

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

Annual financial statements  
and  
Audit report of Certified Public Accountant

For the years ended  
31 December 2009 and 2008



**KPMG Phoomchai Audit Ltd.**

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## **Audit report of Certified Public Accountant**

### **To the Shareholders of Thai Beverage Public Company Limited**

I have audited the accompanying consolidated and separate balance sheets as at 31 December 2009 and 2008, and the related statements of income, changes in equity and cash flows for the years then ended of Thai Beverage Public Company Limited and its subsidiaries, and of Thai Beverage Public Company Limited, respectively. The Company's management is responsible for the correctness and completeness of information presented in these financial statements. My responsibility is to express an opinion on these financial statements based on my audits.

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

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial positions as at 31 December 2009 and 2008 and the results of operations and cash flows for the years then ended of Thai Beverage Public Company Limited and its subsidiaries, and of Thai Beverage Public Company Limited, respectively, in accordance with generally accepted accounting principles.

Disclosure of significant differences between Thai Accounting Standards/Thai Financial Reporting Standards, and International Financial Reporting Standards is not a required part of the basic financial statements under generally accepted accounting principles in Thailand, but it is presented in Note 36 to the financial statements for information purposes only. I have not audited or reviewed such information and therefore do not express any audit opinion or review report thereon.

(Nittaya Chetchotiros)  
Certified Public Accountant  
Registration No. 4439

KPMG Phoomchai Audit Ltd.  
Bangkok  
26 February 2010

# Thai Beverage Public Company Limited and its Subsidiaries

## Balance sheets

As at 31 December 2009 and 2008

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		2009	2008	2009	2008
			(Restated)		
			(in Baht)		
<b>Current assets</b>					
Cash and cash equivalents	6	2,590,213,439	1,920,971,995	128,663,235	3,964,488
Current investments	7	3,744,237	9,122,852	-	-
Trade accounts receivable	5, 8	2,050,389,992	1,514,403,074	-	-
Short-term loans to and other receivables from related parties	5	503,887,458	41,437,542	2,995,032,567	3,648,410,367
Inventories	9	26,203,863,864	29,729,437,189	-	-
Other current assets	10	2,135,370,664	1,726,523,354	13,849,022	13,657,399
<b>Total current assets</b>		<b>33,487,469,654</b>	<b>34,941,896,006</b>	<b>3,137,544,824</b>	<b>3,666,032,254</b>
<b>Non-current assets</b>					
Investments in subsidiaries	11	-	-	80,091,287,047	77,161,702,065
Investments in associates	12	127,832,595	111,655,630	-	-
Other long-term investments	7	10,588,899	10,518,325	-	-
Long-term loans to and other receivables from related parties	5	51,908,826	57,898,194	3,466,307,738	5,588,704,560
Property, plant and equipment	13	37,736,430,085	39,578,157,819	62,938,895	55,517,479
Intangible assets	14	3,311,409,162	3,178,327,451	31,069,390	36,299,363
Leasehold rights	15	202,092,285	111,853,986	-	-
Other non-current assets	16	2,221,933,597	2,068,924,619	325,816,250	335,191,250
<b>Total non-current assets</b>		<b>43,662,195,449</b>	<b>45,117,336,024</b>	<b>83,977,419,320</b>	<b>83,177,414,717</b>
<b>Total assets</b>		<b>77,149,665,103</b>	<b>80,059,232,030</b>	<b>87,114,964,144</b>	<b>86,843,446,971</b>

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

# Thai Beverage Public Company Limited and its Subsidiaries

## Balance sheets

As at 31 December 2009 and 2008

Liabilities and equity	Note	Consolidated		Separate	
		2009	2008 (Restated)	2009	2008
<i>(in Baht)</i>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans					
from financial institutions	17	5,718,476,373	8,701,361,743	3,100,000,000	5,246,160,794
Trade accounts payable	5, 18	3,139,839,924	3,389,385,495	-	-
Current portion of long-term loans					
from financial institutions	17	3,765,000,000	5,325,000,000	3,765,000,000	5,325,000,000
Short-term loans from and					
other payables to related parties	5, 17	153,590,445	126,227,153	7,390,687,827	3,931,773,159
Short-term loans from other party		2,200,000	7,000,000	-	-
Income tax payable		2,222,224,192	2,189,514,076	24,745,821	137,920,639
Other current liabilities	19	3,088,996,006	2,982,610,349	159,410,338	137,146,461
<b>Total current liabilities</b>		<b>18,090,326,940</b>	<b>22,721,098,816</b>	<b>14,439,843,986</b>	<b>14,778,001,053</b>
<b>Non-current liabilities</b>					
Long-term loans from and					
other payables to related parties	5, 17	897,087	2,221,378	9,742,700,000	8,725,000,000
Long-term loans from					
financial institutions	17	2,500,000,000	3,265,000,000	2,500,000,000	3,265,000,000
Other non-current liabilities		114,860,331	69,617,368	-	-
<b>Total non-current liabilities</b>		<b>2,615,757,418</b>	<b>3,336,838,746</b>	<b>12,242,700,000</b>	<b>11,990,000,000</b>
<b>Total liabilities</b>		<b>20,706,084,358</b>	<b>26,057,937,562</b>	<b>26,682,543,986</b>	<b>26,768,001,053</b>

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

# Thai Beverage Public Company Limited and its Subsidiaries

## Balance sheets

As at 31 December 2009 and 2008

Liabilities and equity	Note	Consolidated		Separate	
		financial statements		financial statements	
		2009	2008	2009	2008
			(Restated)		
		(in Baht)			
<b>Equity</b>					
Share capital					
Authorised share capital					
Ordinary shares 29,000 million shares, Baht 1 par value		29,000,000,000	29,000,000,000	29,000,000,000	29,000,000,000
Issued and paid-up share capital					
Ordinary shares 25,110 million shares, Baht 1 par value		25,110,025,000	25,110,025,000	25,110,025,000	25,110,025,000
Difference arising from common control transactions	4	(19,732,233,059)	(19,728,268,059)	-	-
Premium on ordinary shares	20	17,215,736,603	17,215,736,603	17,215,736,603	17,215,736,603
Fair value changes and revaluation differences on assets	20	4,262,882,677	4,262,802,105	-	-
Currency translation differences		(1,331,393,075)	(1,503,025,118)	-	-
Retained earnings					
Appropriated - legal reserve	20	2,900,000,000	2,900,000,000	2,900,000,000	2,900,000,000
Unappropriated		27,785,867,220	25,505,762,741	15,206,658,555	14,849,684,315
<b>Total equity attributable to   equity holders of the Company</b>		<b>56,210,885,366</b>	<b>53,763,033,272</b>	<b>60,432,420,158</b>	<b>60,075,445,918</b>
Minority interests		232,695,379	238,261,196	-	-
<b>Total equity</b>		<b>56,443,580,745</b>	<b>54,001,294,468</b>	<b>60,432,420,158</b>	<b>60,075,445,918</b>
<b>Total liabilities and equity</b>		<b>77,149,665,103</b>	<b>80,059,232,030</b>	<b>87,114,964,144</b>	<b>86,843,446,971</b>

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

# Thai Beverage Public Company Limited and its Subsidiaries

## Statements of income

For the years ended 31 December 2009 and 2008

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2009	2008	2009	2008
		(in Baht)			
<b>Revenues</b>	5				
Revenue from sale of goods		107,969,216,150	105,452,434,483	-	-
Management fees		-	-	2,594,776,788	2,522,777,132
Interest income		15,555,840	36,614,545	348,116,720	509,518,424
Dividends		-	-	8,237,578,932	5,345,108,398
Gain on sale of investment		-	525,878,633	-	216,460,581
Other income	22	262,276,825	184,829,799	12,094,186	13,125,293
<b>Total revenues</b>		<b>108,247,048,815</b>	<b>106,199,757,460</b>	<b>11,192,566,626</b>	<b>8,606,989,828</b>
<b>Expenses</b>	5				
Cost of sale of goods		76,609,559,464	75,326,186,878	-	-
Cost of rendering of services		-	-	921,094,859	924,042,051
Selling expenses	23	5,784,519,888	5,658,001,832	-	-
Administrative expenses	24	10,009,359,545	9,352,671,683	18,797,854	17,896,839
Management benefit expenses	25	301,396,844	303,461,390	265,956,844	275,074,534
<b>Total expenses</b>		<b>92,704,835,741</b>	<b>90,640,321,783</b>	<b>1,205,849,557</b>	<b>1,217,013,424</b>
Share of profit of associates, net of income tax		11,221,936	26,603,216	-	-
<b>Profit before finance costs and income tax expense</b>		<b>15,553,435,010</b>	<b>15,586,038,893</b>	<b>9,986,717,069</b>	<b>7,389,976,404</b>
Finance costs	26	(548,600,526)	(680,942,451)	(1,126,923,188)	(1,050,321,180)
<b>Profit before income tax expense</b>		<b>15,004,834,484</b>	<b>14,905,096,442</b>	<b>8,859,793,881</b>	<b>6,339,655,224</b>
Income tax expense	27	(4,361,795,875)	(4,298,961,167)	(216,511,391)	(320,486,480)
<b>Profit for the year</b>		<b>10,643,038,609</b>	<b>10,606,135,275</b>	<b>8,643,282,490</b>	<b>6,019,168,744</b>
<b>Profit attributable to:</b>					
Equity holders of the Company		10,566,412,729	10,341,887,564	8,643,282,490	6,019,168,744
Minority interests		76,625,880	264,247,711	-	-
<b>Profit for the year</b>		<b>10,643,038,609</b>	<b>10,606,135,275</b>	<b>8,643,282,490</b>	<b>6,019,168,744</b>
<b>Basic earnings per share</b>	29	<b>0.42</b>	<b>0.41</b>	<b>0.34</b>	<b>0.24</b>

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

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

**Statements of changes in equity**

**For the years ended 31 December 2009 and 2008**

**Consolidated financial statements (Restated)**

	Note	Issued and paid-up share capital	Difference arising from common control transactions	Ordinary share premium	Fair value changes and revaluation differences	Currency translation differences	Retained earnings		Total equity attributable to equity holders of the Company	Minority interests	Total equity
							Legal reserve	Unappropriated			
<b>Balance at 1 January 2008</b>		<b>25,110,025,000</b>	<b>(16,201,122,879)</b>	<b>17,215,736,603</b>	<b>4,388,935,374</b>	<b>(208,076,374)</b>	<b>2,900,000,000</b>	<b>22,644,726,217</b>	<b>55,850,223,941</b>	<b>1,244,410,844</b>	<b>57,094,634,785</b>
Difference arising from common control transactions	4	-	3,916,752	-	-	-	-	-	3,916,752	-	3,916,752
<b>Restated balance</b>		<b>25,110,025,000</b>	<b>(16,197,206,127)</b>	<b>17,215,736,603</b>	<b>4,388,935,374</b>	<b>(208,076,374)</b>	<b>2,900,000,000</b>	<b>22,644,726,217</b>	<b>55,854,140,693</b>	<b>1,244,410,844</b>	<b>57,098,551,537</b>
Sale of a subsidiary	11	-	-	-	(126,133,269)	-	-	-	(126,133,269)	-	(126,133,269)
Translation of financial statement differences		-	-	-	-	(1,294,948,744)	-	-	(1,294,948,744)	-	(1,294,948,744)
<b>Net expense recognised directly in equity</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(126,133,269)</b>	<b>(1,294,948,744)</b>	<b>-</b>	<b>-</b>	<b>(1,421,082,013)</b>	<b>-</b>	<b>(1,421,082,013)</b>
Profit for the year		-	198,943,790	-	-	-	-	10,142,943,774	10,341,887,564	264,247,711	10,606,135,275
<b>Total recognised income and expense</b>		<b>-</b>	<b>198,943,790</b>	<b>-</b>	<b>(126,133,269)</b>	<b>(1,294,948,744)</b>	<b>-</b>	<b>10,142,943,774</b>	<b>8,920,805,551</b>	<b>264,247,711</b>	<b>9,185,053,262</b>
Effects of change to percentage of holding		-	-	-	-	-	-	-	-	(1,059,805,649)	(1,059,805,649)
Consideration paid to equity holders of subsidiary for common control transactions	4	-	(3,053,254,586)	-	-	-	-	-	(3,053,254,586)	-	(3,053,254,586)
Sale of a subsidiary	11	-	(512,122,062)	-	-	-	-	-	(512,122,062)	-	(512,122,062)
Dividends paid by subsidiaries before business restructuring		-	(164,629,074)	-	-	-	-	-	(164,629,074)	(210,370,926)	(375,000,000)
Dividends	30	-	-	-	-	-	-	(7,281,907,250)	(7,281,907,250)	(220,784)	(7,282,128,034)
<b>Balance at 31 December 2008</b>		<b>25,110,025,000</b>	<b>(19,728,268,059)</b>	<b>17,215,736,603</b>	<b>4,262,802,105</b>	<b>(1,503,025,118)</b>	<b>2,900,000,000</b>	<b>25,505,762,741</b>	<b>53,763,033,272</b>	<b>238,261,196</b>	<b>54,001,294,468</b>

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

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

**Statements of changes in equity**

**For the years ended 31 December 2009 and 2008**

**Consolidated financial statements**

	Note	Issued and paid-up share capital	Difference arising from common control transactions	Ordinary share premium	Fair value changes and revaluation differences	Currency translation differences	Retained earnings		Total equity attributable to equity holders of the Company	Minority interests	Total equity
							Legal reserve	Unappropriated			
<b>Balance at 1 January 2009</b>		<b>25,110,025,000</b>	<b>(19,728,268,059)</b>	<b>17,215,736,603</b>	<b>4,262,802,105</b>	<b>(1,503,025,118)</b>	<b>2,900,000,000</b>	<b>25,505,762,741</b>	<b>53,763,033,272</b>	<b>238,261,196</b>	<b>54,001,294,468</b>
Unrealised gains from change in fair value on an available for sale investment		-	-	-	80,572	-	-	-	80,572	-	80,572
Translation of financial statement differences		-	-	-	-	171,632,043	-	-	171,632,043	-	171,632,043
<b>Net income recognised directly in equity</b>		-	-	-	<b>80,572</b>	<b>171,632,043</b>	-	-	<b>171,712,615</b>	-	<b>171,712,615</b>
Profit for the year		-	-	-	-	-	-	10,566,412,729	10,566,412,729	76,625,880	10,643,038,609
<b>Total recognised income</b>		-	-	-	<b>80,572</b>	<b>171,632,043</b>	-	<b>10,566,412,729</b>	<b>10,738,125,344</b>	<b>76,625,880</b>	<b>10,814,751,224</b>
Effects of change to percentage of holding		-	-	-	-	-	-	-	-	(3,874,247)	(3,874,247)
Consideration paid to equity holders of subsidiaries for common control transactions	4	-	(3,965,000)	-	-	-	-	-	(3,965,000)	-	(3,965,000)
Dividends	30	-	-	-	-	-	-	(8,286,308,250)	(8,286,308,250)	(78,317,450)	(8,364,625,700)
<b>Balance at 31 December 2009</b>		<b>25,110,025,000</b>	<b>(19,732,233,059)</b>	<b>17,215,736,603</b>	<b>4,262,882,677</b>	<b>(1,331,393,075)</b>	<b>2,900,000,000</b>	<b>27,785,867,220</b>	<b>56,210,885,366</b>	<b>232,695,379</b>	<b>56,443,580,745</b>

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



# Thai Beverage Public Company Limited and its Subsidiaries

## Statements of changes in equity

For the years ended 31 December 2009 and 2008

	<i>Note</i>	Separate financial statements			Total equity attributable to equity holders of the Company	
		Issued and paid-up share capital	Ordinary share premium	Legal reserve		Retained earnings Unappropriated
<b>Balance at 1 January 2008</b>		<b>25,110,025,000</b>	<b>17,215,736,603</b>	<b>2,900,000,000</b>	<b>16,112,422,821</b>	<b>61,338,184,424</b>
Profit for the year		-	-	-	6,019,168,744	6,019,168,744
Dividends	30	-	-	-	(7,281,907,250)	(7,281,907,250)
<b>Balance at 31 December 2008 and 1 January 2009</b>		<b>25,110,025,000</b>	<b>17,215,736,603</b>	<b>2,900,000,000</b>	<b>14,849,684,315</b>	<b>60,075,445,918</b>
Profit for the year		-	-	-	8,643,282,490	8,643,282,490
Dividends	30	-	-	-	(8,286,308,250)	(8,286,308,250)
<b>Balance at 31 December 2009</b>		<b>25,110,025,000</b>	<b>17,215,736,603</b>	<b>2,900,000,000</b>	<b>15,206,658,555</b>	<b>60,432,420,158</b>

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

# Thai Beverage Public Company Limited and its Subsidiaries

## Statements of cash flows

For the years ended 31 December 2009 and 2008

	Consolidated		Separate	
		financial statements	financial statements	
Note	2009	2008	2009	2008
		(Restated)		
	(in Baht)			
<i>Cash flows from operating activities</i>				
Profit for the year	10,643,038,609	10,606,135,275	8,643,282,490	6,019,168,744
<i>Adjustments for</i>				
Depreciation and amortisation	4,355,958,603	5,021,625,110	37,101,713	31,410,631
Interest income	(15,555,840)	(36,614,545)	(348,116,720)	(509,518,424)
Finance costs	548,600,526	680,942,451	1,126,923,188	1,050,321,180
Unrealised (gain) loss on exchange	(8,464,378)	7,582,893	(187)	1,554
Bad and doubtful debts expense	15,220,508	11,846,875	-	-
Amortisation of advance payments to a specialist	50,000,000	50,000,000	9,375,000	9,375,000
Reversal of allowance for obsolete inventories	(184,325,749)	(347,350,371)	-	-
Gain on disposal and write-off of property, plant and equipment and intangible assets	(72,823,714)	(28,315,105)	(2,919,788)	(402,075)
Gain on disposal of investment	-	(525,878,633)	-	(216,460,581)
Dividends	-	-	(8,237,578,932)	(5,345,108,398)
Share of profit of associates, net of income tax	(11,221,936)	(26,603,216)	-	-
Income tax expense	4,361,795,875	4,298,961,167	216,511,391	320,486,480
	<u>19,682,222,504</u>	<u>19,712,331,901</u>	<u>1,444,578,155</u>	<u>1,359,274,111</u>
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	(514,278,114)	425,929,901	-	-
Other receivables from related parties	(462,427,542)	(37,143,014)	(47,983,161)	25,591,633
Inventories	3,863,494,180	(1,104,424,037)	-	-
Other current assets	(387,615,549)	(294,861,020)	(191,623)	(5,175,912)
Trade accounts payable	(257,334,906)	746,387,479	-	-
Other payables to related parties	24,681,391	59,932,545	(12,779,953)	45,171,352
Other current liabilities	(24,636,898)	(361,028,406)	20,775,993	34,623,593
Other non-current liabilities	20,439,338	(59,404,210)	-	(117,900)
Income tax paid	(4,329,085,759)	(4,892,679,811)	(329,686,209)	(328,814,781)
<b>Net cash provided by operating activities</b>	<b><u>17,615,458,645</u></b>	<b><u>14,195,041,328</u></b>	<b><u>1,074,713,202</u></b>	<b><u>1,130,552,096</u></b>

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

# Thai Beverage Public Company Limited and its Subsidiaries

## Statements of cash flows

For the years ended 31 December 2009 and 2008

	Note	Consolidated		Separate	
		2009	2008	2009	2008
			(Restated)		
			(in Baht)		
<b>Cash flows from investing activities</b>					
Interest received		15,599,523	36,734,310	355,677,681	540,001,954
Dividends received		-	-	8,237,578,932	5,345,108,398
Current investments		5,378,615	105,062,233	-	-
Loans to and other receivables from related parties		5,989,368	296,767,769	2,816,196,822	4,041,066,340
Investments in subsidiaries		-	-	(2,886,205,850)	(812,669,068)
Investment in associates		(4,955,029)	39,465,954	-	-
Long-term investments		9,998	(4,884,746)	-	-
Purchase of property, plant and equipment		(2,287,993,168)	(2,514,262,039)	(33,340,747)	(7,023,112)
Decrease in property, plant and equipment		80,615,706	447,714,228	4,805,491	1,893,458
Purchase of intangible assets		(25,564,866)	(44,683,527)	(4,601,515)	(25,087,589)
(Increase) decrease in intangible assets		(6,385,839)	50,352,369	-	-
Leasehold rights		4,302,016	294,800	-	-
(Increase) decrease in other non-current assets		(203,008,977)	13,304,217	-	(2,000)
Purchase of investments		(458,041,032)	(6,334,248,277)	(43,379,133)	(6,253,195,840)
Proceeds from disposal of subsidiaries		-	1,590,953,318	-	1,590,953,318
<b>Net cash provided by (used in) investing activities</b>		<b>(2,874,053,685)</b>	<b>(6,317,429,391)</b>	<b>8,446,731,681</b>	<b>4,421,045,859</b>
<b>Cash flows from financing activities</b>					
Interest paid		(566,484,489)	(730,951,892)	(1,113,177,092)	(1,106,570,730)
Dividends paid to equity holders of the Company		(8,286,308,250)	(7,281,907,250)	(8,286,308,250)	(7,281,907,250)
Dividends paid to minority interests		(78,317,450)	(220,784)	-	-
Dividends paid by subsidiary before business restructuring		-	(375,000,000)	-	-
Bank overdrafts and short-term loans from financial institutions		(2,982,885,370)	2,703,127,927	(2,146,160,794)	448,476,273
Repayment of long-term guaranteed bonds		-	(3,000,000,000)	-	(3,000,000,000)
Loans from related parties		-	-	4,473,900,000	3,948,200,000
Proceeds from long-term loans from financial institutions		3,000,000,000	3,190,000,000	3,000,000,000	3,190,000,000
Repayment of short-term loans from other party		(4,800,000)	-	-	-
Repayment of long-term loans from financial institutions		(5,325,000,000)	(1,755,000,000)	(5,325,000,000)	(1,755,000,000)
<b>Net cash used in financing activities</b>		<b>(14,243,795,559)</b>	<b>(7,249,951,999)</b>	<b>(9,396,746,136)</b>	<b>(5,556,801,707)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>					
		<b>497,609,401</b>	<b>627,659,938</b>	<b>124,698,747</b>	<b>(5,203,752)</b>
Cash and cash equivalents at beginning of year		1,920,971,995	2,588,260,801	3,964,488	9,168,240
Effect of exchange rate changes on balances held in foreign currencies		171,632,043	(1,294,948,744)	-	-
<b>Cash and cash equivalents at end of year</b>	6	<b>2,590,213,439</b>	<b>1,920,971,995</b>	<b>128,663,235</b>	<b>3,964,488</b>

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

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These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 26 February 2010.

**1 General information**

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

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

The principal businesses of the Company and its subsidiaries are the production, distribution of alcoholic and non-alcoholic beverages, industrial alcohol, Japanese restaurants, bakery shops and distribution of food and beverage. Details of the Company’s subsidiaries and associates as at 31 December 2009 and 2008 were as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			2009	2008
<i>Direct subsidiaries</i>				
1. Beer Thai (1991) PCL.	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. Sangsom Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
4. Fuengfuanant Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
5. Mongkolsamai Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
6. Thanapakdi Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
7. Kanchanasingorn Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
8. Sura Bangyikhan Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
9. Athimart Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
10. S.S. Karnsura Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
11. Kankwan Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
12. Theparunothai Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
13. Red Bull Distillery (1988) Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
14. United Winery and Distillery Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
15. Simathurakij Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
16. Nateechai Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
17. Luckchai Liquor Trading Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
18. Sura Piset Thipparat Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
19. Pomthip Co., Ltd.	Beer distributor	Thailand	100.00	100.00
20. Pomkit Co., Ltd.	Beer distributor	Thailand	100.00	100.00
21. Pomkung Co., Ltd.	Beer distributor	Thailand	100.00	100.00
22. Pomchok Co., Ltd.	Beer distributor	Thailand	100.00	100.00
23. Pomcharoen Co., Ltd.	Beer distributor	Thailand	100.00	100.00
24. Pomburapa Co., Ltd.	Beer distributor	Thailand	100.00	100.00
25. Pompalang Co., Ltd.	Beer distributor	Thailand	100.00	-
26. Pomnakorn Co., Ltd.	Beer distributor	Thailand	100.00	-
27. Num Yuk Co., Ltd.	Spirits distributor	Thailand	100.00	100.00
28. Num Kijjakarn Co., Ltd.	Spirits distributor	Thailand	100.00	100.00
29. Num Palang Co., Ltd.	Spirits distributor	Thailand	100.00	100.00
30. Num Muang Co., Ltd.	Spirits distributor	Thailand	100.00	100.00

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Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			2009	2008
<i>Direct subsidiaries (continued)</i>				
31. Num Nakorn Co., Ltd.	Spirits distributor	Thailand	100.00	100.00
32. Num Thurakij Co., Ltd.	Spirits distributor	Thailand	100.00	100.00
33. Numrungrad Co., Ltd. ## (Formerly: Pan Alcohol Co., Ltd.)	Spirits distributor	Thailand	100.00	100.00
34. Numthip Co., Ltd. ## (Formerly: Muangkij Co., Ltd.)	Spirits distributor	Thailand	100.00	100.00
35. Thipchalothorn Co., Ltd.	Beer and spirits agency	Thailand	100.00	100.00
36. Krittayabun Co., Ltd.	Beer and spirits agency	Thailand	100.00	100.00
37. Surathip Co., Ltd.	Beer and spirits agency	Thailand	100.00	100.00
38. Sunthronpirom Co., Ltd.	Spirits agency	Thailand	100.00	100.00
39. Piromsurang Co., Ltd.	Spirits agency	Thailand	100.00	100.00
40. Thai Beverage Energy Co., Ltd.	Trading of fertilizer, biogas and distribution of spirits	Thailand	100.00	100.00
41. Wrangyer Beverage (2008) Co., Ltd.	Production and distribution of energy drink	Thailand	100.00	100.00
42. Thai Molasses Co., Ltd.	Trading of molasses	Thailand	99.72	99.72
43. Feed Addition Co., Ltd.	Trading of feeds and fertilizer	Thailand	100.00	100.00
44. Pan International (Thailand) Co., Ltd.	Trading of supplies and procurement	Thailand	100.00	100.00
45. Charun Business 52 Co., Ltd.	Brick producer and distribution of spirits	Thailand	100.00	100.00
46. Thai Cooperage Co., Ltd.	Oak barrel producer	Thailand	100.00	100.00
47. Thai Beverage Recycle Co., Ltd.	Trading of bottles	Thailand	100.00	100.00
48. Thai Beverage Logistics Co., Ltd.	Transportation and distribution	Thailand	100.00	100.00
49. Thai Beverage Marketing Co., Ltd.	Import and export spirits for trading/ international marketing and non-alcoholic beverages agency	Thailand	100.00	100.00
50. Dhanasindhi Co., Ltd.	Construction	Thailand	100.00	100.00
51. Dhospaak Co., Ltd.	Advertising agency	Thailand	100.00	100.00
52. International Beverage Holdings Limited	Holding company	Hong Kong	100.00	100.00
53. Cosmos Brewery (Thailand) Co., Ltd.	Beer brewery and production of drinking water and soda water	Thailand	100.00	100.00
54. Thai Beverage Brands Co., Ltd.	Trademark holding	Thailand	100.00	100.00
55. Beer Chang Co., Ltd.	Trademark holding and production of concentrate materials	Thailand	100.00	100.00
56. Archa Beer Co., Ltd.	Trademark holding and production of concentrate materials	Thailand	100.00	100.00
57. Sura Piset Phatra Lanna Co., Ltd.	Holding company	Thailand	100.00	100.00
58. Thai Drinks Co., Ltd.	Production and distribution of drinking water	Thailand	100.00	100.00
59. Oishi Group PCL.	Japanese restaurants, bakery shops and production and distribution of food and beverage	Thailand	89.93	89.93

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Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			2009	2008
<i>Indirect subsidiaries</i>				
60. Thai Thum Distillery Co., Ltd. #	Production and distribution of spirits	Thailand	99.90	99.90
61. Sura Piset Sahasan Co., Ltd. #	Trading of spirits	Thailand	100.00	100.00
62. Sura Piset Sampan Co., Ltd. #	Trading of spirits	Thailand	100.00	100.00
63. Vitayathan Co., Ltd.	Environmental public relations	Thailand	100.00	100.00
64. InterBev (Singapore) Limited	Trading of alcoholic beverages	Singapore	100.00	100.00
65. InterBev (Cambodia) Co., Ltd.	Trading of alcoholic beverages	Cambodia	100.00	100.00
66. InterBev Malaysia Sdn. Bhd.	Trading of alcoholic beverages	Malaysia	100.00	100.00
67. Best Spirits Company Limited	Trading of alcoholic beverages	Hong Kong	100.00	100.00
68. International Beverage Holdings (UK) Limited	Holding company	United Kingdom	100.00	100.00
69. International Beverage Holdings (China) Limited	Holding company	Hong Kong	100.00	-
70. United Products Co., Ltd.	Production and distribution of spirits	Thailand	99.55	97.98
71. S P M Foods & Beverages Co., Ltd.	Production and distribution of drinking water and energy drinks and spirits agency	Thailand	99.83	99.83
72. Oishi Trading Co., Ltd.	Production and distribution of food and beverage	Thailand	89.93	89.93
73. Oishi Ramen Co., Ltd.	Japanese ramen restaurants	Thailand	89.93	89.93
74. Chang Beer International Co., Ltd. #	Dormant	Thailand	100.00	-
75. Maekhong Distillery Limited	Consultancy service	Thailand	100.00	-
76. Chang International Co., Ltd. #	Dormant	Thailand	100.00	-
77. Chang Corp Co., Ltd. #	Dormant	Thailand	100.00	-
<i>Subsidiaries of indirect subsidiaries</i>				
78. International Beverage Holdings Limited USA, Inc. *	Trading of alcoholic beverages	United States of America	100.00	100.00
79. Blairmhor Limited **	Holding Company	United Kingdom	100.00	100.00
80. Inver House Distillers Limited *	Production and distribution of spirits	United Kingdom	100.00	100.00
81. InterBev Trading (China) Limited **	Trading of alcoholic beverages	People's Republic of China	100.00	-
82. Yunnan Yulinquan Liquor Co., Ltd.**	Spirits distillery	People's Republic of China	100.00	-
83. Blairmhor Distillers Limited **	Dormant	United Kingdom	100.00	100.00
84. Wee Beastie Limited **	Dormant	United Kingdom	100.00	100.00
85. Moffat & Towers Limited **	Dormant	United Kingdom	100.00	100.00
86. Glen Calder Blenders Limited **	Dormant	United Kingdom	100.00	100.00
87. Hankey Bannister & Company Limited **	Dormant	United Kingdom	100.00	100.00
88. R. Carmichael & Sons Limited **	Dormant	United Kingdom	100.00	100.00
89. J MacArthur Junior & Company Limited **	Dormant	United Kingdom	100.00	100.00
90. Mason & Summers Limited **	Dormant	United Kingdom	100.00	100.00
91. James Catto & Company Limited **	Dormant	United Kingdom	100.00	100.00
92. The Knockdhu Distillery Co., Ltd. **	Dormant	United Kingdom	100.00	100.00
93. Speyburn-Glenlivet Distillery Co., Ltd. **	Dormant	United Kingdom	100.00	100.00
94. The Pulteney Distillery Co., Ltd. **	Dormant	United Kingdom	100.00	100.00
95. The Balblair Distillery Co., Ltd. **	Dormant	United Kingdom	100.00	100.00

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Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			2009	2008
<i>Associates of indirect subsidiaries ***</i>				
96. Liquorland Limited	Off licences	United Kingdom	49.49	49.49
97. Inver House Polska Limited	Trading of alcoholic beverages	Poland	44.00	44.00
98. Inver House Distribution SA #	Dormant	France	50.02	50.02

\* Subsidiaries of International Beverage Holdings (UK) Limited

\*\* Subsidiaries of International Beverage Holdings (China) Limited

\*\*\* Associates of International Beverage Holdings (UK) Limited

# These are currently non-trading.

## Changed from indirect subsidiary to direct subsidiary in May 2009 and type of business changed to spirits distributor.

On 6 March 2009, Chang International Co., Ltd., the Company's indirect subsidiary, was incorporated with an authorised share capital of Baht 0.1 million and issued 10,000 ordinary shares at its par value of Baht 10 each and Chang Corp Co., Ltd., the Company's indirect subsidiary, was incorporated with an authorised share capital of Baht 0.1 million and issued 10,000 ordinary shares at its par value of Baht 10 each. Thai Beverage Marketing Co., Ltd., the Company's subsidiary, holds equity shares in both companies of 99.97% and 99.96%, respectively.

On 26 May 2009, Pomnakorn Co., Ltd., the Company's subsidiary, was incorporated with an authorised share capital of Baht 10 million and issued 1 million ordinary shares at its par value of Baht 10 each.

On 2 June 2009, Pompalang Co., Ltd., the Company's subsidiary, was incorporated with an authorised share capital of Baht 10 million and issued 1 million ordinary shares at its par value of Baht 10 each.

On 8 June 2009, International Beverage Holdings (China) Limited was incorporated in Hong Kong with an authorised share capital of HKD 125 million and issued 12.5 million ordinary shares at its par value of HKD 10 each to International Beverage Holdings Limited holds the entire shares.

On 21 August 2009, InterBev Trading (China) Limited, the subsidiary of the Company's indirect subsidiary, was incorporated in People's Republic of China with an authorised share capital of RMB 10 million and received the business license.

## **2 Basis of preparation of the financial statements**

The financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The financial statements are prepared in accordance with Thai Accounting Standards ("TAS") and Thai Financial Reporting Standards ("TFRS") including related interpretations and guidelines promulgated by the Federation of Accounting Professions ("FAP") and with generally accepted accounting principles in Thailand.

On 15 May 2009, the FAP announced (Announcement No. 12/2009) the re-numbering of TAS to the same numbers as the International Accounting Standards ("IAS") on which the TAS/TFRS are based.



**Thai Beverage Public Company Limited and its Subsidiaries**  
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The Group has adopted the following revised TAS and accounting guidance which were issued by the FAP during 2008 and 2009 and effective for annual accounting periods beginning on or after 1 January 2009:

TAS 36 (revised 2007) *Impairment of Assets*

Framework for the Preparation and Presentation of Financial Statements (revised 2007) (effective on 26 June 2009)

Accounting Guidance about Leasehold Right (effective on 26 June 2009)

Accounting Guidance about Business Combination under Common Control

The adoption of these revised TAS and accounting guidance does not have any material impact on the consolidated or separate financial statements.

The FAP has issued during 2009 a number of new and revised TAS which are not currently effective and have not been adopted in the preparation of these financial statements. These new and revised TAS are disclosed in note 34.

The financial statements are presented in Thai Baht, rounded in the notes to the financial statements to the nearest million. They are prepared on the historical cost basis except as stated in the accounting policies.

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which estimate are revised and in any future periods affected.

### **3 Significant accounting policies**

#### **(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*

Business combinations are accounted for under the purchase method. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Business combinations of entities or businesses under common control are accounted for using a method similar to the pooling of interest method and in accordance with the Guideline issued in 2009 by the FAP.

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

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

*Associates*

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity. The consolidated financial statements include the Group's share of the income, expenses and equity movements of associates after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in an associate, the Group's carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

*Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates 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 Thai Baht at the foreign exchange rates ruling at the dates of the transactions.

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

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

*Foreign entities*

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

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

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

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

**(c) *Derivative financial instruments***

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

**(d) *Cash and cash equivalents***

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

**(e) *Trade and other accounts receivable***

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

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

**(f) *Inventories***

Inventories are stated 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.

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) *Investments***

*Investments in subsidiaries and associates*

Investments in subsidiaries and associates 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 equity securities*

Debt securities that the Group has the positive intent and ability to hold to maturity are classified as held-to-maturity investment. Held-to-maturity investments are stated at amortised cost. 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.

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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 the statement of income. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in the statement of income.

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

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

*Disposal of investments*

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

**(h) Property, plant and equipment**

*Owned assets*

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

*Leased assets*

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

*Revalued assets*

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

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*Depreciation*

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

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

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

**(i) Intangible assets**

*Goodwill*

Goodwill in a business combination represents the excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired. Negative goodwill in a business combination represents the excess of the fair value of the Group's share of the identifiable net assets acquired over the cost of acquisition. The Group has changed its accounting policy for goodwill with effect from 1 January 2008 as follows:

*Acquisitions prior to 1 January 2008*

Goodwill was stated at cost from the date of initial recognition and amortised over its estimated useful life of 20 years. On 1 January 2008, the Group discontinued amortisation of goodwill. The remaining balance is subject to testing for impairment, as described in note 3 (k).

*Acquisitions on or after 1 January 2008*

Goodwill is measured at cost less accumulated impairment losses. Goodwill is tested for impairment as described in note 3 (k). Negative goodwill is recognised immediately in the statement of income.

*Other intangible assets*

Other intangible assets that are acquired by the Group, which have finite useful lives, are stated at cost less accumulated amortisation and impairment losses. Other intangible assets are amortised in the statement of income on a straight-line basis over their estimated useful lives from the date that they are available for use. The estimated useful lives are as follows:

Computer software	3-10 years	(straight-line method)
Trademarks	3-20 years	(straight-line method)
Licences	10 years	(straight-line method)

**(j) Leasehold rights**

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

Amortisation is recognised in the statement of income on a straight-line basis over the agreement period.

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**(k) 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, the recoverable amount is estimated at each reporting date, and as and when indicators of impairment are identified.

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

*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.

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.

**(l) Interest-bearing liabilities**

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

**(m) Trade and other accounts payable**

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

**(n) Provisions**

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

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**(o) *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 Company 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 Company recognises the difference arising from common control transactions under equity until disposal of the investment.

**(p) *Revenue***

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

*Sale of goods and services rendered*

Revenue is recognised in the statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there 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.

When the outcome of a contract for the rendering of services can be estimated reliably, contract revenue is recognised in the statement of income by reference to the stage of completion of the contract activity at the balance sheet date. When the outcome of the contract cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

*Construction contracts*

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably. As soon as the outcome of a construction contract can be estimated reliably, contract revenue and expenses are recognised in the statement of income in proportion to the stage of completion of the contract.

The stage of completion is assessed by reference to surveys of work performed. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognised immediately in the statement of income.

*Rental income*

Rental income from investment property is recognised in the statement of income on straight-line basis over the term of the lease. Contingent rentals are recognised as income in the accounting period in which they are earned.

*Interest and dividend income*

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

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**(q) Expenses**

*Operating leases*

Payments made under operating leases are recognised in the statement of income on a straight line basis over the term of the lease. Contingent rentals are charged to the statement of income for the accounting period in which they are incurred.

*Finance costs*

Interest expenses and similar costs are charged to the statement of income 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 period of time to be prepared for its intended use or sale. The interest component of finance lease payments is recognised in the statement of income using the effective interest rate method.

*Research and development*

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

Other income and expenses are recognised on an accrual basis.

**(r) Income tax**

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

**4 Common control transactions and acquisitions**

*Common control transactions*

On 2 February 2009, Sura Bangyikhan Co., Ltd., and another two subsidiaries of the Company acquired the entire 5,000 ordinary issued shares of Maekhong Distillery Limited from existing equity holders at Baht 13 per share, amounting to Baht 65,000 and Beer Chang Co., Ltd., and another two subsidiaries of the Company acquired the entire 100,000 ordinary issued shares of Chang Beer International Co., Ltd., from the existing equity holders at Baht 39 per share, amounting to Baht 3.9 million.

On 30 September 2008, the Company acquired 43.9% equity interest in Oishi Group Public Company Limited and its subsidiaries, "Oishi", from a company affiliated with the controlling equity holders of the Company, under a common ultimate controlling equity holder.

As the same ultimate controlling equity holder controlled the entities acquired both before and after the acquisition, the consolidated financial statements have been prepared on the basis of a business combination involving an entity under common control.



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***Restatement***

The consolidated financial statement for the year ended 31 December 2008 has been restated. The effects of the restatement on the consolidated balance sheets as at 31 December 2008 and the consolidated statement of income for the year ended 31 December 2008 are summarised as follows:

	Balance previously reported	<b>Consolidated</b>	
		Effect of the restatement <i>(in million Baht)</i>	Balance restated
<b>Balance sheet</b>			
Total assets	80,055	4	80,059
Difference arising from common control transactions	(19,732)	4	(19,728)
Equity	53,997	4	54,001
<b>Statement of income</b>			
Profit for the year	10,606	-	10,606
Basic earnings per share (Baht)	0.41	-	0.41

***Acquisitions***

On 16 November 2009, International Beverage Holdings (China) Limited, the Company's indirect subsidiary, acquired the entire ordinary shares of Yunnan Yulinquan Liquor Co., Ltd. from Best Spirits (China) Co., Ltd. for a cash consideration of USD 10.10 million. Due to the fair value of the identifiable net assets of Yunnan Yulinquan Liquor Co., Ltd. using estimated amounts, the Company accounted for a business combination provisionally. However, the Company will adjust the provisional amounts whenever the initial accounting is complete, within 12 months from the acquisition date.

On 18 November 2008, the Company paid for 86,295,662 ordinary shares in Oishi representing 46.03% interest in Oishi for the remaining shares in accordance with the Notification of the Securities and Exchange Commission to make a tender offer by paying Baht 3,199.94 million in cash for the shares which included directly attributable expenses of Baht 7 million.

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The acquiree's net assets at the acquisition date comprised the followings:

	<b>Yunnan Yulinquan Liquor Co., Ltd.</b> 2009	<b>Oishi Group PCL.</b> 2008
	<i>(in million Baht)</i>	
Cash and cash equivalents	10	287
Trade accounts receivable	37	191
Inventories	154	133
Property, plant and equipment	154	670
Intangible assets	117	67
Other assets	21	53
Trade accounts payable	(17)	(244)
Short-term loan	(120)	-
Other liabilities	(147)	(135)
<b>Net identifiable assets and liabilities</b>	<b>209</b>	<b>1,022</b>
Goodwill on acquisition	128	2,178
Consideration paid	337	3,200
Cash (acquired) paid	110	(287)
Net cash outflow	447	2,913

## 5 Related party transactions and balances

Related parties are those parties linked to the Group and the Company as shareholders or by common shareholders or directors. Transactions with related parties are conducted at prices based on market prices or, where no market price exists, at contractually agreed prices.

Relationships with related parties that control or jointly control the Company or are being controlled or jointly controlled by the Company or have transactions with the Group were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
1. Beer Thai (1991) PCL.	Thailand	Direct subsidiary, 100% shareholding
2. Beer Thip Brewery (1991) Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
3. Sangsom Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
4. Fuengfuanant Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
5. Mongkolsamai Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
6. Thanapakdi Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
7. Kanchanasingkorn Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
8. Sura Bangyikhan Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
9. Athimart Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
10. S.S. Karnsura Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
11. Kankwan Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
12. Theparunothai Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
13. Red Bull Distillery (1988) Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
14. United Winery and Distillery Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
15. Simathurakij Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
16. Nateechai Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
17. Luckchai Liquor Trading Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
18. Sura Piset Thipparat Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding

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<b>Name of entities</b>	<b>Country of incorporation/ nationality</b>	<b>Nature of relationships</b>
19. Pomthip Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
20. Pomkit Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
21. Pomkung Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
22. Pomchok Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
23. Pomcharoen Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
24. Pomburapa Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
25. Pompalang Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
26. Pomnakorn Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
27. Num Yuk Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
28. Num Kijjakarn Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
29. Num Palang Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
30. Num Muang Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
31. Num Nakorn Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
32. Num Thurakij Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
33. Numrungrad Co., Ltd. (Formerly: Pan Alcohol Co., Ltd.)	Thailand	Direct subsidiary, 100% shareholding
34. Numthip Co., Ltd. (Formerly: Muangkit Co., Ltd.)	Thailand	Direct subsidiary, 100% shareholding
35. Thipchalothorn Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
36. Krittayabun Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
37. Surathip Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
38. Sunthronpirom Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
39. Piromsurang Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
40. Thai Beverage Energy Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
41. Wrangyer Beverage (2008) Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
42. Thai Molasses Co., Ltd.	Thailand	Direct subsidiary, 99.72% shareholding
43. Feed Addition Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
44. Pan International (Thailand) Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
45. Charun Business 52 Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
46. Thai Cooperage Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
47. Thai Beverage Recycle Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
48. Thai Beverage Logistics Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
49. Thai Beverage Marketing Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
50. Dhanasindhi Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
51. Dhospaak Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
52. International Beverage Holdings Limited	Hong Kong	Direct subsidiary, 100% shareholding
53. Cosmos Brewery (Thailand) Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
54. Thai Beverage Brands Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
55. Beer Chang Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
56. Archa Beer Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
57. Sura Piset Phatra Lanna Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
58. Thai Drinks Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
59. Oishi Group PCL.	Thailand	Direct subsidiary, 89.93% shareholding
60. Thai Thum Distillery Co., Ltd.	Thailand	Indirect subsidiary, 99.90% shareholding
61. Sura Piset Sahasan Co., Ltd.	Thailand	Indirect subsidiary, 100% shareholding
62. Sura Piset Sampan Co., Ltd.	Thailand	Indirect subsidiary, 100% shareholding
63. Vitayathan Co., Ltd.	Thailand	Indirect subsidiary, 100% shareholding
64. InterBev (Singapore) Limited	Singapore	Indirect subsidiary, 100% shareholding
65. InterBev (Cambodia) Co., Ltd.	Cambodia	Indirect subsidiary, 100% shareholding
66. InterBev Malaysia Sdn. Bhd.	Malaysia	Indirect subsidiary, 100% shareholding
67. Best Spirits Company Limited	Hong Kong	Indirect subsidiary, 100% shareholding

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<b>Name of entities</b>	<b>Country of incorporation/ nationality</b>	<b>Nature of relationships</b>
68. International Beverage Holdings (UK) Limited	United Kingdom	Indirect subsidiary, 100% shareholding
69. International Beverage Holdings (China) Limited	Hong Kong	Indirect subsidiary, 100% shareholding
70. United Products Co., Ltd.	Thailand	Indirect subsidiary, 99.55% shareholding
71. S P M Foods & Beverages Co., Ltd.	Thailand	Indirect subsidiary, 99.83% shareholding
72. Oishi Trading Co., Ltd.	Thailand	Indirect subsidiary, 89.93% shareholding
73. Oishi Ramen Co., Ltd.	Thailand	Indirect subsidiary, 89.93% shareholding
74. Chang Beer International Co., Ltd.	Thailand	Indirect subsidiary, 100% shareholding
75. Maekhong Distillery Limited	Thailand	Indirect subsidiary, 100% shareholding
76. Chang International Co., Ltd.	Thailand	Indirect subsidiary, 100% shareholding
77. Chang Corp Co., Ltd.	Thailand	Indirect subsidiary, 100% shareholding
78. International Beverage Holdings Limited USA, Inc.	United States of America	Subsidiary of indirect subsidiary, 100% shareholding
79. Blairmhor Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
80. Inver House Distillers Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
81. InterBev Trading (China) Limited	People's Republic of China	Subsidiary of indirect subsidiary, 100% shareholding
82. Yunnan Yulinquan Liquor Co., Ltd.	People's Republic of China	Subsidiary of indirect subsidiary, 100% shareholding
83. Blairmhor Distillers Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
84. Wee Beastie Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
85. Moffat & Towers Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
86. Glen Calder Blenders Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
87. Hankey Bannister & Company Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
88. R. Carmichael & Sons Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
89. J MacArthur Junior & Company Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
90. Mason & Summers Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
91. James Catto & Company Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
92. The Knockdhu Distillery Co., Ltd.	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
93. Speyburn-Glenlivet Distillery Co., Ltd.	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
94. The Pulteney Distillery Co., Ltd.	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
95. The Balblair Distillery Co., Ltd.	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
96. Liquorland Limited	United Kingdom	Associates of indirect subsidiary, 49.90% shareholding
97. Inver House Polska Limited	Poland	Associates of indirect subsidiary, 44% shareholding
98. Inver House Distribution SA	France	Associates of indirect subsidiary, 50.02% shareholding
99. Thai Alcohol PCL.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
100. Sint Ek Panich Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
101. Banglen Agriculture Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
102. Pisetkij Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
103. The Maewang Sugar Industry Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
104. The Chonburi Sugar Corp. Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
105. The Utaradit Sugar Industry Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
106. The Suphanburi Sugar Industry Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly

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<b>Name of entities</b>	<b>Country of incorporation/ nationality</b>	<b>Nature of relationships</b>
107. The Southeast Insurance Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
108. The Southeast Life Insurance Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
109. Southeast Capital Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
110. T.C.C. Technology Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
111. Thai Glass Industries PCL.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
112. Bang-Na Glass Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
113. TCC Hotel Collection Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
114. Terragro Fertilizer Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
115. Dhipaya Sugar (1999) Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
116. BJC Industrial and Trading Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
117. North Park Real Estate Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
118. TCC PD 11 Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
119. Thippatana Arcade Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
120. Siam Food Products PCL.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
121. BJC Healthcare Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
122. Wattanapat Trading Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
123. Silvercord Capital (Singapore) Limited	Singapore	Directors and controlling equity holders hold substantial shares indirectly
124. Plantheon Trading Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
125. New Noble Property And Loan Fund	Thailand	Directors and controlling equity holders are the principal unit holder of this real estate investment fund
126. Dynamic Assets Property and Loan Fund	Thailand	Directors and controlling equity holders are the principal unit holder of this real estate investment fund
127. Best Fortune Property and Loan Fund	Thailand	Directors and controlling equity holders are the principal unit holder of this real estate investment fund
128. Regent Gold Property Fund	Thailand	Directors and controlling equity holders are the principal unit holder of this real estate investment fund
129. Plaza Athenee Hotel (Thailand) Co., Ltd.	Thailand	Directors and controlling equity holders are the directors and hold substantial shares indirectly
130. North Park Golf And Sports Club Co., Ltd.	Thailand	Directors and controlling equity holders are the directors and hold substantial shares indirectly
131. Berli Jucker PCL.	Thailand	Directors and controlling equity holders are the directors and hold substantial shares indirectly
132. Thai Beverage Can Co., Ltd.	Thailand	Directors and controlling equity holders hold 50% shares

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<b>Name of entities</b>	<b>Country of incorporation/ nationality</b>	<b>Nature of relationships</b>
133. O.G.T. Co., Ltd.	Thailand	Director of subsidiary is relative of Director of O.G.T. Co., Ltd.
134. PS Recycle Co., Ltd.	Thailand	Directors and controlling equity holders are relatives of controlling person
135. T.C.C. International Limited	Hong Kong	Controlling equity holders hold substantial shares indirectly
136. Best wishes Co., Ltd.	Hong Kong	Controlling equity holders hold substantial shares indirectly

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

<b>Transactions</b>	<b>Pricing policies</b>
Sale of goods	Agreed prices which approximate market prices
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 by equity holders with reference interest rates quoted by financial institutions

Significant transactions for the years ended 31 December 2009 and 2008 with related parties were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2009	2008	2009	2008
	<i>(in million Baht)</i>			
<b>Subsidiaries</b>				
Management fees	-	-	2,595	2,523
Cost of rendering of services	-	-	125	99
Interest income	-	-	347	506
Interest expense	-	-	704	549
Dividends	-	-	8,237	5,345
Other income	-	-	3	4
Administrative expenses	-	-	2	2
Purchase of investments	-	-	43	-
Increase in share capital in subsidiaries	-	-	2,886	899
Recovery of investments	-	-	-	86
<b>Associates</b>				
Share of profit of associates, net of income tax	11	27	-	-

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	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2009	2008	2009	2008
	<i>(in million Baht)</i>			
<b>Other related parties</b>				
Sale of goods	1,198	799	-	-
Purchases of raw materials and packaging	4,863	5,386	-	-
Overhead costs	187	170	-	-
Rendering of services	13	13	-	-
Cost of rendering of services	-	-	113	79
Other income	39	487	6	217
Administrative expenses	432	421	2	2
Sale of equipment	6	5	-	-
Purchase of plant and equipment	8	3	1	-
Sale of investment	-	1,591	-	1,591
Directors' remuneration	283	292	266	275

Balances as at 31 December 2009 and 2008 with related parties were as follows:

<i>Trade accounts receivable from related parties</i>	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2009	2008	2009	2008
	<i>(in million Baht)</i>			
<b>Other related companies</b>				
O.G.T. Co., Ltd.	96	52	-	-
PS Recycle Co., Ltd.	22	6	-	-
Thai Alcohol PCL.	18	53	-	-
Others	8	5	-	-
<b>Total</b>	<b>144</b>	<b>116</b>	<b>-</b>	<b>-</b>

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*Short-term loans to and other receivables from related parties*

	Consolidated financial statements						Separate financial statements					
	Short-term loans to	2009 Other receivables	Total	Short-term loans to	2008 Other receivables	Total	Short-term loans to	2009 Other receivables	Total	Short-term loans to	2008 Other receivables	Total
	<i>(in million Baht)</i>											
<b>Subsidiaries</b>												
Beer Thai (1991) PCL.	-	-	-	-	-	-	1,709	39	1,748	1,452	34	1,486
Beer Thip Brewery (1991) Co., Ltd.	-	-	-	-	-	-	-	12	12	-	13	13
Cosmos Brewery (Thailand) Co., Ltd.	-	-	-	-	-	-	-	5	5	-	-	-
Sangsom Co., Ltd.	-	-	-	-	-	-	-	5	5	160	7	167
Fuengfuanant Co., Ltd.	-	-	-	-	-	-	-	2	2	-	2	2
Mongkolsamai Co., Ltd.	-	-	-	-	-	-	-	1	1	-	1	1
Thanapakdi Co., Ltd.	-	-	-	-	-	-	-	1	1	-	1	1
Kanchanasingkorn Co., Ltd.	-	-	-	-	-	-	-	1	1	-	1	1
Sura Bangyikhan Co., Ltd.	-	-	-	-	-	-	-	14	14	614	12	626
Athimart Co., Ltd.	-	-	-	-	-	-	-	3	3	-	3	3
S.S. Karnsura Co., Ltd.	-	-	-	-	-	-	-	3	3	-	3	3
Kankwan Co., Ltd.	-	-	-	-	-	-	-	4	4	-	3	3
Theparunothai Co., Ltd.	-	-	-	-	-	-	-	4	4	-	3	3
Red Bull Distillery (1988) Co., Ltd.	-	-	-	-	-	-	6	14	20	-	12	12
United Winery and Distillery Co., Ltd.	-	-	-	-	-	-	-	1	1	-	1	1
Simathurakij Co., Ltd.	-	-	-	-	-	-	194	2	196	243	3	246
Nateechai Co., Ltd.	-	-	-	-	-	-	-	2	2	-	2	2
Luckchai Liquor Trading Co., Ltd.	-	-	-	-	-	-	-	1	1	418	2	420
Sura Piset Thipparat Co., Ltd.	-	-	-	-	-	-	-	-	-	-	2	2
Pomthip Co., Ltd.	-	-	-	-	-	-	190	11	201	-	9	9
Pomkit Co., Ltd.	-	-	-	-	-	-	-	7	7	-	9	9
Pomkung Co., Ltd.	-	-	-	-	-	-	-	5	5	-	7	7
Pomchok Co., Ltd.	-	-	-	-	-	-	-	5	5	-	8	8
Pomcharoen Co., Ltd.	-	-	-	-	-	-	-	4	4	-	3	3
Pomburapa Co., Ltd.	-	-	-	-	-	-	-	5	5	-	5	5
PompalangCo., Ltd.	-	-	-	-	-	-	25	4	29	-	-	-
Pomnakorn Co., Ltd.	-	-	-	-	-	-	-	5	5	-	-	-
Num Yuk Co., Ltd.	-	-	-	-	-	-	154	19	173	255	15	270
Num Kijjakarn Co., Ltd.	-	-	-	-	-	-	-	15	15	-	26	26



**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the years ended 31 December 2009 and 2008**

*Short-term loans to and other receivables from related parties*

	Consolidated financial statements						Separate financial statements					
	Short-term loans to	2009 Other receivables	Total	Short-term loans to	2008 Other receivables	Total	Short-term loans to	2009 Other receivables	Total	Short-term loans to	2008 Other receivables	Total
<i>Subsidiaries (continued)</i>												
Num Palang Co., Ltd.	-	-	-	-	-	-	-	7	7	-	10	10
Num Muang Co., Ltd.	-	-	-	-	-	-	-	10	10	-	11	11
Num Nakorn Co., Ltd.	-	-	-	-	-	-	-	6	6	-	6	6
Num Thurakij Co., Ltd.	-	-	-	-	-	-	-	7	7	-	8	8
Numrungrad Co., Ltd. (Formerly: Pan Alcohol Co., Ltd.)	-	-	-	-	-	-	-	13	13	-	-	-
Numthip Co., Ltd. (Formerly: Muangkij Co., Ltd.)	-	-	-	-	-	-	-	7	7	-	-	-
Thipchalothorn Co., Ltd.	-	-	-	-	-	-	-	45	45	-	31	31
Krittayabun Co., Ltd.	-	-	-	-	-	-	-	39	39	-	38	38
Surathip Co., Ltd.	-	-	-	-	-	-	-	16	16	-	13	13
Sunthronpirom Co., Ltd.	-	-	-	-	-	-	-	2	2	-	2	2
Piromsurang Co., Ltd.	-	-	-	-	-	-	-	2	2	-	2	2
Wrangyer Beverage (2008) Co., Ltd.	-	-	-	-	-	-	-	1	1	-	-	-
Thai Beverage Recycle Co., Ltd.	-	-	-	-	-	-	315	1	316	-	1	1
Thai Beverage Logistics Co., Ltd.	-	-	-	-	-	-	-	-	-	9	-	9
Thai Beverage Marketing Co., Ltd.	-	-	-	-	-	-	-	-	-	185	1	186
Dhospaak Co., Ltd.	-	-	-	-	-	-	40	-	40	-	2	2
Thai Beverage Brands Co., Ltd.	-	-	-	-	-	-	3	-	3	-	-	-
Thai Drinks Co., Ltd.	-	-	-	-	-	-	6	-	6	-	-	-
<b>Total subsidiaries</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,642</b>	<b>350</b>	<b>2,992</b>	<b>3,336</b>	<b>312</b>	<b>3,648</b>

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the years ended 31 December 2009 and 2008**

*Short-term loans to and other receivables from related parties*

	Consolidated financial statements						Separate financial statements					
	Short-term loans to	2009 Other receivables	Total	Short-term loans to	2008 Other receivables	Total	Short-term loans to	2009 Other receivables	Total	Short-term loans to	2008 Other receivables	Total
	<i>(in million Baht)</i>											
<b>Related companies</b>												
Plantheon Trading Co., Ltd.	-	392	392	-	-	-	-	-	-	-	-	-
The Suphanburi Sugar Industry Co., Ltd.	-	38	38	-	-	-	-	-	-	-	-	-
The Utaradit Sugar Industry Co., Ltd.	-	33	33	-	-	-	-	-	-	-	-	-
The Maewang Sugar Industry Co., Ltd.	-	17	17	-	-	-	-	-	-	-	-	-
Best Fortune Property and Loan Fund	-	9	9	-	-	-	-	-	-	-	-	-
New Noble Property And Loan Fund	-	4	4	-	-	-	-	-	-	-	-	-
T.C.C. Technology Co., Ltd.	-	3	3	-	-	-	-	3	3	-	-	-
Thai Alcohol PCL.	-	3	3	-	33	33	-	-	-	-	-	-
Others	-	5	5	-	8	8	-	-	-	-	-	-
<b>Total related companies</b>	-	<b>504</b>	<b>504</b>	-	<b>41</b>	<b>41</b>	-	<b>3</b>	<b>3</b>	-	-	-
<b>Total</b>	-	<b>504</b>	<b>504</b>	-	<b>41</b>	<b>41</b>	<b>2,642</b>	<b>353</b>	<b>2,995</b>	<b>3,336</b>	<b>312</b>	<b>3,648</b>

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the years ended 31 December 2009 and 2008**

*Long-term loans to and other receivables from related parties*

	Consolidated financial statements						Separate financial statements					
	2009 Long-term loans to	2009 Other receivables	Total	2008 Long-term loans to	2008 Other receivables	Total	2009 Long-term loans to	2009 Other receivables	Total	2008 Long-term loans to	2008 Other receivables	Total
	<i>(in million Baht)</i>											
<b>Subsidiaries</b>												
Beer Thai (1991) PCL.	-	-	-	-	-	-	2,500	-	2,500	2,820	-	2,820
Sura Bangyikhan Co., Ltd.	-	-	-	-	-	-	-	-	-	168	-	168
Red Bull Distillery (1988) Co., Ltd.	-	-	-	-	-	-	637	-	637	804	-	804
Simathurakij Co., Ltd.	-	-	-	-	-	-	-	-	-	109	-	109
Nateechai Co., Ltd.	-	-	-	-	-	-	-	-	-	88	-	88
Sura Piset Thipparat Co., Ltd.	-	-	-	-	-	-	-	-	-	540	-	540
Num Yuk Co., Ltd.	-	-	-	-	-	-	111	-	111	111	-	111
Wrangyer Beverage (2008) Co., Ltd.	-	-	-	-	-	-	199	-	199	209	-	209
Thai Beverage Recycle Co., Ltd.	-	-	-	-	-	-	-	-	-	290	-	290
Thai Beverage Brands Co., Ltd.	-	-	-	-	-	-	8	-	8	14	-	14
Sura Piset Phatra Lanna Co., Ltd.	-	-	-	-	-	-	-	-	-	425	-	425
<b>Total subsidiaries</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,455</b>	<b>-</b>	<b>3,455</b>	<b>5,578</b>	<b>-</b>	<b>5,578</b>
<b>Related companies</b>												
North Park Real Estate Co., Ltd.	-	29	29	-	26	26	-	3	3	-	3	3
T.C.C. Technology Co., Ltd.	-	9	9	-	8	8	-	8	8	-	8	8
TCC PD 11 Co., Ltd.	-	3	3	-	3	3	-	-	-	-	-	-
Best Fortune Property and Loan Fund	-	-	-	-	9	9	-	-	-	-	-	-
Others	-	11	11	-	12	12	-	-	-	-	-	-
<b>Total related companies</b>	<b>-</b>	<b>52</b>	<b>52</b>	<b>-</b>	<b>58</b>	<b>58</b>	<b>-</b>	<b>11</b>	<b>11</b>	<b>-</b>	<b>11</b>	<b>11</b>
<b>Total</b>	<b>-</b>	<b>52</b>	<b>52</b>	<b>-</b>	<b>58</b>	<b>58</b>	<b>3,455</b>	<b>11</b>	<b>3,466</b>	<b>5,578</b>	<b>11</b>	<b>5,589</b>

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the years ended 31 December 2009 and 2008**

*Summary of loans to related parties*

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2009	2008	2009	2008
	<i>(in million Baht)</i>			
Short-term loans	-	-	2,642	3,336
Long-term loans	-	-	3,455	5,578
<b>Total loans to related parties</b>	<b>-</b>	<b>-</b>	<b>6,097</b>	<b>8,914</b>

Movements during the years ended 31 December 2009 and 2008 of loans to related parties were as follows:

*Loans to related parties*

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2009	2008	2009	2008
	<i>(in million Baht)</i>			
<b>Short-term loans</b>				
<b>Subsidiaries</b>				
At 1 January	-	-	3,336	3,548
Increase	-	-	842	1,129
Decrease	-	-	(1,536)	(1,341)
<b>At 31 December</b>	<b>-</b>	<b>-</b>	<b>2,642</b>	<b>3,336</b>
<b>Long-term loans</b>				
<b>Subsidiaries</b>				
At 1 January	-	-	5,578	9,411
Increase	-	-	-	877
Decrease	-	-	(2,123)	(4,710)
<b>At 31 December</b>	<b>-</b>	<b>-</b>	<b>3,455</b>	<b>5,578</b>

Loans to and other receivables from related parties of the Group and the Company as at 31 December 2009 and 2008 were denominated entirely in Thai Baht and other functional currencies of foreign subsidiaries.

*Trade accounts payable - related parties*

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2009	2008	2009	2008
	<i>(in million Baht)</i>			
<b>Other related companies</b>				
Berli Jucker PCL.	718	740	-	-
Thai Beverage Can Ltd.	85	137	-	-
Pisetkij Co., Ltd.	29	12	-	-
Others	58	29	-	-
<b>Total</b>	<b>890</b>	<b>918</b>	<b>-</b>	<b>-</b>

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the years ended 31 December 2009 and 2008**

*Short-term loans from and other payables to related parties*

	Consolidated financial statements						Separate financial statements					
	Short-term loans from	2009 Other payables	Total	Short-term loans from	2008 Other payables	Total	Short-term loans from	2009 Other payables	Total	Short-term loans from	2008 Other payables	Total
<i>Subsidiaries</i>												
Beer Thip Brewery (1991) Co., Ltd.	-	-	-	-	-	-	-	16	16	387	16	403
Sangsom Co., Ltd.	-	-	-	-	-	-	135	11	146	-	1	1
Fuengfuanant Co., Ltd.	-	-	-	-	-	-	225	2	227	57	1	58
Mongkolsamai Co., Ltd.	-	-	-	-	-	-	51	1	52	-	1	1
Thanapakdi Co., Ltd.	-	-	-	-	-	-	53	1	54	28	1	29
Kanchanasingkorn Co., Ltd.	-	-	-	-	-	-	334	2	336	-	1	1
Sura Bangyikhan Co., Ltd.	-	-	-	-	-	-	340	-	340	-	-	-
Athimart Co., Ltd.	-	-	-	-	-	-	496	2	498	118	1	119
S.S. Karnsura Co., Ltd.	-	-	-	-	-	-	340	2	342	213	1	214
Kankwan Co., Ltd.	-	-	-	-	-	-	400	2	402	203	1	204
Theparunothai Co., Ltd.	-	-	-	-	-	-	289	1	290	166	1	167
United Winery and Distillery Co., Ltd.	-	-	-	-	-	-	114	1	115	184	1	185
Nateechai Co., Ltd.	-	-	-	-	-	-	168	1	169	-	-	-
Luckchai Liquor Trading Co., Ltd.	-	-	-	-	-	-	13	1	14	-	-	-
Pomthip Co., Ltd.	-	-	-	-	-	-	-	-	-	-	1	1
Pomkit Co., Ltd.	-	-	-	-	-	-	84	1	85	-	1	1
Pomkung Co., Ltd.	-	-	-	-	-	-	-	1	1	-	1	1
Pomchok Co., Ltd.	-	-	-	-	-	-	20	1	21	-	2	2
Pomcharoen Co., Ltd.	-	-	-	-	-	-	45	-	45	-	-	-
Pomburapa Co., Ltd.	-	-	-	-	-	-	10	1	11	-	1	1
Pomnakorn Co., Ltd.	-	-	-	-	-	-	43	-	43	-	-	-
Num Kijjakarn Co., Ltd.	-	-	-	-	-	-	691	5	696	672	4	676
Num Palang Co., Ltd.	-	-	-	-	-	-	212	1	213	160	-	160
Num Muang Co., Ltd.	-	-	-	-	-	-	324	2	326	330	1	331
Num Nakorn Co., Ltd.	-	-	-	-	-	-	55	1	56	224	1	225
Num Thurakij Co., Ltd.	-	-	-	-	-	-	298	2	300	228	1	229
Numrungrud Co., Ltd. (Formerly: Pan Alcohol Co., Ltd.)	-	-	-	-	-	-	499	1	500	-	-	-
Numthip Co., Ltd. (Formerly: Muangkij Co., Ltd.)	-	-	-	-	-	-	190	1	191	-	-	-

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the years ended 31 December 2009 and 2008**

*Short-term loans from and other payables to related parties*

	Consolidated financial statements						Separate financial statements					
	Short-term loans from	2009 Other payables	Total	Short-term loans from	2008 Other payables	Total	Short-term loans from	2009 Other payables	Total	Short-term loans from	2008 Other payables	Total
<i>Subsidiaries (continued)</i>												
Thipchalothorn Co., Ltd.	-	-	-	-	-	-	615	1	616	94	1	95
Krittayabun Co., Ltd.	-	-	-	-	-	-	284	1	285	308	1	309
Surathip Co., Ltd.	-	-	-	-	-	-	-	1	1	132	1	133
Sunthronpirom Co., Ltd.	-	-	-	-	-	-	55	2	57	-	1	1
Piromsurang Co., Ltd.	-	-	-	-	-	-	46	1	47	32	1	33
Thai Beverage Energy Co., Ltd.	-	-	-	-	-	-	83	-	83	106	-	106
Thai Molasses Co., Ltd.	-	-	-	-	-	-	132	1	133	60	-	60
Thai Cooperage Co., Ltd.	-	-	-	-	-	-	4	-	4	-	-	-
Feed Addition Co., Ltd.	-	-	-	-	-	-	28	-	28	35	-	35
Pan International (Thailand) Co., Ltd.	-	-	-	-	-	-	5	1	6	10	1	11
Charun Business 52 Co., Ltd.	-	-	-	-	-	-	7	-	7	3	-	3
Thai Beverage Logistics Co., Ltd.	-	-	-	-	-	-	138	-	138	-	-	-
Thai Beverage Marketing Co., Ltd.	-	-	-	-	-	-	405	1	406	-	-	-
Dhanasindhi Co., Ltd.	-	-	-	-	-	-	14	-	14	-	-	-
Dhospaak Co., Ltd.	-	-	-	-	-	-	-	42	42	25	67	92
Cosmos Brewery (Thailand) Co., Ltd.	-	-	-	-	-	-	14	2	16	-	1	1
Beer Chang Co., Ltd.	-	-	-	-	-	-	-	1	1	-	1	1
Thai Drinks Co., Ltd.	-	-	-	-	-	-	-	-	-	28	-	28
<b>Total subsidiaries</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,259</b>	<b>114</b>	<b>7,373</b>	<b>3,803</b>	<b>114</b>	<b>3,917</b>

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the years ended 31 December 2009 and 2008**

*Short-term loans from and other payables to related parties*

	Consolidated financial statements						Separate financial statements					
	2009			2008			2009			2008		
	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>											
<b>Related companies</b>												
Thai Alcohol PCL.	-	83	83	-	53	53	-	-	-	-	-	-
Plaza Athenee Hotel (Thailand) Co., Ltd.	-	16	16	-	15	15	-	3	3	-	-	-
Southeast Capital Co., Ltd.	-	14	14	-	12	12	-	2	2	-	2	2
T.C.C. Technology Co., Ltd.	-	11	11	-	13	13	-	10	10	-	12	12
Berli Jucker PCL.	-	4	4	-	7	7	-	-	-	-	-	-
Others	-	26	26	-	26	26	-	3	3	-	1	1
<b>Total related companies</b>	<b>-</b>	<b>154</b>	<b>154</b>	<b>-</b>	<b>126</b>	<b>126</b>	<b>-</b>	<b>18</b>	<b>18</b>	<b>-</b>	<b>15</b>	<b>15</b>
<b>Total</b>	<b>-</b>	<b>154</b>	<b>154</b>	<b>-</b>	<b>126</b>	<b>126</b>	<b>7,259</b>	<b>132</b>	<b>7,391</b>	<b>3,803</b>	<b>129</b>	<b>3,932</b>

Short-term loans from and other payables to related parties of the Group and the Company as at 31 December 2009 and 2008 were denominated entirely in Thai Baht and other functional currencies of foreign subsidiaries.

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the years ended 31 December 2009 and 2008**

*Long-term loans from and other payables to related parties*

	Consolidated financial statements						Separate financial statements					
	2009	2009		2008	2008		2009		2008			
	Long-term	Other	Total	Long-term	Other	Total	Long-term	Other	Long-term	Other	Total	
	loans from	payables		loans from	payables		loans from	payables	loans from	payables		
	<i>(in million Baht)</i>											
<b>Subsidiaries</b>												
Beer Thip Brewery (1991) Co., Ltd.	-	-	-	-	-	-	3,865	-	3,865	3,418	-	3,418
Sangsom Co., Ltd.	-	-	-	-	-	-	216	-	216	-	-	-
Fuengfuanant Co., Ltd.	-	-	-	-	-	-	255	-	255	158	-	158
Thanapakdi Co., Ltd.	-	-	-	-	-	-	149	-	149	107	-	107
Mongkolsamai Co., Ltd.	-	-	-	-	-	-	270	-	270	154	-	154
Kanchanasingkorn Co., Ltd.	-	-	-	-	-	-	230	-	230	146	-	146
Athimart Co., Ltd.	-	-	-	-	-	-	-	-	-	151	-	151
S.S. Karnsura Co., Ltd.	-	-	-	-	-	-	120	-	120	-	-	-
Kankwan Co., Ltd.	-	-	-	-	-	-	165	-	165	70	-	70
Theparunothai Co., Ltd.	-	-	-	-	-	-	163	-	163	76	-	76
United Winery and Distillery Co., Ltd.	-	-	-	-	-	-	175	-	175	173	-	173
Luckchai Liquor Trading Co., Ltd.	-	-	-	-	-	-	115	-	115	-	-	-
Pomthip Co., Ltd.	-	-	-	-	-	-	-	-	-	302	-	302
Pomkit Co., Ltd.	-	-	-	-	-	-	195	-	195	165	-	165
Pomkung Co., Ltd.	-	-	-	-	-	-	88	-	88	307	-	307
Pomchok Co., Ltd.	-	-	-	-	-	-	294	-	294	452	-	452
Pomcharoen Co., Ltd.	-	-	-	-	-	-	-	-	-	118	-	118
Pomburapa Co., Ltd.	-	-	-	-	-	-	296	-	296	345	-	345
Num Thurakij Co., Ltd.	-	-	-	-	-	-	135	-	135	130	-	130
Num Muang Co., Ltd.	-	-	-	-	-	-	155	-	155	40	-	40
Num Nakorn Co., Ltd.	-	-	-	-	-	-	280	-	280	80	-	80
Num Kijjakarn Co., Ltd.	-	-	-	-	-	-	722	-	722	718	-	718
Num Palang Co., Ltd.	-	-	-	-	-	-	15	-	15	-	-	-
Thipchalothorn Co., Ltd.	-	-	-	-	-	-	-	-	-	150	-	150
Krittayabun Co., Ltd.	-	-	-	-	-	-	208	-	208	182	-	182
Surathip Co., Ltd.	-	-	-	-	-	-	230	-	230	156	-	156
Sunthronpirom Co., Ltd.	-	-	-	-	-	-	361	-	361	296	-	296



**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the years ended 31 December 2009 and 2008**

*Long-term loans from and other payables to related parties*

	Consolidated financial statements						Separate financial statements					
	2009			2008			2009			2008		
	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>												
<b><i>Subsidiaries (continued)</i></b>												
Piromsurang Co., Ltd.	-	-	-	-	-	-	197	-	197	166	-	166
Thai Molasses Co., Ltd.	-	-	-	-	-	-	22	-	22	22	-	22
Feed Addition Co., Ltd.	-	-	-	-	-	-	10	-	10	35	-	35
Pan International (Thailand) Co., Ltd.	-	-	-	-	-	-	25	-	25	25	-	25
Charun Business 52 Co., Ltd.	-	-	-	-	-	-	25	-	25	25	-	25
Thai Cooperage Co., Ltd.	-	-	-	-	-	-	57	-	57	47	-	47
Cosmos Brewery (Thailand) Co., Ltd.	-	-	-	-	-	-	461	-	461	290	-	290
Beer Chang Co., Ltd.	-	-	-	-	-	-	172	-	172	166	-	166
Archa Beer Co., Ltd.	-	-	-	-	-	-	72	-	72	55	-	55
<b>Total subsidiaries</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,743</b>	<b>-</b>	<b>9,743</b>	<b>8,725</b>	<b>-</b>	<b>8,725</b>
<b><i>Related company</i></b>												
Southeast Capital Co., Ltd.	-	1	1	-	2	2	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>2</b>	<b>2</b>	<b>9,743</b>	<b>-</b>	<b>9,743</b>	<b>8,725</b>	<b>-</b>	<b>8,725</b>

Long-term loans from and other payables to related parties of the Group and the Company as at 31 December 2009 and 2008 were denominated entirely in Thai Baht.

**Thai Beverage Public Company Limited and its Subsidiaries**  
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*Summary of loans from related parties*

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2009	2008	2009	2008
	<i>(in million Baht)</i>			
Short-term loans	-	-	7,259	3,803
Long-term loans	-	-	9,743	8,725
<b>Total loans from related parties</b>	<b>-</b>	<b>-</b>	<b>17,002</b>	<b>12,528</b>

Movements during the years ended 31 December 2009 and 2008 of loans from related parties were as follows:

*Loans from related parties*

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2009	2008	2009	2008
	<i>(in million Baht)</i>			
<b>Short-term loans</b>				
<b>Subsidiaries</b>				
At 1 January	-	-	3,803	2,040
Increase	-	-	4,333	2,465
Decrease	-	-	(877)	(702)
<b>At 31 December</b>	<b>-</b>	<b>-</b>	<b>7,259</b>	<b>3,803</b>
<b>Long-term loans</b>				
<b>Subsidiaries</b>				
At 1 January	-	-	8,725	6,540
Increase	-	-	2,190	2,939
Decrease	-	-	(1,172)	(754)
<b>At 31 December</b>	<b>-</b>	<b>-</b>	<b>9,743</b>	<b>8,725</b>

*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 the period of one year from 1 January 2004 to 31 December 2004. Unless there are notifications to terminate the agreement within 30 days before 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 of 0.5% of their principal revenue.

With effect from 1 January 2007, the supporting service fee rate was adjusted to 1% of the principal revenue. Service fee rate was adjusted for development of new product, experiment and quality test, analysis, research and marketing survey for new products and procurement of information.

*Application service provisioning agreement*

The Company entered into the application service provisioning agreement with T.C.C. Technology Co., Ltd., a related party, for the provision of ongoing support and maintenance of the systems and infrastructure and is committed to pay system, hardware and software rental fee and service fee on a monthly basis throughout the contract period for five years.

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

The Group entered into the procurement agreement with Pan International (Thailand) Co., Ltd., the Company's subsidiary, for necessary purchase and procurement services to the Group. The Group is committed to pay procurement fee at 1% of the value of goods and services purchased under such agreement.

*Molasses purchase agreements*

Thai Molasses Co., Ltd., the Company's subsidiary, entered into molasses purchase and sale agreements with various related companies in order to sell to other subsidiaries within the Group. The terms and conditions of these agreements specify that the seller would sell molasses to the buyers in specified quantity, price, quality, delivery and received, payments, responsibility, weight, sample analysis on molasses, and quality control, etc.

*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 PCL., a related party, to purchase various types of new glass bottles in order to sell to other subsidiaries within the Group for a period of two years and eight months, effective from 1 May 2007 to 31 December 2009, under the prices and conditions stated in the contract.

On 23 December 2009, the subsidiary entered into a new glass bottle purchase and sale agreement for a period of three years, effective from 1 January 2010 to 31 December 2012, under the prices and conditions stated in the contract.

*License agreements*

- Three subsidiaries entered into license agreements with Beer Chang Co., Ltd., Archa Beer Co., Ltd., and Thai Beverage Brands Co., Ltd., the Company's subsidiaries, for rights and obligations for the sale of drinking water, soda water, beer, draft beer and lager beer under the trade names of "CHANG", "ARCHA" and "FEDERBRAU". The subsidiaries are committed to pay fees at a rate of 2% based on net sales at price, ex factory, excluding VAT and after deducting excise tax and contributions to the health promotion fund.
- Sura Bangyikhan Co., Ltd., the Company's subsidiary, entered into license agreements with 12 subsidiaries for the rights to use trademarks for white spirits and Chiang - Chun blended spirits as stipulated in the agreement. The trademark fee is from Baht 0.50 - 1.50 per bottle, based on the contents and size of the bottle.

*Sales Distributor Agreements*

Thai Beverage Marketing Co., Ltd., the Company's subsidiary, entered into sales distributor agreements with two subsidiaries to sell beverage products under the prices and conditions stated in the agreements for five years, effective from 3 October 2008 to 2 October 2013.

*Biogas purchase and sale agreement*

Thai Beverage Energy Co., Ltd., the Company's subsidiary, entered into biogas purchase and sale agreements with three related companies for a period of 19 years, effective from the year 2009 to 2028, to supply biogas to use as a fuel source in spirits distillery process under the price and conditions stated in the agreements.

**Thai Beverage Public Company Limited and its Subsidiaries**  
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*Commitments with related parties*

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2009	2008	2009	2008
	<i>(in million Baht)</i>			
<b>Non-cancellable operating lease commitments</b>				
Within one year	218	178	36	22
After one year but within five years	306	267	48	31
After five years	4	5	-	-
<b>Total</b>	<b>528</b>	<b>450</b>	<b>84</b>	<b>53</b>
<b>Other commitments</b>				
Purchase molasses	1,056	42	-	-
Application service provisioning agreement	79	101	79	101
Brewing supervision agreement	27	29	-	-
Other agreements	11	-	40	17
<b>Total</b>	<b>1,173</b>	<b>172</b>	<b>119</b>	<b>118</b>

**6 Cash and cash equivalents**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2009	2008	2009	2008
	<i>(in million Baht)</i>			
Cash on hand	68	27	-	-
Cash at banks - current accounts	781	379	1	1
Cash at banks - saving accounts	1,678	1,378	128	3
Highly liquid short-term investments	63	137	-	-
<b>Total</b>	<b>2,590</b>	<b>1,921</b>	<b>129</b>	<b>4</b>

The currency denomination of cash and cash equivalents as at 31 December was as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2009	2008	2009	2008
	<i>(in million Baht)</i>			
Thai Baht (THB) and other functional currencies of foreign subsidiaries	2,387	1,774	129	4
Yuan Renminbi (CNY)	103	-	-	-
United States Dollars (USD)	69	146	-	-
Others	31	1	-	-
<b>Total</b>	<b>2,590</b>	<b>1,921</b>	<b>129</b>	<b>4</b>

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
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**7 Other investments**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2009	2008	2009	2008
	<i>(in million Baht)</i>			
<b><i>Current investments</i></b>				
Short-term deposits at financial institutions	4	9	-	-
	<u>4</u>	<u>9</u>	<u>-</u>	<u>-</u>
<b><i>Other long-term investments</i></b>				
Investment in government bonds	9	9	-	-
Other non marketable equity securities	6	6	-	-
Less allowance for decline in value of investments	(4)	(4)	-	-
	<u>11</u>	<u>11</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<u><b>15</b></u>	<u><b>20</b></u>	<u><b>-</b></u>	<u><b>-</b></u>

As at 31 December 2009 and 2008, an indirect subsidiary invested in government bonds in the amount of Baht 8.5 million, bearing interest rates at 4.25% and 5.90% per annum. The bonds have 5-6 year periods, and will be withdrawn in 2013 and 2014. The indirect subsidiary has pledged the bonds as collateral for electricity utilisation.

Other investments of the Group as at 31 December 2009 and 2008 were denominated entirely in Thai Baht and other functional currencies of foreign subsidiaries.

**8 Trade accounts receivable**

	<i>Note</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		2009	2008	2009	2008
		<i>(in million Baht)</i>			
Related parties	5	144	116	-	-
Other parties		2,089	1,565	-	-
		<u>2,233</u>	<u>1,681</u>	<u>-</u>	<u>-</u>
Less allowance for doubtful accounts		(183)	(167)	-	-
<b>Total</b>		<u><b>2,050</b></u>	<u><b>1,514</b></u>	<u><b>-</b></u>	<u><b>-</b></u>
Bad and doubtful debts expense for the year		<u><b>41</b></u>	<u><b>29</b></u>	<u><b>-</b></u>	<u><b>-</b></u>

**Thai Beverage Public Company Limited and its Subsidiaries**  
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Aging analyses for trade accounts receivable were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2009	2008	2009	2008
	<i>(in million Baht)</i>			
<b>Related parties</b>				
Within credit terms	97	110	-	-
Overdue:				
Less than 3 months	35	5	-	-
6-12 months	12	1	-	-
	<u>144</u>	<u>116</u>	<u>-</u>	<u>-</u>
<b>Other parties</b>				
Within credit terms	1,887	1,117	-	-
Overdue:				
Less than 3 months	49	284	-	-
3-6 months	1	11	-	-
6-12 months	7	12	-	-
Over 12 months	145	141	-	-
	<u>2,089</u>	<u>1,565</u>	<u>-</u>	<u>-</u>
<i>Less allowance for doubtful accounts</i>	<u>(183)</u>	<u>(167)</u>	<u>-</u>	<u>-</u>
<b>Net</b>	<u>1,906</u>	<u>1,398</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<u>2,050</u>	<u>1,514</u>	<u>-</u>	<u>-</u>

The normal credit term granted by the Group ranges from 7 days to 180 days.

The currency denomination of trade accounts receivable as at 31 December was as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2009	2008	2009	2008
	<i>(in million Baht)</i>			
Thai Baht (THB) and other functional currencies of foreign subsidiaries	2,049	1,501	-	-
United States Dollars (USD)	1	13	-	-
<b>Total</b>	<u>2,050</u>	<u>1,514</u>	<u>-</u>	<u>-</u>

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

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2009	2008	2009	2008
	<i>(in million Baht)</i>			
Finished goods	10,678	14,534	-	-
Maturing spirits	9,237	8,582	-	-
Work in progress	3,162	3,656	-	-
Raw materials	1,835	1,856	-	-
Packaging materials	736	655	-	-
Spare parts	432	458	-	-
Others	387	436	-	-
	<u>26,467</u>	<u>30,177</u>	<u>-</u>	<u>-</u>
<i>Less</i> allowance for decline in value	<u>(263)</u>	<u>(448)</u>	<u>-</u>	<u>-</u>
<b>Net</b>	<b><u>26,204</u></b>	<b><u>29,729</u></b>	<b><u>-</u></b>	<b><u>-</u></b>

The cost of inventories which is recognised as an expense and included in ‘cost of sale of goods’ for the year ended 31 December 2009 amounted to Baht 76,267 million (2008: Baht 74,926 million).

**10 Other current assets**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2009	2008	2009	2008
	<i>(in million Baht)</i>			
Prepaid excise tax	774	578	-	-
Refundable VAT	442	343	6	6
Refundable excise tax	324	226	-	-
Prepaid expenses	171	141	5	5
Deposits	152	295	-	1
Others	282	161	2	2
	<u>2,145</u>	<u>1,744</u>	<u>13</u>	<u>14</u>
<i>Less</i> allowance for doubtful accounts	<u>(10)</u>	<u>(17)</u>	<u>-</u>	<u>-</u>
<b>Net</b>	<b><u>2,135</u></b>	<b><u>1,727</u></b>	<b><u>13</u></b>	<b><u>14</u></b>

The currency denomination of other current assets as at 31 December was as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2009	2008	2009	2008
	<i>(in million Baht)</i>			
Thai Baht (THB) and other functional currencies of foreign subsidiaries	1,944	1,722	13	14
Yuan Renminbi (CNY)	188	-	-	-
Others	3	5	-	-
<b>Total</b>	<b><u>2,135</u></b>	<b><u>1,727</u></b>	<b><u>13</u></b>	<b><u>14</u></b>

**Thai Beverage Public Company Limited and its Subsidiaries**  
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**11 Investments in subsidiaries**

	<b>Separate financial statements</b>	
	2009	2008
	<i>(in million Baht)</i>	
At 1 January	77,162	71,470
Acquisitions	43	6,253
Increase in share capital in subsidiaries	2,886	899
Disposals	-	(1,374)
Recovery of investments	-	(86)
<b>At 31 December</b>	<b><u>80,091</u></b>	<b><u>77,162</u></b>



**Thai Beverage Public Company Limited and its Subsidiaries**  
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Investments in subsidiaries as at 31 December 2009 and 2008, and dividend income from those investments for the years then ended were as follows:

	<b>Separate financial statements</b>									
	Ownership interest		Paid-up capital		Cost method		Dividend income			
	2009	2008	2009	2008	2009	2008	2009	2008		
	(%)		(in million Baht)							
<b>Subsidiaries</b>										
Beer Thai (1991) PCL.	100.00	100.00	5,550	5,550	12,500	12,500	-	117		
Beer Thip Brewery (1991) Co., Ltd.	100.00	100.00	6,600	6,600	12,500	12,500	541	858		
Sangsom Co., Ltd.	100.00	100.00	7,500	7,500	7,500	7,500	-	-		
Fuengfuanant Co., Ltd.	100.00	100.00	900	900	900	900	62	59		
Mongkolsamai Co., Ltd.	100.00	100.00	700	700	691	691	-	12		
Thanapakdi Co., Ltd.	100.00	100.00	700	700	697	697	-	22		
Kanchanasingkorn Co., Ltd.	100.00	100.00	700	700	700	700	57	39		
Sura Bangyikhan Co., Ltd.	100.00	100.00	4,000	4,000	4,000	4,000	764	492		
Athimart Co., Ltd.	100.00	100.00	900	900	900	900	121	94		
S.S. Karnsura Co., Ltd.	100.00	100.00	800	800	800	800	102	132		
Kankwan Co., Ltd.	100.00	100.00	800	800	800	800	166	102		
Theparunothai Co., Ltd.	100.00	100.00	700	700	700	700	106	108		
Red Bull Distillery (1988) Co., Ltd.	100.00	100.00	5,000	5,000	5,000	5,000	215	230		
United Winery and Distillery Co., Ltd.	100.00	100.00	1,800	1,800	1,800	1,800	76	52		
Simathurakij Co., Ltd.	100.00	100.00	900	900	888	888	49	99		
Nateechai Co., Ltd.	100.00	100.00	800	800	800	800	72	42		
Luckchai Liquor Trading Co., Ltd.	100.00	100.00	800	800	766	766	57	-		
Sura Piset Thipparat Co., Ltd.	100.00	100.00	1,000	500	1,010	510	-	-		
Pomthip Co., Ltd.	100.00	100.00	10	10	10	10	104	101		
Pomkit Co., Ltd.	100.00	100.00	10	10	10	10	-	126		
Pomkung Co., Ltd.	100.00	100.00	10	10	10	10	122	105		
Pomchok Co., Ltd.	100.00	100.00	10	10	10	10	177	161		
Pomcharoen Co., Ltd.	100.00	100.00	10	10	10	10	21	33		
Pomburapa Co., Ltd.	100.00	100.00	10	10	10	10	119	103		
Pompalang Co., Ltd.	100.00	-	10	-	10	-	-	-		
Pomnakorn Co., Ltd.	100.00	-	10	-	10	-	-	-		

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	<b>Separate financial statements</b>								
	Ownership interest		Paid-up capital		Cost method		Dividend income		
	2009	2008	2009	2008	2009	2008	2009	2008	
	(%)		(in million Baht)						
<b><i>Subsidiaries (continued)</i></b>									
Num Yuk Co., Ltd.	100.00	100.00	10	10	10	10	369	233	
Num Kijjakarn Co., Ltd.	100.00	100.00	10	10	10	10	1,046	333	
Num Palang Co., Ltd.	100.00	100.00	10	10	10	10	302	138	
Num Muang Co., Ltd.	100.00	100.00	10	10	10	10	430	215	
Num Nakorn Co., Ltd.	100.00	100.00	10	10	10	10	244	131	
Num Thurakij Co., Ltd.	100.00	100.00	10	10	10	10	341	173	
Numrungrod Co., Ltd. (Formerly: Pan Alcohol Co., Ltd.)	100.00	-	10	-	10	-	-	-	
Numthip Co., Ltd. (Formerly: Muangkit Co., Ltd.)	100.00	-	10	-	10	-	-	-	
Thipchalothorn Co., Ltd.	100.00	100.00	1	1	3	3	609	137	
Krittayabun Co., Ltd.	100.00	100.00	5	5	27	27	406	128	
Surathip Co., Ltd.	100.00	100.00	1	1	7	7	221	103	
Sunthronpirom Co., Ltd.	100.00	100.00	5	5	25	25	140	102	
Piromsurang Co., Ltd.	100.00	100.00	5	5	24	24	89	53	
Thai Beverage Energy Co., Ltd.	100.00	100.00	860	690	864	694	-	-	
Wrangyer Beverage (2008) Co., Ltd.	100.00	100.00	200	200	200	200	-	-	
Thai Molasses Co., Ltd.	99.72	99.72	40	40	35	35	41	26	
Feed Addition Co., Ltd.	100.00	100.00	1	1	32	32	54	32	
Pan International (Thailand) Co., Ltd.	100.00	100.00	1	1	34	34	19	20	
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	54	7	
Thai Beverage Logistics Co., Ltd.	100.00	100.00	1,012	262	1,012	262	-	-	
Thai Beverage Marketing Co., Ltd.	100.00	100.00	300	300	300	300	34	107	
Dhanasindhi Co., Ltd.	100.00	100.00	20	20	24	24	52	6	
Dhospaak Co., Ltd.	100.00	100.00	25	25	61	61	12	14	
International Beverage Holdings Limited	100.00	100.00	7,863	6,841	7,863	6,841	-	-	
Cosmos Brewery (Thailand) Co., Ltd.	100.00	100.00	1,667	1,667	4,139	4,139	-	135	

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	<b>Separate financial statements</b>									
	Ownership interest		Paid-up capital		Cost method		Dividend income			
	2009	2008	2009	2008	2009	2008	2009	2008		
	(%)		(in million Baht)							
<b><i>Subsidiaries (continued)</i></b>										
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	4,301	124	114		
Archa beer Co., Ltd.	100.00	100.00	1	1	130	130	22	51		
Sura Piset Phatra Lanna Co., Ltd.	100.00	100.00	1,000	600	1,015	615	-	-		
Oishi Group PCL.	89.93	89.93	375	375	6,253	6,253	698	-		
Thai Drinks Co., Ltd.	100.00	100.00	60	30	60	30	-	-		
<b>Total</b>			<b><u>54,303</u></b>	<b><u>51,391</u></b>	<b><u>80,091</u></b>	<b><u>77,162</u></b>	<b><u>8,238</u></b>	<b><u>5,345</u></b>		

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Significant movements during the year ended 31 December 2009 of investment in subsidiaries were as follows:

- (a) On 9 June 2009, Sura Piset Thipparat Co., Ltd. received payment for the increase in its authorised share capital from Baht 500 million to Baht 1,000 million.
- (b) On 20 July 2009, Thai Beverage Energy Co., Ltd. received payment of the remaining unpaid portion of the increased share capital, amounting to Baht 170 million.
- (c) On 3 August 2009, Thai Beverage Logistics Co., Ltd. received the second payment of the increased its share capital in amounting to Baht 300 million and received payment of the remaining unpaid portion in amounting to Baht 450 million on 9 September 2009.
- (d) On 14 August 2009, International Beverage Holdings Limited "IBHL" increased its paid-up share capital from HKD 1,490 million to HKD 1,522 million. Subsequently, on 11 September 2009, IBHL increased its paid-up share capital from HKD 1,522 million to HKD 1,647 million.

At the Executive Board of Directors' meeting held on 23 December 2009, directors approved in principle for IBHL to increase its authorised share capital from HKD 1,647 million to HKD 2,000 million.

- (e) On 12 October 2009, Sura Piset Phatra Lanna Co., Ltd. increased its authorised share capital from Baht 600 million to Baht 1,000 million for an increase in the capital of United Products Co., Ltd., S P M Foods & Beverages Co., Ltd. and Sura Piset Sahasan Co., Ltd., the Company's indirect subsidiaries.

**12 Investments in associates**

	<b>Consolidated</b>	
	<b>financial statements</b>	
	2009	2008
	<i>(in million Baht)</i>	
At 1 January	112	124
Share of net profits of investments-equity method	11	27
Translation of financial statement differences	5	(39)
<b>At 31 December</b>	<b>128</b>	<b>112</b>

**Thai Beverage Public Company Limited and its Subsidiaries**  
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Investments in associates as at 31 December 2009 and 2008, and dividend income from those investments for the years then ended were as follows:

	Ownership interest		Paid-up capital		Cost method		Equity method		Dividend income	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
<i>Associates</i>	(%)		(in million Baht)							
<i>Held by subsidiaries of indirect subsidiaries</i>										
Liquorland Limited	49.49	49.49	69	69	18	18	128	112	-	-
Inver House Polska Limited	44.00	44.00	8	8	4	4	-	-	-	-
Inver House Distribution SA	50.02	50.02	2	2	1	1	-	-	-	-
<b>Total</b>			<b>79</b>	<b>79</b>	<b>23</b>	<b>23</b>	<b>128</b>	<b>112</b>	<b>-</b>	<b>-</b>

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**13 Property, plant and equipment**

	<i>Land</i>			Consolidated financial statements							
	Cost	Surplus on land revaluation	Total	Land improvement	Building and improvements	Machinery and equipment <i>(in million Baht)</i>	Oak barrels	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	Total
<b><i>Cost/ revaluation</i></b>											
At 1 January 2008	8,200	4,389	12,589	1,306	17,825	44,918	2,788	786	2,712	434	83,358
Additions	419	-	419	3	195	526	20	81	80	1,053	2,377
Transfers	-	-	-	142	172	330	-	57	-	(701)	-
Disposals	(748)	(126)	(874)	(2)	(418)	(2,800)	(1)	(64)	(178)	(33)	(4,370)
Translation differences on consolidation	(4)	-	(4)	-	(304)	(236)	(88)	-	-	-	(632)
<b>At 31 December 2008 and 1 January 2009</b>	<b>7,867</b>	<b>4,263</b>	<b>12,130</b>	<b>1,449</b>	<b>17,470</b>	<b>42,738</b>	<b>2,719</b>	<b>860</b>	<b>2,614</b>	<b>753</b>	<b>80,733</b>
Additions	21	-	21	2	156	555	8	133	254	1,340	2,469
Transfers	(37)	-	(37)	15	458	615	11	41	-	(1,103)	-
Disposals	-	-	-	(1)	(20)	(172)	(11)	(26)	(49)	-	(279)
Translation differences on consolidation	1	-	1	-	37	31	13	(1)	(1)	-	80
<b>At 31 December 2009</b>	<b>7,852</b>	<b>4,263</b>	<b>12,115</b>	<b>1,465</b>	<b>18,101</b>	<b>43,767</b>	<b>2,740</b>	<b>1,007</b>	<b>2,818</b>	<b>990</b>	<b>83,003</b>

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	<b>Consolidated financial statements</b>										
	<i>Land</i>			Land improvement	Building and improvements	Machinery and equipment <i>(in million Baht)</i>	Oak barrels	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	Total
Cost	Surplus on land revaluation	Total									
<b><i>Accumulated depreciation</i></b>											
At 1 January 2008	-	-	-	559	6,604	27,017	1,502	508	2,528	-	38,718
Depreciation charge for the year	-	-	-	86	852	3,667	131	108	130	-	4,974
Transfers	-	-	-	-	(3)	(33)	-	32	(1)	5	-
Disposals	-	-	-	(1)	(188)	(1,832)	(1)	(56)	(167)	(2)	(2,247)
Translation differences on consolidation	-	-	-	1	(99)	(148)	(44)	-	-	-	(290)
<b>At 31 December 2008 and 1 January 2009</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>645</b>	<b>7,166</b>	<b>28,671</b>	<b>1,588</b>	<b>592</b>	<b>2,490</b>	<b>3</b>	<b>41,155</b>
Depreciation charge for the year	-	-	-	90	845	3,070	131	119	48	-	4,303
Transfers	-	-	-	-	-	(11)	11	1	(1)	-	-
Disposals	-	-	-	(1)	(16)	(143)	(5)	(22)	(43)	-	(230)
Translation differences on consolidation	-	-	-	-	13	20	7	-	(1)	-	39
<b>At 31 December 2009</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>734</b>	<b>8,008</b>	<b>31,607</b>	<b>1,732</b>	<b>690</b>	<b>2,493</b>	<b>3</b>	<b>45,267</b>
<b><i>Net book value</i></b>											
Owned assets	7,867	4,263	12,130	804	10,304	14,064	1,131	268	120	750	39,571
Assets under finance leases	-	-	-	-	-	3	-	-	4	-	7
<b>Total at 31 December 2008</b>	<b>7,867</b>	<b>4,263</b>	<b>12,130</b>	<b>804</b>	<b>10,304</b>	<b>14,067</b>	<b>1,131</b>	<b>268</b>	<b>124</b>	<b>750</b>	<b>39,578</b>
Owned assets	7,852	4,263	12,115	731	10,093	12,150	1,008	317	323	987	37,724
Assets under finance leases	-	-	-	-	-	10	-	-	2	-	12
<b>Total at 31 December 2009</b>	<b>7,852</b>	<b>4,263</b>	<b>12,115</b>	<b>731</b>	<b>10,093</b>	<b>12,160</b>	<b>1,008</b>	<b>317</b>	<b>325</b>	<b>987</b>	<b>37,736</b>

The gross amount of the Group's fully depreciated plant and equipment that was still in use as at 31 December 2009 amounted to Baht 10,521 million (2008: Baht 10,276 million).

The carrying amount of idle land which is held for planned future business operations as at 31 December 2009 amounted to Baht 1,222 million (2008: Baht 1,202 million).

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	Furniture, fixtures and office equipment	Separate financial statements		Total
		Vehicles	Assets under construction and installation	
	<i>(in million Baht)</i>			
<b>Cost</b>				
At 1 January 2008	100	23	1	124
Additions	9	2	-	11
Transfers	-	-	(1)	(1)
Disposals	-	(3)	-	(3)
<b>At 31 December 2008 and 1 January 2009</b>	<b>109</b>	<b>22</b>	<b>-</b>	<b>131</b>
Additions	15	3	18	36
Disposals	(1)	(7)	-	(8)
<b>At 31 December 2009</b>	<b>123</b>	<b>18</b>	<b>18</b>	<b>159</b>
<b>Accumulated depreciation</b>				
At 1 January 2008	41	11	-	52
Depreciation charge for the year	21	5	-	26
Disposals	-	(2)	-	(2)
<b>At 31 December 2008 and 1 January 2009</b>	<b>62</b>	<b>14</b>	<b>-</b>	<b>76</b>
Depreciation charge for the year	23	4	-	27
Disposals	(1)	(6)	-	(7)
<b>At 31 December 2009</b>	<b>84</b>	<b>12</b>	<b>-</b>	<b>96</b>
<b>Net book value</b>				
<b>At 31 December 2008</b>	<b>47</b>	<b>8</b>	<b>-</b>	<b>55</b>
<b>At 31 December 2009</b>	<b>39</b>	<b>6</b>	<b>18</b>	<b>63</b>



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**14 Intangible assets**

	<b>Consolidated financial statements</b>				
	Goodwill	Computer software	Trademarks	Licences	Total
	<i>(in million Baht)</i>				
<b><i>Cost</i></b>					
At 1 January 2008	1,072	68	327	-	1,467
Additions	43	26	12	6	87
Acquisition through business combinations	2,178	-	-	-	2,178
Decrease	-	-	(8)	-	(8)
Translation differences on consolidation	(95)	-	-	-	(95)
<b>At 31 December 2008 and 1 January 2009</b>	<b>3,198</b>	<b>94</b>	<b>331</b>	<b>6</b>	<b>3,629</b>
Additions	4	14	14	12	44
Acquisition through business combinations	128	-	-	-	128
Translation differences on consolidation	13	-	(3)	-	10
<b>At 31 December 2009</b>	<b>3,343</b>	<b>108</b>	<b>342</b>	<b>18</b>	<b>3,811</b>
<b><i>Accumulated amortisation</i></b>					
At 1 January 2008	209	16	235	-	460
Amortisation charge for the year	-	11	26	-	37
Decrease	(1)	-	(1)	-	(2)
Translation differences on consolidation	(44)	-	-	-	(44)
<b>At 31 December 2008 and 1 January 2009</b>	<b>164</b>	<b>27</b>	<b>260</b>	<b>-</b>	<b>451</b>
Amortisation charge for the year	-	15	27	2	44
Translation differences on consolidation	7	-	(2)	-	5
<b>At 31 December 2009</b>	<b>171</b>	<b>42</b>	<b>285</b>	<b>2</b>	<b>500</b>
<b><i>Net book value</i></b>					
<b>At 31 December 2008</b>	<b>3,034</b>	<b>67</b>	<b>71</b>	<b>6</b>	<b>3,178</b>
<b>At 31 December 2009</b>	<b>3,172</b>	<b>66</b>	<b>57</b>	<b>16</b>	<b>3,311</b>

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	<b>Separate financial statements</b> Computer software (in million Baht)
<i>Cost</i>	
At 1 January 2008	25
Additions	25
Transfer	1
<b>At 31 December 2008 and 1 January 2009</b>	<b>51</b>
Additions	4
<b>At 31 December 2009</b>	<b>55</b>
<i>Accumulated amortisation</i>	
At 1 January 2008	9
Amortisation charge for the year	6
<b>At 31 December 2008 and 1 January 2009</b>	<b>15</b>
Amortisation charge for the year	9
<b>At 31 December 2009</b>	<b>24</b>
<i>Net book value</i>	
<b>At 31 December 2008</b>	<b>36</b>
<b>At 31 December 2009</b>	<b>31</b>

**15 Leasehold rights**

	<b>Consolidated financial statements</b> (in million Baht)
<i>Cost</i>	
At 1 January 2008	158
Additions	-
<b>At 31 December 2008 and 1 January 2009</b>	<b>158</b>
Additions	104
Translation differences on consolidation	(4)
<b>At 31 December 2009</b>	<b>258</b>
<i>Accumulated amortisation</i>	
At 1 January 2008	36
Amortisation charge for the year	10
<b>At 31 December 2008 and 1 January 2009</b>	<b>46</b>
Amortisation charge for the year	10
<b>At 31 December 2009</b>	<b>56</b>
<i>Net book value</i>	
<b>At 31 December 2008</b>	<b>112</b>
<b>At 31 December 2009</b>	<b>202</b>

**Thai Beverage Public Company Limited and its Subsidiaries**  
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**16 Other non-current assets**

	Note	Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
		<i>(in million Baht)</i>			
Advance payments to a specialist	32	1,729	1,779	324	333
Deposits		293	105	2	2
Idle land		106	106	-	-
Others		94	79	-	-
<b>Total</b>		<b>2,222</b>	<b>2,069</b>	<b>326</b>	<b>335</b>

**17 Interest-bearing liabilities**

	Note	Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
		<i>(in million Baht)</i>			
<b>Current</b>					
Bank overdrafts					
Secured		655	594	-	-
Unsecured		-	166	-	13
Short-term loans from financial institutions					
Letter of comfort		163	228	-	-
Unsecured		4,900	7,713	3,100	5,233
Bank overdrafts and short-term loans from financial institutions		<b>5,718</b>	<b>8,701</b>	<b>3,100</b>	<b>5,246</b>
Current portion of long-term loans from financial institutions					
Unsecured		3,765	5,325	3,765	5,325
Short-term loans from related parties					
Unsecured	5	-	-	7,259	3,803
		<b>9,483</b>	<b>14,026</b>	<b>14,124</b>	<b>14,374</b>
<b>Non-current</b>					
Long-term loans from financial institutions					
Unsecured		2,500	3,265	2,500	3,265
Long-term loans from related parties					
Unsecured	5	-	-	9,743	8,725
		<b>2,500</b>	<b>3,265</b>	<b>12,243</b>	<b>11,990</b>
<b>Total</b>		<b>11,983</b>	<b>17,291</b>	<b>26,367</b>	<b>26,364</b>

**Thai Beverage Public Company Limited and its Subsidiaries**  
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The periods to maturity of interest-bearing liabilities as at 31 December were as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2009	2008	2009	2008
		<i>(in million Baht)</i>		
Within one year	9,483	14,026	14,124	14,374
After one year but within five years	2,500	3,265	12,243	11,990
<b>Total</b>	<b>11,983</b>	<b>17,291</b>	<b>26,367</b>	<b>26,364</b>

The principal features of the borrowings were as follows:

- (a) Bank overdrafts are repayable on demand. As at 31 December 2009, the Group had overdraft facilities amounting to Baht 4,003 million (2008: Baht 3,766 million) which are partially supported by letter of comfort issued by the Company.
- (b) Short-term loans from financial institutions. As at 31 December 2009, the Group had short-term loan facilities from several financial institutions totalling Baht 30,900 million (2008: Baht 25,148 million) with money market rate quoted by bank. The Group utilised those facilities in term of unsecured promissory notes issued by the Group to several domestic financial institutions totalling Baht 4,900 million and to an overseas financial institution amounting to Baht 163 million with supporting by letter of comfort issued by the Company totalling Baht 5,063 million (2008: Baht 3,008 million).

On 26 September 2008, the Company issued and sold short-term bills of exchange amounting to Baht 5,000 million to two domestic financial institutions with periods to maturity between March 2009 and June 2009. The said bills represent short-term bills of exchange offered to and exchanged among institutional investors and/or substantial high net worth investors as prescribed in accordance with Notifications of the Securities and Exchange Commission. The Company repaid the short-term bills of exchange at maturity during 2009.

On 27 February 2009, the Board of Directors approved the issuance and offering of short-term bill of exchange line in the amount not exceeding Baht 10,000 million.

- (c) In 2007, the Company entered into a long-term loan agreement with a financial institution in the amount of Baht 4,500 million which is to be repaid monthly in 12 installments, Baht 375 million each, commencing in February 2009. Interest is payable monthly at 5.60% per annum for the first year and 5.75% per annum afterwards. Subsequently, the Company has been granted the reduction of interest rate to 4.50% per annum for the first year and 4.75% per annum afterwards.

In 2008, the Company entered into a long-term loan agreement with a financial institution amounting to Baht 3,190 million which is to be repaid monthly in 11 installments, Baht 300 million each for the first 10 installments and Baht 190 million for the last installment, from 30 December 2009 to 29 October 2010 with a fixed interest of 5% per annum.

In November 2009, the Company entered into long term loans with two financial institutions amounting to Baht 3,000 million which is to be repaid monthly in six installments, Baht 500 million each, commencing from December 2010 to May 2011, interest is payable monthly at 2.11% per annum.

Interest-bearing liabilities of the Group and the Company as at 31 December 2009 and 2008 were denominated entirely in Thai Baht and other functional currencies of foreign subsidiaries.

**Thai Beverage Public Company Limited and its Subsidiaries**  
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**18 Trade accounts payable**

	Note	Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
		<i>(in million Baht)</i>			
Related parties	5	890	918	-	-
Other parties		2,250	2,471	-	-
<b>Total</b>		<b>3,140</b>	<b>3,389</b>	<b>-</b>	<b>-</b>

The currency denomination of trade accounts payable as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	<i>(in million Baht)</i>			
Thai Baht (THB) and other functional currencies of foreign subsidiaries	2,832	2,879	-	-
Australia Dollars (AUD)	122	-	-	-
Euro (EUR)	109	226	-	-
United States Dollars (USD)	7	248	-	-
Others	70	36	-	-
<b>Total</b>	<b>3,140</b>	<b>3,389</b>	<b>-</b>	<b>-</b>

**19 Other current liabilities**

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	<i>(in million Baht)</i>			
Accrued expenses	865	681	95	76
Value added tax payable	835	726	36	18
Accrued promotion expense	363	472	-	-
Assets payable	350	325	9	5
Advanced payments from customers for purchase of goods	204	389	-	-
Outstanding cheque paid for excise tax	171	79	-	-
Withholding tax payable	110	70	17	17
Others	191	241	2	21
<b>Total</b>	<b>3,089</b>	<b>2,983</b>	<b>159</b>	<b>137</b>

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The currency denomination of other current liabilities as at 31 December was as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
	2009	2008	2009	2008
	<i>(in million Baht)</i>			
Thai Baht (THB) and other functional currencies of foreign subsidiaries	2,957	2,963	158	135
Yuan Renminbi (CNY)	108	1	-	-
Others	24	19	1	2
<b>Total</b>	<b>3,089</b>	<b>2,983</b>	<b>159</b>	<b>137</b>

## 20 Additional paid-in capital and reserves

### *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.

### *Fair value changes and revaluation surpluses*

Fair value changes and revaluation surpluses recognised in equity relate to cumulative net changes in the fair value of available-for-sale investments and surpluses arising from the revaluations of land.

### *Currency translation changes*

The currency translation changes recognised in equity relate to foreign exchange differences arising from translation of the financial statements of foreign operations to Thai Baht.

### *Legal reserve*

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

## 21 Segment information

Segment information is presented in respect of the Group’s business and geographical segments. The primary format, business segments, is based on the Group’s management and internal reporting structure.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

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>Beer</i>	Production and sales of branded beer products (mostly outside the group);
<i>Spirits</i>	Production and sales of branded spirits products (mostly outside the group);
<i>Non-alcoholic beverages</i>	Production and sales of branded soda, water, ready-to-drink coffee, energy drink, green tea and fruit juice flavour (mostly outside the group);
<i>Food</i>	Japanese restaurants, bakery shops and distribution of food and beverage (mostly outside the group); and
<i>Alcohol</i>	Production and sales of alcohol (mostly outside the group)

***Geographical segments***

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 segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

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*Business segment results*

	<b>Beer</b>		<b>Spirits</b>		<b>Non-alcoholic beverages</b>		<b>Food</b>		<b>Alcohol</b>		<b>Elimination</b>		<b>Total</b>	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	<i>(in million Baht)</i>													
Revenue from sale of goods	30,196	38,458	69,733	59,781	4,916	3,953	3,298	2,636	-	893	(174)	(269)	107,969	105,452
Interest income	4	12	5	40	2	3	5	12	-	-	-	(30)	16	37
Other income	323	61	183	143	30	14	14	12	-	529	(277)	(22)	273	737
<b>Total revenues</b>	<b><u>30,523</u></b>	<b><u>38,531</u></b>	<b><u>69,921</u></b>	<b><u>59,964</u></b>	<b><u>4,948</u></b>	<b><u>3,970</u></b>	<b><u>3,317</u></b>	<b><u>2,660</u></b>	<b><u>-</u></b>	<b><u>1,422</u></b>	<b><u>(451)</u></b>	<b><u>(321)</u></b>	<b><u>108,258</u></b>	<b><u>106,226</u></b>
Cost of sale of goods	25,930	31,143	45,540	39,191	3,130	2,938	2,054	1,540	-	806	(45)	(292)	76,609	75,326
Selling expenses	3,645	3,553	1,621	1,559	560	436	131	101	-	15	(173)	(6)	5,784	5,658
Administrative expenses	2,942	2,922	5,990	5,334	650	402	962	867	-	123	(233)	8	10,311	9,656
<b>Total expenses</b>	<b><u>32,517</u></b>	<b><u>37,618</u></b>	<b><u>53,151</u></b>	<b><u>46,084</u></b>	<b><u>4,340</u></b>	<b><u>3,776</u></b>	<b><u>3,147</u></b>	<b><u>2,508</u></b>	<b><u>-</u></b>	<b><u>944</u></b>	<b><u>(451)</u></b>	<b><u>(290)</u></b>	<b><u>92,704</u></b>	<b><u>90,640</u></b>
<b>Profit (loss) before finance costs and income tax expense</b>	<b><u>(1,994)</u></b>	<b><u>913</u></b>	<b><u>16,770</u></b>	<b><u>13,880</u></b>	<b><u>608</u></b>	<b><u>194</u></b>	<b><u>170</u></b>	<b><u>152</u></b>	<b><u>-</u></b>	<b><u>478</u></b>	<b><u>-</u></b>	<b><u>(31)</u></b>	<b><u>15,554</u></b>	<b><u>15,586</u></b>
Finance costs	206	226	301	400	32	66	10	10	-	9	-	(30)	549	681
<b>Profit (loss) before income tax expense</b>	<b><u>(2,200)</u></b>	<b><u>687</u></b>	<b><u>16,469</u></b>	<b><u>13,480</u></b>	<b><u>576</u></b>	<b><u>128</u></b>	<b><u>160</u></b>	<b><u>142</u></b>	<b><u>-</u></b>	<b><u>469</u></b>	<b><u>-</u></b>	<b><u>(1)</u></b>	<b><u>15,005</u></b>	<b><u>14,905</u></b>
Income tax expense	(568)	349	4,833	3,821	88	(36)	9	6	-	159	-	-	4,362	4,299
<b>Profit (loss) for the year</b>	<b><u>(1,632)</u></b>	<b><u>338</u></b>	<b><u>11,636</u></b>	<b><u>9,659</u></b>	<b><u>488</u></b>	<b><u>164</u></b>	<b><u>151</u></b>	<b><u>136</u></b>	<b><u>-</u></b>	<b><u>310</u></b>	<b><u>-</u></b>	<b><u>(1)</u></b>	<b><u>10,643</u></b>	<b><u>10,606</u></b>



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***Business segment financial position***

	<b>Beer</b>		<b>Spirits</b>		<b>Non-alcoholic beverages</b>		<b>Food</b>		<b>Alcohol</b>		<b>Total</b>	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	<i>(in million Baht)</i>											
Inventories	4,539	5,978	21,029	23,150	547	530	89	71	-	-	26,204	29,729
Property, plant and equipment	14,577	15,333	20,059	21,258	2,458	2,459	643	528	-	-	37,737	39,578
Other assets	2,456	1,641	6,739	5,474	2,700	2,369	1,314	1,268	-	-	13,209	10,752
<b>Total assets</b>	<b>21,572</b>	<b>22,952</b>	<b>47,827</b>	<b>49,882</b>	<b>5,705</b>	<b>5,358</b>	<b>2,046</b>	<b>1,867</b>	<b>-</b>	<b>-</b>	<b>77,150</b>	<b>80,059</b>
Interest-bearing borrowings	3,737	6,238	7,325	9,785	707	969	214	299	-	-	11,983	17,291
Other liabilities	1,517	2,263	5,924	5,496	741	606	541	402	-	-	8,723	8,767
<b>Total liabilities</b>	<b>5,254</b>	<b>8,501</b>	<b>13,249</b>	<b>15,281</b>	<b>1,448</b>	<b>1,575</b>	<b>755</b>	<b>701</b>	<b>-</b>	<b>-</b>	<b>20,706</b>	<b>26,058</b>
<b>Capital expenditure</b>												
Property, plant and equipment	958	563	1,029	935	215	610	267	242	-	27	2,469	2,377
Intangible assets	3	590	149	1,465	1	162	18	49	-	-	171	2,266
Leasehold rights	-	-	104	-	-	-	-	-	-	-	104	-
Depreciation	1,586	2,007	2,220	2,305	354	403	143	118	-	141	4,303	4,974
Amortisation	5	3	33	30	3	2	12	12	-	-	53	47
Gain on disposal of assets	9	7	61	12	15	16	-	2	-	-	85	37

# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the years ended 31 December 2009 and 2008

### Geographic segments

The segment financial information of the Group based on geographical segments in the consolidated financial statements for the years ended 31 December 2009 and 2008 were as follows:

	Consolidated financial statements		Property, plant and equipment	
	Revenue			
	2009	2008	2009	2008
	<i>(in million Baht)</i>			
Thailand	105,047	102,766	36,217	38,312
Overseas	3,211	3,460	1,520	1,266
<b>Total</b>	<b>108,258</b>	<b>106,226</b>	<b>37,737</b>	<b>39,578</b>

### 22 Other income

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	<i>(in million Baht)</i>			
Gain on disposal of assets	84	36	3	1
Distribution	38	3	-	-
Net gain on foreign exchange	20	-	-	8
Revenue from sales of scraps	13	28	-	-
Others	107	118	9	4
<b>Total</b>	<b>262</b>	<b>185</b>	<b>12</b>	<b>13</b>

### 23 Selling expenses

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	<i>(in million Baht)</i>			
Marketing and advertising	5,352	5,245	-	-
Transportation	282	301	-	-
Commission	151	112	-	-
<b>Total</b>	<b>5,785</b>	<b>5,658</b>	<b>-</b>	<b>-</b>

### 24 Administrative expenses

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	<i>(in million Baht)</i>			
Personnel expenses	4,022	3,828	7	7
Idle capacity	2,231	2,163	-	-
Travelling	792	956	-	-
Rental	664	562	-	-
Depreciation and amortisation	447	471	1	1
Donation	394	314	2	1
Net loss on foreign exchange	-	40	-	-
Others	1,459	1,019	9	9
<b>Total</b>	<b>10,009</b>	<b>9,353</b>	<b>19</b>	<b>18</b>

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**25 Employee benefit expenses**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2009	2008	2009	2008
	<i>(in million Baht)</i>			
<b>Management</b>				
Salaries and wages	153	126	153	126
Bonus	97	122	97	122
Contribution to defined benefit plans	2	2	2	2
Others	49	53	14	25
	<b>301</b>	<b>303</b>	<b>266</b>	<b>275</b>
<b>Other employees</b>				
Salaries and wages	4,226	3,988	246	248
Bonus	708	671	64	58
Overtime and per diem allowance	292	299	12	12
Contribution to defined benefit plans	22	13	5	5
Others	843	764	47	42
	<b>6,091</b>	<b>5,735</b>	<b>374</b>	<b>365</b>
<b>Total</b>	<b>6,392</b>	<b>6,038</b>	<b>640</b>	<b>640</b>

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 3% of their basic salaries and by the Group at rates ranging from 2% to 3% 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.

**26 Finance costs**

	<i>Note</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		2009	2008	2009	2008
		<i>(in million Baht)</i>			
Interest paid and payable to:					
Related parties	5	-	-	704	548
Financial institutions		482	655	357	477
Others		67	26	66	25
<b>Total</b>		<b>549</b>	<b>681</b>	<b>1,127</b>	<b>1,050</b>

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**27 Income tax expense**

The current tax expense in the consolidated statement of income is less than the amount determined by applying the Thai corporation tax rate to the accounting profit for the year principally because:

- (a) the Group's unutilised tax losses brought forward from the previous year have been utilised during the year to set-off against the current year's tax charge for 2009 amounted to Baht 21 million (2008: *Baht 9 million*).
- (b) a significant portion of the Group's profit was derived from promoted activities for which concessionary tax rates apply for 2009 amounted to Baht 2 million (2008: *Baht 3 million*).
- (c) the different treatment for accounting and taxation purposes of certain items of income and expense of the Group for 2009 amounted to Baht (214) million (2008: *Baht (385) million*).
- (d) losses suffered by certain subsidiaries of the Group can not be set-off against the profits of subsidiaries of the Group for tax purposes for 2009 amounted to Baht 104 million (2008: *Baht 197 million*).
- (e) the Group has any adjustment to tax payable in respect of previous years for 2009 amounted to Baht (7) million (2008: *Baht 26 million*).

The current tax expense in the separate statement of income is less than the amount determined by applying the Thai corporation tax rate to the accounting profit for the year principally because:

- (a) dividends are not subject to tax for 2009 amounted to Baht 2,471 million (2008: *Baht 1,604 million*).
- (b) the different treatment for accounting and taxation purposes of certain items of income and expense for 2009 amounted to Baht 30 million (2008: *Baht 10 million*).
- (c) the Company has any adjustment to tax payable in respect of previous years for 2008 amounted to Baht 12 million.

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**28 Promotional privileges**

*Promotional privileges from the Board of Investment*

By virtue of the provisions of the Industrial Investment Promotion Act of B.E. 2520, an indirect subsidiary has been granted privileges by the Board of Investment relating to the production of food and beverage. The privileges granted include:

- (a) exemption from payment of import duty on machinery used for production, to be imported by 3 March 2006 for promotional certificate no. 1475(2)/2546 and 2 September 2008 for promotional certificate no. 1223(4)/2549.
- (b) exemption from payment of income tax for certain promoted operations for a period of eight years from the date on which the income is first derived from such operations (18 October 2003 for promotional certificate no. 1475(2)/2546 and 28 September 2006 for promotional certificate no. 1223(4)/2549); and
- (c) exemption from income tax on dividend income derived from certain promoted operations.

In 2007, the Board of Investment has granted to another subsidiary by virtue of the provisions of the Industrial Investment Promotion Act of B.E. 2520 relating to the production of bio-gas. The privileges granted include:

- (a) exemption from payment of import duty on machinery approved by the Board;
- (b) exemption from payment of income tax for certain promoted operations for a period of eight years from the date on which the income is first derived from such operations;
- (c) a 50% reduction in the normal tax rate on the net profit derived from certain promoted 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 of its subsidiary for a period of eight years.

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

*Privileges granted to business operator in Free Zone*

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

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**29 Earnings per share**

The calculations of basic earnings per share for the years ended 31 December 2009 and 2008 were based on the profit for the years attributable to equity holders of the Company and the number of ordinary shares outstanding during the years as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2009	2008	2009	2008
	<i>(in million Baht / million shares)</i>			
Profit attributable to equity holders of the Company (basic)	<u>10,566</u>	<u>10,342</u>	<u>8,643</u>	<u>6,019</u>
Number of ordinary shares outstanding	<u>25,110</u>	<u>25,110</u>	<u>25,110</u>	<u>25,110</u>
<b>Earnings per share (basic) (in Baht)</b>	<b><u>0.42</u></b>	<b><u>0.41</u></b>	<b><u>0.34</u></b>	<b><u>0.24</u></b>

**30 Dividends**

At the Board of Directors' meeting held on 14 August 2009, the directors approved an interim dividend payment for the first half of 2009 of Baht 0.15 per share on 25,110 million ordinary shares, totalling Baht 3,767 million. The interim dividend was paid to equity holders on 10 September 2009.

At the annual general meeting of the equity holders of the Company held on 29 April 2009, the equity holders approved the appropriation of dividend of Baht 0.30 per share, amounting to Baht 7,533 million. On 11 September 2008, the interim dividend of Baht 0.12 per share was paid, totalling Baht 3,013 million. The remaining dividend of Baht 0.18 per share, totaling Baht 4,520 million, was paid on 27 May 2009.

At the annual general meeting of the equity holders of the Company held on 28 April 2008, the equity holders approved the appropriation of dividend of Baht 0.29 per share, amounting to Baht 7,282 million. On 11 September 2007, the interim dividend of Baht 0.12 per share was paid, totalling Baht 3,013 million. The remaining dividend of Baht 0.17 per share, totaling Baht 4,269 million, was paid on 26 May 2008.

**31 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.

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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 (Note 17). 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 31 December 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
<b>2009</b>				
<b>Current</b>				
Loans receivable - Related parties	5.00	2,642	-	2,642
<b>Non-current</b>				
Loans receivable - Related parties	5.00	-	3,455	3,455
<b>Total</b>		<b>2,642</b>	<b>3,455</b>	<b>6,097</b>
<b>2008</b>				
<b>Current</b>				
Loans receivable - Related parties	5.00	3,336	-	3,336
<b>Non-current</b>				
Loans receivable - Related parties	5.00	-	5,578	5,578
<b>Total</b>		<b>3,336</b>	<b>5,578</b>	<b>8,914</b>

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

	Effective interest rate (% per annum)	Consolidated financial statements		
		Within 1 year	After 1 year but within 5 years (in million Baht)	Total
<b>2009</b>				
<b>Current</b>				
Bank overdrafts	2.50	655	-	655
Loans payable - Financial institutions	1.70	5,063	-	5,063
Current portion of long-term loans	4.59	3,765	-	3,765
<b>Non-current</b>				
Loans payable - Financial institutions	2.11	-	2,500	2,500
<b>Total</b>		<b>9,483</b>	<b>2,500</b>	<b>11,983</b>

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	<b>Consolidated financial statements</b>			
	Effective interest rate (% per annum)	Within 1 year	After 1 year but within 5 years (in million Baht)	Total
<b>2008</b>				
<b>Current</b>				
Bank overdrafts	4.52	760	-	760
Loans payable - Financial institutions	4.48	7,941	-	7,941
Current portion of long-term loans	4.63	5,325	-	5,325
<b>Non-current</b>				
Loans payable - Financial institutions	4.97	-	3,265	3,265
<b>Total</b>		<b>14,026</b>	<b>3,265</b>	<b>17,291</b>
<b>Separate financial statements</b>				
	Effective interest rate (% per annum)	Within 1 year	After 1 year but within 5 years (in million Baht)	Total
<b>2009</b>				
<b>Current</b>				
Loans payable - Financial institutions	1.71	3,100	-	3,100
Current portion of long-term loans	4.59	3,765	-	3,765
Loans payable - Related parties	5.00	7,259	-	7,259
<b>Non-current</b>				
Loans payable - Financial institutions	2.11	-	2,500	2,500
Loans payable - Related parties	5.00	-	9,743	9,743
<b>Total</b>		<b>14,124</b>	<b>12,243</b>	<b>26,367</b>
<b>2008</b>				
<b>Current</b>				
Bank overdrafts	6.68	13	-	13
Loans payable - Financial institutions	4.34	5,233	-	5,233
Current portion of long-term loans	4.63	5,325	-	5,325
Loans payable - Related parties	5.00	3,803	-	3,803
<b>Non-current</b>				
Loans payable - Financial institutions	4.97	-	3,265	3,265
Loans payable - Related parties	5.00	-	8,725	8,725
<b>Total</b>		<b>14,374</b>	<b>11,990</b>	<b>26,364</b>

***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 with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases and sales, denominated in foreign currencies, for the subsequent period.



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At 31 December, 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	
		2009	2008	2009	2008
<i>(in million Baht)</i>					
<b>United States Dollars</b>					
Cash and cash equivalents	6	69	146	-	-
Trade accounts receivable	8	1	13	-	-
Other current assets		2	-	-	-
Trade accounts payable	18	(7)	(248)	-	-
Other current liabilities		(18)	(18)	-	(1)
<b>Gross balance sheet exposure</b>		<b>47</b>	<b>(107)</b>	<b>-</b>	<b>(1)</b>
Estimated forecast purchase of assets		(6)	(14)	-	-
Estimated forecast purchase of goods		(899)	(1,741)	-	-
Estimated forecast other liabilities		(3)	(2)	-	-
<b>Gross exposure</b>		<b>(861)</b>	<b>(1,864)</b>	<b>-</b>	<b>(1)</b>
Currency forwards		769	1,811	-	-
<b>Net exposure</b>		<b>(92)</b>	<b>(53)</b>	<b>-</b>	<b>(1)</b>
<b>Euro</b>					
Other current assets		-	5	-	-
Trade accounts payable	18	(109)	(226)	-	-
Other current liabilities		(5)	(1)	-	-
<b>Gross balance sheet exposure</b>		<b>(114)</b>	<b>(222)</b>	<b>-</b>	<b>-</b>
Estimated forecast purchase of goods		(773)	(880)	-	-
Estimated forecast purchase of assets		(65)	(22)	-	-
<b>Gross exposure</b>		<b>(952)</b>	<b>(1,124)</b>	<b>-</b>	<b>-</b>
Forwards to buy foreign currency		778	858	-	-
<b>Net exposure</b>		<b>(174)</b>	<b>(266)</b>	<b>-</b>	<b>-</b>
<b>Great Britain Pound</b>					
Cash and cash equivalents		1	1	-	-
Trade accounts payable		(47)	(20)	-	-
<b>Gross balance sheet exposure</b>		<b>(46)</b>	<b>(19)</b>	<b>-</b>	<b>-</b>
Estimated forecast purchases					
Goods		(51)	(8)	-	-
Estimated forecast purchase of Advertising		(67)	(64)	-	-
<b>Gross exposure</b>		<b>(164)</b>	<b>(91)</b>	<b>-</b>	<b>-</b>
Forwards to buy foreign currency		152	74	-	-
<b>Net exposure</b>		<b>(12)</b>	<b>(17)</b>	<b>-</b>	<b>-</b>

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	Note	Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
<i>(in million Baht)</i>					
<b>Australia Dollars</b>					
Trade accounts payable	18	(122)	-	-	-
Estimated forecast purchases					
Goods		(495)	-	-	-
<b>Gross exposure</b>		<b>(617)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Yuan Renminbi</b>					
Cash and cash equivalents	6	103	-	-	-
Other current assets	10	188	-	-	-
Trade accounts payable		(23)	-	-	-
Other current liabilities	19	(108)	(1)	-	-
<b>Gross exposure</b>		<b>160</b>	<b>(1)</b>	<b>-</b>	<b>-</b>
<b>Japanese Yen</b>					
Estimated forecast purchase of assets		(512)	-	-	-
Forwards to buy foreign currency		512	-	-	-
<b>Net exposure</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other foreign currencies</b>					
Cash and cash equivalents		30	-	-	-
Other current assets		1	-	-	-
Trade accounts payable		-	(16)	-	-
Other current liabilities		(1)	(1)	(1)	(1)
<b>Gross exposure</b>		<b>30</b>	<b>(17)</b>	<b>(1)</b>	<b>(1)</b>
Forwards to sell foreign currency		(2)	-	-	-
<b>Net exposure</b>		<b>(28)</b>	<b>(17)</b>	<b>(1)</b>	<b>(1)</b>

**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.

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 balance sheet. 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.

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*Determination of fair values*

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The fair value of trade and other short-term receivables and loans to and other receivables from related parties is taken to approximate the carrying value.

The fair value of other long-term investments is taken to approximate the carrying value. Interest rates of investment in government bonds are fixed.

The fair value of trade accounts payable, loans from related parties and other payable, other payables from related parties, and other current liabilities is taken to approximate the carrying value.

The fair value of loans is taken to approximate the carrying value. The loans are bearing interest at rates closed to current market rate.

The fair value of forward exchange contracts is based on their listed market price, if available. If a listed market price is not available, then fair value is estimated by discounting the difference between the contractual forward price and the current forward price at the reporting date for the residual maturity of the contract using a risk-free interest rate (based on government bonds).

Fair value of forward exchange contracts at 31 December was as follows:

	<b>Currency denomination</b>		<b>Consolidated financial statements</b>	
	2009	2008	2009	2008
	<i>(in million)</i>		<i>(in million Baht)</i>	
<b>Currency forwards</b>				
<b>Assets</b>				
Singapore Dollars	0.09	-	2	-
<b>Liabilities</b>				
Great Britain Pound	18	7	942	303
Euro	16	17	773	914
United States Dollars	23	52	768	1,806
Japanese Yen	1,399	-	508	-
<b>Total</b>			<b>2,991</b>	<b>3,023</b>

*Capital management*

Management's 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 management monitors the return on capital which the Group defines as result from operating activities divided by total equity attributable to equity holders of the Company and also monitors the level of dividends to ordinary shareholders.

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**32 Commitments with non-related parties**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2009	2008	2009	2008
	<i>(in million Baht)</i>			
<b>Capital commitments</b>				
<i>Contracted but not provided for:</i>				
Buildings and other constructions	561	158	-	-
Machinery and equipment	746	228	-	-
<b>Total</b>	<b>1,307</b>	<b>386</b>	<b>-</b>	<b>-</b>
<b>Non-cancellable operating lease commitments</b>				
Within one year	294	218	10	9
After one year but within five years	227	197	7	7
After five years	25	31	-	-
<b>Total</b>	<b>546</b>	<b>446</b>	<b>17</b>	<b>16</b>
<b>Other commitments</b>				
Unused letters of credit for goods and supplies	552	41	-	-
Goods and raw materials purchase agreements	2,218	2,651	-	-
Molasses purchase agreements	284	1,174	-	-
Computer system installation agreements	5	10	3	9
Specialist agreements	1,454	1,518	245	256
Advertising services and sponsorship agreements	472	615	-	-
Service agreements	527	242	11	-
Forward contracts to buy foreign currencies	3,050	2,993	-	-
Forward contracts to sell foreign currencies	(2)	-	-	-
Bank guarantees	175	231	47	50
<b>Total</b>	<b>8,735</b>	<b>9,475</b>	<b>306</b>	<b>315</b>

**Significant capital commitments**

In 2009, an indirect subsidiary entered into factory building construction and machinery installation agreements with several companies. The purpose of this project is to produce beverages being filled in the PET bottles, similar to the type of Cold Aseptic Filling.

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*Significant other commitments*

*Specialist agreements*

In 2004, the Company and four subsidiaries entered into production and blending control agreements with a specialist for a period of 40 years from 1 August 2004 to 1 August 2044. Under the agreements, the Company and its subsidiaries are obliged to pay monthly service fees of Baht 4.3 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 totaled 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 31 December 2009 the remaining commitments to be paid, relating to these agreements, amounted to Baht 1,453.6 million.

*Sponsorship agreement*

In 2008, a subsidiary renewed a sponsorship agreement with Everton Football Club, in the United Kingdom, for a period of three years from 1 June 2008 to 31 May 2011 in order to promote the Group's businesses globally. Under the agreement, the subsidiary is obliged to pay a minimum amount of GBP 0.5 million and a maximum amount of GBP 3.5 million per year, dependent on the performance of Everton football team in each year.

*Distributor agreement*

In 2008, an indirect subsidiary renewed a distributor agreement with a local company to act as a distributor for green tea products for a period of three years from 4 November 2008 to 3 November 2011.

*Hot-fill PET bottle trading agreement*

In 2005, an indirect subsidiary entered into a hot-fill PET bottle trading agreement with a local bottle manufacturing company according to the quantity required from the indirect subsidiary on a monthly basis at the price specified in the agreement. The agreement is for a 15-year period, commencing 150 days after the agreement date.

*Material and package trading agreement*

In 2007, a subsidiary and an indirect subsidiary entered into a material and package trading agreement with a local company for distribution of products to the Group's shops and for materials and packaging management. The two subsidiaries committed to pay the service charge at the rate specified in the agreement for a period of three years from 1 April 2007 to 31 March 2010 with the renewal option for another three years.

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*Transportation agreement*

In 2007, a subsidiary and an indirect subsidiary entered into a transportation agreement with a local company to transport products from factory to the destination. Transportation cost is calculated for each trip at the rate stated in the agreement. The term of the agreement is three years from 1 November 2007 to 31 October 2010. Subsequently, on 1 February 2010, the said subsidiaries entered into a new agreement due to the transportation fee rate adjustment. The term of the agreement is three years from 1 January 2010 to 31 December 2012 and may be extended for successive terms of one year each or terminated if any party does not comply with the terms and conditions stated in the agreement or if not less than 30 days prior written notice is given by any one party to the other.

*License agreement*

A subsidiary entered into a license agreement with an overseas company for operating Japanese restaurants in the Kingdom of Thailand as the master license for a period of 10 years from 20 May 2008. Unless there is a notification to terminate the agreement within 180 days before the expiration, this agreement continues to be in effect for the successive 10 years term. The subsidiary committed to pay Initial License Fee, License Fee and Royalty Fee as stated in the agreement.

On 29 June 2009, the said subsidiary entered into a license agreement with another overseas company for operating Japanese restaurants in the Kingdom of Thailand as the master license for a period of 10 years from 29 June 2009. Unless there is a notification to terminate the agreement within 180 days before the expiration, this agreement continues to be in effect for the successive 10 years term. The subsidiary committed to pay Initial License Fee, License Fee and Royalty Fee as stated in the agreement.

*UHT packing machine lease agreement*

On 30 December 2009, an indirect subsidiary entered into a UHT packing machine lease agreement with a local company for a period of 24 months from 1 January 2010 with installation fee amounting to Baht 3.1 million and rental fee amounting to Baht 3 million per quarter.

*Natural gas trading agreement*

On 30 September 2009, an indirect subsidiary entered into a natural gas trading agreement with a local company at the condition specified in the agreement for a period of 7 years from 21 December 2009 to 30 November 2016 with the renewal option by written notice not less than 90 days before the expiration.

*Waste disposal service agreement*

On 16 November 2009, an indirect subsidiary entered into a waste disposal service agreement with a local company at the rate specified in the agreement from 16 November 2009 to 31 December 2009. Unless there is a notification to terminate the agreement within 60 days before the expiration, this agreement continues to be in effect for the successive 1 year term

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**33 Events after the reporting period**

- (a) On 26 January 2010, Thai Beverage Training Co., Ltd. the Company's subsidiary, was incorporated with authorised share capital of Baht 10 million by issuing 1 million ordinary shares with a Baht 10 par value. The initial called up capital was Baht 2.5 per share.
- (b) At the Board of Directors' meeting held on 26 February 2010, the directors agreed to propose a dividend payment for the year of Baht 0.33 per share, totalling Baht 8,286 million. The interim dividend paid was Baht 0.15 per share, totalling Baht 3,767 million. The remaining dividend payment is Baht 0.18 per share, totalling Baht 4,519 million.

**34 Thai Accounting Standards (TAS) not yet adopted**

The Group has not adopted the following revised TAS that have been issued as of the reporting date but are not yet effective. The revised TAS are anticipated to become effective for annual financial periods beginning on or after 1 January in the year indicated.

TAS	Topic	Year effective
TAS 24 (revised 2007)	Related Party Disclosures	2011
TAS 40	Investment Property	2011

Management is presently considering the potential impact of adopting and initial application of these revised TAS on the Group's and the Company's financial statements.

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**35 Reclassification of accounts**

Certain accounts in the 2008 financial statements have been reclassified to conform to the presentation in the 2009 financial statements as follows:

	2008			2008		
	Consolidated financial statements			Separate financial statements		
	Before reclass	Reclass	After reclass	Before reclass	Reclass	After reclass
	<i>(in million Baht)</i>					
<b><i>Balance sheet</i></b>						
Investments in subsidiaries and associates	112	(112)	-	77,162	(77,162)	-
Investments in subsidiaries	-	-	-	-	77,162	77,162
Investments in associates	-	112	112	-	-	-
		<u>-</u>			<u>-</u>	
<b><i>Statement of income</i></b>						
Revenue from sale of goods	105,257	195	105,452	-	-	-
Other income	380	(195)	185	-	-	-
Cost of sale of goods	76,556	(1,230)	75,326	-	-	-
Cost of rendering of services	-	-	-	-	924	924
Selling and administrative expenses	14,078	(14,078)	-	1,217	(1,217)	-
Selling expenses	-	5,658	5,658	-	-	-
Administrative expenses	-	9,347	9,347	-	18	18
Management benefit expenses	-	303	303	-	275	275
		<u>-</u>			<u>-</u>	

The reclassifications have been made because, in the opinion of management, the new classification is more appropriate to the Company's business and in order to comply with the classification set out in the Pronouncement of the Department of Business Development *Re: Determination of items in the financial statements B.E. 2552* dated 30 January 2009.



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**36 Significant differences between TAS/TFRS and IFRS (unaudited/ unreviewed)**

These consolidated financial statements have been prepared in accordance with TAS and TFRS, which differ in certain significant respects from International Financial Reporting Standards (“IFRS”). The following disclosure provides a summary of certain significant differences between TAS/TFRS and IFRS, as applicable to the consolidated financial statements of the Group, and a reconciliation of net profit and total equity from TAS/TFRS to IFRS. Neither the narrative summary nor the reconciliation should be construed as being exhaustive or presented fairly in all material respects and are provided for information purposes only.

**(a) Deferred tax**

There is currently no TAS in relation to accounting for deferred taxation. Whilst not specifically addressed in TAS, provisions for income tax of the Group are typically based on corporate income tax currently payable in the period under the Revenue Code of Thailand. The Group does not, therefore, recognise deferred tax assets and liabilities for the current period.

Under IFRS, deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. 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 fully utilised. Deferred tax assets are reviewed at each reporting date and reduce to the extent that it is no longer probable that the related tax benefit will be realised.

**(b) Employee benefits**

There is currently no TAS in relation to accounting for employee benefits, including termination, retirement and post-retirement benefits. The Group’s primary obligations in respect of employee benefits are contributions on behalf of employees to provident funds and the payment of statutory severance benefits on retirement and terminating employment involuntarily. Severance termination and retirement benefits vary according to various factors, including the employee’s service life and salary. Whilst not specifically addressed in TAS, contributions are charged as an expense as incurred.

Under IFRS, employee benefits are accounted for in accordance with IAS 19 *Employee Benefits*. Accordingly, termination benefits are recognised as a liability and an expense when, and only when, the enterprise is demonstrably committed to either terminate the employment of an employee or group of employees before the normal retirement date or provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

Retirement benefits are recognised as a liability, being the net total of the present value of the obligation at the reporting date less the fair value of any plan assets and recognised as an expense the net total of current service costs, interest costs, past service costs and any actuarial gains and losses.

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**(c) Financial instruments**

TAS has certain disclosure requirements for financial instruments, but only limited guidance on the recognition and measurement of financial instruments. The Group has decided not to recognise derivative financial instruments on the balance sheet. However, foreign currency assets and liabilities hedged by these contracts are translated into Thai Baht at exchange rates ruling at the reporting date.

Under IFRS, derivative financial instruments are recognised initially at fair value; attributable transaction costs are recognised in the statement of income when incurred. Subsequent to initial recognition, they are remeasured at fair value. The gain or loss on remeasurement to fair value is recognised immediately in the statement of income.

**(d) Investment property**

In accordance with TAS, owned land held to earn rental income is classified as part of property, plant and equipment. This land is carried at a revalued amount less any subsequent accumulated impairment losses. Any increase in value, on revaluation, is credited to equity under the heading 'revaluation surplus'.

Under IFRS, owned property held to earn rental income is classified as part of investment property. This is covered by IAS 40 *Investment Property*. IAS 40 allows enterprises to choose either a fair value model or a cost model to measure investment property.

In accordance with the fair value model, an enterprise should measure all of its investment property at its fair value. Any gain or loss arising from a change in the fair value of investment property should be recognised in profit or loss for the period in which it arises.

In accordance with the cost model, land and buildings held as investment property should be measured at cost less accumulated impairment losses.

For the purposes of disclosure under IFRS, the Group has adopted the cost model for investment property consisting of both land and buildings. For TAS, the land has been revalued while the buildings have not.

**(e) Business combination (Goodwill)**

Until 31 December 2007, TAS required goodwill arising from a business combination to be systematically amortised over its estimated useful life, although its useful life should not exceed 20 years from initial recognition.

During 2007, TAS on goodwill was revised in accordance with IFRS which is effective for annual accounting periods beginning on or after 1 January 2008.

Under the revised TAS, acquired goodwill is measured after initial recognition at cost less accumulated impairment losses. The recoverable amount is estimated at each reporting date, and as and when indicators of impairment are identified.

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	<b>Consolidated net profit</b>	
	2009	2008
	<i>(in million Baht)</i>	
<b>As reported in these consolidated financial statements under TAS</b>	<b>10,643</b>	<b>10,606</b>
<i>Add (less): TAS/IFRS differences (net of tax effect)</i>		
(a) Deferred tax	19	(31)
(b) Employee benefits	(67)	(53)
(c) Financial instruments	(88)	18
<b>Under IFRS</b>	<b><u>10,507</u></b>	<b><u>10,540</u></b>
	<b>Consolidated total equity</b>	
	2009	2008
	<i>(in million Baht)</i>	
<b>As reported in these consolidated financial statements under TAS</b>	<b>56,444</b>	<b>54,001</b>
<i>Add (less): TAS differences (net of tax effect)</i>		
(a) Deferred tax	(351)	(370)
(b) Employee benefits	(706)	(639)
(c) Financial instruments	(59)	30
(d) Investment in property	(47)	(47)
(e) Business combination (Goodwill)	102	102
<b>Under IFRS</b>	<b><u>55,383</u></b>	<b><u>53,077</u></b>