the Group and the acquiree, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognised in other expenses.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

The Group measures any non-controlling interest (NCI) at its proportionate interest in the identifiable net assets of the acquiree.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, and other professional and consulting fees are expensed as incurred.

Acquisitions from entities under common control

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are revised. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling shareholder’s consolidated financial statements. The components of equity of the acquired entities are added to the same components within the Group’s equity except that any share capital of the acquired entities is recognised as part of share premium. Any cash paid for the acquisition is recognised directly in equity.

Thai Beverage Public Company Limited and its Subsidiaries

Notes to the financial statements

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling interests

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated on consolidation. Unrealised gains arising from transactions with equity-accounted investee are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Group entities at exchange rate at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rates at the reporting date.

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Notes to the financial statements

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Foreign currency differences are generally recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Thai Baht at the exchange rates at the reporting date.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are stated at exchange rates at the reporting date.

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

Foreign exchange differences are recognised in other comprehensive income and accumulated in the translation reserve, except to extent that the translation difference is allocated to non-controlling interest.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of an associate while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity until disposal of the investment.

(c) *Derivative financial instruments*

Derivative financial instruments are used to manage exposure to foreign exchange and commodity price risks arising from operational, financing and investment activities. Derivative financial instruments are not used for trading purposes.

Forward exchange contracts and forward commodity price contracts are treated as off-statements of financial position items and accounted for on a cash settlement basis.

(d) *Cash and cash equivalents*

Cash and cash equivalents in the statements of cash flows 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.

(e) *Trade and other accounts receivable*

Trade and other accounts receivable 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.

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Notes to the financial statements

(f) Inventories

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

Cost is calculated using the weighted average cost principle, 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 production overheads based on normal operating capacity and is calculated using standard cost adjusted to approximate average cost.

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

(g) Non-current assets held for sale

Non-current assets (or disposal groups comprising assets and liabilities) that are expected to be recovered primarily through sale rather than through continuing use, are classified as held for sale. The assets (or disposal group) are measured at the lower of their carrying value and fair value less cost to sell. Any impairment loss on a disposal group is first allocated to goodwill, and then to remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets and investment properties. Impairment losses on initial classification as held for sale and subsequent gains and losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

(h) Investments

Investments in associates and subsidiaries

Investments in associates and subsidiaries in the separate financial statements of the Company are accounted for using the cost method. Investments in associates in the consolidated financial statements are accounted for using the equity method.

Investments in other debt and equity securities

Debt securities that the Group has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are stated at amortised cost, less any impairment losses. The difference between the acquisition cost and redemption value of such debt securities is amortised using the effective interest rate method over the period to maturity.

Marketable equity securities are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses and foreign currency differences on available-for-sale monetary items, are recognised directly in equity. Impairment losses and foreign exchange differences are recognised in profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss.

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

The fair value of available-for-sale is determined as the quoted bid price at the reporting date.

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Notes to the financial statements

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 profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

(i) Investment properties

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each property. The estimated useful lives are as follow:

Buildings and constructions	20 years
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(j) Property, plant and equipment

Recognition and measurement

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. The revalued amount is the fair value determined on the basis of the property's existing use at the date of revaluation less any subsequent impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Cost also may include transfers from other comprehensive income of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in profit or loss. When revalued assets are sold, the amounts included in the revaluation reserve are transferred to retained earnings.

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Notes to the financial statements

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 profit or loss.

Revalued assets

Revaluations are performed by independent professional valuers with sufficient regularity. 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 reporting date.

Any increase in value, on revaluation, is recognised in other comprehensive income and presented in the revaluation reserve in equity unless it offsets a previous decrease in value recognised in profit or loss in respect of the same asset. A decrease in value is recognised in profit or loss to the extent it exceeds an increase previously recognised in other comprehensive income in respect of the same asset. Upon disposal of a revalued asset, any related revaluation surplus is transferred directly to retained earnings and is not taken into account in calculating the gain or loss on disposal.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

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

Land improvement	5 to 30 years
Buildings and constructions	3 to 40 years
Building improvements	2 to 33 years
Machinery and equipment	3 to 40 years
Oak barrels	10 to 20 years
Furniture, fixtures and office equipment	3 to 10 years
Vehicles	3 to 10 years

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

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

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Notes to the financial statements

(k) *Intangible assets*

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. The measurement of goodwill at initial recognition is described in Note 3 (a). Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted investee.

Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in profit or loss as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised borrowing costs. Other development expenditure is recognised in profit or loss as incurred.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses.

Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the current and comparative periods are as follows:

Computer software	3 to 10 years
Trademarks	10 to 20 years
Licences	10 years
Rights	10 years

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Notes to the financial statements

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(l) Leasehold rights

Leasehold rights are stated at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised in profit or loss on a straight-line basis over the agreement period.

(m) Impairment

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For financial assets carried at amortised cost, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

An impairment loss in respect of goodwill is not reversed. Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(n) Interest-bearing liabilities

Interest-bearing liabilities are recognised as stated in the agreement.

Thai Beverage Public Company Limited and its Subsidiaries

Notes to the financial statements

(o) Trade and other accounts payable

Trade and other accounts payable are stated at cost.

(p) Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any application minimum funding requirements.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in other comprehensive income. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

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Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(q) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. 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 the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(r) Difference arising from common control transactions

Difference arising from common control transactions relates to the restructuring of businesses under the common control of the ultimate majority equity holder of the Group and arises from the difference between the cost of the combination and the carrying amounts of net identifiable assets at the date of combination (except for businesses acquired that are not under common control, net identifiable assets are measured at the fair value). The Group recognises the difference arising from common control transactions under equity until disposal of the investment.

(s) Revenue

Revenue excludes value added taxes and is arrived at after deduction of trade discounts and volume rebates.

Sale of goods and services rendered

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

Commissions

When the Group acts in the capacity of an agent rather than as the principal in a transaction, the revenue recognised is the net amount of commission made by the Group.

Investments

Revenue from investments comprises rental income from investment properties and dividend and interest income from investments and bank deposits.

Rental income

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income over the term of lease. Contingent rentals are recognised as income in the accounting period in which they are earned.

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Notes to the financial statements

Interest and dividend income

Interest income is recognised in profit or loss as it accrues. Dividend income is recognised in profit or loss on the date the Group's right to receive payments is established.

(t) Finance cost

Interest expenses and similar costs are charged to profit or loss for 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 year of time to be prepared for its intended use or sale.

(u) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfillment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

(v) Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

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In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(w) *Earnings per share*

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

(x) *Segment reporting*

Segment results that are reported to the Group's CEO (the chief operating decision marker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly net foreign exchange gain or loss, parts of loans and related finance costs and some items of investments.

4 Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with related parties other than direct subsidiaries, indirect subsidiaries, subsidiaries of indirect subsidiaries, associates of indirect subsidiaries and associates of subsidiary of indirect subsidiaries (as presented in Note 1) were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
1. Thai Alcohol Plc.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
2. Sint Ek Panich Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
3. Banglen Agriculture Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
4. Pisetskij Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly

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Name of entities	Country of incorporation/ nationality	Nature of relationships
5. Thip Sugar Kamphaengphet Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
6. The Chonburi Sugar Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
7. Thai Agro Products Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
8. Thip Sugar Sukhothai Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
9. The Suphanburi Sugar Industry Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
10. The Southeast Insurance Plc.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
11. The Southeast Life Insurance Plc.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
12. Southeast Capital Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
13. T.C.C. Technology Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
14. Thai Glass Industries Plc.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
15. Bang-Na Glass Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
16. TCC Hotel Collection Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
17. Terragro Bio-Tech Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
18. BJC Industrial and Trading Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
19. North Park Real Estate Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
20. TCC PD 11 Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
21. Thippatana Arcade Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
22. Siam Food Products Plc.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
23. BJC Healthcare Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
24. Wattanapat Trading Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
25. Silvercord Capital (Singapore) Limited	Singapore	Directors and controlling equity holders hold substantial shares indirectly
26. Plantheon Trading Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
27. Eastern Chemical Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
28. Mosho Entertainment Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
29. Commercial Solution Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly

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Name of entities	Country of incorporation/ nationality	Nature of relationships
30. TCCCL Ladphao Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
31. F&B International Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
32. Sub Permpoon 8 Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
33. The Street Retail Development Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
34. Sub Mahakij 8 Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
35. Waste Recycling Management Center Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
36. Gaewsarnsiri Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
37. TCC Land Development Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
38. P.I.T. Factory Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
39. Lake View Golf And Yacht Club Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
40. Excellent Energy International Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
41. Thai Retail Investment Fund	Thailand	Directors and controlling equity holders are the indirect principle unit holder
42. TCC Land Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
43. Thai Malaya Glass Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
44. Berli Jucker Foods Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
45. Dhanasindhi Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
46. Business Process Outsourcing Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
47. Berli Jucker Plc.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
48. Gaew Grung Thai Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
49. Phatra Leasing Plc.	Thailand	Common directors with an indirect subsidiary
50. N.C.C. Management and Development Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
51. InterContinental Singapore	Singapore	Directors and controlling equity holders hold substantial shares indirectly
52. TCC Hotel Asset Management Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
53. TCC Logistics & Warehouse Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
54. Riverside Homes Development Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
55. SMJC Real Estate Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly

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Name of entities	Country of incorporation/ nationality	Nature of relationships
56. Big C Supercenter Plc.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
57. Lertrattakarn Co., Ltd.	Thailand	Directors hold substantial shares indirectly
58. Golden Ventures Leasehold Real Estate Investment Trust	Thailand	Directors and controlling equity holders hold substantial trust indirectly
59. New Noble Property and Loan Fund	Thailand	Directors and controlling equity holders are the indirect principle unit holder
60. Best Fortune Property and Loan Fund	Thailand	Directors and controlling equity holders are the indirect principal unit holder
61. Regent Gold Property Fund	Thailand	Directors and controlling equity holders are the indirect principle unit holder
62. Thai Commercial Investment Freehold and Leasehold Fund	Thailand	Directors and controlling equity holders are the indirect principle unit holder
63. Plaza Athenee Hotel (Thailand) Co., Ltd.	Thailand	Directors and controlling equity holders are the directors and hold substantial shares indirectly
64. North Park Golf And Sports Club Co., Ltd.	Thailand	Directors and controlling equity holders are the directors and hold substantial shares indirectly
65. Thai Beverage Can Co., Ltd.	Thailand	Directors and controlling equity holders hold 50% shares indirectly
66. Dhamma Land Property Development Co., Ltd.	Thailand	Directors and controlling equity holders are relatives of indirect substantial shares holders
67. PS Recycle Co., Ltd.	Thailand	Directors and controlling equity holders are relatives of controlling person
68. T.C.C. International Limited	Hong Kong	Controlling equity holders hold substantial shares indirectly
69. Best Wishes Co., Ltd.	Hong Kong	Controlling equity holders hold substantial shares indirectly
70. Bangkok Glass Co., Ltd.	Thailand	A subsidiary holds shares
71. The Pet Co., Ltd.	Thailand	A subsidiary holds shares
72. Crown Seal Plc.	Thailand	A subsidiary holds shares
73. Petpak Co., Ltd.	Thailand	A subsidiary holds shares
74. TCC Holding Co., Ltd.	Thailand	Having common controlling equity holders
75. TCC Assets Ltd.	British Virgin Islands	Directors and controlling equity holders hold substantial shares directly
76. Golden Land Property Development Plc.	Thailand	Directors hold substantial shares indirectly
77. Dynamic Assets Property and Loan Fund	Thailand	Directors and controlling equity holders are the indirect principal unit holder of this real estate investment fund
78. Pacific Leisure (Thailand) Limited	Thailand	Directors and controlling equity holders hold substantial shares indirectly
79. F&N Group and related parties of F&N Group	Singapore	A indirect subsidiary holds 28.53% share in Fraser and Neave, Limited
80. FCL Group and related parties of FCL Group	Singapore	A indirect subsidiary holds 28.44% shares in Frasers Centrepoint Limited

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the financial statements

Name of entities	Country of incorporation/ nationality	Nature of relationships
81. Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly including any director (whether executive or otherwise) of the Group/ Company.

The pricing policies for transactions with related parties are explained further below:

Transactions	Pricing policies
Revenue from sale of goods	Agreed prices which approximate market prices
Revenue from rendering of services	Contractual prices
Purchase of goods/raw materials	Agreed prices which approximate market prices
Receiving of services	Contractual prices
Purchase and sale of property, plant and equipment	Contractual prices
Purchase and sale of investments	Contractual prices
Interest income and interest expense	Rate as mutually agreed with reference interest rates quoted by financial institutions

Significant transactions for the nine-month period ended 30 September 2016 and for the year ended 31 December 2015 with related parties were as follows:

	Note	Consolidated financial statements		Separate financial statements	
		For the nine- month period ended 30 September 2016	For the year ended 31 December 2015	For the nine- month period ended 30 September 2016	For the year ended 31 December 2015
<i>(in million Baht)</i>					
Subsidiaries					
Management fees		-	-	5,159	3,867
Cost of rendering of services		-	-	289	373
Interest income		-	-	198	765
Interest expense		-	-	951	1,334
Dividend income	11	-	-	17,370	9,584
Other income		-	-	-	6
Administrative expenses		-	-	12	20
Increase in share capital of subsidiary	11	-	-	25,302	37,941
Acquisitions of subsidiaries	11	-	-	-	2,793
Disposals of subsidiaries	11	-	-	-	74
Associates					
10					
Share of profit from disposal of interest in associate, net of income tax		-	3,848	-	-
Share of profit of investment in associates, net of income tax		3,375	3,926	-	-
Share of other comprehensive income of investment in associates		2,137	1,148	-	-
Dividend income		2,351	2,273	-	-

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the financial statements

	Consolidated financial statements		Separate financial statements	
	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015
	<i>Note</i>			
	<i>(in million Baht)</i>			
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	340	437	314	411
Post-employment benefits	13	16	10	16
Total key management personnel compensation	353	453	324	427
Other related parties				
Revenue from sale of goods	1,275	770	-	-
Purchases of raw materials and packaging	7,915	9,331	-	-
Overhead costs	176	211	-	-
Cost of rendering of services	-	-	170	186
Dividend income	5	3	-	-
Other income	214	383	1	2
Selling and administrative expenses	1,173	1,031	7	10
Purchases of plant and equipment	184	719	-	-
Sales of plant and equipment	-	2	-	-
Sales of assets classified as held for sale	-	1,810	-	-

Balances as at 30 September 2016 and 31 December 2015 with related parties were as follows:

<i>Trade accounts receivable from related parties</i>	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	<i>(in million Baht)</i>			
Subsidiaries	-	-	455	2,441
Associates	78	43	-	-
Other related parties	154	58	-	-
Total	232	101	455	2,441

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the financial statements

Short-term loans to and other receivables from related parties

	Consolidated financial statements						Separate financial statements					
	30 September 2016			31 December 2015			30 September 2016			31 December 2015		
	Short-term loans to	Other receivables	Total	Short-term loans to	Other receivables	Total	Short-term loans to	Other receivables	Total	Short-term loans to	Other receivables	Total
	<i>(in million Baht)</i>											
Subsidiaries	-	-	-	-	-	-	6,912	39	6,951	6,902	73	6,975
Associates	-	250	250	-	268	268	-	-	-	-	-	-
Other related parties	-	169	169	-	525	525	-	80	80	-	81	81
Total	-	419	419	-	793	793	6,912	119	7,031	6,902	154	7,056

Long-term loans to and other receivables from related parties

	Consolidated financial statements						Separate financial statements					
	30 September 2016			31 December 2015			30 September 2016			31 December 2015		
	Long-term loans to	Other receivables	Total	Long-term loans to	Other receivables	Total	Long-term loans to	Other receivables	Total	Long-term loans to	Other receivables	Total
	<i>(in million Baht)</i>											
Subsidiaries	-	-	-	-	-	-	-	1	1	-	1	1
Other related parties	-	98	98	-	88	88	-	10	10	-	12	12
Total	-	98	98	-	88	88	-	11	11	-	13	13

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the financial statements

Summary of loans to related parties

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	<i>(in million Baht)</i>			
Short-term loans	-	-	6,912	6,902
Total	-	-	6,912	6,902

Movements during for the nine-month period ended 30 September 2016 and the year ended 31 December 2015 of loans to related parties were as follows:

Loans to related parties

	Consolidated financial statements		Separate financial statements	
	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015
	<i>(in million Baht)</i>			
Short-term loans				
Subsidiaries				
At 1 January	-	-	6,902	12,182
Reclassify from long-term loans	-	-	-	3,719
Increase	-	-	7,161	19,813
Decrease	-	-	(7,151)	(28,812)
At 30 September / 31 December	-	-	6,912	6,902
Long-term loans				
Subsidiaries				
At 1 January	-	-	-	3,719
Reclassify to short-term loans	-	-	-	(3,719)
At 30 September / 31 December	-	-	-	-

The currency denomination of loans to and other receivables from related parties as at 30 September 2016 and 31 December 2015 was as follows:

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	<i>(in million Baht)</i>			
Thai Baht (THB) and other functional currencies of subsidiaries	517	876	7,042	7,069
Singapore Dollars (SGD)	-	5	-	-
Total	517	881	7,042	7,069

Trade accounts payable to related parties

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	<i>(in million Baht)</i>			
Associates	154	257	-	-
Other related parties	1,388	1,307	-	-
Total	1,542	1,564	-	-

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the financial statements

Short-term loans from and other payables to related parties

	Consolidated financial statements						Separate financial statements					
	30 September 2016			31 December 2015			30 September 2016			31 December 2015		
	Short-term loans from	Other payables	Total	Short-term loans from	Other payables	Total	Short-term loans from	Other Payables	Total	Short-term loans from	Other payables	Total
	<i>(in million Baht)</i>											
Subsidiaries	-	-	-	-	-	-	25,505	25,318	50,823	32,025	315	32,340
Associates	-	121	121	-	37	37	-	-	-	-	-	-
Other related parties	-	194	194	-	234	234	-	16	16	-	31	31
Total	-	315	315	-	271	271	25,505	25,334	50,839	32,025	346	32,371

Long-term loans from and other payables to related parties

	Consolidated financial statements						Separate financial statements					
	30 September 2016			31 December 2015			30 September 2016			31 December 2015		
	Long-term loans from	Other payables	Total	Long-term loans from	Other payables	Total	Long-term loans from	Other Payables	Total	Long-term loans from	Other payables	Total
	<i>(in million Baht)</i>											
Subsidiaries	-	-	-	-	-	-	1,264	-	1,264	1,317	-	1,317

Thai Beverage Public Company Limited and its Subsidiaries

Notes to the financial statements

Significant agreements with related parties

Supporting service agreements

The Company entered into supporting service agreements with subsidiaries for supporting service such as human resource, administration, accounting, finance, public relations, public co-ordination, technology, law, secretary and share register and internal audit for a period of one year from 1 January 2004 to 31 December 2004. Unless there are notifications to terminate the agreement not later than 30 days prior to the expiry date, this agreement continues to be in effect for the successive one year term. The subsidiaries are committed to pay a service fee at the rate as stipulated in the agreements.

Application service provisioning agreement

The Company entered into the application service provisioning agreement with T.C.C. Technology Co., Ltd., a related company, for the provision of ongoing maintenance and development of the application. The Company is committed to pay the rental fee of system, computer hardware, software license and service fee on a monthly basis throughout the contract period for three years, effective from 1 January 2016, under the fees and conditions stipulated in the agreement. Subsequently, the Company entered into additional agreements according to the additional number of users.

Molasses purchase and sale agreements

Thai Molasses Co., Ltd., the Company's subsidiary, entered into molasses purchase and sale agreements with various related companies in order to sell molasses to other subsidiaries within the Group, under the prices and conditions stipulated in the agreements.

Glass bottle purchase and sale agreement

Thai Beverage Recycle Co., Ltd., the Company's subsidiary, entered into the glass bottle purchase and sale agreement with Berli Jucker Plc., a related company, in order to sell glass bottle to other subsidiaries within the Group, for a period of three years, effective from 1 January 2016 to 31 December 2019, under the prices and conditions stipulated in the agreement.

Revolving loan agreement

The Company entered into loan agreement with subsidiaries for lending the loans with joint credit limit not exceeding Baht 10,000 million, bearing interest at the rate of 5% per annum and repayable at call. Subsequently, the Company entered into another revolving loan agreement with a subsidiary to lend loans with credit limit of Baht 15,000 million, bearing interest at the rate of 5% per annum and repayable at call.

The Company entered into revolving loan agreements with subsidiaries for lending the loans with total credit limit of Baht 94,400 million, bearing interest at the rate of 4% per annum and repayable at call.

Service agreement

Sermasuk Public Company Limited, the Company's indirect subsidiary, entered into the service agreement for the rights to use software and maintenance system with a related company. The agreement is for a period of three years, and ends on 31 August 2018, with service fee as stipulated in the agreement.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the financial statements

Commitments with related parties

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	<i>(in million Baht)</i>			
Capital commitments				
Buildings and other constructions	262	3	-	-
Machinery and equipment	8	4	-	-
Total	270	7	-	-
Non-cancellable operating lease commitments				
Within one year	439	380	29	43
After one year but within five years	849	700	48	37
After five years	128	-	-	-
Total	1,416	1,080	77	80
Other commitments				
Purchase of molasses agreements	110	760	-	-
Application service provisioning agreements	89	32	89	32
Brewing supervision agreement	16	18	-	-
Purchase of raw material agreements	7	149	-	-
Sale of molasses agreements	4	101	-	-
Other service agreements	128	140	44	91
Total	354	1,200	133	123

5 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	<i>(in million Baht)</i>			
Cash on hand	64	84	-	-
Cash at banks - current accounts	1,024	1,174	2	4
Cash at banks - savings accounts	3,893	2,138	1,732	591
Highly liquid short-term investments	78	94	-	-
Total	5,059	3,490	1,734	595

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the financial statements

The currency denomination of cash and cash equivalents as at 30 September 2016 and 31 December 2015 was as follows:

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	<i>(in million Baht)</i>			
Thai Baht (THB) and other functional currencies of subsidiaries	4,930	3,368	1,734	595
United States Dollars (USD)	83	44	-	-
Singapore Dollars (SGD)	42	31	-	-
Pound Sterling (GBP)	4	4	-	-
Hong Kong Dollars (HKD)	-	35	-	-
Myanmar Kyat (MMK)	-	5	-	-
Vietnamese Dong (VND)	-	2	-	-
Canada Dollars (CAD)	-	1	-	-
Total	5,059	3,490	1,734	595

6 Trade accounts receivable

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		30 September 2016	31 December 2015	30 September 2016	31 December 2015
		<i>(in million Baht)</i>			
Related parties	4	232	101	455	2,441
Other parties		2,423	3,891	-	-
Total		2,655	3,992	455	2,441
Less allowance for doubtful accounts		(67)	(86)	-	-
Net		2,588	3,906	455	2,441

	Consolidated financial statements		Separate financial statements	
	For the nine- month period ended 30 September 2016	For the year ended 31 December 2015	For the nine- month period ended 30 September 2016	For the year ended 31 December 2015
	<i>(in million Baht)</i>			
Bad and doubtful debts expenses for the period/year	8	11	-	-

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	<i>(in million Baht)</i>			
Related parties				
Within credit terms	182	71	455	2,254
Overdue:				
Less than 3 months	50	30	-	-
3-6 months	-	-	-	187
	232	101	455	2,441

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the financial statements

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	<i>(in million Baht)</i>			
Other parties				
Within credit terms	2,028	3,135	-	-
Overdue:				
Less than 3 months	331	687	-	-
3-6 months	26	27	-	-
6-12 months	27	31	-	-
Over 12 months	11	11	-	-
	2,423	3,891	-	-
Less allowance for doubtful accounts	(67)	(86)	-	-
	2,356	3,805	-	-
Net	2,588	3,906	455	2,441

The normal credit term granted by the Group ranges from 7 days to 150 days.

The currency denomination of trade accounts receivable as at 30 September 2016 and 31 December 2015 was as follows:

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	<i>(in million Baht)</i>			
Thai Baht (THB) and other functional currencies of subsidiaries	2,556	3,783	455	2,441
United States Dollars (USD)	19	68	-	-
Malaysian Ringgit (MYR)	13	6	-	-
Euro (EUR)	-	36	-	-
Canada Dollars (CAD)	-	9	-	-
Singapore Dollars (SGD)	-	4	-	-
Total	2,588	3,906	455	2,441

7 Inventories

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	<i>(in million Baht)</i>			
Finished goods	13,767	11,041	-	-
Maturing spirits	12,555	13,649	-	-
Work in progress	5,573	5,187	-	-
Raw materials	2,791	2,865	-	-
Packaging materials	2,602	1,719	-	-
Spare parts	520	518	-	-
Others	693	580	-	-
	38,501	35,559	-	-
Less allowance for decline in value	(356)	(355)	-	-
Net	38,145	35,204	-	-

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the financial statements

	Consolidated financial statements		Separate financial statements	
	For the nine- month period ended 30 September 2016	For the year ended 31 December 2015	For the nine- month period ended 30 September 2016	For the year ended 31 December 2015
	<i>(in million Baht)</i>			
Inventories recognised as an expense in ‘Cost of sale of goods’:				
- Cost	97,591	121,814	-	-
- Write-down to net realisable value	233	209	-	-
- Reversal of write-down	(233)	(193)	-	-
Net	97,591	121,830	-	-

8 Other current assets

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	<i>(in million Baht)</i>			
Prepaid excise tax	1,709	1,832	-	-
Refundable value added tax	654	612	12	21
Deposits	259	1,091	-	1
Refundable excise tax	74	72	-	-
Others	471	529	36	-
Total	3,167	4,136	48	22

9 Assets classified as held for sale

On 17 April 2015, Sermsuk Public Company Limited (“Sermsuk”), an indirect subsidiary of the Company, had entered into sale agreement of the land and buildings and transferred ownership of the said land and buildings to a related company. Sermsuk had proceeds from sale of such land and building, recorded as assets classified as held for sale as at 31 December 2014, of Baht 1,810 million (net of expenditure attributable to the sale, of Baht 1,736 million) and gain on sale of Baht 446 million presented as a part of other income in the consolidated statements of income for the year ended 31 December 2015.

10 Investments in associates

	Consolidated financial statements	
	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015
	<i>(in million Baht)</i>	
At 1 January	75,737	67,614
Share of net profit of investment in associates	3,375	3,926
Share of other comprehensive income of investment in associates	2,137	1,148
Share of profit from disposal of interest in associate	-	3,848
Dividend income from associates	(2,351)	(2,273)
Translation differences on consolidation	(435)	1,474
At 30 September / 31 December	78,463	75,737

Thai Beverage Public Company Limited and its Subsidiaries

Notes to the financial statements

At the annual general meetings of the shareholders of Fraser and Neave, Limited (“F&N”) and Fraser Centrepoint Limited (“FCL”), associates of an indirect subsidiary of the Company, held on 29 January 2016, the shareholders of F&N and FCL approved the dividend payment of SGD 0.03 and SGD 0.062 per share, respectively. The dividend was paid to the shareholders in February 2016. The Company’s indirect subsidiary received the said dividend of approximately Baht 1,610 million.

On 1 February 2016, FCL Centrepoint Pte. Ltd., a subsidiary of FCL, completed the disposal of its entire 18.99% shareholding interest in Gemshine Investments Pte. Ltd. and novation of the intercompany loans in the net amount of approximately SGD 60.7 million, to Lexis 88 Investment (Mauritus) Limited, for an aggregate consideration of approximately SGD 80.3 million.

On 2 March 2016, Frasers Property Holdings (Thailand) Co., Ltd. (“FPHT”), a subsidiary of FCL, completed the acquisition of 142,000,000 additional shares in Golden Land Property Development Public Company Limited, a related company of the Company, at an average price of Baht 6.5 per share. The aggregate consideration is Baht 923 million. In this regard, the FPHT’s interest in Golden Land Property Development Public Company Limited increased from approximately 29.5% to 35.6%.

On 14 April 2016, FCL Treasury Pte. Ltd., a subsidiary of FCL, issued SGD 250 million in aggregate principal amount of 4.25 percent notes due 2026, under the SGD 3,000 million Multicurrency Debt Issuance Programme established on 21 March 2012, which is guaranteed by FCL.

At Board of Director’s meeting of FCL and F&N, held on 9 May 2016 and 10 May 2016, respectively, the Board of Directors of FCL and F&N approved the interim dividend payment of SGD 0.024 and SGD 0.015 per share, respectively. The interim dividend was paid to the shareholders in June 2016. The Company’s indirect subsidiary received the said dividend of approximately Baht 630 million.

On 1 July 2016, F&N Pte Ltd, a subsidiary of F&N, completed the acquisition of the entire issued share capital in each of Warburg Vending Pte Ltd, Warburg Engineering Pte Ltd and Warburg Vending Services Pte Ltd for a consideration of SGD 29 million.

On 21 July 2016, FCL Treasury Pte Ltd (the “Issuer”), a subsidiary of FCL, issued USD 200 million in aggregate principal amount of 2.50% fixed rate notes due to 2021, under the SGD 3 billion Multicurrency Debt Issuance Programme established by the Issuer on 21 March 2012, guaranteed by FCL.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the financial statements

Investments in associates as at 30 September 2016 and 31 December 2015, and dividend income from those investments for the nine-month period ended 30 September 2016 and for the year ended 31 December 2015 were as follows:

	Consolidated financial statements										
	Ownership interest		Paid-up capital		Cost		Equity		Dividend income		
	30 September 2016	31 December 2015	30 September 2016	31 December 2015	30 September 2016	31 December 2015	30 September 2016	31 December 2015	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015	
	(%)			(in million Baht)							
Associates											
<i>Held by indirect subsidiaries</i>											
Fraser and Neave, Limited	28.53	28.53	SGD 849 million SGD1,767 million	SGD 849 million SGD 1,767 million	16,957	17,108	38,685	36,507	465	502	
Frasers Centrepoint Limited	28.44	28.44			35,834	36,153	39,234	38,659	1,775	1,717	
<i>Held by subsidiary of indirect subsidiaries</i>											
Liquorland Limited	49.49	49.49	GBP 0.5 million	GBP 0.5 million	13	13	118	140	-	-	
Petform (Thailand) Co., Ltd.	25.86	25.86	Baht 75million	Baht 75 million	30	30	426	431	111	54	
Total					52,834	53,304	78,463	75,737	2,351	2,273	

The Group has investment in associates, Fraser and Neave, Limited (“F&N”) and Frasers Centrepoint Limited (“FCL”), which are listed on the Singapore Exchange Securities Trading Limited (“SGX”) with the closing price as at 30 September 2016 of SGD 2.14 per share and SGD 1.49 per share, respectively (31 December 2015: SGD 2.08 per share and SGD 1.68 per share, respectively). The market value calculated from the above mentioned closing price of the Group’s investments in F&N and FCL are Baht 22,410 million and Baht 31,207 million, respectively (31 December 2015: Baht 21,892 million and Baht 35,363 million, respectively).

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the financial statements

Associates

The following table summarises the financial information of the associates as included in their own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in these companies.

	Fraser and Neave, Limited		Frasers Centrepoint Limited	
	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015
<i>Statement of comprehensive income</i>				
	<i>(in million Baht)</i>			
Revenue	38,285	50,892	71,126	78,763
Profit from continuing operations	3,112	2,489	10,997	16,941
Post-tax profit from discontinued operation	-	15,112	3,178	-
Other comprehensive income	7,794	8,098	(3,509)	(6,251)
Total comprehensive income (100%)	10,906	25,699	10,666	10,690
Total comprehensive income (% hold)	28.53	28.53	28.44	28.44
Total comprehensive income attributable to the Group	3,111	7,332	3,033	3,040
Attributable to non-controlling interests	918	682	3,717	3,637
Attributable to investee's shareholders	9,988	25,017	6,949	7,053
	Fraser and Neave, Limited		Frasers Centrepoint Limited	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
<i>Statement of financial position</i>	<i>(in million Baht)</i>			
Current assets	41,300	41,987	177,032	158,913
Non-current assets	54,498	45,984	437,549	430,083
Current liabilities	(11,455)	(11,486)	(87,574)	(69,621)
Non-current liabilities	(4,296)	(4,274)	(226,286)	(246,690)
Net assets (100%)	80,047	72,211	300,721	272,685
Attributable to non-controlling interests	7,857	7,869	131,586	72,044
Attributable to investee's shareholders	72,190	64,342	169,135	200,641

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the financial statements

	Fraser and Neave, Limited		Frasers Centrepoint Limited	
	For the nine- month period ended 30 September 2016	For the year ended 31 December 2015	For the nine- month period ended 30 September 2016	For the year ended 31 December 2015
<i>Carrying amount of interest in associates</i>				
Group's interest in net assets of investee at 1 January	36,507	29,118	38,659	37,985
Total comprehensive income attributable to the Group	2,842	7,129	2,564	1,685
Dividends received for the period/year	(465)	(502)	(1,775)	(1,717)
Translation differences on consolidation	(199)	762	(214)	706
Carrying amount of interest in investee at 30 September / 31 December	38,685	36,507	39,234	38,659

(in million Baht)

Immaterial associates

The following is summarised financial information for the Group's interest in immaterial associates based on the amounts reported in the Group's consolidated financial statements:

	Petform (Thailand) Co., Ltd.		Liquorland Limited	
	For the nine- month period ended 30 September 2016	For the year ended 31 December 2015	For the nine- month period ended 30 September 2016	For the year ended 31 December 2015
Carrying amount of interests in immaterial associates				
Group's share of:				
- Profit for the period/year	268	266	18	(8)
- Other comprehensive income	-	(6)	-	-
- Total comprehensive income	268	260	18	(8)

(in million Baht)

11 Investments in subsidiaries

	Separate financial statements	
	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015
At 1 January	142,490	101,830
Increase in share capital of subsidiary	25,302	37,941
Acquisitions	-	2,793
Disposals	-	(74)
At 30 September / 31 December	167,792	142,490

(in million Baht)

Thai Beverage Public Company Limited and its Subsidiaries

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On 4 January 2016, the Company entered into an agreement with International Beverage Holdings Limited (“IBHL”), a direct subsidiary of the Company, and BeerCo Limited (“BeerCo”), an indirect subsidiary of the Company. As a result of this agreement, investment in IBHL increased by Baht 24,950 million or equivalent to HKD 5,357 million and will be paid up subsequently in order to invest in BeerCo. Subsequently, on 29 June 2016, the Company extended the agreement with the same terms and conditions as contained in the original agreement.

On 30 June 2016, the Company made an additional investment in Thai Drinks Co., Ltd, the Company’s subsidiary, for a consideration of Bath 352 million. In this regard, the paid-up share capital of Thai Drinks Co., Ltd. increased from 160 million (1.6 million ordinary shares with a Baht 100 par value) to Baht 1,500 million (15 million ordinary shares with a Baht 100 par value).

Thai Beverage Public Company Limited and its Subsidiaries
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Investments in subsidiaries as at 30 September 2016 and 31 December 2015, and dividend income from those investments for the nine-month period ended 30 September 2016 and the year ended 31 December 2015 were as follows:

	Separate financial statements								
	Ownership interest		Paid-up capital		Cost method		Dividend income		
	30 September 2016	31 December 2015	30 September 2016	31 December 2015	30 September 2016	31 December 2015	30 September 2016	31 December 2015	
	(%)		(in million Baht)						
<i>Subsidiaries</i>									
Beer Thai (1991) Plc.	100.00	100.00	5,550	5,550	12,500	12,500	355	2,209	
Beer Thip Brewery (1991) Co., Ltd.	100.00	100.00	6,600	6,600	12,500	12,500	264	1,135	
Sangsom Co., Ltd.	100.00	100.00	7,500	7,500	7,500	7,500	787	278	
Fuengfuanant Co., Ltd.	100.00	100.00	900	900	900	900	201	60	
Mongkolsamai Co., Ltd.	100.00	100.00	700	700	691	691	17	4	
Thanapakdi Co., Ltd.	100.00	100.00	700	700	697	697	20	12	
Kanchanasingkorn Co., Ltd.	100.00	100.00	700	700	700	700	50	9	
Sura Bangyikhan Co., Ltd.	100.00	100.00	4,000	4,000	4,000	4,000	1,312	376	
Athimart Co., Ltd.	100.00	100.00	900	900	900	900	179	52	
S.S. Karnsura Co., Ltd.	100.00	100.00	800	800	800	800	156	47	
Kankwan Co., Ltd.	100.00	100.00	800	800	800	800	186	58	
Theparunothai Co., Ltd.	100.00	100.00	700	700	700	700	132	40	
Red Bull Distillery (1988) Co., Ltd.	100.00	100.00	5,000	5,000	5,000	5,000	-	-	
United Winery and Distillery Co., Ltd.	100.00	100.00	1,800	1,800	1,800	1,800	68	22	
Simathurakij Co., Ltd.	100.00	100.00	900	900	888	888	247	71	
Nateechai Co., Ltd.	100.00	100.00	800	800	800	800	32	16	
Luckchai Liquor Trading Co., Ltd.	100.00	100.00	800	800	766	766	94	23	
Sura Piset Thipparat Co., Ltd.	100.00	100.00	1,000	1,000	1,010	1,010	1	-	
Modern Trade Management Co., Ltd.	100.00	100.00	10	10	10	10	712	203	
Horeca Management Co., Ltd.	100.00	100.00	10	10	10	10	7	-	
Pomkit Co., Ltd.	100.00	100.00	10	10	10	10	106	240	
Pomklung Co., Ltd.	100.00	100.00	10	10	10	10	81	254	
Pomchok Co., Ltd.	100.00	100.00	10	10	10	10	50	162	
Pomcharoen Co., Ltd.	100.00	100.00	10	10	10	10	24	42	
Pomburapa Co., Ltd.	100.00	100.00	10	10	10	10	72	231	
Pompalang Co., Ltd.	100.00	100.00	10	10	10	10	96	131	

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	Separate financial statements							
	Ownership interest		Paid-up capital		Cost method		Dividend income	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	(%)		(in million Baht)					
<i>Subsidiaries (continued)</i>								
Pomnakorn Co., Ltd.	100.00	100.00	10	10	10	10	35	136
Pomthip (2012) Co., Ltd.	100.00	100.00	10	10	10	10	81	231
Num Yuk Co., Ltd.	100.00	100.00	10	10	10	10	1,060	283
Num Kijjakarn Co., Ltd.	100.00	100.00	10	10	10	10	1,189	317
Num Palang Co., Ltd.	100.00	100.00	10	10	10	10	586	172
Num Muang Co., Ltd.	100.00	100.00	10	10	10	10	910	256
Num Nakorn Co., Ltd.	100.00	100.00	10	10	10	10	640	174
Num Thurakij Co., Ltd.	100.00	100.00	10	10	10	10	1,032	271
Numrungrid Co., Ltd.	100.00	100.00	10	10	10	10	872	244
Numthip Co., Ltd.	100.00	100.00	10	10	10	10	770	208
Thipchalothorn Co., Ltd.	100.00	100.00	1	1	3	3	107	56
Krittayabun Co., Ltd.	100.00	100.00	5	5	27	27	200	187
Surathip Co., Ltd.	100.00	100.00	1	1	7	7	90	56
Sunthronpirom Co., Ltd.	100.00	100.00	5	5	25	25	77	12
Piromsurang Co., Ltd.	100.00	100.00	5	5	24	24	132	80
Thai Beverage Energy Co., Ltd.	100.00	100.00	860	860	864	864	13	-
Thai Molasses Co., Ltd.	99.72	99.72	40	40	35	35	148	58
Feed Addition Co., Ltd.	100.00	100.00	1	1	32	32	-	61
Pan International (Thailand) Co., Ltd.	100.00	100.00	1	1	34	34	28	-
Charun Business 52 Co., Ltd.	100.00	100.00	122	122	84	84	-	-
Thai Cooperage Co., Ltd.	100.00	100.00	300	300	296	296	-	-
Thai Beverage Recycle Co., Ltd.	100.00	100.00	123	123	134	134	156	15
Thai Beverage Logistics Co., Ltd.	100.00	100.00	1,012	1,012	1,012	1,012	570	120
Thai Beverage Marketing Co., Ltd.	100.00	100.00	300	300	300	300	101	63
United Products Co., Ltd.	100.00	100.00	350	350	376	376	-	-
Dhospaak Co., Ltd.	100.00	100.00	25	25	61	61	90	-
Thai Beverage Training Co., Ltd.	100.00	100.00	3	3	2	2	22	-
C A C Co., Ltd.	100.00	100.00	30	30	30	30	-	-

Thai Beverage Public Company Limited and its Subsidiaries
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	Separate financial statements								
	Ownership interest		Paid-up capital		Cost method		Dividend income		
	30 September 2016	31 December 2015	30 September 2016	31 December 2015	30 September 2016	31 December 2015	30 September 2016	31 December 2015	
	(%)		(in million Baht)						
Subsidiaries (continued)									
International Beverage Holdings Limited	100.00	100.00	67,942	67,942	92,892	67,942	2,292	-	
Cosmos Brewery (Thailand) Co., Ltd.	100.00	100.00	1,667	1,667	4,139	4,139	108	373	
Thai Beverage Brands Co., Ltd.	100.00	100.00	5	5	39	39	-	-	
Beer Chang Co., Ltd.	100.00	100.00	1	1	4,318	4,318	68	214	
Archa beer Co., Ltd.	100.00	100.00	1	1	130	130	-	14	
Sura Piset Phatra Lanna Co., Ltd.	100.00	100.00	1,000	1,000	1,015	1,015	7	-	
Oishi Group Plc.	79.66	79.66	375	375	5,540	5,540	381	239	
Thai Drinks Co., Ltd.	95.05	53.62	1,500	160	438	86	-	-	
Chang International Co., Ltd.	100.00	100.00	10	10	10	10	193	69	
Cash Van Management Co., Ltd.	100.00	100.00	10	10	10	10	162	-	
Food of Asia Co., Ltd.	100.00	100.00	10	10	10	10	-	-	
Chang Corporation Co., Ltd.	50.99	50.99	1	1	1	1	-	-	
BevCo Co., Ltd.	50.99	50.99	5,436	5,436	2,772	2,772	-	-	
Total					167,792	142,490	17,369	9,584	

None of the Company's subsidiaries are publicly listed and consequently do not have published price quotations, except for Oishi Group Plc. which is listed on the Stock Exchange of Thailand. Based on the closing price of Baht 141.50 per share at 30 September 2016 (31 December 2015: Baht 62.50 per share), the market price of the Company's investment in Oishi Group Plc. is Baht 21,134 million (31 December 2015: Baht 9,335 million).

All subsidiaries were incorporated in Thailand, except International Beverage Holdings Limited which was incorporated in the Hong Kong.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the financial statements

12 Non-controlling interests

The following table summarises the information relating to each of the Group's subsidiaries that has a material non-controlling interest, before any intra-group eliminations:

	Consolidated financial statements				Total
	Oishi Group Public Company Limited and its subsidiaries	Sermasuk Public Company Limited and its subsidiaries	Other <i>(in million Baht)</i>	Intra-group eliminations	
<i>As at 30 September 2016</i>					
Non-controlling interest percentage	20.34%	35.34%			
Current assets	1,718	2,452			
Non-current assets	7,560	11,202			
Current liabilities	(2,576)	(2,579)			
Non-current liabilities	(2,093)	(2,109)			
Net assets	4,609	8,966			
Carrying amount of non-controlling interest	938	3,169	11	(476)	3,642
<i>For the nine-month period ended 30 September 2016</i>					
Revenue	10,399	8,097			
Profit (loss)	880	(135)			
Other comprehensive income	124	576			
Total comprehensive income	1,004	441			
Profit (loss) allocated to non-controlling interest	179	(48)	(3)	(11)	117
Other comprehensive income allocated to non-controlling interest	25	204	-	-	229
Cash flows from operating activities	2,010	44			
Cash flows from investing activities	(853)	(134)			
Cash flows from financing activities	(1,158)	-			
Net decrease in cash and cash equivalents	(1)	(90)			

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the financial statements

	Consolidated financial statements			Total
	Oishi Group Public Company Limited and its subsidiaries	Sermsuk Public Company Limited and its subsidiaries <i>(in million Baht)</i>	Intra-group eliminations	
<i>As at 31 December 2015</i>				
Non-controlling interest percentage	20.34%	35.34%		
Current assets	1,638	2,263		
Non-current assets	7,451	10,586		
Current liabilities	(3,416)	(2,379)		
Non-current liabilities	(1,590)	(1,944)		
Net assets	4,083	8,526		
Carrying amount of non-controlling interest	831	3,013	(464)	3,380
<i>For the year ended 31 December 2015</i>				
Revenue	12,879	10,515		
Profit (loss)	712	(427)		
Other comprehensive income	26	8		
Total comprehensive income	738	(419)		
Profit (loss) allocated to non-controlling interest	145	(151)	6	-
Other comprehensive income allocated to non-controlling interest	5	3	-	8
Cash flows from operating activities	1,394	(32)		
Cash flows from investing activities	(748)	1,339		
Cash flows from financing activities	(193)	(1,012)		
Net increase in cash and cash equivalents	453	295		

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the financial statements

13 Investment properties

	Consolidated financial statements		Separate financial statements		
	<i>Note</i>	30 September 2016	31 December 2015	30 September 2016	31 December 2015
		<i>(in million Baht)</i>			
Cost					
At 1 January		1,374	1,232	-	-
Additions		-	155	-	-
Disposals		(22)	-	-	-
Transfer to property, plant and equipment	14	(27)	(13)	-	-
At 30 September / 31 December		1,325	1,374	-	-
Accumulated depreciation and impairment losses					
At 1 January		113	118	-	-
Depreciation charge for the period/year		4	6	-	-
Disposals		(2)	-	-	-
Transfer to property, plant and equipment	14	(1)	(11)	-	-
Allowance for impairment losses		2	-	-	-
At 30 September / 31 December		116	113	-	-
Net book value					
At 1 January 2015		-	1,114	-	-
At 31 December 2015 / 1 January 2016		1,261	1,261	-	-
At 30 September 2016		1,209	-	-	-

The Group's investment properties were revalued by independent property valuers, which considered valuation using the market comparison approach and cost approach. As at 30 September 2016, the appraised value of investment properties was Baht 2,144 million (*31 December 2015: Baht 2,121 million*).

Investment properties comprise of a number of commercial land that are leased to third parties and unused land and buildings and constructions.

Measurement of fair value

Fair value hierarchy

The fair value of investment property was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the Group's investment property portfolio on an annual basis.

The fair value measurement for investment property of Baht 2,144 million has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the financial statements

Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of investment property, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Land		
- Market comparison approach	Recent adjusted sales and listings of comparable lands	The estimated fair value increase (decrease) if the market transactions are higher (lower).
Buildings and constructions		
- Cost approach	Current replacement cost	The estimated fair value increase (decrease) if the replacement cost increase (decrease).

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the financial statements

14 Property, plant and equipment

	Note	Consolidated financial statements								Total
		Land	Land improvement	Building, buildings and leasehold improvements	Machinery and equipment	Oak barrels <i>(in million Baht)</i>	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	
<i>Cost/ revaluation</i>										
At 1 January 2015		15,756	1,756	24,546	56,323	2,843	1,669	4,120	1,860	108,873
Additions		910	4	509	878	77	263	32	1,435	4,108
Transfer		-	2	1,317	1,386	-	43	11	(2,786)	(27)
Transfer from investment properties	13	-	-	13	-	-	-	-	-	13
Disposals		-	(2)	(81)	(473)	(4)	(73)	(135)	(16)	(784)
Translation differences on consolidation		6	1	71	67	16	1	1	17	180
At 31 December 2015 /										
1 January 2016		16,672	1,761	26,375	58,181	2,932	1,903	4,029	510	112,363
Additions		8	4	166	493	27	168	17	1,970	2,853
Surplus on revaluation of land		1,731	-	-	-	-	-	-	-	1,731
Transfer		6	38	284	766	-	35	157	(1,293)	(7)
Transfer from investment properties	13	25	-	2	-	-	-	-	-	27
Disposals		-	-	(41)	(406)	-	(60)	(163)	(10)	(680)
Translation differences on consolidation		(20)	(1)	(265)	(253)	(58)	(1)	(1)	(12)	(611)
At 30 September 2016		18,422	1,802	26,521	58,781	2,901	2,045	4,039	1,165	115,676

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Consolidated financial statements										
	<i>Note</i>	Land	Land improvement	Building, buildings and leasehold improvements	Machinery and equipment	Oak barrels <i>(in million Baht)</i>	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	Total
<i>Depreciation and impairment losses</i>										
At 1 January 2015		159	1,111	12,673	41,133	2,353	1,144	3,049	-	61,622
Depreciation charge for the year		-	83	1,212	2,386	132	212	328	-	4,353
Impairment losses		-	-	-	65	-	-	-	-	65
Transfers		-	-	-	(27)	-	1	-	-	(26)
Transfer from investment properties	13	-	-	11	-	-	-	-	-	11
Disposals		-	(2)	(64)	(408)	(3)	(65)	(129)	-	(671)
Translation differences on consolidation		-	1	32	42	11	1	1	-	88
At 31 December 2015 /										
1 January 2016		159	1,193	13,864	43,191	2,493	1,293	3,249	-	65,442
Depreciation charge for the period		-	63	964	1,766	96	176	191	-	3,256
Reversal of impairment losses		(54)	-	-	(34)	-	-	-	-	(88)
Transfers		-	-	-	(1)	-	(1)	-	-	(2)
Transfer from investment properties	13	-	-	1	-	-	-	-	-	1
Disposals		-	-	(30)	(252)	-	(55)	(161)	-	(498)
Translation differences on consolidation		-	-	(114)	(147)	(43)	(1)	(1)	-	(306)
At 30 September 2016		105	1,256	14,685	44,523	2,546	1,412	3,278	-	67,805
<i>Net book value</i>										
At 1 January 2015		15,597	645	11,873	15,190	490	525	1,071	1,860	47,251
At 31 December 2015 /										
1 January 2016		16,513	568	12,511	14,990	439	610	780	510	46,921
At 30 September 2016		18,317	546	11,836	14,258	355	633	761	1,165	47,871

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In 2016, the Group reviewed the recoverable amount of property, plant and equipment in accordance with Thai Financial Reporting Standard and found that the recoverable amount of property, plant and equipment as at 30 September 2016 exceeded its carrying amount.

The gross amount of the Group's fully depreciated property, plant and equipment that was still in use as at 30 September 2016 amounted to Baht 40,467 million (*31 December 2015: Baht 38,947 million*).

	Separate financial statements				
	Leasehold improvements	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	Total
	<i>(in million Baht)</i>				
Cost					
At 1 January 2015	13	189	25	13	240
Additions	-	29	-	4	33
Disposals	-	(2)	-	-	(2)
At 31 December 2015 / 1 January 2016	13	216	25	17	271
Additions	2	29	14	3	48
Disposals	-	(1)	-	(12)	(13)
At 30 September 2016	15	244	39	8	306
Accumulated depreciation and impairment losses					
At 1 January 2015	13	146	17	-	176
Depreciation charge for the year	-	16	3	-	19
Disposals	-	(2)	-	-	(2)
At 31 December 2015 / 1 January 2016	13	160	20	-	193
Depreciation charge for the period	-	16	3	-	19
Disposals	-	(1)	-	-	(1)
At 30 September 2016	13	175	23	-	211
Net book value					
At 1 January 2015	-	43	8	13	64
At 31 December 2015 / 1 January 2016	-	56	5	17	78
At 30 September 2016	2	69	16	8	95

The gross amount of the Company's fully depreciated leasehold improvements and equipment that was still in use as at 30 September 2016 amounted to Baht 159 million (*31 December 2015: Baht 149 million*).

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Measurement of fair value

Fair value hierarchy

The fair value of land was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

As at 30 September 2016, the fair value measurement for land of Baht 18,317 million has been categorised as a Level 3 fair value based on the inputs to the valuation technique used (*31 December 2015: Baht 16,513 million*).

Level 3 fair value

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values.

	Consolidated financial statements	
	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015
	<i>(in million Baht)</i>	
Balance at 1 January	16,513	15,597
Acquisitions and transfer from investment properties	39	910
Surplus on revaluation of land	1,731	-
Reversal of impairment losses	54	-
Translation differences on consolidation	(20)	6
Balance at 30 September / 31 December	<u>18,317</u>	<u>16,513</u>

Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of land, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Market comparison approach	Recent adjusted sales and listings of comparable lands	The estimated fair value increase (decrease) if the market transactions are higher (lower).

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15 Goodwill

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	<i>(in million Baht)</i>			
Cost				
At 1 January	7,222	7,209	-	-
Translation differences on consolidation	(49)	13	-	-
At 30 September / 31 December	7,173	7,222	-	-
Impairment losses				
At 1 January	171	165	-	-
Translation differences on consolidation	(23)	6	-	-
At 30 September / 31 December	148	171	-	-
Net book value				
At 1 January	7,051	7,044	-	-
At 30 September / 31 December	7,025	7,051	-	-

Goodwill as at 30 September 2016 and 31 December 2015 was consisted of:

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	<i>(in million Baht)</i>			
Non-alcohol beverage and food business	6,670	6,670	-	-
Alcohol beverage business	355	381	-	-
Total	7,025	7,051	-	-

In 2016, the Group reviewed the recoverable amount of goodwill and found that the recoverable amount of goodwill as at 30 September 2016 exceeded its carrying amount.

The recoverable amount of each cash generating unit was based on value-in-use, estimated using discounted cash flows. The fair value measurement was categorised as a Level 3 fair value based on the inputs in the valuation technique used.

The key assumptions used in the estimation of the recoverable amount are discount rate, which was 6.6% - 11.2%, revenue growth rate and terminate value growth rate. The discounted cash flows were prepared for a period of 5 years. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

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16 Deferred tax

Deferred tax assets and liabilities as at 30 September 2016 and 31 December 2015 were as follows:

	Consolidated financial statements			
	Assets		Liabilities	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	<i>(in million Baht)</i>			
Total	1,684	1,600	(2,339)	(2,003)
Set off of tax	(1,312)	(1,183)	1,312	1,183
Net deferred tax assets (liabilities)	372	417	(1,027)	(820)

	Separate financial statements			
	Assets		Liabilities	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	<i>(in million Baht)</i>			
Total	34	37	-	-
Net deferred tax assets	34	37	-	-

Movements in total deferred tax assets and liabilities during the period/year were as follows:

	Consolidated financial statements			
	At 1 January 2016	(Charged) / Credited to:		At 30 September 2016
		Profit or loss (Note 32)	Other comprehensive income	
	<i>(in million Baht)</i>			
Deferred tax assets				
Inventories	217	15	-	232
Property, plant and equipment	290	13	-	303
Long-term investments	1	-	-	1
Provisions	6	-	-	6
Employee benefit obligations	502	-	(15)	487
Loss carry forward	556	74	-	630
Others	28	(3)	-	25
Total	1,600	99	(15)	1,684
Set off of tax	(1,183)			(1,312)
	417			372
Deferred tax liabilities				
Property, plant and equipment	(1,966)	12	(346)	(2,300)
Others	(37)	-	(2)	(39)
Total	(2,003)	12	(348)	(2,339)
Set off of tax	1,183			1,312
	(820)			(1,027)
Net		111	(363)	

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	Consolidated financial statements			At 31 December 2015
	(Charged) / Credited to:			
	At 1 January 2015	Profit or loss (Note 32)	Other comprehensive income	
		<i>(in million Baht)</i>		
Deferred tax assets				
Inventories	214	3	-	217
Property, plant and equipment	258	32	-	290
Long-term investments	1	-	-	1
Provisions	7	(1)	-	6
Employee benefit obligations	480	(3)	25	502
Loss carry forward	682	129	(255)	556
Others	20	8	-	28
Total	1,662	168	(230)	1,600
Set off of tax	(1,275)			(1,183)
	387			417
Deferred tax liabilities				
Property, plant and equipment	(2,203)	(18)	255	(1,966)
Others	(37)	-	-	(37)
Total	(2,240)	(18)	255	(2,003)
Set off of tax	1,275			1,183
	(965)			(820)
Net		150	25	

	Separate financial statements			At 30 September 2016
	(Charged) / Credited to:			
	At 1 January 2016	Profit or loss (Note 32)	Other comprehensive income	
		<i>(in million Baht)</i>		
Deferred tax assets				
Intangible assets	2	(1)	-	1
Employee benefit obligations	35	(1)	(1)	33
Total	37	(2)	(1)	34

	Separate financial statements			At 31 December 2015
	(Charged) / Credited to:			
	At 1 January 2015	Profit or loss (Note 32)	Other comprehensive income	
		<i>(in million Baht)</i>		
Deferred tax assets				
Intangible assets	3	(1)	-	2
Employee benefit obligations	30	2	3	35
Total	33	1	3	37

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17 Other non-current assets

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2016	31 December 2015	30 September 2016	31 December 2015
			<i>(in million Baht)</i>		
Advance payments to a specialist	37	1,392	1,429	261	268
Deposits		282	279	-	-
Others		213	110	-	-
Total		1,887	1,818	261	268

18 Interest-bearing liabilities

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2016	31 December 2015	30 September 2016	31 December 2015
			<i>(in million Baht)</i>		
Current					
Bank overdrafts					
Secured		1,071	1,039	-	-
Unsecured with letters of comfort		1	409	-	-
Short-term loans from financial institutions					
Promissory notes					
Unsecured with letters of comfort		434	-	-	-
Unsecured		-	1,415	-	650
Bill of exchanges - Unsecured		1,989	4,979	1,989	4,979
Bank overdrafts and short-term loans from financial institutions		3,495	7,842	1,989	5,629
Current portion of debentures					
Unsecured		-	1,000	-	-
Current portion of bill of exchanges and long-term loans from financial institutions					
Unsecured		15,456	9,479	14,956	8,879
Unsecured with guarantee		45	53	-	-
		15,501	9,532	14,956	8,879
Short-term loans from related parties					
Unsecured	4	-	-	25,505	32,025
Total current		18,996	18,374	42,450	46,533

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	Note	Consolidated financial statements		Separate financial statements	
		30 September 2016	31 December 2015	30 September 2016	31 December 2015
<i>(in million Baht)</i>					
Non-current					
Long-term loans from related parties					
Unsecured	4	-	-	1,264	1,317
Debentures					
Unsecured		2,000	1,000	-	-
Long-term bill of exchanges from financial institutions					
Unsecured		9,763	1,955	9,763	1,955
Long-term loans from financial institutions					
Unsecured		15,000	22,500	15,000	22,000
Unsecured with guarantee		326	428	-	-
		<u>25,089</u>	<u>24,883</u>	<u>24,763</u>	<u>23,955</u>
Total non-current		<u>27,089</u>	<u>25,883</u>	<u>26,027</u>	<u>25,272</u>
Grand total		<u>46,085</u>	<u>44,257</u>	<u>68,477</u>	<u>71,805</u>

The periods to maturity of interest-bearing liabilities as at 30 September 2016 and 31 December 2015 were as follows:

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
<i>(in million Baht)</i>				
Within one year	18,996	18,374	42,450	46,533
After one year but within five years	27,089	25,883	26,027	25,272
Total	<u>46,085</u>	<u>44,257</u>	<u>68,477</u>	<u>71,805</u>

Thai Beverage Public Company Limited and its Subsidiaries

Notes to the financial statements

The principal features and detail of the borrowings were as follows:

Bank overdrafts and short-term loans from financial institutions

- (a) As at 30 September 2016, the Group had bank overdrafts amounting to Baht 1,072 million (31 December 2015: Baht 1,448 million) which were partially supported by letters of comfort issued by the Company.
- (b) As at 30 September 2016, the Group and the Company had utilised short-term loans from financial institutions totalling Baht 2,423 million and Baht 1,989 million, respectively (31 December 2015: Baht 6,394 million and Baht 5,629 million, respectively), which was consisted of promissory notes issued by the Group and the Company to several domestic financial institutions and bill of exchanges issued by the Company, with money market rates quoted by the financial institutions.

Long-term loans from financial institutions and bill of exchanges

- (a) The long-term loan agreements, entered into by the Company, with three financial institutions are detailed as follow:

The principal of the long-term loans from the financial institutions is amounting Baht 10,000 million, which will be repaid commencing from November 2013 to November 2016 with interest payable monthly, every six months and every three months for the financial institution No. 1, 2 and 3, respectively, with interest rate ranging from 3-4.3% per annum.

Details are as follows:

Financial institutions	Amount (in million Baht)	Number of installments	Repayment Each installment (in million Baht)	Payment due
No. 1	2,000	12	166.60 (last installment 167.40)	29 Nov 13 to 13 Nov 14
No. 2				
Tranche A	1,500	1	1,500	14 Nov 14
Tranche B	1,500	1	1,500	14 May 15
Tranche C	1,000	1	1,000	16 Nov 15
No. 3				
Tranche A	1,000	1	1,000	4 Feb 16
Tranche B	1,000	1	1,000	4 May 16
Tranche C	1,000	1	1,000	4 Aug 16
Tranche D	1,000	1	1,000	4 Nov 16
Total	10,000			

The aforementioned long-term loans from financial institutions are unsecured.

As at 30 September 2016, the Company had the outstanding balance of long-term loans from the financial institutions of Baht 1,000 million (31 December 2015: Baht 4,000 million).

- (b) The long-term loan agreements and long-term bill of exchanges, entered into by the Company, with three financial institutions are detailed as follows:

The principal of the long-term loans from the first two financial institutions is amounting to Baht 22,000 million, which will be repaid commencing from March 2017 to June 2018 with interest payable every three months and monthly for the financial institution No. 1 and 2, respectively, with interest rate ranging from 1.98 to 3.1% per annum. The principal of the long-term bill of exchanges from the financial institution No. 3 is amounting to Baht 5,000 million and Baht 2,000 million, respectively with prepaid interest rate ranging at 2.58% and 1.98% per annum, respectively.

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Notes to the financial statements

In May 2016, the Company has addition issued long-term bill of exchange from the financial institution No. 3. The principal is amounting to Baht 3,500 million and Baht 1,500 million which prepaid interest rate at 1.88% per annum. Subsequently in September 2016, the Company has reissued long-term bill of exchange with the same financial institution. The principal long-term bill of exchange is 5,000 million with prepaid interest rate at 1.97% per annum.

Details are as follows:

Financial Institutions	Amount <i>(in million Baht)</i>	Number of installments	Repayment Each installment <i>(in million Baht)</i>	Payment Due
Long-term loan				
No. 1				
Tranche A	5,000	1	5,000	23 Mar 17
Tranche B	1,000	1	1,000	25 Jun 18
Tranche C	2,000	1	2,000	3 Mar 17
No. 2				
Tranche A	5,000	1	5,000	22 Dec 17
Tranche B	5,000	1	5,000	23 Mar 18
Tranche C	4,000	1	4,000	22 Jun 18
No. 3				
Bill of exchanges	5,000	1	5,000	23 Dec 16
Less: prepaid interest			(28)	
Net			<u>4,972</u>	
Bill of exchanges	2,000	1	2,000	3 Mar 17
Less: prepaid interest			(16)	
Net			<u>1,984</u>	
Bill of exchanges	3,500	1	3,500	13 Nov 17
Less: prepaid interest			(72)	
Net			<u>3,428</u>	
Bill of exchanges	1,500	1	1,500	23 Nov 17
Less: prepaid interest			(31)	
Net			<u>1,469</u>	
Bill of exchanges	5,000	1	5,000	23 Feb 18
Less: prepaid interest			(134)	
Net			<u>4,866</u>	
Total	<u>39,000</u>		<u>38,719</u>	

The aforementioned long-term loans and long-term bill of exchanges from financial institutions are unsecured.

As at 30 September 2016, the Company had the outstanding balance of long-term loans and long-term bill of exchanges of Baht 38,719 million (*31 December 2015: Baht 28,834 million*).

- (c) Debentures, issued by a direct subsidiary, are detailed as follows:

In 2012, the shareholders of the subsidiary approved the subsidiary to issue debentures not exceeding Baht 3,000 million, with period not exceeding 10 years. In case, the subsidiary redeems or repays the said debentures, the subsidiary can issue additional debentures as substitute under the conditions and limits (Revolving).

Thai Beverage Public Company Limited and its Subsidiaries

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As at 30 September 2016, the subsidiary had outstanding unsubordinated, unsecured debentures and without a shareholder representative with the name registered in the amount of Baht 2,000 million (2,000,000 units at par value of Baht 1,000 each). These debentures mature on 9 December 2018 and 6 July 2019 with fixed coupon rate of 2.51% per annum and 2.20% per annum, respectively, and payable every six-month period. In this regard, the remaining facility after such issuance was Baht 1,000 million.

The subsidiary must comply with the conditions and interest-bearing debt to equity ratios over the term of the debentures.

- (d) The long-term loan agreements with two financial institutions, entered into by a direct subsidiary, is detailed as follows:

(d.1) The principal of the long-term loans is amounting to Baht 1,000 million which will be repaid monthly in 5 installments, Baht 200 million each, commencing from November 2015 to March 2016, interest was monthly payable at 3.85% per annum. As at 30 September 2016, the outstanding balance of the long-term loan was fully paid up by the subsidiary (*31 December 2015: the outstanding balance was Baht 600 million*).

(d.2) The principal of the long-term loan agreement is amounting to Baht 500 million which will be repaid monthly in 5 installments, Baht 100 million each, commencing from February 2017 to June 2017, interest was monthly payable at 2.25% per annum. As at 30 September 2016, the outstanding balance of the long-term loan was Baht 500 million (*31 December 2015: Baht 500 million*).

- (e) The long-term loan facility agreement with the foreign financial institution, entered into by an overseas indirect subsidiary, is detailed as follows:

The principal of the long-term loan is amounting to GBP 10 million with three-year period. The long-term loan is repayable in 12 consecutive quarterly installments. The first 11 installments shall be repayable in the amount of GBP 250,000 per installment and the final installment shall be repayable in the remaining amount. As at 30 September 2016, the outstanding balance of the long-term loan was GBP 8.25 million or equivalent to Baht 371 million (*31 December 2015: GBP 9 million or equivalent to Baht 482 million*).

The Group and the Company most comply with the conditions and requirements as stipulated in the loan agreement.

As at 30 September 2016, the Group and the Company had unutilised credit facilities totalling Baht 74,896 million and Baht 46,268 million, respectively (*31 December 2015: Baht 71,311 million and Baht 40,418 million, respectively*).

Thai Beverage Public Company Limited and its Subsidiaries

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The currency denomination of interest-bearing liabilities as at 30 September 2016 and 31 December 2015 was as follows:

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	<i>(in million Baht)</i>			
Thai Baht (THB) and other functional currencies of subsidiaries	46,070	44,242	67,213	70,488
Singapore Dollars (SGD)	15	15	-	-
Hong Kong Dollars (HKD)	-	-	1,264	1,317
Total	46,085	44,257	68,477	71,805

19 Trade accounts payable

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2016	31 December 2015	30 September 2016	31 December 2015
		<i>(in million Baht)</i>			
Related parties	4	1,542	1,564	-	-
Other parties		2,990	3,287	-	-
Total		4,532	4,851	-	-

The currency denomination of trade accounts payable as at 30 September 2016 and 31 December 2015 was as follows:

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	<i>(in million Baht)</i>			
Thai Baht (THB) and other functional currencies of subsidiaries	4,173	4,609	-	-
Euro (EUR)	297	117	-	-
United States Dollars (USD)	38	64	-	-
Pound Sterling (GBP)	17	12	-	-
Singapore Dollars (SGD)	7	-	-	-
Australian Dollars (AUD)	-	48	-	-
Myanmar Kyat (MMK)	-	1	-	-
Total	4,532	4,851	-	-

20 Other payables

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	<i>(in million Baht)</i>			
Accrued expenses	2,535	1,840	208	146
Accrued promotion expenses	1,390	1,613	-	-
Accounts payable for purchase of assets	464	550	3	9
Advanced payments from customers for purchase of goods	395	817	-	-
Others	514	183	4	29
Total	5,298	5,003	215	184

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The currency denomination of other payables as at 30 September 2016 and 31 December 2015 was as follows:

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	<i>(in million Baht)</i>			
Thai Baht (THB) and other functional currencies of subsidiaries	5,126	4,902	215	184
Euro (EUR)	69	20	-	-
Ringgit (MYR)	52	-	-	-
Singapore Dollars (SGD)	25	1	-	-
United States Dollars (USD)	21	18	-	-
Pound Sterling (GBP)	5	1	-	-
Japanese Yen (JPY)	-	56	-	-
Myanmar Kyat (MMK)	-	5	-	-
Total	5,298	5,003	215	184

21 Other current liabilities

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	<i>(in million Baht)</i>			
Value added tax payable	961	1,500	20	53
Deposits and retention	485	524	-	-
Withholding tax payable	409	170	287	25
Others	86	97	1	1
Total	1,941	2,291	308	79

22 Employee benefit obligations

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	<i>(in million Baht)</i>			
Statement of financial position				
Obligations for:				
Short-term employee benefits				
- accumulated annual leave	11	11	-	-
Long-term employee benefits				
- long service award	45	45	-	-
Post-employment benefits				
- compensation plan based on Thai Labour law	2,831	2,761	201	200
Total	2,887	2,817	201	200

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Notes to the financial statements

	Consolidated financial statements		Separate financial statements	
	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015
	<i>(in million Baht)</i>			
Recognised in statement of income:				
Compensation plan based on Thai Labour law	190	242	18	18
Actuarial (gains) losses recognised during the period/year	9	(2)	-	-
	199	240	18	18
Recognised in statement of other comprehensive income:				
Actuarial (gains) losses recognised during the period/year	(75)	109	(4)	15
Cumulative actuarial (gains) losses recognised	(12)	63	(46)	(42)

Compensation plan based on Thai Labour law

The Group and the Company operate a defined benefit pension plan based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

The defined benefit plans expose the Group to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

Movement in the present value of the defined benefit obligations:

	Consolidated financial statements		Separate financial statements	
	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015
	<i>(in million Baht)</i>			
Defined benefit obligations at 1 January	2,817	2,577	200	173
Include in profit or loss:				
Current service cost	132	162	13	12
Interest on obligation	58	80	5	6
Actuarial (gains) losses	9	(2)	-	-
	199	240	18	18
Included in other comprehensive income				
Actuarial (gain) losses	(75)	109	(4)	15
	(75)	109	(4)	15

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	Consolidated financial statements		Separate financial statements	
	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015
	<i>(in million Baht)</i>			
Other				
Benefit paid	(54)	(109)	(13)	(6)
	(54)	(109)	(13)	(6)
Defined benefit obligations at 30 September / 31 December	2,887	2,817	201	200

Actuarial gains and losses recognised in other comprehensive income arising from:

	Consolidated financial statements		Separate financial statements	
	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015
	<i>(in million Baht)</i>			
Demographic assumptions	(128)	(32)	(8)	-
Financial assumptions	73	76	5	5
Experience adjustment	(20)	65	(1)	10
Total	(75)	109	(4)	15

Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	Consolidated financial statements		Separate financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	<i>(%)</i>			
Discount rate	2.25 - 2.50	2.75 - 2.90	2.50	2.90
Future salary growth	5.00	5.00	5.00	5.00

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 30 September 2016, the weighted-average duration of the defined benefit obligation was 7 - 13 years (31 December 2015: 15 years).

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Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	Consolidated financial statements		Separate financial statements	
	<i>(in million Baht)</i>			
Defined benefit obligation 30 September 2016	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(119)	127	(6)	7
Future salary growth (0.5% movement)	79	(75)	6	(6)
Future salary growth (1% movement)	146	(99)	-	-

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

23 Share capital

	Par value per share <i>(in Baht)</i>	Consolidated / Separate financial statements			
		For the nine-month period ended		For the year ended	
		30 September 2016		31 December 2015	
		Number	Baht	Number	Baht
		<i>(million shares / million Baht)</i>			
Authorised					
At 1 January					
- ordinary shares	1	29,000	29,000	29,000	29,000
Reduction of shares	1	(3,890)	(3,890)	-	-
Increase of new shares	1	45	45	-	-
At 30 September / 31 December					
- ordinary shares	1	25,155	25,155	29,000	29,000
Issued and paid-up					
At 1 January					
- ordinary shares	1	25,110	25,110	25,110	25,110
At 30 September / 31 December					
- ordinary shares	1	25,110	25,110	25,110	25,110

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

At the annual general meeting of the shareholders of the Company held on 28 April 2016, the shareholders had the following resolutions:

- to approve on the reduction in the authorised share capital of the Company by entailing of the cancellation of unissued shares of approximately Baht 3,890 million, from Baht 29,000 million to be approximately Baht 25,110 million; and
- to approve on the increase in the authorised share capital of the Company of Baht 45 million, from approximately Baht 25,110 million to be approximately Baht 25,155 million, in accordance with newly-issued ordinary shares and to endorse on the allocation of the new 45 million shares in response to the Long-term Incentive Plan.

The Company completed the registration of the decrease of the Company's registered capital and the increase of the Company's registered capital as aforementioned with the Department of Business Development, the Ministry of Commerce, on 19 May 2016 and 24 May 2016, respectively.

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Notes to the financial statements

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account (“Share premium”). Share premium is not available for dividend distribution.

24 Reserves

Reserves comprise:

Appropriations of profit and/or retained earnings

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, if any, 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.

Other components of equity

Currency translation differences

The currency translation differences account within equity comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Fair value changes in available-for-sale investments

The fair value changes in available-for-sale investments account within equity comprise the cumulative net change in the fair value of available-for-sale investments until the investments are derecognised or impaired.

Valuation surplus

The valuation surplus account within equity comprises the cumulative net change in the valuation of property, plant and equipment included in the financial statements at valuation until such property, plant and equipment is sold or otherwise disposed of.

Movements in reserves

Movements in reserves are shown in the statements of changes in equity.

25 Operating segment

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.

Inter-segment pricing is determined on mutually agreed terms.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise net foreign exchange gain or loss, parts loans and related finance costs, and some items of investments.

In preparing segmental information, those liabilities and related interest expense that are not specifically attributable to a particular segment are allocated on a percentage of net assets basis. Management believes this to be a fair indication of the actual use of the liabilities.

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Business segments

The Group comprises the following main business segments:

<i>Spirits</i>	Production and sales of branded spirits products;
<i>Beer</i>	Production and sales of branded beer products;
<i>Non-alcoholic beverages</i>	Production and sales of branded water, soda, ready-to-drink coffee, energy drink, green tea and fruit flavoured drinks; and
<i>Food</i>	Japanese restaurants and distribution of foods and beverages.

Geographical information

Operating units of the Group are mainly located in Thailand. Portions of product produced from these units are exported directly or indirectly through foreign subsidiaries to external customers. Certain operating units of subsidiaries are located in foreign countries.

In presenting information on the basis of geographical information, revenue is based on the geographical location of customers. Assets are based on the geographical location of the assets.

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Business segment results

	Spirits		Beer		Non-alcoholic beverages		Food		Elimination		Total	
	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015
	<i>(in million Baht)</i>											
Revenue from sale to external customers	76,514	105,911	44,389	43,103	13,260	16,458	4,990	6,577	-	-	139,153	172,049
Inter-segment revenue	135	80	8	9	30	30	3	1	(176)	(120)	-	-
Interest income	19	10	10	4	5	5	3	-	-	-	37	19
Other income	221	212	180	260	280	969	32	30	(16)	(120)	697	1,351
Total allocated income	76,889	106,213	44,587	43,376	13,575	17,462	5,028	6,608	(192)	(240)	139,887	173,419
Cost of sale of goods	51,254	71,013	34,972	35,024	8,590	11,959	2,895	3,946	(120)	(112)	97,591	121,830
Selling expenses	3,460	4,074	4,520	4,796	4,885	5,986	585	761	(61)	(64)	13,389	15,553
Administrative expenses	3,854	5,713	1,845	2,002	1,626	2,004	1,476	1,819	(11)	(64)	8,790	11,474
Finance costs	134	258	29	87	109	174	6	13	-	-	278	532
Total allocated expenses	58,702	81,058	41,366	41,909	15,210	20,123	4,962	6,539	(192)	(240)	120,048	149,389
Share of profit of investment in associates	-	-	-	-	106	108	-	-	-	-	106	108
Profit (loss) before income tax expense	18,187	25,155	3,221	1,467	(1,529)	(2,553)	66	69	-	-	19,945	24,138
Income tax (expense) income	(3,639)	(4,986)	(441)	(252)	449	742	(12)	(12)	-	-	(3,643)	(4,508)
Allocated profit (loss) for the period/year	14,548	20,169	2,780	1,215	(1,080)	(1,811)	54	57	-	-	16,302	19,630

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	Total	
	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015
	<i>(in million Baht)</i>	
<i>Unallocated items:</i>		
- Share of profit from disposal of interest in associate	-	3,848
- Share of profit of investment in associates	3,269	3,818
- Net loss on foreign exchange	-	(1)
- Finance costs	(535)	(831)
Total unallocated items	2,734	6,834
Profit for the period/year	19,036	26,464

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Business segment financial position

	Spirits		Beer		Non-alcoholic beverages		Food		Total	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015	30 September 2016	31 December 2015	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	<i>(in million Baht)</i>									
Inventories	32,204	30,796	4,505	3,155	1,298	1,044	138	209	38,145	35,204
Property, plant and equipment	19,141	19,125	10,219	10,212	16,541	15,522	1,970	2,063	47,871	46,922
Other assets	8,944	9,333	2,710	3,518	10,521	10,396	1,543	1,479	23,718	24,726
Total allocated assets	60,289	59,254	17,434	16,885	28,360	26,962	3,651	3,751	109,734	106,852
<i>Unallocated items:</i>										
- Investments in associates									77,919	75,165
Total assets									187,653	182,017
Interest-bearing liabilities	11,435	10,009	2,509	2,486	6,652	6,423	517	461	21,113	19,379
Other liabilities	8,219	9,371	4,530	4,509	4,150	3,652	957	961	17,856	18,493
Total allocated liabilities	19,654	19,380	7,039	6,995	10,802	10,075	1,474	1,422	38,969	37,872
<i>Unallocated items:</i>										
- Loans from financial institutions									24,972	24,879
Total liabilities									63,941	62,751

Capital expenditure, depreciation, amortisation, and gain (loss) on disposal of assets for the nine-month period ended 30 September 2016 and the year ended 31 December 2015 were as follows:

Capital expenditure	731	2,208	600	323	1,364	1,140	215	495	2,910	4,166
Depreciation	1,210	1,619	573	731	1,085	1,508	391	500	3,259	4,358
Amortisation	16	20	4	4	5	9	9	9	34	42
Gain (loss) on disposal of assets	10	28	63	33	(59)	(59)	(2)	(13)	12	(11)

Certain operating segment information in the year ended 31 December 2015 have been reclassified to conform to the presentation in the nine-month period ended 30 September 2016. The reclassification of the operating segment information regarding the results of each reportable segment have been made, because management believes that such information is more appropriate in evaluating the results of the Group's segments.

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Geographical information

The geographical financial information of the Group in the consolidated financial statements as at 30 September 2016 and 31 December 2015 and for the nine-month period ended 30 September 2016 for the year ended 31 December 2015 was as follows:

	Consolidated financial statements			
	Revenue			
	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015	Property, plant and equipment	
			30 September 2016	31 December 2015
		<i>(in million Baht)</i>		
Thailand	134,619	165,670	46,094	44,796
Overseas	5,268	7,749	1,777	2,126
Total	139,887	173,419	47,871	46,922

26 Other income

	Consolidated financial statements		Separate financial statements	
	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015
	<i>Note</i>			
		<i>(in million Baht)</i>		
Other service income	134	304	-	-
Revenue from sales of scraps	92	74	-	-
Reversal of impairment loss on property, plant and equipment	88	-	-	-
Gain on disposal of assets	66	60	-	-
Revenue from sales of by products	19	25	-	-
Transportation income	16	21	-	-
Rental income	15	24	-	-
Insurance reimbursement and others	14	7	-	-
Gain on sale of assets classified as held for sale	9	446	-	-
Others	199	198	2	13
Total	643	1,159	2	13

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27 Selling expenses

	Consolidated financial statements		Separate financial statements	
	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015
	<i>(in million Baht)</i>			
Marketing and advertising expenses	5,258	6,802	-	-
Personnel expenses	3,380	3,930	-	-
Transportation expenses	1,123	1,057	-	-
Rental fee	907	869	-	-
Travelling expenses	901	1,123	-	-
Commission expenses	325	376	-	-
Others	1,495	1,396	-	-
Total	13,389	15,553	-	-

28 Administrative expenses

	Consolidated financial statements		Separate financial statements	
	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015
	<i>(in million Baht)</i>			
Personnel expenses	3,991	4,930	23	30
Depreciation and amortisation charges	616	1,064	1	1
Donation	528	546	4	7
Hire and service fees	444	639	2	-
Management personnel compensation	353	381	324	426
Rental fee	350	651	1	1
Idle capacity	347	547	-	-
Utilities expenses	310	430	3	-
Consultant and professional fee	293	341	2	3
Marketing and advertising expenses	248	221	18	27
Travelling expenses	202	364	1	3
Others	1,108	1,361	5	14
Total	8,790	11,475	384	512

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29 Employee benefit expenses

	Consolidated financial statements		Separate financial statements	
	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015
	<i>(in million Baht)</i>			
Management				
Salaries and wages	179	242	179	242
Bonus	118	150	118	150
Pension costs - defined contribution plans	5	7	5	7
Others	51	54	22	27
	353	453	324	426
Other employees				
Salaries and wages	6,681	8,329	340	382
Bonus	1,267	1,333	130	102
Overtime and per diem allowance	612	673	14	18
Pension costs - defined contribution plans	167	207	11	13
Others	1,309	1,658	91	76
	10,036	12,200	586	591
Total employee benefit expenses	10,389	12,653	910	1,017

Defined benefit plans

Details of the defined benefit plans are given in Note 22.

Defined contribution plans

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 2% to 5% of their basic salaries and by the Group at rates ranging from 2% to 5% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

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30 Expenses by nature

The statements of income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

	Consolidated financial statements		Separate financial statements	
	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015
	<i>(in million Baht)</i>			
<i>Included in cost of sales of goods and cost of rendering of services:</i>				
Changes in inventories of finished goods and work in progress	(3,955)	1,214	-	-
Raw materials, consumables and excise tax used	94,814	113,585	-	-
Employee benefit expenses	2,665	3,412	563	561
Depreciation and amortisation	2,096	2,927	21	22
<i>Included in selling expenses:</i>				
Advertising and public relations	3,731	4,672	-	-
Employee benefit expenses	3,380	3,930	-	-
Marketing and sales promotion expenses	1,527	2,130	-	-
<i>Included in administrative expenses:</i>				
Employee benefit expenses	4,344	5,311	347	456
Depreciation and amortisation	616	1,064	1	1
Rental fee	350	651	1	1

31 Finance costs

	Consolidated financial statements		Separate financial statements	
	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015
	<i>(in million Baht)</i>			
<i>Interest expense:</i>				
Related parties	4	-	951	1,334
Financial institutions	814	1,376	728	884
Exchange differences	-	2	-	-
Total interest expense	814	1,378	1,679	2,218
<i>Less amounts included in the cost of assets</i>	(1)	(15)	-	-
Net	813	1,363	1,679	2,218

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32 Income tax expense

Income tax recognised in profit or loss

	Consolidated financial statements		Separate financial statements	
	For the nine-month period ended 30 September <i>Note</i> 2016	For the year ended 31 December 2015	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015
	<i>(in million Baht)</i>			
Current tax expense				
Current period/year	3,767	4,662	315	68
Over provided in prior years	(13)	(4)	-	(3)
	<u>3,754</u>	<u>4,658</u>	<u>315</u>	<u>65</u>
Deferred tax expense	16			
Movements in temporary differences	(37)	(22)	2	(1)
Recognition of previously unrecognised tax losses	(74)	(128)	-	-
	<u>(111)</u>	<u>(150)</u>	<u>2</u>	<u>(1)</u>
Total income tax expense	<u>3,643</u>	<u>4,508</u>	<u>317</u>	<u>64</u>

Income tax recognised in other comprehensive income

	Consolidated financial statements					
	For the nine-month period ended 30 September 2016			For the year ended 31 December 2015		
	Before tax	Tax benefit (expense)	Net of tax	Before tax	Tax benefit	Net of tax
	<i>(in million Baht)</i>					
Share of other comprehensive income of associates	2,137	-	2,137	1,148	-	1,148
Foreign currency translation differences for foreign operations	(1,533)	11	(1,522)	2,401	20	2,421
Revaluation of property	1,730	(346)	1,384	-	-	-
Defined benefit plan actuarial (losses) gains	75	(15)	60	(110)	25	(85)
Net change in fair value of available-for-sale investments	9	(2)	7	-	-	-
Total	<u>2,418</u>	<u>(352)</u>	<u>2,066</u>	<u>3,439</u>	<u>45</u>	<u>3,484</u>

	Separate financial statements					
	For the nine-month period ended 30 September 2016			For the year ended 31 December 2015		
	Before tax	Tax expense	Net of tax	Before tax	Tax benefit	Net of tax
	<i>(in million Baht)</i>					
Defined benefit plan actuarial (losses) gains	4	(1)	3	(15)	3	(12)
Total	<u>4</u>	<u>(1)</u>	<u>3</u>	<u>(15)</u>	<u>3</u>	<u>(12)</u>

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Reconciliation of effective tax rate

	Consolidated financial statements			
	For the nine-month period ended 30 September 2016		For the year ended 31 December 2015	
	<i>Rate</i> (%)	<i>(in million</i> <i>Baht)</i>	<i>Rate</i> (%)	<i>(in million</i> <i>Baht)</i>
Profit for the period/year		19,036		26,464
Total income tax expense		<u>3,643</u>		<u>4,508</u>
Profit before total income tax expense		<u>22,679</u>		<u>30,972</u>
Income tax using the Thai corporation tax rate	20.00	4,536	20.00	6,194
Effect of different tax rates in foreign jurisdictions		(194)		(311)
Income not subject to tax		(930)		(1,640)
Expenses not deductible for tax purposes		168		161
Current period/year losses for which no deferred tax asset was recognised		66		91
Others		(3)		13
Total	16.06	3,643	14.56	4,508

	Separate financial statements			
	For the nine-month period ended 30 September 2016		For the year ended 31 December 2015	
	<i>Rate</i> (%)	<i>(in million</i> <i>Baht)</i>	<i>Rate</i> (%)	<i>(in million</i> <i>Baht)</i>
Profit for the period/year		18,987		9,715
Total income tax expense		<u>317</u>		<u>64</u>
Profit before total income tax expense		<u>19,304</u>		<u>9,779</u>
Income tax using the Thai corporation tax rate	20.00	3,861	20.00	1,956
Income not subject to tax		(3,563)		(1,917)
Expenses not deductible for tax purposes		19		28
Over provided in prior years		-		(3)
Total	1.64	317	0.65	64

Income tax reduction

Revenue Code Amendment Act no. 42 B.E. 2559 dated 3 March 2016 grants a reduction of the corporate income tax rate to 20% of net taxable profit for accounting periods which begin on or after 1 January 2016.

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33 Promotional privileges

By virtue of the provisions of the Industrial Investment Promotion Act of B.E. 2520, two subsidiaries have been granted privileges by the Board of Investment relating to the production of bio-gas and the production of beverage. The privileges granted include:

The production of bio-gas

- (a) exemption from payment of import duty on machinery approved by the Board;
- (b) exemption from payment of income tax for certain operations for a period of eight years from the date on which the income is first derived from such operations;
- (c) a reduction in the normal tax rate on the net profit derived from certain operations for a period of five years, commencing from the expiry date in (b) above; and
- (d) exemption from income tax on dividend income derived from certain promoted operations for a period of eight years.

The production of beverage

- (a) exemption from payment of import duty on machinery approved by the Board;
- (b) exemption from payment of income tax for certain operations for a period of eight years from the date on which the income is first derived from such operations; and
- (c) exemption from income tax on dividend income derived from certain promoted operations for a period of eight years.

As promoted companies, the aforementioned subsidiaries must comply with certain terms and conditions prescribed in the promotional certificates.

Summary of revenue from promoted and non-promoted businesses:

	Consolidated		Separate	
	financial statements		financial statements	
	For the	For the year	For the	For the year
	nine-month	ended	nine-month	ended
	period ended	31 December	period ended	31 December
	30 September	2015	30 September	2015
	2016	<i>(in million Baht)</i>		2015
Promoted businesses	4,023	4,824	-	-
Non-promoted businesses	135,130	167,225	-	-
Total income	139,153	172,049	-	-

Privileges granted to business operator in Free Zone

In 2004, a 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.

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34 Basic earnings per share

The calculations of basic earnings per share for the nine-month period ended 30 September 2016 and for the year ended 31 December 2015 were based on the profit for the period/year attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the period/year as follows:

	Consolidated financial statements		Separate financial statements	
	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015
	<i>(in million Baht / million shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	18,920	26,463	18,987	9,715
Number of ordinary shares outstanding	25,110	25,110	25,110	25,110
Earnings per share (basic) (in Baht)	0.75	1.05	0.76	0.39

35 Dividends

At the annual general meeting of the shareholders of the Company held on 28 April 2016, the shareholders had the resolution to approve the appropriation of dividend of Baht 0.61 per share, totalling Baht 15,317 million. On 10 September 2015, a portion of the said dividend was paid as the interim dividend of Baht 0.15 per share, totalling Baht 3,767 million. The remaining dividend payment of Baht 0.46 per share totalling Baht 11,551 million, was paid to the shareholders on 26 May 2016.

At the board of directors meeting of the Company held on 11 August 2016, the board of directors had the resolution to approve the appropriation of dividend of Baht 0.20 per share, totalling Baht 5,022 million. On 7 September, the interim dividend was paid to the shareholders.

At the annual general meeting of the shareholders of the Company held on 22 April 2015, the shareholders had the resolution to approve the appropriation of dividend of Baht 0.61 per share, totalling Baht 15,317 million. On 11 September 2014, a portion of the said dividend was paid as the interim dividend of Baht 0.15 per share, totalling Baht 3,767 million. The remaining dividend of Baht 0.46 per share, totalling Baht 11,551 million, was paid to the shareholders during 2015.

36 Financial instruments

Financial risk management 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 hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create and acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

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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 (see Note 18). The Group mitigates this risk by ensuring that the majority of its borrowings are at fixed interest rates.

The effective interest rates of loans receivable as at 30 September 2016 and 31 December 2015 and the periods in which the loans receivable mature or re-price were as follows:

	Effective interest rate (% per annum)	Separate financial statements		
		Within 1 year	After 1 year but within 5 years (in million Baht)	Total
2016				
Current				
Short-term loans receivable - related parties	5.00	6,912	-	6,912
Total		6,912	-	6,912
2015				
Current				
Short-term loans receivable - related parties	5.00	6,902	-	6,902
Total		6,902	-	6,902

The effective interest rates of interest-bearing financial liabilities as at 30 September 2016 and 31 December 2015 and the periods in which those liabilities mature or re-price were as follows:

	interest rate (% per annum)	Consolidated financial statements		
		Within 1 year	After 1 year but within 5 years (in million Baht)	Total
2016				
Current				
Bank overdrafts	1.60 - 1.75	1,072	-	1,072
Short-term loans payable - financial institutions	1.75 - 1.78	2,423	-	2,423
Current portion of long-term loans - financial institutions	1.88 - 3.35	15,501	-	15,501
Non-current				
Debentures	2.20 - 2.51	-	2,000	2,000
Long-term loans payable - financial institutions	1.88 - 3.10	-	25,089	25,089
Total		18,996	27,089	46,085
2015				
Current				
Bank overdrafts	1.60 - 7.36	1,448	-	1,448
Short-term loans payable - financial institutions	1.63 - 3.00	6,394	-	6,394
Current portion of debenture	4.00	1,000	-	1,000
Current portion of long-term loans - financial institutions	2.08 - 3.85	9,532	-	9,532
Non-current				
Debenture	2.51	-	1,000	1,000
Long-term loans payable - financial institutions	1.98 - 3.10	-	24,883	24,883
Total		18,374	25,883	44,257

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	interest rate (% per annum)	Separate financial statements		
		Within 1 year	After 1 year but within 5 years (in million Baht)	Total
2016				
Current				
Short-term loans payable - financial	1.77	1,989	-	1,989
Current portion of long-term loans - financial institutions	1.98 - 3.35	14,956	-	14,956
Short-term loans payable - related parties	4.00	25,505	-	25,505
Non-current				
Long-term loans payable - financial institutions	1.88 - 3.10	-	24,763	24,763
Long-term loans payable - related parties	2.30	-	1,264	1,264
Total		42,450	26,027	68,477
2015				
Current				
Short-term loans payable - financial	1.63 - 2.00	5,629	-	5,629
Current portion of long-term loans - financial institutions	2.58 - 3.43	8,879	-	8,879
Short-term loans payable - related parties	5.00	32,025	-	32,025
Non-current				
Long-term loans payable - financial institutions	1.98 - 3.10	-	23,955	23,955
Long-term loans payable - related parties	2.32	-	1,317	1,317
Total		46,533	25,272	71,805

Foreign currency risk

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

At 30 September 2016 and 31 December 2015, the Group and the Company were exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2016	31 December 2015	30 September 2016	31 December 2015
<i>(in million Baht)</i>					
Singapore Dollars					
Cash and cash equivalents	5	42	31	-	-
Trade accounts receivable	6	-	4	-	-
Other receivable to related parties	4	-	5	-	-
Trade accounts payable	19	(7)	-	-	-
Loans from and other payables to related parties	4	(6)	(17)	(1)	(12)
Interest-bearing liabilities	18	(15)	(15)	-	-
Other payables	20	(25)	(1)	-	-
Gross statement of financial position exposure		(11)	7	(1)	(12)
Forwards to sell foreign currency		1	(4)	-	-
Net exposure		(10)	3	(1)	(12)

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	Note	Consolidated financial statements		Separate financial statements	
		30 September 2016	31 December 2015	30 September 2016	31 December 2015
<i>(in million Baht)</i>					
United States Dollars					
Cash and cash equivalents	5	83	44	-	-
Trade accounts receivable	6	19	68	-	-
Trade accounts payable	19	(38)	(64)	-	-
Loans from and other payables to related parties	4	(1)	(3)	-	(1)
Other payables	20	(21)	(18)	-	-
Gross statement of financial position exposure		42	27	-	(1)
Estimated forecast purchase of goods		(404)	(423)	-	-
Estimated forecast purchase of assets		(17)	-	-	-
Estimated forecast other liabilities		(696)	(722)	-	-
Gross exposure		(1,075)	(1,118)	-	(1)
Forwards to buy foreign currency		53	52	-	-
Net exposure		(1,022)	(1,066)	-	(1)
Euro					
Trade accounts receivable	6	-	36	-	-
Other receivables		8	1	-	-
Trade accounts payable	19	(297)	(117)	-	-
Trade accounts payable - related parties		(84)	-	-	-
Other payables	20	(69)	(20)	-	-
Gross statement of financial position exposure		(442)	(100)	-	-
Estimated forecast purchase of goods		(933)	(1,000)	-	-
Estimated forecast payment for advertising		(71)	(141)	-	-
Estimated forecast purchase of assets		(252)	-	-	-
Other provisions		(112)	(53)	-	-
Gross exposure		(1,810)	(1,294)	-	-
Forwards to buy foreign currency		259	16	-	-
Net exposure		(1,551)	(1,278)	-	-
Pound Sterling					
Cash and cash equivalents	5	4	4	-	-
Trade accounts payable	19	(17)	(12)	-	-
Other payables to related parties	4	(1)	(1)	-	-
Other payables	20	(5)	(1)	-	-
Gross statement of financial position exposure		(19)	(10)	-	-
Estimated forecast purchase of goods		(22)	(2)	-	-
Estimated forecast payment for advertising		(168)	(469)	-	-
Estimated forecast purchase of assets		(163)	(189)	-	-
Gross exposure		(395)	(670)	-	-

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	Note	Consolidated financial statements		Separate financial statements	
		30 September 2016	31 December 2015	30 September 2016	31 December 2015
<i>(in million Baht)</i>					
Australian Dollars					
Trade accounts payable	19	-	(48)	-	-
Gross statement of financial position exposure		-	(48)	-	-
Forwards to buy foreign currency		-	33	-	-
Net exposure		-	(15)	-	-
Hong Kong Dollars					
Cash and cash equivalents	5	-	35	-	-
Loans from and other payables to related parties	4	-	-	1,265	1,317
Gross statement of financial position exposure		-	35	1,265	1,317
Japanese Yen					
Other payables	20	-	(56)	-	-
Gross statement of financial position exposure		-	(56)	-	-
Estimated forecast purchase of machinery		(117)	(2)	-	-
Gross exposure		(117)	(58)	-	-
Forwards to buy foreign currency		-	55	-	-
Net exposure		(117)	(3)	-	-
Other foreign currencies					
Cash and cash equivalents	5	-	8	-	-
Trade accounts receivable	6	13	15	-	-
Other receivables		40	4	-	-
Trade accounts payable	19	-	(1)	-	-
Loans from and other payables to related parties	4	-	(3)	-	-
Other payables	20	(52)	(5)	-	-
Gross statement of financial position exposure		1	18	-	-

Credit risk

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

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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 reporting 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 statement of financial position. However, due to the large number of parties comprising the Group's customer base, management does not anticipate material losses from its 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.

Carrying value and fair values

As at 30 September 2016 and 31 December 2015, fair values of financial asset and liabilities is taken to approximately the carrying value, except the following items:

	Consolidated financial statements						
	Carrying value			Fair value			
	Current	Non-current	Total	Level 1	Level 2	Level 3	Total
	<i>(in million Baht)</i>						
30 September 2016							
<i>Financial assets</i>							
Foreign currency forwards contracts in asset position	-	-	-	-	109	-	109
<i>Financial liabilities</i>							
Long-term loans and bill of exchanges from financial institutions	15,501	25,089	40,590	-	-	40,839	40,839
Debentures	-	2,000	2,000	-	2,014	-	2,014
Foreign currency forwards contracts in liability position	-	-	-	-	333	-	333
31 December 2015							
<i>Financial assets</i>							
Foreign currency forwards contracts in asset position	-	-	-	-	88	-	88
<i>Financial liabilities</i>							
Long-term loans and bill of exchanges from financial institutions	9,532	24,883	34,415	-	-	34,803	34,803
Debentures	1,000	1,000	2,000	-	2,014	-	2,014
Foreign currency forwards contracts in liability position	-	-	-	-	167	-	167

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	Separate financial statements						
	Carrying value			Fair value			
	Current	Non-current	Total	Level 1	Level 2	Level 3	Total
	<i>(in million Baht)</i>						
30 September 2016							
Financial liabilities							
Long-term loan from related party	-	1,264	1,264	-	-	1,160	1,160
Long-term loans and bill of exchanges from financial institutions	14,956	24,763	39,719	-	-	39,960	39,960
31 December 2015							
Financial liabilities							
Long-term loan from related party	-	1,317	1,317	-	-	1,317	1,317
Long-term loans and bill of exchanges from financial institutions	8,879	23,955	32,834	-	-	33,221	33,221

A fair value of financial assets and financial liabilities is taken to approximate the carrying value to the relatively short-term maturity.

Financial instruments carried at fair value

Available-for-sale equity security is an investment in equity shares. The fair value of the investment is determined to be Level 2 under the fair value hierarchy.

Financial instruments not measured at fair value

Type	Valuation technique	Significant unobservable inputs
Foreign currency forwards contracts	Broker quotes	Not applicable
Debentures	Based on broker quotes	Not applicable
Loans	Discounted cash flows	Discount rate

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37 Commitments with non-related parties

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	30 September	31 December	30 September	31 December
	2016	2015	2016	2015
	<i>(in million Baht)</i>			
Capital commitments				
<i>Contracted but not provided for:</i>				
Machinery and equipment	1,052	325	-	-
Buildings and other constructions	171	201	-	-
Computer software	15	18	-	-
Land	-	9	-	-
Total	1,238	553	-	-
Future minimum lease payments under non-cancellable operating lease				
Within one year	640	640	23	22
After one year but within five years	563	514	40	46
After five years	79	82	-	-
Total	1,282	1,236	63	68
Other commitments				
Purchases of goods and raw materials agreements	1,420	1,632	-	-
Specialist and consultancy agreements	1,142	1,224	370	397
Bank guarantees	1,067	1,142	-	28
Service agreements	618	896	11	8
Advertising services and sponsorship agreements	542	1,068	-	-
Forward contracts to buy foreign currencies	334	167	-	-
Purchases of molasses agreements	307	1,668	-	-
Unused letters of credit for goods and supplies	253	73	-	-
Forward contracts to sell foreign currencies	109	88	-	-
Other agreements	22	14	1	-
Total	5,814	7,972	382	433

Other significant commitments

Specialist agreements

In 2004, the Company and four subsidiaries entered into production and blending control agreements with a specialist for a period of forty 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 4.3 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 and its subsidiaries have to pay monthly service fees of Baht 0.25 million until the expiration of the agreements. Service fee, under the agreements, totalled Baht 1,766.2 million. Subsequently, the addendums were made on 5 January 2006, under which the Company and its subsidiaries have to pay additional amount to this specialist amounting to Baht 2,000 million. Therefore, the total service fees under the agreements both outstanding and already paid by the Company and its subsidiaries amounted to Baht 3,766.2 million.

As at 30 September 2016, the remaining commitments to be paid, relating to these agreements, amounted to Baht 929.4 million (31 December 2015: Baht 996.4 million).

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Consultancy agreement

On 6 November 2014, the Company entered into a consulting agreement with a company to provide advices and consultancy related to distillery process in Thailand and other works specified in the agreement for a period of 10 years from 1 November 2014 to 31 October 2024. Under the agreement, the Company is obliged to pay monthly service fees approximately Baht 1.67 million which is to be increased by 5% every 12 months for the period of 10 years. Therefore, the total fees under the agreement amounted to Baht 251.56 million.

As at 30 September 2016, the remaining commitment to be paid relating to this agreement amounted to Baht 212.31 million (*31 December 2015: Baht 228.06 million*).

Sponsorship agreement

In 2014, a subsidiary has entered into an advertising services agreement and a sponsorship agreement with Everton Football Club, in the United Kingdom, for a period of three years from 1 June 2014 to 31 May 2017 in order to promote the Group's businesses globally. Under the conditions as stipulated in the agreements, the subsidiary is obliged to pay a minimum payment of GBP 0.75 million and a maximum payment of GBP 3.05 million per annum and minimum special bonus with the minimum amount of GBP 0.03 million and the maximum amount of GBP 1.70 million per annum, depending on performance of Everton football team in each year.

In 2015, a subsidiary has entered into a sponsorship agreement with a football club in Spain, for a period of three years from 1 July 2015 to 30 June 2018, in order to promote the Company's products as specified in the agreement, whereby the Company is granted a license to utilise the trade names, trademarks, images and logos of the owner party. The subsidiary is obliged to pay total amounts of Euro 3.6 million during three years at the conditions specified in the agreement.

Material and package trading agreement

The Company's subsidiary and Oishi Ramen Co., Ltd., the Company's indirect subsidiary, entered into a material and package trading agreement with a local company for distribution of their products to the Group's restaurants and for materials and packaging management to the Company's subsidiary and its indirect subsidiary. The Company's subsidiary and its indirect subsidiary agreed to pay the service charge at the rate as specified in the agreement for a period of three years, from 1 January 2014 to 31 December 2016.

Transportation agreement

The Company's subsidiary and Oishi Trading Co., Ltd., the Company's indirect subsidiary, entered into a transportation agreement with a local company to transport their products from factory to the defined destination. Transportation cost is calculated for each trip at the rate as specified in the agreement. The agreement shall be in effect for a period of two years from 1 July 2010 to 30 June 2012. Unless there is notification from either party to terminate the agreement at the expiration date, this agreement continues to be in effect for a successive one year term.

Purchase natural gas agreement

On 30 September 2009, Oishi Trading Co., Ltd., the Company's indirect subsidiary, entered into a purchase natural gas agreement with a local company. The aforesaid indirect subsidiary agreed to pay disbursements and comply with the conditions as stipulated in the agreement. This agreement shall be in effect for a period of seven years, from 21 December 2009 to 30 November 2016, with a renewal option whereby either party gives a written notification to other not later than 90 days prior to the expiration date.

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Contract manufacturing agreement

On 1 May 2015, Oishi Trading Co. Ltd., the Company's subsidiary, entered into a contract manufacturing agreement with a local company at the price conditions as specified in the agreement. The agreement is for five years period from 1 May 2015 to 30 April 2020.

38 Events after the reporting period

On 17 October 2016, International Beverage Vietnam Company Limited, the Company's indirect subsidiary, was incorporated in Vietnam with an authorised share capital of USD200,000. International Beverage Holding Limited, which is the Company's subsidiary, holds the entire shares.

At the Executive Committee meeting of the Company held on 19 October 2016, the Executive Committee unanimously approved in principle for InterBev (Singapore) Limited ("IBS"), the Company's indirect subsidiaries, to increase its authorised and paid-up share capital amounting to SGD 5.60 million. In this regard, IBS increased its authorised and paid-up share capital from SGD 66.74 million (66.74 million ordinary shares with a SGD 1 par value) to be SGD 72.34 million (72.34 million ordinary shares with a SGD 1 par value).

At the Board of Directors' meeting of Fraser and Neave, Limited ("F&N") and Frasers Centrepoint Limited ("FCL"), held on 7 November 2016 and 9 November 2016, respectively, the Board of Directors of F&N and FCL approved the interim dividend payment of SGD 0.03 and SGD 0.062 per share, respectively. The interim dividend will be paid to the shareholders in 2017.

At the Board of Directors' meeting of the Company held on 18 November 2016, the Board of Directors agreed to propose a dividend payment of Baht 0.60 per share, totalling Baht 15,066. million. The interim dividend was paid Baht 0.20 per share, totalling Baht 5,022 million on 7 September 2016. The remaining dividend payment is Baht 0.4 per share, totalling Baht 10,044 million. The Board of Directors propose this matter to the shareholders' meeting for further approval.

39 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new and revised TFRS have been issued but is not yet effective and have not been applied in preparing these financial statements. Those new and revised TFRS may be relevant to the Group's operations, which become effective for annual financial periods beginning on or after 1 January 2017, and are set out below. The Group does not plan to adopt these TFRS early.

TFRS	Topic
TAS 2 (Revised 2016)	Inventories
TAS 7 (Revised 2016)	Statement of Cash Flow
TAS 8 (Revised 2016)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2016)	Events after the Reporting Period
TAS 12 (Revised 2016)	Income Taxes
TAS 16 (revised 2016)	Property, Plant and Equipment
TAS 17 (revised 2016)	Leases
TAS 18 (revised 2016)	Revenue
TAS 21 (revised 2016)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2016)	Borrowing Costs

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TFRS	Topic
TAS 24 (revised 2016)	Related Party Disclosure
TAS 26 (revised 2016)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2016)	Separate Financial Statements
TAS 28 (revised 2016)	Investment in Associates and Joint Ventures
TAS 33 (revised 2016)	Earnings per Share
TAS 36 (revised 2016)	Impairment of Assets
TAS 37 (revised 2016)	Provisions, Contingent Liabilities and Contingent Assets
TAS 40 (revised 2016)	Investment Property
TAS 41 (revised 2016)	Agriculture
TFRS 2 (revised 2016)	Share-based Payment
TFRS 3 (revised 2016)	Business Combination
TFRS 4 (revised 2016)	Insurance Contracts
TFRS 8 (revised 2016)	Operating Segments
TFRS 11 (revised 2016)	Joint Arrangements
TFRS 12 (revised 2016)	Disclosure of Interest in Other Entities
TFRS 13 (revised 2016)	Fair Value Measurement
TSIC 15 (revised 2016)	Operating Leases – Incentives
TSIC 25 (revised 2016)	Income Taxes – Changes in the Tax Status of an Enterprise or its Shareholders
TSIC 27 (revised 2016)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 29 (revised 2016)	Disclosure – Service Concession Arrangements
TSIC 31 (revised 2016)	Revenue – Barter Transactions Involving Advertising Services
TSIC 32 (revised 2016)	Intangible Assets – Web Site Costs
TFRIC 1 (revised 2016)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2016)	Determining Whether an Arrangement Contains a Lease
TFRIC 5 (revised 2016)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 10 (revised 2016)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2016)	Service Concession Arrangements
TFRIC 13 (revised 2016)	Customer Loyalty Programmes
TFRIC 14 (revised 2016)	TAS 19 (revised 2016) Employee Benefits – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 17 (revised 2016)	Distributions of Non-cash Assets to Owners
TFRIC 18 (revised 2016)	Transfers of Assets from Customers
FAP Announcement No. 5/2559	Accounting Guidance for derecognition of financial assets and financial liabilities

The Group has made a preliminary assessment of the potential initial impact on the consolidated and separate financial statements of this announcement and expects that there will be no material impact on the financial statements in the period of initial application.

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40 Supplementary information

As per Note 2 (e), change in accounting period, the consolidated and separate financial statements for the nine-month period ended 30 September 2016 have been firstly prepared and presented for the period from 1 January 2016 to 30 September 2016, in accordance with the required format of the financial statements presentation.

For the benefit of the users in comparing and analysing the financial information, the Group and the Company have prepared the supplementary information in the form of the unaudited consolidated and separate statements of income and comprehensive income, cash flows and segment information for the nine-month period ended 30 September 2015, as details below:

Statement of income

	Consolidated financial statements		Separate financial statements	
	For the nine-month period ended 30 September		For the nine-month period ended 30 September	
	2016	2015	2016	2015
	(Unaudited)		(Unaudited)	
	<i>(in thousand Baht)</i>			
Income				
Revenue from sale of goods	139,152,663	121,168,985	-	-
Management fees	-	-	5,158,683	2,478,588
Dividend income	4,984	2,901	17,369,640	5,588,824
Interest income	37,490	11,095	218,744	566,440
Net gain on foreign exchange	49,922	31,711	66,353	-
Other income	642,515	887,702	2,406	12,439
Total income	139,887,574	122,102,394	22,815,826	8,646,291
Expenses				
Cost of sale of goods	97,590,784	85,050,071	-	-
Cost of rendering of services	-	-	1,448,797	1,077,361
Selling expenses	13,388,906	11,253,133	-	-
Administrative expenses	8,790,385	8,033,170	384,568	382,915
Net loss on foreign exchange	-	-	-	107,051
Finance costs	813,036	1,027,800	1,678,840	1,556,426
Total expenses	120,583,111	105,364,174	3,512,205	3,123,753
Share of profit of disposal of interest in associate, net of income tax	-	3,819,737	-	-
Share of profit of investment in associates, net of income tax	3,374,649	3,225,622	-	-
Profit before income tax expense	22,679,112	23,783,579	19,303,621	5,522,538
Income tax expense	(3,642,816)	(3,315,602)	(316,865)	(11,522)
Profit for the period	19,036,296	20,467,977	18,986,756	5,511,016
Profit attributable to:				
Owners of the Company	18,919,624	20,433,712	18,986,756	5,511,016
Non-controlling interests	116,672	34,265	-	-
Profit for the period	19,036,296	20,467,977	18,986,756	5,511,016
Basic earnings per share (Baht)	0.75	0.81	0.76	0.22

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Statement of comprehensive income

	Consolidated financial statements		Separate financial statements	
	For the nine-month period ended 30 September		For the nine-month period ended 30 September	
	2016	2015 (Unaudited)	2016	2015 (Unaudited)
	<i>(in thousand Baht)</i>			
Profit for the period	19,036,296	20,467,977	18,986,756	5,511,016
Other comprehensive income				
<i>Items that will not be reclassified to profit or loss</i>				
Defined benefit plan actuarial gain	75,358	-	4,325	-
Income tax on other comprehensive income	(14,725)	-	(865)	-
	<u>60,633</u>	<u>-</u>	<u>3,460</u>	<u>-</u>
<i>Items that are or may be reclassified to profit or loss</i>				
Share of other comprehensive income of investment in associates	2,136,647	(521,001)	-	-
Foreign currency translation differences for foreign operations	(1,532,917)	2,721,639	-	-
Revaluation of land	1,730,671	-	-	-
Net change in fair value of available-for-sale investments	8,726	(1,587)	-	-
Income tax on other comprehensive income	(337,486)	22,656	-	-
	<u>2,005,641</u>	<u>2,221,707</u>	<u>-</u>	<u>-</u>
Other comprehensive income for the period, net of income tax	2,066,274	2,221,707	3,460	-
Total comprehensive income for the period	21,102,570	22,689,684	18,990,216	5,511,016
Total comprehensive income attributable to:				
Owners of the Company	20,757,136	22,655,872	18,990,216	5,511,016
Non-controlling interests	345,434	33,812	-	-
Total comprehensive income for the period	21,102,570	22,689,684	18,990,216	5,511,016

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Statement of cash flows	Consolidated financial statements		Separate financial statements	
	For the nine-month period ended 30 September		For the nine-month period ended 30 September	
	2016	2015	2016	2015
		(Unaudited)		(Unaudited)
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the period	19,036,296	20,467,977	18,986,756	5,511,016
<i>Adjustments for</i>				
Depreciation and amortisation	3,293,208	3,272,521	22,335	16,816
Interest income	(37,490)	(11,095)	(218,744)	(566,440)
Finance costs	813,036	1,027,800	1,678,840	1,556,426
Unrealised (gain) loss on exchange	(2,809)	11,756	(59,255)	111,725
(Reversal of) bad and doubtful debts expenses	(5,511)	14,734	-	-
Amortisation of advance payments to a specialist	37,500	37,500	7,031	7,031
Reversal of allowance for decline in value of inventories	(1,541)	(74,580)	-	-
Impairment loss on investment properties	2,405	-	-	-
Gain on disposal of assets classified as held for sale	-	(445,766)	-	-
Gain on disposal of investment properties	(2,408)	-	-	-
(Gain) loss on disposal and write-off of property, plant and equipment and intangible assets	49,960	(19,913)	1	(11)
Reversal of impairment loss on property, plant and equipment	(88,057)	(98)	-	-
Dividend income	(4,984)	(2,901)	(17,369,640)	(5,588,824)
Employee benefit expenses	187,457	181,540	17,747	13,795
Share of profit from disposal of interest in associates, net of income tax	-	(3,819,737)	-	-
Share of profit of investment in associates, net of income tax	(3,374,649)	(3,225,622)	-	-
Income tax expense	3,642,816	3,315,602	316,865	11,522
	<u>23,545,229</u>	<u>20,729,718</u>	<u>3,381,936</u>	<u>1,073,056</u>
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	1,310,168	526,746	1,985,806	(558,372)
Other receivables from related parties	363,712	79,656	(4,933)	(74,989)
Other receivables	(113,536)	(48,315)	(18,262)	(2,646)
Inventories	(2,941,425)	(5,224,248)	-	-
Other current assets	861,729	706,004	9,371	(38,375)
Trade accounts payable	(318,943)	(288,664)	-	-
Other payables to related parties	49,467	(222,103)	91,742	(225,737)
Other payables	478,159	(126,304)	107,137	(50,754)
Other current liabilities	(349,922)	(321,676)	176,698	169,691
Employee benefit paid	(78,976)	(69,795)	(12,269)	-
Other non-current liabilities	(3,127)	(17,950)	-	-
Cash generated from operating activities	<u>22,802,535</u>	<u>15,723,069</u>	<u>5,717,226</u>	<u>291,874</u>
Income tax paid	<u>(4,314,120)</u>	<u>(4,725,627)</u>	<u>(202,554)</u>	<u>(64,511)</u>
Net cash from operating activities	<u>18,488,415</u>	<u>10,997,442</u>	<u>5,514,672</u>	<u>227,363</u>

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Statement of cash flows	Consolidated financial statements		Separate financial statements	
	For the nine-month period ended 30 September		For the nine-month period ended 30 September	
	2016	2015	2016	2015
		(Unaudited)		(Unaudited)
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>				
Interest received	35,520	11,154	259,662	571,645
Dividends received	2,355,752	2,275,873	17,369,640	5,588,824
Increase in current investments	(1)	(2)	-	-
Increase in loans to related parties	-	-	(7,161,100)	(4,188,342)
Decrease in loans to related parties	-	-	7,151,300	5,027,542
Cash outflow on investments in subsidiaries	-	-	(351,750)	(30,072,442)
Cash inflow on investments in indirect subsidiary	14,450	19,512	-	-
Sale of assets classified as held for sale	-	1,736,271	-	-
Purchase of investment properties	-	(154,405)	-	-
Sale of investment properties	22,483	-	-	-
Purchase of property, plant and equipment	(2,954,297)	(2,985,077)	(42,001)	(24,237)
Sale of property, plant and equipment	132,316	99,061	56	16
Purchase of intangible assets	(56,355)	(43,521)	(10,558)	(9,979)
Sale of intangible assets	1,210	3,953	-	-
(Increase) decrease in other non-current assets	2,656	(4,157)	-	2
Net cash from (used in) investing activities	(446,266)	958,662	17,215,249	(23,106,971)
<i>Cash flows from financing activities</i>				
Interest paid	(942,360)	(1,082,026)	(1,847,680)	(1,765,436)
Dividends paid to owners of the Company	(16,572,616)	(15,317,115)	(16,572,616)	(15,317,115)
Dividends paid to non-controlling interests	(97,667)	(61,184)	-	-
Bank overdrafts	(375,737)	21,973	-	-
Proceeds from short-term loans from financial institutions	3,768,903	82,047,000	2,700,000	65,030,000
Repayment of short-term loans from financial institutions	(7,750,000)	(75,343,000)	(6,350,000)	(59,880,000)
Proceeds from loans from related parties	-	-	32,342,400	13,791,400
Repayment of loans from related parties	-	-	(38,862,300)	(6,403,500)
Proceeds from long-term loans from financial institutions and debentures	11,000,000	29,500,000	10,000,000	29,000,000
Repayment of long-term loans from financial institutions	(4,633,731)	(32,141,044)	(3,000,000)	(1,500,000)
Net cash from (used in) financing activities	(15,603,208)	(12,375,396)	(21,590,196)	22,955,349

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Statement of cash flows	Consolidated financial statements		Separate financial statements	
	For the nine-month period ended 30 September		For the nine-month period ended 30 September	
	2016	2015	2016	2015
		(Unaudited)		(Unaudited)
	<i>(in thousand Baht)</i>			
Net increase (decrease) in cash and cash equivalents	2,438,941	(419,292)	1,139,725	75,741
Cash and cash equivalents at 1 January 2016 and 2015	3,489,986	2,230,079	594,577	37,082
Foreign currency translation differences for foreign operations	(869,708)	(312,838)	-	-
Cash and cash equivalents at 30 September	5,059,219	1,497,949	1,734,302	112,823
<i>Non-cash items</i>				
Investment in subsidiary to be paid according to the agreement	-	-	24,950,000	-
Payable for acquisition of assets	500,249	336,023	3,203	2,263
Reclassify from short-term to long-term loan from related parties	-	-	-	9,432,000

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Business segment results

<i>For the nine-month period ended 30 September</i>	Spirits		Beer		Non-alcoholic beverages		Food		Elimination		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	(Unaudited)		(Unaudited)		(Unaudited)		(Unaudited)		(Unaudited)		(Unaudited)	
	<i>(in million Baht)</i>											
Revenue from sale to external customers	76,514	76,474	44,389	27,346	13,260	12,424	4,990	4,925	-	-	139,153	121,169
Inter-segment revenue	135	63	8	4	30	22	3	1	(176)	(90)	-	-
Interest income	19	6	10	2	5	3	3	-	-	-	37	11
Other income	221	120	180	116	280	719	32	21	(16)	(54)	697	922
Total allocated income	76,889	76,663	44,587	27,468	13,575	13,168	5,028	4,947	(192)	(144)	139,887	122,102
Cost of sale of goods	51,254	51,145	34,972	22,059	8,590	8,959	2,895	2,970	(120)	(83)	97,591	85,050
Selling expenses	3,460	3,305	4,520	3,066	4,885	4,329	585	575	(61)	(22)	13,389	11,253
Administrative expenses	3,854	3,871	1,845	1,389	1,626	1,445	1,476	1,365	(11)	(39)	8,790	8,031
Finance costs	134	166	29	55	109	152	6	7	-	-	278	380
Total allocated expenses	58,702	58,487	41,366	26,569	15,210	14,885	4,962	4,917	(192)	(144)	120,048	104,714
Share of profit of investment in associates	-	-	-	-	106	82	-	-	-	-	106	82
Profit (loss) before income tax expense	18,187	18,176	3,221	899	(1,529)	(1,635)	66	30	-	-	19,945	17,470
Income tax (expense) benefit	(3,639)	(3,622)	(441)	(169)	449	482	(12)	(7)	-	-	(3,643)	(3,316)
Allocated profit (loss) for the period	14,548	14,554	2,780	730	(1,080)	(1,153)	54	23	-	-	16,302	14,154
<i>Unallocated items:</i>												
- Share of profit from disposal of interest in associate											-	3,820
- Share of profit of investment in associates											3,269	3,143
- Net loss on foreign exchange											-	(1)
- Finance costs											(535)	(648)
Total unallocated items											2,734	6,314
Profit for the period											19,036	20,468

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the financial statements

Capital expenditure, depreciation, amortisation, and gain (loss) on disposal of assets based on business segments for the nine-month period ended 30 September 2016 and 2015 were as follows:

<i>For the nine-month period ended 30 September</i>	Spirits		Beer		Non-alcoholic beverages		Food		Total	
	2016	2015 (Unaudited)	2016	2015 (Unaudited)	2016	2015 (Unaudited)	2016	2015 (Unaudited)	2016	2015 (Unaudited)
					<i>(in million Baht)</i>					
Capital expenditure	731	1,402	600	178	1,364	899	215	328	2,910	2,807
Depreciation	1,210	1,191	573	544	1,085	1,135	391	371	3,259	3,241
Amortisation	16	15	4	3	5	7	9	7	34	32
Gain (loss) on disposal of assets	10	24	63	30	(59)	(6)	(2)	(11)	12	37