

Thai Beverage Public Company Limited

Financial Statements For The Three-Month Period Ended 31 March 2015.

PART I INFORMATION REQUIRED FOR THE THREE-MONTH PERIOD ENDED 31 MARCH (Q1) ANNOUNCEMENTS.

1. (a) (i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Thai Beverage Public Company Limited and its Subsidiaries
Statement of income (Unaudited)

	(Unit : Thousand Baht)		
	Consolidated		
	financial statements		
	Three-month period ended 31 March		
	2015	2014	+ / (-)
Revenues from sales and services			
Revenue from sale of goods and rendering of services	45,704,377	41,043,477	11%
Total revenues from sales and services	45,704,377	41,043,477	11%
Cost of sales and services			
Cost of sales of goods and rendering of services	32,051,318	28,725,933	12%
Total cost of sales and services	32,051,318	28,725,933	12%
Gross profit	13,653,059	12,317,544	11%
Selling expenses	3,390,879	2,936,865	15%
Administrative expenses	2,912,481	2,557,540	14%
Finance costs	432,270	394,662	10%
Operating profit	6,917,429	6,428,477	8%
Interest income	1,220	15,519	(92%)
Net gain on foreign exchange	57,944	6,310	818%
Other income	108,332	155,101	(30%)
Net operating profit	7,084,925	6,605,407	7%
Share of profit of associates, net of income tax	895,135	674,902	33%
Profit before income tax expense	7,980,060	7,280,309	10%
Income tax expense	1,450,419	1,341,646	8%
Profit for the period	6,529,641	5,938,663	10%
Profit attributable to:			
Owners of the Company	6,575,443	5,968,644	10%
Non-controlling interests	(45,802)	(29,981)	53%
Profit for the period	6,529,641	5,938,663	10%
Basic earnings per share (Baht)	0.26	0.24	8%
Diluted earnings per share (Baht)	0.26	0.24	8%

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

(Unit : Thousand Baht)

	Consolidated financial statements		
	Three-month period ended 31 March		
	2015	2014	+ / (-)
Profit for the period	6,529,641	5,938,663	10%
Other comprehensive income			
<i>Items that are or may be reclassified to profit or loss</i>			
Share of other comprehensive income of associates	429,257	512,643	(16%)
Foreign currency translation differences for foreign operations	(2,406,980)	(63,726)	3677%
Net change in fair value of available-for-sale investments	1,851	2,380	(22%)
Income tax on other comprehensive income	(370)	2,855	(113%)
Other comprehensive income for the period, net of income tax	(1,976,242)	454,152	(535%)
Total comprehensive income for the period	4,553,399	6,392,815	(29%)
Total comprehensive income attributable to:			
Owners of the Company	4,605,851	6,422,924	(28%)
Non-controlling interests	(52,452)	(30,109)	74%
Total comprehensive income for the period	4,553,399	6,392,815	(29%)

- (a) (ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year:—

NOTE :

Net profit is arrived at after charging / (Crediting) the following :

	(Unit : Thousand Baht)		
	Consolidated financial statements		
	Three-month period ended 31 March		
	2015	2014	+ / (-)
A Investment income	(895,135)	(674,902)	33%
B Other income including interest income	(88,444)	(123,080)	(28%)
C Interest on borrowings	432,270	394,662	10%
D Depreciation and amortization	1,048,231	983,364	7%
E Allowance for doubtful debts and bad debts written off	60,457	(1,815)	3431%
F Write-off for stock obsolescence	4,253	6,205	(31%)
G Impairment in value of investments	-	-	-
H Foreign exchange (gain) / loss	(57,944)	(6,310)	818%
I Adjustments for under or overprovision of tax in respect of prior year	-	-	-
J (Profit) or loss on sale of investments, properties, and / or plant and equipment	(7,536)	(38,828)	(81%)
K Exceptional items	-	-	-
L Extraordinary items	-	-	-

- (b) (i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Thai Beverage Public Company Limited and its Subsidiaries
Statement of financial position
As at 31 March 2015 and 31 December 2014

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31-Mar-2015	31-Dec-2014	31-Mar-2015	31-Dec-2014
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Assets				
Current assets				
Cash and cash equivalents	2,317,553	2,230,079	8,771	37,082
Current investments	299	299	-	-
Trade accounts receivable	3,360,208	3,668,298	398,752	399,002
Other receivables	734,387	622,990	18,118	27,509
Short-term loans to and other receivables				
from related parties	470,591	452,521	2,301,860	12,263,771
Inventories	38,512,186	35,084,323	-	-
Other current assets	4,125,520	3,719,144	9,221	17,759
Assets classified as held for sale	1,290,505	1,290,505	-	-
Total current assets	50,811,249	47,068,159	2,736,722	12,745,123
Non-current assets				
Investments in associates	64,631,601	67,614,203	-	-
Investments in subsidiaries	-	-	131,782,335	101,829,893
Other long-term investments	272,272	270,525	-	-
Long-term loans to and other receivables				
from related parties	91,258	77,533	13,379,783	3,730,394
Investment properties	1,265,049	1,114,390	-	-
Property, plant and equipment	46,149,907	46,250,696	61,644	64,188
Goodwill	7,034,733	7,043,748	-	-
Other intangible assets	146,721	150,053	26,381	26,580
Leasehold rights	154,006	157,808	-	-
Deferred tax assets	451,047	387,296	33,982	33,235
Other non-current assets	1,840,046	1,852,918	275,093	277,437
Total non-current assets	122,036,640	124,919,170	145,559,218	105,961,727
Total assets	172,847,889	171,987,329	148,295,940	118,706,850

Thai Beverage Public Company Limited and its Subsidiaries
Statement of financial position
As at 31 March 2015 and 31 December 2014

(Unit : Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31-Mar-2015	31-Dec-2014	31-Mar-2015	31-Dec-2014
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Liabilities and equity				
Current liabilities				
Bank overdrafts and short-term loans				
from financial institutions	35,196,877	8,536,490	31,180,000	5,300,000
Trade accounts payable	5,019,803	4,802,887	-	-
Other payables	4,304,873	4,378,141	141,383	214,213
Current portion of long-term loans from financial institutions	4,548,163	13,410,950	3,500,000	2,500,000
Short-term loans from and other payables to related parties	555,142	269,702	10,700,027	7,793,493
Income tax payable	4,046,484	2,631,142	92,016	50,759
Short-term provisions	33,885	34,829	-	-
Other current liabilities	1,819,585	1,972,088	39,539	56,720
Total current liabilities	55,524,812	36,036,229	45,652,965	15,915,185
Non-current liabilities				
Long-term loans from and other payables to related parties	104	104	13,116,600	12,568,700
Debentures	1,000,000	1,000,000	-	-
Long-term loans from financial institutions	3,421,424	26,554,794	3,000,000	4,000,000
Deferred tax liabilities	888,899	964,948	-	-
Employee benefit obligations	2,610,402	2,576,745	177,952	173,354
Other non-current liabilities	172,536	178,196	77	77
Total non-current liabilities	8,093,365	31,274,787	16,294,629	16,742,131
Total liabilities	63,618,177	67,311,016	61,947,594	32,657,316
Equity				
Share capital:				
Authorised share capital	29,000,000	29,000,000	29,000,000	29,000,000
Issued and paid-up share capital	25,110,025	25,110,025	25,110,025	25,110,025
Difference arising from common control transactions	(19,718,440)	(19,718,440)	31,035	31,035
Premium on ordinary shares	17,215,737	17,215,737	17,215,737	17,215,737
Retained earnings:				
Appropriated legal reserve	2,900,000	2,900,000	2,900,000	2,900,000
Unappropriated	79,865,537	73,290,094	41,091,549	40,792,737
Other components of equity	495,631	2,465,223	-	-
Equity attributable to owners of the Company	105,868,490	101,262,639	86,348,346	86,049,534
Non-controlling interests	3,361,222	3,413,674	-	-
Total equity	109,229,712	104,676,313	86,348,346	86,049,534
Total liabilities and equity	172,847,889	171,987,329	148,295,940	118,706,850

- (b) (ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:—

(ii) Aggregate amount of group's borrowings and debt securities

(A) the amount repayable in one year or less, or on demand;

(Unit : Thousand Baht)

As at 31 March 2015				As at 31 December 2014			
Letter of Comfort	Unsecured	Guaranteed	Unsecured with guarantee	Letter of Comfort	Unsecured	Guaranteed	Unsecured with guarantee
459,546	38,356,000	881,331	48,163	334,285	10,073,000	1,029,205	10,510,950

(B) the amount repayable after one year;

(Unit : Thousand Baht)

As at 31 March 2015				As at 31 December 2014			
Secured	Unsecured	Guaranteed	Unsecured with guarantee	Secured	Unsecured	Guaranteed	Unsecured with guarantee
-	4,000,000	-	421,424	-	5,600,000	-	21,954,794

(C) details of any collaterals.

N/A

- (c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Thai Beverage Public Company Limited and its Subsidiaries
Statement of cash flows (Unaudited)
Three-month period ended 31 March 2015 and 2014

	Consolidated		(Unit : Thousand Baht)	
	financial statements		Separate	
	2015	2014	2015	2014
Cash flows from operating activities				
Profit for the period	6,529,641	5,938,663	298,812	175,260
Adjustments for				
Depreciation and amortisation	1,035,731	970,864	5,496	5,722
Interest income	(1,220)	(15,519)	(203,294)	(212,455)
Finance costs	432,270	394,662	364,979	394,271
Unrealised (gain) loss on exchange	(47,707)	(10,466)	(64)	203
(Reversal of) bad and doubtful debt expenses	60,457	(1,815)	-	-
Amortisation of advance payments to a specialist	12,500	12,500	2,344	2,344
Write-off allowance for decline in value of inventories	2,534	12,860	-	-
Gain on disposal and write-off of property, plant and equipment and intangible assets	(7,536)	(38,828)	(12)	(250)
Reversal of impairment loss on plant and equipment	(40)	(46)	-	-
Dividends income	-	-	(40,000)	-
Employee benefit expenses	60,513	59,714	4,599	4,241
Share of profit of associates, net of income tax	(895,135)	(674,902)	-	-
Income tax expense	1,450,419	1,341,646	71,949	50,440
	8,632,427	7,989,333	504,809	419,776
Changes in operating assets and liabilities				
Trade accounts receivable	248,532	855,798	250	23,252
Other receivables from related parties	20,354	36,917	2,851	86,398
Inventories	(3,430,396)	(1,631,321)	-	-
Other current assets	(517,808)	(5,122)	17,928	4,704
Trade accounts payable	221,694	(604,267)	-	-
Other payables to related parties	286,489	13,615	(119,669)	(88,718)
Other current liabilities	85,725	125,152	(99,592)	(41,454)
Employee benefit paid	(58,401)	(44,975)	-	-
Other non-current liabilities	(2,054)	315	-	-
Cash generated from operating activities	5,486,562	6,735,445	306,577	403,958
Income tax paid	(175,246)	(160,694)	(31,439)	(28,415)
Net cash from operating activities	5,311,316	6,574,751	275,138	375,543

Thai Beverage Public Company Limited and its Subsidiaries
Statement of cash flows (Unaudited)
Three-month period ended 31 March 2015 and 2014

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Cash flows from investing activities				
Interest received	1,257	16,283	206,865	211,584
Dividends received	1,515,871	1,642,996	40,000	-
Increase in current investments	-	(169)	-	-
Loans to related parties	-	-	(1,290,400)	(4,777,563)
Proceeds from loans to related parties	-	-	1,596,500	4,210,600
Decrease in other long-term loans	-	1,927	-	-
Cash outflow on investments in subsidiaries	-	-	(29,952,442)	(1,225)
Purchase of investment properties	(154,405)	-	-	-
Purchase of property, plant and equipment	(1,263,340)	(1,050,264)	(6,680)	(12,953)
Sale of property, plant and equipment	29,911	59,614	12	250
Purchase of intangible assets	(6,430)	(3,639)	(618)	(145)
Sale of intangible assets	-	2	-	-
Decrease in other non-current assets	372	52,858	-	24
Net cash from (used in) investing activities	<u>123,236</u>	<u>719,608</u>	<u>(29,406,763)</u>	<u>(369,428)</u>
Cash flows from financing activities				
Interest paid	(261,108)	(323,831)	(324,986)	(345,008)
Bank overdrafts	(22,613)	(203,844)	-	(353)
Proceeds from short-term loans from financial institutions	44,287,000	2,707,000	38,580,000	-
Repayment of short-term loans from financial institutions	(17,604,000)	(1,920,000)	(12,700,000)	-
Proceeds from loans from related parties	-	-	5,703,800	8,886,800
Repayment of loans from related parties	-	-	(2,155,500)	(2,849,100)
Repayment of long-term loans from financial institutions	(30,613,836)	(2,738,365)	-	(1,167,000)
Net cash from (used in) financing activities	<u>(4,214,557)</u>	<u>(2,479,040)</u>	<u>29,103,314</u>	<u>4,525,339</u>
Net increase (decrease) in cash and cash equivalents	1,219,995	4,815,319	(28,311)	4,531,454
Cash and cash equivalents at 1 January	2,230,079	5,101,568	37,082	763,196
Foreign currency translation differences for foreign operations	(1,132,521)	2,570	-	-
Cash and cash equivalents at 31 March	<u>2,317,553</u>	<u>9,919,457</u>	<u>8,771</u>	<u>5,294,650</u>
Non-cash items				
Payable for acquisition of assets	340,130	557,776	3,179	7,724
Reclassified from short-term loan to long-term loan to related parties	-	-	9,432,000	-

(d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Thai Beverage Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

(Unit : Thousand Baht)

	Consolidated financial statements												Total equity
	Retained earnings					Other components of equity					Equity attributable to owners of the Company	Non-controlling interests	
	Issued and paid-up share capital	Difference arising from common control transactions	Premium on ordinary shares	Legal reserve	Unappropriated	Currency translation differences	Revaluation surplus	Fair value changes in available-for-sale investments	Share of other comprehensive income of associates	Total other components of equity			
Three-month period ended 31 March 2014													
Balance at 1 January 2014	25,110,025	(19,718,440)	17,215,737	2,900,000	63,010,734	(695,599)	3,999,380	8,721	2,455,562	5,768,064	94,286,120	3,706,970	97,993,090
Comprehensive income for the period													
Profit or loss	-	-	-	-	5,968,644	-	-	-	-	-	5,968,644	(29,981)	5,938,663
Other comprehensive income	-	-	-	-	-	(62,925)	3,331	1,231	512,643	454,280	454,280	(128)	454,152
Total comprehensive income for the period	-	-	-	-	5,968,644	(62,925)	3,331	1,231	512,643	454,280	6,422,924	(30,109)	6,392,815
Balance at 31 March 2014	25,110,025	(19,718,440)	17,215,737	2,900,000	68,979,378	(758,524)	4,002,711	9,952	2,968,205	6,222,344	100,709,044	3,676,861	104,385,905

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

(Unit : Thousand Baht)

	Consolidated financial statements												
	Retained earnings					Other components of equity					Equity attributable to owners of the Company	Non-controlling interests	Total equity
	Issued and paid-up share capital	Difference arising from common control transactions	Premium on ordinary shares	Legal reserve	Unappropriated	Currency translation differences	Revaluation surplus	Fair value changes in available-for-sale investments	Share of other comprehensive income of associates	Total other components of equity			
Three-month period ended 31 March 2015													
Balance at 1 January 2015	25,110,025	(19,718,440)	17,215,737	2,900,000	73,290,094	(1,757,547)	4,002,732	7,079	212,959	2,465,223	101,262,639	3,413,674	104,676,313
Comprehensive income for the period													
Profit or loss	-	-	-	-	6,575,443	-	-	-	-	-	6,575,443	(45,802)	6,529,641
Other comprehensive income	-	-	-	-	-	(2,399,806)	-	957	429,257	(1,969,592)	(1,969,592)	(6,650)	(1,976,242)
Total comprehensive income for the period	-	-	-	-	6,575,443	(2,399,806)	-	957	429,257	(1,969,592)	4,605,851	(52,452)	4,553,399
Balance at 31 March 2015	25,110,025	(19,718,440)	17,215,737	2,900,000	79,865,537	(4,157,353)	4,002,732	8,036	642,216	495,631	105,868,490	3,361,222	109,229,712

Thai Beverage Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

(Unit : Thousand Baht)

	Issued and paid-up share capital	Difference arising from common control transactions	Premium on ordinary shares	Separate financial statements		Total equity
				Legal reserve	Retained earnings Unappropriated	
Three-month period ended 31 March 2014						
Balance at 1 January 2014	25,110,025	31,035	17,215,737	2,900,000	23,189,053	68,445,850
Comprehensive income for the period						
Profit	-	-	-	-	175,260	175,260
Total comprehensive income for the period	-	-	-	-	175,260	175,260
Balance at 31 March 2014	25,110,025	31,035	17,215,737	2,900,000	23,364,313	68,621,110

Thai Beverage Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

(Unit : Thousand Baht)

	Issued and paid-up share capital	Difference arising from common control transactions	Separate financial statements		Total equity	
			Premium on ordinary shares	Retained earnings Legal reserve Unappropriated		
Three-month period ended 31 March 2015						
Balance at 1 January 2015	25,110,025	31,035	17,215,737	2,900,000	40,792,737	86,049,534
Comprehensive income for the period						
Profit	-	-	-	-	298,812	298,812
Total comprehensive income for the period	-	-	-	-	298,812	298,812
Balance at 31 March 2015	25,110,025	31,035	17,215,737	2,900,000	41,091,549	86,348,346

- (d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

N/A

- (d) (iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	31 March 2015	31 December 2014
Total number of shares	25,110,025,000	25,110,025,000

- (d) (iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

N/A

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have been reviewed by the company's auditor in accordance with Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Please see page 1 of the attached interim financial statements.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2014.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

N/A

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:-

(Unit : Baht)

	Consolidated financial statements		
	Three-month period ended 31 March		
	2015	2014	Changes + / (-)
Earning per ordinary share of the group based on net profit attributable to shareholders:-			
(a) based on the weighted average number of ordinary shares on issue	0.26	0.24	8%
(b) on a fully diluted basis	0.26	0.24	8%

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

(Unit : Baht)

	Consolidated financial statements			Separate financial statements		
	31 March 2015	31 December 2014	Changes + / (-)	31 March 2015	31 December 2014	Changes + / (-)
	Net asset value per ordinary share based on weighted average number of issued share capital	4.22	4.03	4.7%	3.44	3.43

Remark: Net asset value = Total equity attributable to equity owners of the company

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) Any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors: and

(b) Any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Thai Beverage Public Company Limited

Management Discussion and Analysis

Performance for the first quarter ended 31 March 2015

Effective from 27 March 2015, all alcoholic beverages and tobacco have been charged an additional 2% of excise tax by law to contribute to National Sports Development Fund. Currently, the Company pays excise tax plus municipal tax, Health Promotion Fund contribution, Thai Public Broadcasting Service levy and the latest one, National Sports Development Fund, for 10.0%, 2.0%, 1.5% and 2.0% of excise tax, respectively. Thus, the Company pays excise tax plus 15.5% of excise tax for the total above mentions. The Company's current selling prices of its alcoholic beverage products have already covered this additional charge.

Due to a higher interest rate in Singapore and an appreciation of Baht against Singapore dollar, the Company refinanced Singapore dollar loans with Baht short-term loans to avoid the floating interest rate and the currency exposures. This caused the current ratio as at 31 March 2015 to be less than 1. Nonetheless, the Company will restructure the Baht short-term loans amounting to Baht 25,000 million within June 2015 by issuing long-term bills of exchange and long-term loans from several financial institutions which will be repaid during year 2016 - 2018.

Performance for the first quarter ended 31 March 2015

Group

Quarter 1 2015	ThaiBev	F&N/FCL	Total(Mil.Baht)
Sales	45,705	-	45,705
Gross profit	13,654	-	13,654
EBITDA	8,588	860	9,448
Net profit	5,983	547	6,530
Quarter 1 2014	ThaiBev	F&N/FCL	Total(Mil.Baht)
Sales	41,043	-	41,043
Gross profit	12,317	-	12,317
EBITDA	8,046	601	8,647
Net profit	5,631	308	5,939

Increase (decrease)	ThaiBev	F&N/FCL	Total(Mil.Baht)
Sales	4,662	-	4,662
Gross profit	1,337	-	1,337
EBITDA	542	259	801
Net profit	352	239	591

% increase (decrease)	ThaiBev	F&N/FCL	Total
Sales	11.4	-	11.4
Gross profit	10.9	-	10.9
EBITDA	6.7	43.1	9.3
Net profit	6.3	77.6	10.0

For the first quarter ended 31 March 2015, total sales revenue of the Company was Baht 45,705 million, an increase of 11.4% or Baht 4,662 million, from Baht 41,043 million for the same quarter of last year. This was due to an increase in sales revenue of spirits business of 9.9%, beer business of 17.5%, non-alcoholic beverages business of 7.9% and food business of 8.2%.

Gross profit was Baht 13,654 million, an increase of Baht 1,337 million, or 10.9%. This was due to an increase in gross profit of spirits business of 7.2%, beer business of 26.3%, non-alcoholic beverages business of 18.1% and food business of 6.4%

Earnings before interest, tax, depreciation and amortization (EBITDA) was Baht 9,448 million, an increase of Baht 801 million, or 9.3%. This was due to an increase in EBITDA of spirits business of 7.8%, beer business of 27.4% and F&N/FCL operating results of 43.1% although there was a decrease in EBITDA of non-alcoholic beverages business of 298.4% and food business of 14.0%. EBITDA excluding F&N/FCL operating results was Baht 8,588 million, an increase of Baht 542 million, or 6.7%.

Net profit was Baht 6,530 million, an increase of Baht 591 million, or 10.0%. This was due to an increase in net profit of spirits business of 7.2%, beer business of 41.0%, and F&N/FCL operating results of 77.6% although there was an increase in net loss of non-alcoholic beverages business of 89.2% and a decrease in net profit of food business of 76.1%. Net profit excluding F&N/FCL operating results was Baht 5,983 million, an increase of Baht 352 million, or 6.3%.

Unit: Million Baht

Q1 2015

	Spirits	% to Sales	Beer	% to Sales	Non-alcoholic beverages	% to Sales	Food	% to Sales	Eliminate	% to Sales	Total	% to Sales
Revenue from sales	29,560	100.0	10,526	100.0	3,998	100.0	1,642	100.0	(21)	100.0	45,705	100.0
Cost of sales	19,902	67.3	8,392	79.7	2,787	69.7	990	60.3	(20)	95.2	32,051	70.1
Gross profit	9,658	32.7	2,134	20.3	1,211	30.3	652	39.7	(1)	4.8	13,654	29.9
Selling expenses	960	3.2	961	9.1	1,302	32.6	173	10.5	(5)	23.8	3,391	7.4
Administrative expenses	1,485	5.0	469	4.5	500	12.5	469	28.6	(11)	52.4	2,912	6.4
Operating profit (loss)	7,213	24.4	704	6.7	(591)	(14.8)	10	0.6	15	(71.4)	7,351	16.1
Other income/ Interest income	37	0.1	48	0.5	125	3.1	6	0.4	(15)	71.4	201	0.4
EBIT (loss)	7,250	24.5	752	7.1	(466)	(11.7)	16	1.0	-	-	7,552	16.5
Finance costs	48	0.2	17	0.2	52	1.3	2	0.1	-	-	119	0.3
Income tax	1,456	4.9	140	1.3	(149)	(3.7)	3	0.2	-	-	1,450	3.2
Net Profit (loss) exclude F&N/FCL	5,746	19.4	595	5.7	(369)	(9.2)	11	0.7	-	-	5,983	13.1
F&N/FCL results:												
Operating results											861	1.9
Net foreign exchange gain (loss)											(1)	(0.0)
Finance costs											(313)	(0.7)
F&N/FCL Net Profit											547	1.2
Net Profit											6,530	14.3
Depreciation & Amortization	391	1.3	179	1.7	341	8.5	125	7.6	-	-	1,036	2.3
EBITDA (loss) exclude F&N/FCL	7,641	25.8	931	8.8	(125)	(3.1)	141	8.6	-	-	8,588	18.8
F&N/FCL EBITDA											860	1.9
EBITDA											9,448	20.7

Q1 2014

	Spirits	% to Sales	Beer	% to Sales	Non-alcoholic beverages	% to Sales	Food	% to Sales	Eliminate	% to Sales	Total	% to Sales
Revenue from sales	26,894	100.0	8,959	100.0	3,704	100.0	1,518	100.0	(32)	100.0	41,043	100.0
Cost of sales	17,883	66.5	7,269	81.1	2,679	72.3	905	59.6	(10)	31.3	28,726	70.0
Gross profit	9,011	33.5	1,690	18.9	1,025	27.7	613	40.4	(22)	68.8	12,317	30.0
Selling expenses	1,057	3.9	705	7.9	1,021	27.6	165	10.9	(11)	34.4	2,937	7.2
Administrative expenses	1,332	5.0	456	5.1	403	10.9	397	26.2	(31)	96.9	2,557	6.2
Operating profit (loss)	6,622	24.6	529	5.9	(399)	(10.8)	51	3.4	20	(62.5)	6,823	16.6
Other income/ Interest income	82	0.3	30	0.3	151	4.1	9	0.6	(20)	62.5	252	0.6
EBIT (loss)	6,704	24.9	559	6.2	(248)	(6.7)	60	4.0	-	-	7,075	17.2
Finance costs	42	0.2	13	0.1	45	1.2	2	0.1	-	-	102	0.2
Income tax	1,304	4.8	124	1.4	(98)	(2.6)	12	0.8	-	-	1,342	3.3
Net Profit (loss) exclude F&N/FCL	5,358	19.9	422	4.7	(195)	(5.3)	46	3.0	-	-	5,631	13.7
F&N/FCL results:												
Operating results											603	1.5
Net foreign exchange gain (loss)											(2)	(0.0)
Finance costs											(293)	(0.7)
F&N/FCL Net Profit											308	0.8
Net Profit											5,939	14.5
Depreciation & Amortization	384	1.4	172	1.9	311	8.4	104	6.9	-	-	971	2.4
EBITDA (loss) exclude F&N/FCL	7,088	26.4	731	8.2	63	1.7	164	10.8	-	-	8,046	19.6
F&N/FCL EBITDA											601	1.5
EBITDA											8,647	21.1

	Increase(Decrease)											
	Spirits	%	Beer	%	Non-alcoholic beverages	%	Food	%	Eliminate	%	Total	%
Revenue from sales	2,666	9.9	1,567	17.5	294	7.9	124	8.2	11	34.4	4,662	11.4
Cost of sales	2,019	11.3	1,123	15.4	108	4.0	85	9.4	(10)	(100.0)	3,325	11.6
Gross profit	647	7.2	444	26.3	186	18.1	39	6.4	21	95.5	1,337	10.9
Selling expenses	(97)	(9.2)	256	36.3	281	27.5	8	4.8	6	54.5	454	15.5
Administrative expenses	153	11.5	13	2.9	97	24.1	72	18.1	20	64.5	355	13.9
Operating profit (loss)	591	8.9	175	33.1	(192)	(48.1)	(41)	(80.4)	(5)	(25.0)	528	7.7
Other income/ Interest income	(45)	(54.9)	18	60.0	(26)	(17.2)	(3)	(33.3)	5	25.0	(51)	(20.2)
EBIT (loss)	546	8.1	193	34.5	(218)	(87.9)	(44)	(73.3)	-	-	477	6.7
Finance costs	6	14.3	4	30.8	7	15.6	-	-	-	-	17	16.7
Income tax	152	11.7	16	12.9	(51)	(52.0)	(9)	(75.0)	-	-	108	8.0
Net Profit (loss) exclude F&N/FCL	388	7.2	173	41.0	(174)	(89.2)	(35)	(76.1)	-	-	352	6.3
F&N/FCL results:												
Operating results											258	42.8
Net foreign exchange gain (loss)											1	50.0
Finance costs											(20)	(6.8)
F&N/FCL Net Profit											239	77.6
Net Profit											591	10.0
Depreciation & Amortization	7	1.8	7	4.1	30	9.6	21	20.2	-	-	65	6.7
EBITDA (loss) exclude F&N/FCL	553	7.8	200	27.4	(188)	(298.4)	(23)	(14.0)	-	-	542	6.7
F&N/FCL EBITDA											259	43.1
EBITDA											801	9.3

Spirits Business

For the first quarter ended 31 March 2015, sales revenue was Baht 29,560 million, an increase of Baht 2,666 million, or 9.9%, mainly due to an increase in sales volume. Total sales volume of spirits was 155.8 million litres, an increase of 10.2%

Gross profit was Baht 9,658 million, an increase of Baht 647 million or 7.2%, mainly due to an increase in sales volume of spirit products although there was an increase in material costs.

Earnings before interest, tax, depreciation and amortization (EBITDA) was Baht 7,641 million, an increase of Baht 553 million, or 7.8%, mainly due to an increase in gross profit and a decrease in advertising and promotion expenses although there was an increase in staff costs.

Net profit was Baht 5,746 million, an increase of Baht 388 million or 7.2%, mainly due to the increase in EBITDA although there was an increase in related corporate income tax.

Beer Business

For the first quarter ended 31 March 2015, sales revenue was Baht 10,526 million, an increase of Baht 1,567 million, or 17.5%, mainly due to an increase in sales volume. Total sales volume of beer was 169.7 million litres, an increase of 17.7%.

Gross profit was Baht 2,134 million, an increase of Baht 444 million, or 26.3%, mainly due to an increase in sales volume and a decrease in cost of goods sold for material costs, packaging and energy costs.

Earnings before interest, tax, depreciation and amortization (EBITDA) was Baht 931 million, an increase of Baht 200 million, or 27.4%, mainly due to the increase in gross profit although there were increases in staff costs and advertising and promotion expenses.

Net profit was Baht 595 million, an increase of Baht 173 million, or 41.0%, mainly due to the increase in EBITDA although there was an increase in related corporate income tax.

Non-Alcoholic Beverages Business

For the first quarter ended 31 March 2015, sales revenue was Baht 3,998 million, an increase of Baht 294 million or 7.9 %, mainly due to an increase in sales volume of drinking water and 100plus of Sermsuk, ready to drink tea and Jubjai of Oishi although there were a decrease in sales volume of carbonated soft drink of Sermsuk, soda and drinking water of ThaiBev.

- Sales volume of Sermsuk products, which consisted of carbonated soft drinks and other beverages, was 240.9 million litres, an increase of 11.9%. This was mainly due to an increase in sales volume of drinking water of 20.1 million litres or 14.2% and 100plus, a new product, of 6.2 million litres, although there was a decrease in sales of carbonated soft drink of 1.1 million litres, or 1.7%.
- Sales volume of Oishi beverages, which consisted of green tea, black tea, and other non-alcoholic beverages, was 67.5 million litres, an increase of 16.9%. This was mainly due to an increase in sales volume of ready to drink teas of 7.2 million litres, or 13.2% and Jubjai, a new product, of 3.6 million litres.
- Soda and drinking water of ThaiBev products generated sales volume of 6.5 million litres and 45.6 million litres respectively, a decrease of 5.3% and 22.4% respectively.

Gross profit was Baht 1,211 million, an increase of Baht 186 million or 18.1%, mainly due to an increase in sales volume and a decrease in cost of goods sold for material costs, staff cost and other overhead costs of Oishi products.

Earnings before interest, tax, depreciation and amortization (EBITDA) loss was Baht 125 million compared with a profit of Baht 63 million for the same quarter of last year, which changed by Baht 188 million or 298.4%, mainly due to an increase in promotion and advertising expenses although there was an increase in gross profit.

Net loss was Baht 369 million, an increase in net loss of Baht 174 million or 89.2%, mainly due to the increase in EBITDA (loss) and an increase in depreciation and amortization although there was an increase in deferred income tax.

Food Business

For the first quarter ended 31 March 2015, sales revenue was Baht 1,642 million, an increase of Baht 124 million or 8.2%, mainly due to an increase in the number of restaurant outlets and sales price.

Gross profit was Baht 652 million, an increase of Baht 39 million or 6.4%, mainly due to an increase in sales although costs slightly increased in accordance with the variety of foods offering and an increase in material costs but this was under closely control.

Earnings before interest, tax, depreciation and amortization (EBITDA) was Baht 141 million, a decrease of Baht 23 million or 14.0%, mainly due to an increase in staff costs and rental costs although there was the increase in gross profit.

Net profit was Baht 11 million, a decrease of Baht 35 million or 76.1%, mainly due to the decrease in EBITDA and an increase in depreciation and amortization.

Financial Position

Assets

Total assets as at 31 March 2015 was Baht 172,848 million, an increase of Baht 861 million or 0.5%, compared to total assets as at 31 December 2014. Current assets increased of Baht 3,743 million. This was mainly due to an increase in inventories. Non-current assets decreased of Baht 2,882 million, mainly due to a decrease in investment in associates from foreign currency translation and net recognition between dividend received and profit booking.

Liabilities

Total liabilities as at 31 March 2015 was Baht 63,618 million, a decrease of Baht 3,693 million or 5.5%, compared to total liabilities as at 31 December 2014. This was mainly due to a net decrease in loans from financial institutions.

The periods to maturity of interest-bearing liabilities were as follows.

	Unit: Million Baht
Within one year (Mar 2016)	39,745
After one year but within two years (Mar 2017)	4,048
After two years (Apr 2017 - Dec 2017)	<u>373</u>
Total	<u>44,166</u>

The Company will restructure the Baht short-term loans amounting to Baht 25,000 million within June 2015 by issuing long-term bills of exchange and long-term loans from several financial institutions which will be repaid during year 2016 - 2018.

Shareholders' Equity

Total equity as at 31 March 2015 was Baht 109,230 million, an increase of Baht 4,553 million or 4.4 %, compared to total equity as at 31 December 2014. This was mainly due to an increase in net retained earnings from the profit for the period.

Statement of Cash Flow

Cash and cash equivalents, as at 31 March 2015, was Baht 2,318 million. The net increase from the beginning of the period was Baht 88 million. Details of activities were as follows.

	Unit: Million Baht
Net cash from operating activities	5,311
Net cash from investing activities	123
Net cash used in financing activities	(4,214)
Increase in cash and cash equivalents in period	1,220
Adjustment from financial statement translation	(1,132)
Cash and cash equivalents at beginning of period	2,230
Cash and cash equivalents at end of period	2,318

Net cash inflow from operating activities of Baht 5,311 million was less than the Baht 6,575 million for the same quarter of last year mainly due to a higher cash outflow related to an increase in inventories.

Net cash inflow from investing activities of Baht 123 million was less than the Baht 720 million for the same quarter of last year mainly due to a higher cash outflow related to purchases of investment properties and property, plant and equipment.

Net cash outflow from financing activities of Baht 4,214 million was higher than the Baht 2,479 million for the same quarter of last year mainly due to a net repayment of loans from financial institutions.

Financial Ratios

	<u>Mar 31, 15</u>	<u>Dec 31, 14</u>
Current Ratio (times)	0.92	1.31
Liability to Equity Ratio (Gearing Ratio) (times)	0.58	0.64
Interest Bearing Debt to Equity Ratio (times)	0.40	0.47
Net Interest Bearing Debt to Equity Ratio (times)	0.38	0.45
Net Interest Bearing Debt to EBITDA annualized (times)	1.29	1.50
Net asset value per share (Baht)	4.22	4.03
	<u>Jan – Mar 15</u>	<u>Jan – Dec 14</u>
Accounts Receivable Turnover (days)	7	9
Inventory Turnover (days)		
Spirits Business: finished goods	49	49
Beer Business : finished goods	12	20
Non-alcohol Business : finished goods	34	34
Food Business : finished goods	2	2

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

N/A

10. Commentary to accompany the announcement regarding significant trends or competitive conditions in the industry and any known factors or events that may affect the group in the next reporting period or over the next 12 months.

Thailand's flagging economy remained lacklustre in 1Q 2015, primarily due to cautious consumer expenditure stemming from a decline in farm income and a high level of household debt. The Consumer Confidence Index for the first quarter stood at 68.4 points, decreasing from 69.6 points the previous quarter. This was mainly due to consumers' concerns over the fluctuation of the global economy and the absence of clear signs of a recovery of the domestic economy. Nevertheless, while export-oriented sectors and private investment activity contracted, government expenditure and the growth of the tourism sector supported the economy. Driven by Chinese and Malaysian visitors in particular, the number of inbound tourists in 1Q 2015 increased 23.5% compared to the same period last year.

Despite a 2% increase in taxes on alcoholic beverages collected for the National Sports Development Fund that came into effect on March 27, 2015, which directly impacted the alcoholic beverage business, the Company managed to achieve satisfactory operating results. On the non-alcoholic beverage front, the business remained affected by intense competition and the private sector's cautious consumption, which posed a challenge to the non-alcoholic beverage business' operations. Taking a long-term view, however, the Company launched several new products in 1Q 2015 and made investments to establish and strengthen brand recognition.

OVERALL BUSINESS

Total sales revenue of the Company in 1Q 2015 was Baht 45,705 million, an increase of 11.4% YOY, attributable to the increase in sales revenue of all business segments. The net profit of the group was Baht 6,530 million, or an increase of 10% when compared to last year. This was due to an increase in net profit of spirits, beer, and F&N/FCL operating results.

SPIRITS BUSINESS

Sales revenue generated by the spirits business increased by Baht 2,666 million or 9.9% in 1Q 2015, compared to the same period last year. This was mainly the result of an increase of 10.2% in sales volume because of the increased stockpiling by agents prior to the announcement of the contribution to be collected for the National Sports Development Fund. Compared to the same period last year, the spirits business' net profit increased 7.2% to Baht 5,746 million in 1Q 2015.

BEER BUSINESS

The satisfactory positive trend observed in the beer business' performances in recent quarters continued in 1Q 2015. Sales revenue amounted to Baht 10,526 million, representing an increase of 17.5% compared to the same period last year, on the back of an increase in sales volume. Sales volume of beer reported at 169.7 million liters or increased by 17.7%. Coupled with a decrease in raw material and packaging costs, the beer business' net profit increased substantially by 41% to Baht 595 million this quarter.

NON-ALCOHOLIC BEVERAGE BUSINESS

The non-alcoholic beverage business registered sales revenue of Baht 3,998 million in 1Q 2015, representing an increase of 7.9% compared to the same period last year. To deal with the high level of competition in the non-alcoholic beverage market, the Company employed a strategy to satisfy consumers' different needs by launching new products such as 100PLUS, a functional carbonated beverage; and Jubjai, a beverage that enabled the Company to penetrate the herbal drink market. This was accompanied by an increase in advertising and promotion expenses as investments to enlarge brand equity and establish long-term brand awareness were made. Consequently, the non-alcoholic beverage business recorded a net loss of Baht 369 million this quarter.

FOOD BUSINESS

Sales revenue generated by the food business increased 8.2% in 1Q 2015. This was mainly due to an increase in the number of restaurant branches and sales prices. However, the economic slowdown and a slow recovery in on-premise consumption given consumers' cautious spending, together with increases in staff costs, rental costs, and depreciation led net profit to drop to Baht 11 million.

INTERNATIONAL BUSINESS

International sales continued growing in 1Q 2015, registering a 4.5% increase compared to the same period last year. This was attributed primarily to a growth in beer sales, especially in the ASEAN market, although this was partially offset by a 4% drop in turnover of Scotch whisky.

11. If a decision regarding dividend has been made:-

(a) Whether an interim ordinary dividend has been declared (recommended)

No.

; and

(b) (i) Amount per share cents

N/A

(ii) Previous corresponding period cents

N/A

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

N/A

(d) The date the dividend is payable.

N/A

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

N/A

12. If no dividend has been declared/recommended, a statement to that effect.

N/A

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Thai Beverage Public Company Limited

Unaudited but reviewed results for the three-month period (Jan-Mar) ended 31 March 2015

Interested persons transactions for the three-month period (Jan-Mar) ended 31 March 2015

	Aggregate value of all interested persons transactions during the three-month period (Jan-Mar) ended 31 March 2015 under review (excluding transactions less than S\$100,000* and transactions conducted under Shareholders' Mandate) Baht '000	Aggregate value of all interested persons transactions conducted under the mandate (excluding transactions less than S\$100,000*) Baht '000
A Revenue from sales and service income		
1 Pisetkij Co., Ltd.	-	6,926.94
2 PS Recycle Co., Ltd.	-	29,435.98
3 Beri Jucker PCL	-	3,311.54
4 Beri Jucker Foods Co., Ltd.	-	10,856.55
5 Thai Alcohol PCL	-	94,008.56
6 Thai Malaya Glass Co., Ltd.	-	2,841.90
7 F&N Beverages Marketing Sdn Bhd	-	5,337.45
8 TCC Logistics & Warehouse Co., Ltd.	-	42,798.19
B Other income		
1 Pisetkij Co., Ltd.	-	3,975.15
2 F&N Interflavine Pte Ltd	-	44,788.67
C Cost of sales		
1 Pisetkij Co., Ltd.	-	2,582.46
2 PS Recycle Co., Ltd.	-	42,725.78
3 Thip Sugar Kamphaengphet Co., Ltd. ***	-	371,692.23
4 The Suphanburi Sugar Industry Co., Ltd.	-	34,641.32
5 Southeast Capital Co., Ltd.	-	2,620.12
6 Thai Beverage Can Co., Ltd.	-	398,435.26
7 Beri Jucker PCL	-	36,998.32
8 The Southeast Insurance PCL **	-	27,912.70
9 Thip Sugar Sukhothai Co., Ltd.	-	166,975.84
10 Thai Malaya Glass Co., Ltd.	-	1,020,618.29
11 F&N Interflavine Pte Ltd	-	50,236.74
12 Gaew Grung Thai Co., Ltd.	-	9,785.01
13 Thai Agro Products Co., Ltd.	-	98,860.55
14 Gaewsarnsiri Co., Ltd.	-	2,705.26
15 Sub Permpoon 8 Co., Ltd.	-	4,795.23
D Selling expenses		
1 Southeast Capital Co., Ltd.	-	3,266.56
2 The Southeast Insurance PCL **	-	7,302.93
3 F&N Beverages Marketing Sdn Bhd	-	17,484.14
E Administrative expenses		
1 Southeast Capital Co., Ltd.	-	53,029.08
2 T.C.C. Technology Co., Ltd.	-	14,613.98
3 The Southeast Insurance PCL **	-	14,713.36
4 The Southeast Life Insurance PCL **	-	2,873.72
5 North Park Golf And Sports Club Co., Ltd.	-	7,145.24
6 Thai Alcohol PCL	-	3,518.41
7 Fraser & Neave (Singapore) Pte Ltd	-	6,371.00
8 Commercial Solution Co., Ltd.	-	6,267.96
9 Business Process Outsourcing Co., Ltd.	-	3,919.50
10 Lertrattakam Co., Ltd.	-	10,180.11
11 Thai Commercial Investment Freehold and Leasehold Fund	-	10,206.32
12 TCC Hotel Asset Management Co., Ltd.	-	19,627.69
F Purchase of assets		
1 Wattanapat Trading Co., Ltd.	6,282.50	-
2 Regent Gold Property Fund	440,475.00	-
3 Dhanasindhi Co., Ltd.	-	19,702.58

* Exchange rate Baht 23.90 per 1 SGD.

** Converted from company limited to public company limited

*** Formerly : The Maewang Sugar Industry Co., Ltd.

14. CONFIRMATION BY THE BOARD OF DIRECTORS

Pursuant to Rule 705(5) of the SGX Listing Manual

We, Thapana Sirivadhanabhakdi and Sithichai Chaikriangkrai, being two Directors of Thai Beverage Public Company Limited (the "Company"), do hereby confirm on behalf of the Directors of the Company, that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render these three-month ended March 31, 2015 financial results to be false or misleading in any material respect.

On behalf of the Board

Thapana Sirivadhanabhakdi
Director

Sithichai Chaikriangkrai
Director