

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

Financial statements for the year ended
31 December 2015
and
Independent Auditor's Report



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Independent Auditor's Report

To the Shareholders of Thai Beverage Public Company Limited

I have audited the accompanying consolidated and separate financial statements of Thai Beverage Public Company Limited and its subsidiaries (the "Group") and of Thai Beverage Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2015, the consolidated and separate statements of income and comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated and Separate Financial Statements

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

Auditor's Responsibility

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

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

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



Opinion

In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and Company, respectively, as at 31 December 2015 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

M. Chetchotiros

(Nittaya Chetchotiros)
Certified Public Accountant
Registration No. 4439

KPMG Phoomchai Audit Ltd.
Bangkok
26 February 2016

Thai Beverage Public Company Limited and its Subsidiaries

Statement of financial position

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 December 2015	31 December 2014	31 December 2015	31 December 2014
<i>(in thousand Baht)</i>					
Current assets					
Cash and cash equivalents	5	3,489,986	2,230,079	594,577	37,082
Current investments		3,962	299	-	-
Trade accounts receivable	4, 6	3,906,403	3,668,298	2,440,775	399,002
Other receivables		594,138	622,990	17,312	27,509
Short-term loans to and other receivables					
from related parties	4	792,972	452,521	7,055,502	12,263,771
Inventories	7	35,204,112	34,084,240	-	-
Other current assets	8	4,136,088	3,719,144	21,767	17,759
Assets classified as held for sale	9	-	1,290,505	-	-
Total current assets		48,127,661	46,068,076	10,129,933	12,745,123
Non-current assets					
Investments in associates	10	75,736,975	67,614,203	-	-
Investments in subsidiaries	11	-	-	142,490,266	101,829,893
Other long-term investments		266,946	270,525	-	-
Long-term loans to and other receivables					
from related parties	4	88,273	77,533	12,987	3,730,394
Investment properties	13	1,261,244	1,114,390	-	-
Property, plant and equipment	14	46,921,247	47,250,779	78,292	64,188
Goodwill	15	7,050,851	7,043,748	-	-
Other intangible assets		177,140	150,053	34,971	26,580
Leasehold rights		151,238	157,808	-	-
Deferred tax assets	16	417,448	387,296	36,875	33,235
Other non-current assets	17	1,817,759	1,852,918	268,059	277,437
Total non-current assets		133,889,121	125,919,253	142,921,450	105,961,727
Total assets		182,016,782	171,987,329	153,051,383	118,706,850

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

Thai Beverage Public Company Limited and its Subsidiaries

Statement of financial position

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2015	31 December 2014	31 December 2015	31 December 2014
<i>(in thousand Baht)</i>					
Liabilities and equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	18	7,842,092	8,536,490	5,629,479	5,300,000
Trade accounts payable	4, 19	4,850,977	4,802,887	-	-
Other payables	20	5,003,271	4,378,141	184,108	214,213
Current portion of debentures	18	1,000,000	-	-	-
Current portion of long-term loans and bill of exchanges from financial institutions	18	9,532,044	13,410,950	8,878,541	2,500,000
Short-term loans from and other payables to related parties	4, 18	271,282	269,702	32,370,750	7,793,493
Income tax payable		2,266,910	2,631,142	1,799	50,759
Short-term provisions		32,628	34,829	-	-
Other current liabilities	21	2,291,075	1,972,088	79,342	56,720
Total current liabilities		33,090,279	36,036,229	47,144,019	15,915,185
Non-current liabilities					
Long-term loans from and other payables to related parties	4, 18	104	104	1,316,504	12,568,700
Debentures	18	1,000,000	1,000,000	-	-
Long-term loans and bill of exchanges from financial institutions	18	24,883,036	26,554,794	23,955,088	4,000,000
Deferred tax liabilities	16	820,008	964,948	-	-
Employee benefit obligations	22	2,817,220	2,576,745	200,109	173,354
Other non-current liabilities		140,622	178,196	122	77
Total non-current liabilities		29,660,990	31,274,787	25,471,743	16,742,131
Total liabilities		62,751,269	67,311,016	72,615,762	32,657,316
Equity					
Share capital:	23				
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	23	17,215,737	17,215,737	17,215,737	17,215,737
Retained earnings:					
Appropriated - legal reserve	24	2,900,000	2,900,000	2,900,000	2,900,000
Unappropriated		84,385,026	73,290,094	35,178,824	40,792,737
Other components of equity	24	5,992,932	2,465,223	-	-
Equity attributable to owners of the Company		115,885,280	101,262,639	80,435,621	86,049,534
Non-controlling interests		3,380,233	3,413,674	-	-
Total equity		119,265,513	104,676,313	80,435,621	86,049,534
Total liabilities and equity		182,016,782	171,987,329	153,051,383	118,706,850

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

Thai Beverage Public Company Limited and its Subsidiaries

Statement of income

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
		2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
Income	25				
Revenue from sale of goods	4, 33	172,049,209	162,039,998	-	-
Management fees	4	-	-	3,867,285	3,329,259
Dividend income	4, 11	2,901	4,059	9,583,848	28,283,063
Interest income		18,880	105,726	768,580	884,111
Net gain on foreign exchange		189,417	66,841	-	22,352
Other income	4, 26	1,159,083	595,787	13,120	48,217
Total income		173,419,490	162,812,411	14,232,833	32,567,002
Expenses	25				
Cost of sale of goods	4, 7	121,830,030	114,710,097	-	-
Cost of rendering of services	4	-	-	1,626,240	1,559,295
Selling expenses	27	15,552,968	13,188,635	-	-
Administrative expenses	28	11,475,266	10,764,671	512,237	433,654
Net loss on foreign exchange		-	-	96,920	-
Finance costs	31	1,363,086	1,553,184	2,217,706	1,478,903
Total expenses		150,221,350	140,216,587	4,453,103	3,471,852
Share of profit from disposal of interest in associate, net of income tax	4, 10	3,847,973	-	-	-
Share of profit of investment in associates, net of income tax	4, 10	3,925,609	3,388,626	-	-
Profit before income tax expense		30,971,722	25,984,450	9,779,730	29,095,150
Income tax expense	32	(4,508,084)	(4,551,619)	(64,444)	(184,442)
Profit for the year		26,463,638	21,432,831	9,715,286	28,910,708
Profit attributable to:					
Owners of the Company		26,463,319	21,693,536	9,715,286	28,910,708
Non-controlling interests		319	(260,705)	-	-
Profit for the year		26,463,638	21,432,831	9,715,286	28,910,708
Basic earnings per share (Baht)	34	1.05	0.86	0.39	1.15

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

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

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
		2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
Profit for the year		26,463,638	21,432,831	9,715,286	28,910,708
Other comprehensive income					
<i>Items that will never be reclassified to profit or loss</i>					
Defined benefit plan actuarial losses	22	(109,384)	(129,289)	(15,107)	(9,392)
Income tax on other comprehensive income	32	24,519	24,683	3,023	1,879
		<u>(84,865)</u>	<u>(104,606)</u>	<u>(12,084)</u>	<u>(7,513)</u>
<i>Items that are or may be reclassified to profit or loss</i>					
Share of other comprehensive income of investment in associates	4, 10	1,147,720	(2,242,603)	-	-
Foreign currency translation differences for foreign operations		2,401,154	(1,055,438)	-	-
Net change in fair value of available-for-sale investments		-	(3,173)	-	-
Income tax on other comprehensive income	32	20,340	3,985	-	-
		<u>3,569,214</u>	<u>(3,297,229)</u>	<u>-</u>	<u>-</u>
Other comprehensive income for the year, net of income tax		3,484,349	(3,401,835)	(12,084)	(7,513)
Total comprehensive income for the year		29,947,987	18,030,996	9,703,202	28,903,195
Total comprehensive income attributable to:					
Owners of the Company		29,939,756	18,276,030	9,703,202	28,903,195
Non-controlling interests		8,231	(245,034)	-	-
Total comprehensive income for the year		29,947,987	18,030,996	9,703,202	28,903,195

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

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

	Consolidated financial statements												
	Retained earnings					Other components of 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 (in thousand Baht)	Fair value changes in available-for-sale investments	Share of other comprehensive income of associates	Total other components of equity	Equity attributable to owners of the Company	Non-controlling interests	Total equity
Year ended 31 December 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
Balance at 1 January 2014	-	-	-	-	(11,299,511)	-	-	-	-	-	(11,299,511)	(59,905)	(11,359,416)
Transactions with owners, recorded directly in equity	-	-	-	-	(11,299,511)	-	-	-	-	-	(11,299,511)	(59,905)	(11,359,416)
<i>Distributions to owners of the Company</i>	-	-	-	-	(11,299,511)	-	-	-	-	-	(11,299,511)	(59,905)	(11,359,416)
Dividends to owners of the Company	-	-	-	-	(11,299,511)	-	-	-	-	-	(11,299,511)	(59,905)	(11,359,416)
<i>Total distributions to owners of the Company</i>	-	-	-	-	(11,299,511)	-	-	-	-	-	(11,299,511)	(59,905)	(11,359,416)
Acquisition of non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	11,643	11,643
Total transactions with owners, recorded directly in equity	-	-	-	-	(11,299,511)	-	-	-	-	-	(11,299,511)	(48,262)	(11,347,773)
Comprehensive income for the year	-	-	-	-	21,693,536	-	-	-	-	-	21,693,536	(260,705)	21,432,831
Profit or loss	-	-	-	-	(114,665)	(1,061,948)	3,352	(1,642)	(2,242,603)	(3,302,841)	(3,417,506)	15,671	(3,401,835)
Other comprehensive income	-	-	-	-	21,578,871	(1,061,948)	3,352	(1,642)	(2,242,603)	(3,302,841)	18,276,030	(245,034)	18,030,996
Total comprehensive income for the year	-	-	-	-	21,578,871	(1,061,948)	3,352	(1,642)	(2,242,603)	(3,302,841)	18,276,030	(245,034)	18,030,996
Balance at 31 December 2014	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

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

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

		Consolidated financial statements												
		Retained earnings				Other components of equity								
		Issued and paid-up share capital	Difference arising from common control transactions	Premium on ordinary shares	Legal reserve	Unappropriated	Currency translation differences	Revaluation surplus	Fair value changes in available-for-sale investments	Share of other comprehensive income of associates	Total other components of equity	Equity attributable to owners of the Company	Non-controlling interests	Total equity
		<i>Note</i>												
Year ended 31 December 2015														
Balance at 1 January 2015		25,110,025	(19,718,440)	17,215,737	2,900,000	73,290,094	(1,757,547)	4,002,732	7,079	212,959	2,465,223	101,262,639	3,413,674	104,676,313
Transactions with owners, recorded directly in equity														
<i>Distributions to owners of the Company</i>														
Dividends to owners of the Company		35	-	-	(15,317,115)	-	-	-	-	-	-	(15,317,115)	(61,184)	(15,378,299)
<i>Total distributions to owners of the Company</i>														
<i>the Company</i>														
Acquisition of non-controlling interest													19,512	19,512
Total transactions with owners, recorded directly in equity														
Comprehensive income for the year														
Profit						26,463,319	-	-	-	-	-	26,463,319	319	26,463,638
Other comprehensive income						(51,272)	2,421,411	(41,422)	-	1,147,720	3,527,709	3,476,437	7,912	3,484,349
Total comprehensive income for the year						26,412,047	2,421,411	(41,422)	-	1,147,720	3,527,709	29,939,756	8,231	29,947,987
Balance at 31 December 2015		25,110,025	(19,718,440)	17,215,737	2,900,000	84,385,026	663,864	3,961,310	7,079	1,360,679	5,997,932	115,885,280	3,380,233	119,265,513

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

Thai Beverage Public Company Limited and its Subsidiaries

Statement of changes in equity

	Separate financial statements					Total equity
	Note	Issued and paid-up share capital	Difference arising from common control transactions	Retained earnings		
				Premium on ordinary shares	Legal reserve	Unappropriated
Year ended 31 December 2014						
Balance at 1 January 2014		25,110,025	31,035	17,215,737	2,900,000	23,189,053
				<i>(in thousand Baht)</i>		68,445,850
Transactions with owners, recorded directly in equity						
Dividends to owners of the Company	35	-	-	-	-	(11,299,511)
Total transactions with owners, recorded directly in equity		-	-	-	-	(11,299,511)
Comprehensive income for the year						
Profit		-	-	-	-	28,910,708
Other comprehensive income		-	-	-	-	(7,513)
Total comprehensive income for the year		-	-	-	-	28,903,195
Balance at 31 December 2014		25,110,025	31,035	17,215,737	2,900,000	40,792,737
						86,049,534

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

Thai Beverage Public Company Limited and its Subsidiaries

Statement of changes in equity

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

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

Thai Beverage Public Company Limited and its Subsidiaries

Statement of cash flows

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
		2015	2014	2015	2014
		(in thousand Baht)			
Cash flows from operating activities					
Profit for the year		26,463,638	21,432,831	9,715,286	28,910,708
<i>Adjustments for</i>					
Depreciation and amortisation		4,400,333	3,986,477	22,968	22,884
Interest income		(18,880)	(105,726)	(768,580)	(884,111)
Finance costs		1,363,086	1,553,184	2,217,706	1,478,903
Unrealised (gain) loss on exchange		(130,959)	(59,200)	101,722	(59)
Bad and doubtful debts expenses	6	14,256	14,185	-	-
Amortisation of advance payments to a specialist		50,000	50,000	9,375	9,375
Write-off allowance for decline in value of inventories		485	136,670	-	-
Reversal of impairment loss on investment properties		-	(105,208)	-	-
Gain on disposal of assets classified as held for sale		(445,766)	-	-	-
Gain on disposal and write-off of property, plant and equipment and intangible assets		(11,035)	(135,663)	(18)	(256)
(Reversal of) impairment loss on property, plant and equipment		65,010	(175)	-	-
Dividend income		(2,901)	(4,059)	(9,583,848)	(28,283,063)
Employee benefit expenses		240,422	229,782	18,394	16,966
Share of profit from disposal of interest in associate, net of income tax	4, 10	(3,847,973)	-	-	-
Share of profit of associates, net of income tax	4, 10	(3,925,609)	(3,388,626)	-	-
Income tax expense	32	4,508,084	4,551,619	64,444	184,442
		<u>28,722,191</u>	<u>28,156,091</u>	<u>1,797,449</u>	<u>1,455,789</u>
Changes in operating assets and liabilities					
Trade accounts receivable		(248,260)	207,839	(2,041,773)	-
Other receivables from related parties		(351,098)	(207,808)	(67,736)	93,652
Inventories		(1,136,370)	(384,084)	-	-
Other current assets		(374,032)	1,294,214	6,188	(10,970)
Trade accounts payable		47,179	(394,225)	-	-
Other payables to related parties		137,915	31,132	3,593	34,542
Other current liabilities		823,125	677,448	(99,190)	88,039
Other non-current liabilities		(18,474)	(3,544)	45	61
Employee benefit paid		(115,590)	(86,186)	(584)	(7,976)
Cash generated from (used in) operating activities		<u>27,486,586</u>	<u>29,290,877</u>	<u>(402,008)</u>	<u>1,653,137</u>
Income tax paid		<u>(5,002,548)</u>	<u>(4,884,210)</u>	<u>(114,021)</u>	<u>(623,749)</u>
Net cash from (used in) operating activities		<u>22,484,038</u>	<u>24,406,667</u>	<u>(516,029)</u>	<u>1,029,388</u>
Cash flows from investing activities					
Interest received		18,934	106,614	767,826	885,299
Dividends received		2,275,873	2,438,284	9,583,848	28,283,063
(Increase) decrease in current investments		(3)	6,495	-	-
Increase in loans to related parties		-	-	(19,813,312)	(3,544,300)
Decrease in loans to related parties		-	-	28,812,512	4,262,100
Decrease in other long-term loans		-	2,004	-	-

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

Thai Beverage Public Company Limited and its Subsidiaries

Statements of cash flows

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December		For the year ended 31 December	
Note	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities (continued)</i>				
Cash inflow on disposal of investments in subsidiaries	-	-	74,200	-
Cash outflow on investments in subsidiaries	-	-	(40,734,573)	(16,383,290)
Cash inflow on investments in indirect subsidiary	19,512	11,643	-	-
Cash received from capital reduction of associate	-	4,464,928	-	-
Sale of assets classified as held for sale	1,736,271	-	-	-
Purchase of investment properties	(154,405)	-	-	-
Purchase of property, plant and equipment	(4,064,668)	(4,762,875)	(32,084)	(28,726)
Sale of property, plant and equipment	119,072	192,910	26	261
Purchase of intangible assets	(57,120)	(32,380)	(12,224)	(7,769)
Sale of intangible assets	3,955	942	-	-
Increase in leasehold rights	(500)	-	-	-
(Increase) decrease in other non-current assets	(14,841)	178,731	2	24
Net cash from (used in) investing activities	(117,920)	2,607,296	(21,353,779)	13,466,662
<i>Cash flows from financing activities</i>				
Interest paid	(1,377,630)	(1,258,619)	(2,360,786)	(1,500,630)
Dividends paid to owners of the Company	(15,317,115)	(11,299,511)	(15,317,115)	(11,299,511)
Dividends paid to non-controlling interests	(61,184)	(59,905)	-	-
Bank overdrafts	84,292	(40,345)	-	(353)
Proceeds from short-term loans from financial institutions	104,294,829	31,654,000	85,480,000	18,600,000
Repayment of short-term loans from financial institutions	(105,053,000)	(25,244,000)	(85,130,000)	(13,300,000)
Proceeds from loans from related parties	-	-	59,193,204	4,514,200
Repayment of loans from related parties	-	-	(45,938,000)	(9,568,870)
Proceeds from long-term loans from financial institutions and debentures	30,500,000	511,497	29,000,000	-
Repayment of long-term loans from financial institutions	(33,554,525)	(24,083,558)	(2,500,000)	(2,667,000)
Net cash from (used in) financing activities	(20,484,333)	(29,820,441)	22,427,303	(15,222,164)
Net increase (decrease) in cash and cash equivalents				
	1,881,785	(2,806,478)	557,495	(726,114)
Cash and cash equivalents at 1 January	2,230,079	5,101,568	37,082	763,196
Foreign currency translation differences for foreign operations	(621,878)	(65,011)	-	-
Cash and cash equivalents at 31 December	5 3,489,986	2,230,079	594,577	37,082
<i>Non-cash items</i>				
Payable for acquisition of assets	601,174	557,776	8,886	7,725
Reclassify from long-term to short-term loan from related parties	-	-	12,569,000	-
Reclassify from long-term to short-term loan to related parties	-	-	3,719	-

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

Thai Beverage Public Company Limited and its Subsidiaries

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Notes to the financial statements

These notes form an integral part of the financial statements.

The financial statements were approved and authorised for issue by the Board of Directors on 26 February 2016.

1 General information

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

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

The principal businesses of the Company are investment and management services. The principal businesses of Thai Beverage Public Company Limited and its subsidiaries, the “Group”, are the production and distribution of alcoholic and non-alcoholic beverages, and the operation of Japanese restaurants. Details of the Company’s subsidiaries and associates as at 31 December 2015 and 2014 were as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			2015	2014
<i>Direct subsidiaries</i>				
1. Beer Thai (1991) Plc.	Beer brewery and production of drinking water and soda water	Thailand	100.00	100.00
2. Beer Thip Brewery (1991) Co., Ltd.	Beer brewery and production of drinking water and soda water	Thailand	100.00	100.00
3. Cosmos Brewery (Thailand) Co., Ltd.	Beer brewery and production of drinking water and soda water	Thailand	100.00	100.00
4. Sangsom Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
5. Fuengfuanant Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
6. Mongkolsamai Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
7. Thanapakdi Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
8. Kanchanasingkorn Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
9. Sura Bangyikhan Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
10. Athimart Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
11. S.S. Karnsura Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
12. Kankwan Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
13. Theparunothai Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
14. Red Bull Distillery (1988) Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
15. United Winery and Distillery Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
16. Simathurakij Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
17. Nateechai Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
18. Luckchai Liquor Trading Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
19. Sura Piset Thipparat Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
20. Modern Trade Management Co., Ltd.	Beer, spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
21. Horeca Management Co., Ltd.	Beer, spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
22. Pomkit Co., Ltd.	Beer distributor	Thailand	100.00	100.00
23. Pomklung Co., Ltd.	Beer distributor	Thailand	100.00	100.00
24. Pomchok Co., Ltd.	Beer distributor	Thailand	100.00	100.00
25. Pomcharoen Co., Ltd.	Beer distributor	Thailand	100.00	100.00

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

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			2015	2014
<i>Direct subsidiaries (continued)</i>				
26. Pomburapa Co., Ltd.	Beer distributor	Thailand	100.00	100.00
27. Pompalang Co., Ltd.	Beer distributor	Thailand	100.00	100.00
28. Pomnakorn Co., Ltd.	Beer distributor	Thailand	100.00	100.00
29. Pomthip (2012) Co., Ltd.	Beer distributor	Thailand	100.00	100.00
30. Num Yuk Co., Ltd.	Spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
31. Num Kijjakarn Co., Ltd.	Spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
32. Num Palang Co., Ltd.	Spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
33. Num Muang Co., Ltd.	Spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
34. Num Nakorn Co., Ltd.	Spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
35. Num Thurakij Co., Ltd.	Spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
36. Numrungrad Co., Ltd.	Spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
37. Numthip Co., Ltd.	Spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
38. Thipchalothorn Co., Ltd.	Beer, spirits and non-alcoholic beverages agency	Thailand	100.00	100.00
39. Krittayabun Co., Ltd.	Beer, spirits and non-alcoholic beverages agency	Thailand	100.00	100.00
40. Surathip Co., Ltd.	Beer, spirits and non-alcoholic beverages agency	Thailand	100.00	100.00
41. Sunthronpirom Co., Ltd.	Beer, spirits and non-alcoholic beverages agency	Thailand	100.00	100.00
42. Piromsurang Co., Ltd.	Beer, spirits and non-alcoholic beverages agency	Thailand	100.00	100.00
43. Thai Beverage Energy Co., Ltd.	Trading of biogas	Thailand	100.00	100.00
44. Thai Molasses Co., Ltd.	Trading of molasses	Thailand	99.72	99.72
45. Feed Addition Co., Ltd.	Trading of feeds and fertilizer	Thailand	100.00	100.00
46. Pan International (Thailand) Co., Ltd.	Trading of supplies and procurement	Thailand	100.00	100.00
47. Charun Business 52 Co., Ltd.	Brick producer and distribution of spirits	Thailand	100.00	100.00
48. Thai Cooperage Co., Ltd.	Oak barrel producer	Thailand	100.00	100.00
49. Thai Beverage Recycle Co., Ltd.	Trading of bottles	Thailand	100.00	100.00
50. Thai Beverage Logistics Co., Ltd.	Transportation and distribution	Thailand	100.00	100.00
51. Thai Beverage Marketing Co., Ltd.	Advertising and marketing promotion	Thailand	100.00	100.00
52. Dhospaak Co., Ltd.	Advertising agency	Thailand	100.00	100.00
53. Thai Beverage Training Co., Ltd.	Training	Thailand	100.00	100.00
54. International Beverage Holdings Limited	Holding company	Hong Kong	100.00	100.00
55. Thai Beverage Brands Co., Ltd.	Trademark holding	Thailand	100.00	100.00
56. Beer Chang Co., Ltd.	Trademark holding and production of beer concentrate	Thailand	100.00	100.00
57. Archa Beer Co., Ltd.	Trademark holding and production of beer concentrate	Thailand	100.00	100.00

Thai Beverage Public Company Limited and its Subsidiaries

Notes to the financial statements

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			2015	2014
Direct subsidiaries (continued)				
58. Sura Piset Phatra Lanna Co., Ltd.	Holding company	Thailand	100.00	100.00
59. United Products Co., Ltd.	Production and distribution of spirits	Thailand	100.00	100.00
60. Oishi Group Plc.	Japanese restaurants and distribution of foods and beverages	Thailand	79.66	79.66
61. C A C Co., Ltd.	Management of the ASEAN Economic Community (AEC) centre	Thailand	100.00	100.00
62. Chang International Co., Ltd.	Advertising and marketing services	Thailand	100.00	100.00
63. Cash Van Management Co., Ltd.	Beer, spirits and non-alcoholic beverages distributor	Thailand	100.00	-
64. Food of Asia Co., Ltd.	Restaurant business	Thailand	100.00	-
65. BevCo Limited	Holding company	Thailand	100.00 ⁴	-
66. Chang Corporation Company Limited	Holding company	Thailand	100.00 ⁴	-
Indirect subsidiaries				
67. Thai Thum Distillery Co., Ltd. ⁵	Production and distribution of spirits	Thailand	99.90	99.90
68. Sura Piset Sahasan Co., Ltd. ⁵	Trading of spirits	Thailand	100.00	100.00
69. Sura Piset Sampan Co., Ltd. ⁵	Trading of spirits	Thailand	100.00	100.00
70. InterBev (Singapore) Limited ¹	Trading of alcoholic beverages	Singapore	100.00	100.00
71. InterBev (Cambodia) Co., Ltd. ¹	Trading of alcoholic beverages	Cambodia	100.00	100.00
72. InterBev Malaysia Sdn. Bhd. ¹	Trading of alcoholic beverages	Malaysia	100.00	100.00
73. Best Spirits Company Limited ¹	Trading of alcoholic beverages	Hong Kong	100.00	100.00
74. International Beverage Holdings (UK) Limited ¹	Holding company	United Kingdom	100.00	100.00
75. International Beverage Holdings (China) Limited ¹	Holding company	Hong Kong	100.00	100.00
76. Oishi Trading Co., Ltd. ²	Production and distribution of food and beverage	Thailand	79.66	79.66
77. Oishi Ramen Co., Ltd. ²	Japanese ramen restaurants	Thailand	79.66	79.66
78. Oishi International Holdings Limited ²	International distribution of beverage	Hong Kong	79.66	79.66
79. Chang Beer International Co., Ltd. ⁵	Dormant	Thailand	100.00	100.00
80. Maekhong Distillery Limited	Consultancy service	Thailand	100.00	100.00
81. Chang Corp Co., Ltd.	Advertising and marketing services	Thailand	100.00	100.00
82. Beer Chang International Limited ¹	Production and trading of alcoholic and non-alcoholic beverages	Singapore	100.00	100.00
83. International Beverage Trading Limited ¹	Trading of alcoholic beverages	Bermuda	100.00	100.00
84. InterBev Investment Limited ¹	Holding company	Hong Kong	100.00	100.00
85. InterBev Trading (Hong Kong) Limited ¹	Distribution and marketing of food and beverage products	Hong Kong	100.00	100.00
86. Oishi Snack Co., Ltd. ²	Distribution of snack	Thailand	79.66	79.66
87. BeerCo Limited ¹	Holding company	Hong Kong	100.00	-
88. Wellwater Limited ¹	Holding company	Hong Kong	100.00	-
Subsidiaries of indirect subsidiaries				
89. International Beverage Holdings Limited USA, Inc. ¹	Trading of alcoholic beverages	United States of America	100.00	100.00
90. Super Brands Company Pte. Ltd. ¹	Trademark holding	Singapore	100.00	100.00
91. Blairmhor Limited ^{1,5}	Holding company	United Kingdom	100.00	100.00
92. Inver House Distillers Limited ¹	Production and distribution of spirits	United Kingdom	100.00	100.00
93. InterBev Trading (China) Limited ¹	Trading of alcoholic beverages	People's Republic of China	100.00	100.00

Thai Beverage Public Company Limited and its Subsidiaries

Notes to the financial statements

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			2015	2014
<i>Subsidiaries of indirect subsidiaries (continued)</i>				
94. Yunnan Yulinquan Liquor Co., Ltd. ¹	Spirits distillery	People's Republic of China	100.00	100.00
95. Blairmhor Distillers Limited ^{1,5}	Dormant	United Kingdom	100.00	100.00
96. Wee Beastie Limited ^{1,5}	Dormant	United Kingdom	100.00	100.00
97. Moffat & Towers Limited ^{1,5}	Dormant	United Kingdom	100.00	100.00
98. Glen Calder Blenders Limited ^{1,5}	Dormant	United Kingdom	100.00	100.00
99. Hankey Bannister & Company Limited ^{1,5}	Dormant	United Kingdom	100.00	100.00
100. R. Carmichael & Sons Limited ^{1,5}	Dormant	United Kingdom	100.00	100.00
101. J MacArthur Junior & Company Limited ^{1,5}	Dormant	United Kingdom	100.00	100.00
102. Mason & Summers Limited ^{1,5}	Dormant	United Kingdom	100.00	100.00
103. James Catto & Company Limited ^{1,5}	Dormant	United Kingdom	100.00	100.00
104. The Knockdhu Distillery Co., Ltd. ^{1,5}	Dormant	United Kingdom	100.00	100.00
105. Speyburn-Glenlivet Distillery Co., Ltd. ^{1,5}	Dormant	United Kingdom	100.00	100.00
106. The Pulteney Distillery Co., Ltd. ^{1,5}	Dormant	United Kingdom	100.00	100.00
107. The Balblair Distillery Co., Ltd. ^{1,5}	Dormant	United Kingdom	100.00	100.00
108. Sermasuk Plc. ¹	Production and distribution of beverages	Thailand	64.66	64.66
109. Sermasuk Holdings Co., Ltd. ¹	Holding company	Thailand	64.66	64.66
110. Serm Suk Beverage Co., Ltd. ¹	Production and distribution of beverages	Thailand	64.66	64.66
111. Sermasuk Training Co., Ltd. ¹	Human resources and organisation development services	Thailand	64.66	64.66
112. Great Brands Limited ¹	Brands management	Hong Kong	64.66	64.66
113. Wrangyer Beverage (2008) Co., Ltd. ¹	Production and distribution of energy drink	Thailand	64.66	64.66
114. Interbev Timor, Unipessoal Lda ¹	Production of beverages and distribution of food and beverages	Democratic Republic of Timor-Leste	100.00	-
115. Oishi F&B (Singapore) Pte. Ltd. ²	Brands management and consulting services	Singapore	79.66	79.66
116. Oishi Myanmar Limited ²	Restaurant business	Union of Myanmar	43.81	43.81
117. Oishi Group Limited Liability Company ²	Marketing management consulting services	Socialist Republic of Vietnam	79.66	-
118. Thai Drinks Co., Ltd. ¹	Distribution of beverages	Thailand	100.00	100.00
119. S.P.M. Foods & Beverages Co., Ltd. ¹	Production and distribution of drinking water and energy drinks and spirits agency	Thailand	99.84	99.84
120. Chang Beer Co., Ltd. ¹	Holding company	Thailand	100.00	-
121. So Water Company Limited ¹	Holding company	Thailand	100.00	-
<i>Associates of indirect subsidiaries</i>				
122. Petform (Thailand) Co., Ltd. ³	Manufacture and distribution of plastic packaging	Thailand	25.86	25.86
123. Fraser and Neave, Limited ³	Manufacture and distribution of food and beverage and publishing and printing	Singapore	28.53	28.54
124. Frasers Centrepoint Limited ³	Development and investment in property	Singapore	28.44	28.49

Thai Beverage Public Company Limited and its Subsidiaries

Notes to the financial statements

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			2015	2014
<i>Associates of subsidiary of indirect subsidiaries</i>				
125. Liquorland Limited ³	Licences	United Kingdom	49.49	49.49

¹ Direct or indirect subsidiaries of International Beverage Holdings Limited

² Direct or indirect subsidiaries of Oishi Group Plc.

³ Indirect associated of International Beverage Holding Limited

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

⁵ These are currently not doing the operation.

At the Board of Directors' meeting of InterBev Investment Limited ("IBIL") held on 23 March 2015, and the Board of Directors' meeting of InterBev (Singapore) Limited ("IBS") and Super Brands Company Pte. Ltd. ("SB") held on 30 March 2015, the Board of Directors unanimously approved for IBIL, IBS and SB, the Company's indirect subsidiaries, to increase their authorised and paid-up share capital amounting to SGD 1,229.66 million, SGD 5.49 million and SGD 5.49 million, respectively. In this regard, IBIL increased its authorised and paid-up share capital from SGD 817.96 million (817.96 million ordinary shares with a SGD 1 par value) to be SGD 2,047.62 million (2,047.62 million ordinary shares with a SGD 1 par value), IBS increased its authorised and paid-up share capital from SGD 61.25 million (61.25 million ordinary shares with a SGD 1 par value) to be SGD 66.74 million (66.74 million ordinary shares with a SGD 1 par value) and SB increased its authorised and paid up share capital from SGD 60.46 million (60.46 million ordinary shares with a SGD 1 par value) to be SGD 65.95 million (65.95 million ordinary shares with a SGD 1 par value).

At the Board of Directors' meeting of the Company held on 12 November 2015, the Board of Directors unanimously approved to invest in:

- 1) BeerCo Limited ("BeerCo"), an indirect subsidiary of the Company, was incorporated in Hong Kong. BeerCo has a registered capital of Baht 24,950 million (24,950 million ordinary shares with a Baht 1 par value).
- 2) Wellwater Limited ("Wellwater"), an indirect subsidiary of the Company, was incorporated in Hong Kong. Wellwater has a registered capital of Baht 7,950 million (7,950 million ordinary shares with a Baht 1 par value).
- 3) Chang Corporation Company Limited ("Chang Corporation"), a direct subsidiary of the Company, was incorporated in Thailand. Chang Corporation has a registered capital of Baht 1 million (0.1 million ordinary shares with a Baht 10 par value).
- 4) Chang Beer Company Limited ("Chang Beer"), a subsidiary of an indirect subsidiary of the Company, was incorporated in Thailand. Chang Beer has a registered capital of Baht 1 million (0.1 million ordinary share with a Baht 10 par value).
- 5) BevCo Limited ("BevCo"), a direct subsidiary of the Company, was incorporated in Thailand. BevCo has a registered capital of Baht 1 million (0.1 million ordinary shares with a Baht 10 par value).
- 6) So Water Company Limited ("So Water"), a subsidiary of an indirect subsidiary of the Company, was incorporated in Thailand. So Water has a registered capital of Baht 1 million (0.1 million ordinary shares with a Baht 10 par value).

Thai Beverage Public Company Limited and its Subsidiaries

Notes to the financial statements

At the Extraordinary General Meeting of the shareholders of BevCo Limited and So Water Company Limited held on 11 December 2015, the shareholders unanimously approved to:

- 1) increase in the registered capital of BevCo from Baht 1 million (0.1 million ordinary shares with a Baht 10 par value) to be Baht 5,480 million (548 million ordinary shares with a Baht 10 par value) call for paid-up share capital of Baht 5,436 million; and
- 2) increase in the registered capital of So Water from Baht 1 million (0.1 million ordinary shares with a Baht 10 par value) to be Baht 10,740 million (1,074 million ordinary shares with a Baht 10 par value) call for paid-up share capital of Baht 10,654 million.

At the Board of Directors' meeting of So Water, held on 26 November 2015, the Board of Directors unanimously approve to purchase in 46.38%, 64.66% and 99.84% of the issued and paid-up share capital of Thai Drink Co., Ltd., Sermasuk Plc, and SPM Foods & Beverages Co., Ltd., direct and indirect subsidiaries of the Company, for a consideration of Baht 74.2 million, Baht 9,971.5 million and Baht 605.3 million, respectively.

2 Basis of preparation of the financial statements

(a) Statement of compliance

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

The FAP has issued the new and revised TFRS effective for annual accounting periods beginning on or after 1 January 2015. The initial application of these new and revised TFRS has resulted in changes in certain of the Group's accounting policies. These changes have no material effect on the financial statements.

In addition to the above new and revised TFRS, the FAP has issued a number of other new and revised TFRS which are effective for annual financial periods beginning on or after 1 January 2016 and have not been adopted in the preparation of these financial statements. These new and revised TFRS that are relevant to the Group's operations are disclosed in Note 39.

(b) Basis of measurement

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

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

(c) Functional and presentation currency

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

Thai Beverage Public Company Limited and its Subsidiaries

Notes to the financial statements

(d) *Use of judgements and estimates*

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

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

Assumptions and estimation uncertainties

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

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

Measurement of fair values

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

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

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

Significant valuation issues are reported to the Group Audit Committee.

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

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

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

Thai Beverage Public Company Limited and its Subsidiaries

Notes to the financial statements

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

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

- Note 13 Investment properties
- Note 14 Property, plant and equipment

3 Significant accounting policies

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

(a) *Basis of consolidation*

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

Business combinations

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

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another.

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

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

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

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

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

Thai Beverage Public Company Limited and its Subsidiaries

Notes to the financial statements

Acquisitions from entities under common control

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

Subsidiaries

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

Loss of control

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

Interests in equity-accounted investees

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

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

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

Transactions eliminated on consolidation

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

(b) Foreign currencies

Foreign currency transactions

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

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

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Notes to the financial statements

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

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

Foreign currency differences are generally recognised in profit or loss.

Foreign operations

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

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

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

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

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

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

(c) *Derivative financial instruments*

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

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

(d) *Cash and cash equivalents*

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

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Notes to the financial statements

(e) Trade and other accounts receivable

Trade and other accounts receivable are stated at their invoice value less allowance for doubtful accounts.

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

(f) Inventories

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

Cost is calculated using the weighted average cost principle, and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity and is calculated using standard cost adjusted to approximate average cost.

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

(g) Non-current assets held for sale

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

(h) Investments

Investments in associates and subsidiaries

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

Investments in other debt and equity securities

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

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

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Notes to the financial statements

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

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

Disposal of investments

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

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

(i) Investment properties

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

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

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

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

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

Recognition and measurement

Owned assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses except for land which is stated at its revalued amount. The revalued amount is the fair value determined on the basis of the property's existing use at the date of revaluation less any subsequent impairment losses.

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

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

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

Leased assets

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

Revalued assets

Revaluations are performed by independent professional valuers with sufficient regularity. The Group's policy requires an appraisal to be conducted every three to five years or when there are factors that might materially impact the value of the land, to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the reporting date.

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

Subsequent costs

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

Depreciation

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

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

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

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

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Notes to the financial statements

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

(k) Intangible assets

Goodwill

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

Research and development

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

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

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

Other intangible assets

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

Subsequent expenditure

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

Amortisation

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

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

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

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

(l) Leasehold rights

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

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

(m) Impairment

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

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

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

Calculation of recoverable amount

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

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

Reversals of impairment

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

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

(n) *Interest-bearing liabilities*

Interest-bearing liabilities are recognised 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 profit or loss over the period of the borrowings on an effective interest basis.

(o) *Trade and other accounts payable*

Trade and other accounts payable are stated at cost.

(p) *Employee benefits*

Defined contribution plans

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

Defined benefit plans

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

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

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

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

Other long-term employee benefits

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

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Termination benefits

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

Short-term employee benefits

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

(q) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(r) Difference arising from common control transactions

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

(s) Revenue

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

Sale of goods and services rendered

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

Commissions

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

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Investments

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

Rental income

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

Interest and dividend income

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

(t) Finance costs

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration, losses on disposal of available-for-sale financial assets, fair value losses on financial assets at fair value through profit or loss, and impairment losses recognised on financial assets (other than trade receivables) that are recognised in profit or loss.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

(u) Lease payments

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

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

Determining whether an arrangement contains a lease

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

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

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Notes to the financial statements

(v) *Income tax*

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

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

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

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

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

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

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

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

(w) *Earnings per share*

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

(x) *Segment reporting*

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

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Notes to the financial statements

4 Related parties

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

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

Name of entities	Country of incorporation/ nationality	Nature of relationships
1. Thai Alcohol Plc.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
2. Sint Ek Panich Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
3. Banglen Agriculture Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
4. Pisetkij Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
5. Thip Sugar Kamphaengphet Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
6. The Chonburi Sugar Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
7. Thai Agro Products Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
8. Thip Sugar Sukhothai Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
9. The Suphanburi Sugar Industry Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
10. The Southeast Insurance Plc.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
11. The Southeast Life Insurance Plc.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
12. Southeast Capital Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
13. T.C.C. Technology Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
14. Thai Glass Industries Plc.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
15. Bang-Na Glass Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
16. TCC Hotel Collection Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
17. Terragro Bio-Tech Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
18. BJC Industrial and Trading Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
19. North Park Real Estate Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly

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Name of entities	Country of incorporation/ nationality	Nature of relationships
20. TCC PD 11 Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
21. Thippatana Arcade Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
22. Siam Food Products Plc.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
23. BJC Healthcare Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
24. Wattanapat Trading Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
25. Silvercord Capital (Singapore) Limited	Singapore	Directors and controlling equity holders hold substantial shares indirectly
26. Plantheon Trading Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
27. Eastern Chemical Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
28. New Noble Property and Loan Fund	Thailand	Directors and controlling equity holders are the indirect principal unit holder of this real estate investment fund
29. Lertrattakarn Co., Ltd.	Thailand	Directors hold substantial shares indirectly
30. Thai Malaya Glass Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
31. Berli Jucker Foods Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
32. Dhanasindhi Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
33. Business Process Outsourcing Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
34. Dynamic Assets Property and Loan Fund	Thailand	Directors and controlling equity holders are the indirect principal unit holder of this real estate investment fund
35. Best Fortune Property and Loan Fund	Thailand	Directors and controlling equity holders are the indirect principal unit holder of this real estate investment fund
36. Regent Gold Property Fund	Thailand	Directors and controlling equity holders are the indirect principal unit holder of this real estate investment fund
37. Thai Commercial Investment Freehold and Leasehold Fund	Thailand	Directors and controlling equity holders hold substantial shares indirectly
38. Berli Jucker Plc.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
39. Plaza Athenee Hotel (Thailand) Co., Ltd.	Thailand	Directors and controlling equity holders are the directors and hold substantial shares indirectly
40. North Park Golf And Sports Club Co., Ltd.	Thailand	Directors and controlling equity holders are the directors and hold substantial shares indirectly
41. Thai Beverage Can Co., Ltd.	Thailand	Directors and controlling equity holders hold 50% shares indirectly
42. PS Recycle Co., Ltd.	Thailand	Directors and controlling equity holders are relatives of controlling person

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Name of entities	Country of incorporation/ nationality	Nature of relationships
43. Gaew Grung Thai Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
44. T.C.C. International Limited	Hong Kong	Controlling equity holders hold substantial shares indirectly
45. Best Wishes Co., Ltd.	Hong Kong	Controlling equity holders hold substantial shares indirectly
46. Bangkok Glass Co., Ltd.	Thailand	A subsidiary holds shares
47. The Pet Co., Ltd.	Thailand	A subsidiary holds shares
48. Crown Seal Plc.	Thailand	A subsidiary holds shares
49. Petpak Co., Ltd.	Thailand	A subsidiary holds shares
50. TCC Holding Co., Ltd.	Thailand	Having common controlling equity holders
51. TCC Assets Ltd.	British Virgin Islands	Directors and controlling equity holders hold substantial shares directly
52. N.C.C. Management and Development Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
53. InterContinental Singapore	Singapore	Directors and controlling equity holders hold substantial shares indirectly
54. TCC Hotel Asset Management Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
55. TCC Logistics & Warehouse Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
56. Riverside Homes Development Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
57. SMJC Real Estate Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
58. Golden Land Property Development Public Co., Ltd.	Thailand	Directors hold substantial shares indirectly
59. F&N Group and related parties of F&N Group	Singapore	An indirect subsidiary holds 28.53% shares in Fraser and Neave, Limited
60. FCL Group and related parties of FCL Group	Singapore	An indirect subsidiary holds 28.44% shares in Frasers Centrepoint Limited
61. Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group/Company.

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

Transactions

Revenue from sale of goods
Revenue from rendering of services
Purchase of goods/raw materials
Receiving of services
Purchase and sale of property, plant and equipment
Purchase and sale of investments
Interest income and interest expense

Pricing policies

Agreed prices which approximate market prices
Contractual prices
Agreed prices which approximate market prices
Contractual prices
Contractual prices
Contractual prices
Rate as mutually agreed with reference interest rates quoted by financial institutions

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

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

<i>Year ended 31 December</i>	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
		<i>(in million Baht)</i>			
Subsidiaries					
Management fees		-	-	3,867	3,329
Cost of rendering of services		-	-	373	369
Dividend income	11	-	-	9,584	28,283
Interest income		-	-	765	818
Interest expense		-	-	1,334	1,200
Other income		-	-	6	46
Administrative expenses		-	-	20	16
Increase in share capital of subsidiary	11	-	-	37,941	16,375
Acquisitions of subsidiaries	11	-	-	2,793	8
Disposals of subsidiaries	11	-	-	74	-
Associates					
	10				
Share of profit from disposal of interest in associate, net of income tax		3,848	-	-	-
Share of profit of investment in associates, net of income tax		3,926	3,389	-	-
Share of other comprehensive income of investment in associates		1,148	(2,243)	-	-
Dividend income		2,273	2,434	-	-
Cash received from capital reduction of associate		-	4,465	-	-
Key management personnel					
Key management personnel compensation					
Short-term employee benefits		437	387	411	360
Post-employment benefits		16	9	16	9
Total key management personnel compensation		<u>453</u>	<u>396</u>	<u>427</u>	<u>369</u>
Other related parties					
Revenue from sale of goods		770	549	-	-
Purchases of raw materials and packaging		9,331	9,129	-	-
Overhead costs		211	219	-	-
Cost of rendering of services		-	-	186	141
Dividend income		3	4	-	-
Other income		383	45	2	2
Selling and administrative expenses		1,031	832	10	6
Purchases of plant and equipment		719	185	-	-
Sales of plant and equipment		2	-	-	-
Sales of assets classified as held for sale	9	1,810	-	-	-

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

Balances as at 31 December with related parties were as follows:

<i>Trade accounts receivable from related parties</i>	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Subsidiaries	-	-	2,441	399
Associates	43	24	-	-
Other related parties	58	29	-	-
Total	101	53	2,441	399

Thai Beverage Public Company Limited and its Subsidiaries

Notes to the financial statements

Short-term loans to and other receivables from related parties

	Consolidated financial statements				Separate financial statements				
	2015		2014		2015		2014		
	Short-term loans to	Other receivables	Short-term loans to	Other receivables	Short-term loans to	Other receivables	Short-term loans to	Other receivables	Total
Subsidiaries	-	-	-	-	6,902	73	12,182	82	12,264
Associates	-	268	-	2	-	-	-	-	-
Other related parties	-	525	-	451	-	81	-	-	-
Total	-	793	-	453	6,902	154	12,182	82	12,264
			453		6,902	81	12,182	82	12,264
			453		6,902	154	12,182	82	12,264

Long-term loans to and other receivables from related parties

	Consolidated financial statements				Separate financial statements				
	2015		2014		2015		2014		
	Long-term loans to	Other receivables	Long-term loans to	Other receivables	Long-term loans to	Other receivables	Long-term loans to	Other receivables	Total
Subsidiaries	-	-	-	-	-	1	3,719	1	3,720
Other related parties	-	88	-	78	-	12	-	10	10
Total	-	88	-	78	-	13	3,719	11	3,730
			78		-	13	3,719	11	3,730
			78		-	13	3,719	11	3,730

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

<i>Summary of loans to related parties</i>	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Short-term loans	-	-	6,902	12,182
Long-term loans	-	-	-	3,719
Total	-	-	6,902	15,901

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

<i>Loans to related parties</i>	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
<i>Short-term loans</i>				
Subsidiaries				
At 1 January	-	-	12,182	14,422
Reclassify from long-term loans	-	-	3,719	-
Increase	-	-	19,813	1,333
Decrease	-	-	(28,812)	(3,573)
At 31 December	-	-	6,902	12,182
<i>Long-term loans</i>				
Subsidiaries				
At 1 January	-	-	3,719	2,197
Reclassify to short-term loans	-	-	(3,719)	-
Increase	-	-	-	2,211
Decrease	-	-	-	(689)
At 31 December	-	-	-	3,719

The currency denomination of loans to and other receivables from related parties as at 31 December 2015 and 2014 was as follows:

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Thai Baht (THB) and other functional currencies of subsidiaries	876	531	7,069	15,994
Singapore Dollars (SGD)	5	-	-	-
Total	881	531	7,069	15,994

<i>Trade accounts payable to related parties</i>	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Associates	257	241	-	-
Other related parties	1,307	1,298	-	-
Total	1,564	1,539	-	-

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

Short-term loans from and other payables to related parties

	Consolidated financial statements				Separate financial statements				
	2015		2014		2015		2014		
	Short-term loans from	Other payables	Total	Short-term loans from	Other payables	Total	Short-term loans from	Other payables	
Subsidiaries	-	-	-	-	315	32,340	7,517	238	7,755
Associates	-	37	37	60	-	-	-	-	-
Other related parties	-	234	234	210	31	31	-	38	38
Total	-	271	271	270	346	32,371	7,517	276	7,793

Long-term loans from and other payables to related parties

	Consolidated financial statements				Separate financial statements				
	2015		2014		2015		2014		
	Long-term loans from	Other payables	Total	Long-term loans from	Other payables	Total	Long-term loans from	Other payables	
Subsidiaries	-	-	-	-	-	1,317	12,569	-	12,569

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

<i>Summary of loans from related parties</i>	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Short-term loans	-	-	32,025	7,517
Long-term loans	-	-	1,317	12,569
Total	-	-	33,342	20,086

Movements during the year ended 31 December of loans from related parties were as follows:

<i>Loans from related parties</i>	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Short-term loans				
Subsidiaries				
At 1 January	-	-	7,517	7,371
Reclassify from long-term loans	-	-	12,569	-
Increase	-	-	57,877	2,765
Decrease	-	-	(45,938)	(2,619)
At 31 December	-	-	32,025	7,517
Long-term loans				
Subsidiaries				
At 1 January	-	-	12,569	17,770
Reclassify to short-term loans	-	-	(12,569)	-
Increase	-	-	1,317	1,749
Decrease	-	-	-	(6,950)
At 31 December	-	-	1,317	12,569

The currency denomination of loans from and other payables to related parties as at 31 December 2015 and 2014 was as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Thai Baht (THB) and other functional currencies of subsidiaries	247	212	32,358	20,362
Singapore Dollars (SGD)	17	41	12	-
Malaysian Ringgit (MYR)	3	17	-	-
United States Dollars (USD)	3	-	1	-
Pound Sterling (GBP)	1	-	-	-
Hong Kong Dollars (HKD)	-	-	1,317	-
Total	271	270	33,688	20,362

Significant agreements with related parties

Supporting service agreements

The Company entered into supporting service agreements with subsidiaries for supporting service such as human resource, administration, accounting, finance, public relations, public co-ordination, technology, law, secretary and share register and internal audit for a period of one year from 1 January 2004 to 31 December 2004. Unless there are notifications to terminate the agreement not later than 30 days prior to the expiry date, this agreement continues to be in effect for the successive one year term. The subsidiaries are committed to pay a service fee at the rate of 1%-1.6% of their principal revenue.

Thai Beverage Public Company Limited and its Subsidiaries

Notes to the financial statements

Application service provisioning agreement

The Company entered into the application service provisioning agreement with T.C.C. Technology Co., Ltd., a related company, for the provision of ongoing maintenance and development of the application. The Company is committed to pay the rental fee of system, computer hardware, software license and service fee on a monthly basis throughout the contract period for five years, effective from 31 May 2006, under the fees and conditions stipulated in the agreement. Subsequently, the Company entered into additional agreements according to the additional number of users, which will be ended on 31 March 2016.

Molasses purchase and sale agreements

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

Glass bottle purchase and sale agreement

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

Revolving loan agreement

In June 2011, the Company entered into revolving loan agreement with subsidiaries for lending the loans with joint credit limit not exceeding Baht 10,000 million, bearing interest at the rate of 5% per annum and repayable at call. Subsequently in September 2011, the Company entered into revolving loan agreement with a subsidiary to lend loans with credit limit of Baht 15,000 million, bearing interest at the rate of 5% per annum and repayable at call.

In 2011, the Company entered into revolving loan agreements with subsidiaries for lending the loans with total credit limit of Baht 55,900 million, bearing interest at the rate of 5% per annum and repayable at call. Subsequently in 2013, the Company extended the credit limit and entered into the additional loan agreements with subsidiaries. As at 31 December 2015, the total credit limit was Baht 88,400 million.

Term loan facility agreement

In July 2012, the Company entered into term loan facility agreement with a subsidiary to lend a loan facility to finance the investment up to the amount of SGD 1,000 million which is repayable after one year from the drawdown date or other date which the Company would agree to extend. In March 2015, the aforesaid subsidiary fully repaid the remaining balance of loan prior to the maturity date.

In June 2015, the Company entered into a term loan facility agreement with a subsidiary to provide a loan facility for working capital up to the amount of HKD 400 million. As at 31 December 2015, the Company has utilised facility of HKD 280 million.

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

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Capital commitments				
Machinery and equipment	4	21	-	-
Buildings and other constructions	3	5	-	-
Land	-	424	-	-
Total	7	450	-	-
Non-cancellable operating lease commitments				
Within one year	380	258	43	44
After one year but within five years	700	276	37	34
Total	1,080	534	80	78
Other commitments				
Purchase of molasses agreements	760	833	-	-
Purchase of raw material agreements	149	3	-	-
Sale of molasses agreements	101	31	-	-
Application service provisioning agreements	32	32	32	32
Brewing supervision agreement	18	20	-	-
Other service agreements	140	83	91	56
Total	1,200	1,002	123	88

5 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Cash on hand	84	73	-	-
Cash at banks - current accounts	1,174	979	4	2
Cash at banks - savings accounts	2,138	1,035	591	35
Highly liquid short-term investments	94	143	-	-
Total	3,490	2,230	595	37

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

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Thai Baht (THB) and other functional currencies of subsidiaries	3,368	1,737	595	37
United States Dollars (USD)	44	129	-	-
Hong Kong Dollars (HKD)	35	1	-	-
Singapore Dollars (SGD)	31	2	-	-
Myanmar Kyat (MMK)	5	-	-	-
Pound Sterling (GBP)	4	358	-	-
Vietnamese Dong (VND)	2	-	-	-
Canada Dollars (CAD)	1	2	-	-
Euro (EUR)	-	1	-	-
Total	3,490	2,230	595	37

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

6 Trade accounts receivable

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
		<i>(in million Baht)</i>			
Related parties	4	101	53	2,441	399
Other parties		3,891	3,692	-	-
Total		3,992	3,745	2,441	399
Less allowance for doubtful accounts		(86)	(77)	-	-
Net		3,906	3,668	2,441	399
Bad and doubtful debts expenses for the year		11	14	-	-

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Related parties				
Within credit terms	71	45	2,254	399
Overdue:				
Less than 3 months	30	7	-	-
3-6 months	-	1	187	-
	101	53	2,441	399
Other parties				
Within credit terms	3,135	2,956	-	-
Overdue:				
Less than 3 months	687	634	-	-
3-6 months	27	30	-	-
6-12 months	31	40	-	-
Over 12 months	11	32	-	-
	3,891	3,692	-	-
Less allowance for doubtful accounts	(86)	(77)	-	-
	3,805	3,615	-	-
Net	3,906	3,668	2,441	399

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

Thai Beverage Public Company Limited and its Subsidiaries

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

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Thai Baht (THB) and other functional currencies of subsidiaries	3,783	3,614	2,441	399
United States Dollars (USD)	68	-	-	-
Euro (EUR)	36	34	-	-
Canada Dollars (CAD)	9	4	-	-
Malaysian Ringgit (MYR)	6	16	-	-
Singapore Dollars (SGD)	4	-	-	-
Total	3,906	3,668	2,441	399

7 Inventories

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Finished goods	11,041	11,785	-	-
Maturing spirits	13,649	12,466	-	-
Work in progress	5,187	5,295	-	-
Raw materials	2,865	1,624	-	-
Packaging materials	1,719	2,103	-	-
Spare parts	518	505	-	-
Others	580	645	-	-
	35,559	34,423	-	-
Less allowance for decline in value	(355)	(339)	-	-
Net	35,204	34,084	-	-
Inventories recognised as an expense in 'Cost of sale of goods':				
- Cost	121,814	114,573	-	-
- Write-down to net realisable value	209	309	-	-
- Reversal of write-down	(193)	(172)	-	-
Net	121,830	114,710	-	-

8 Other current assets

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Prepaid excise tax	1,832	1,433	-	-
Deposits	1,091	1,230	1	-
Refundable value added tax	612	573	21	18
Refundable excise tax	72	102	-	-
Others	529	381	-	-
Total	4,136	3,719	22	18

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

9 Assets classified as held for sale

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

10 Investments in associates

	Consolidated financial statements	
	2015	2014
	<i>(in million Baht)</i>	
At 1 January	67,614	75,558
Share of net profit of investment in associates	3,926	3,389
Share of other comprehensive income of investment in associates	1,148	(2,243)
Share of profit from disposal of interest in associate	3,848	-
Dividend income from associates	(2,273)	(2,434)
Capital reduction of associate	-	(4,465)
Translation differences on consolidation	1,474	(2,191)
At 31 December	<u>75,737</u>	<u>67,614</u>

During 2013, Fraser and Neave, Limited (“F&N”) received a letter from the lawyers of Myanmar Economic Holdings Limited (“MEHL”), F&N’s joint venture partner in Myanmar Brewery Limited (“MBL”), stating MEHL’s intention to issue a notice of arbitration in respect of a potential claim relating to F&N’s 55% stake in MBL (“the F&N’s MBL Stake”). On 9 September 2013, the lawyers representing MEHL sent F&N a document entitled Notice of Arbitration. F&N and MEHL have submitted their claims to the Arbitral Tribunal in Singapore. Subsequently on 31 October 2014, the Arbitral Tribunal has ruled that MEHL is entitled to buy the F&N’s MBL Stake at fair value to be determined by an independent valuer (“the Valuer”) to be jointly appointed by both parties.

Subsequently on 22 July 2015, F&N received the valuation report from the Valuer who determined that the estimated fair value of the F&N’s MBL Stake is Myanmar Kyat (MMK) 500 billion or USD 560 million based on the exchange rate applied by the Valuer. Both MEHL and F&N have agreed that the sale of the F&N’s MBL stake shall be completed at USD 560 million. The said sale transaction has been completed on 19 August 2015. The Group recognised a profit sharing from gain on disposal of MBL of approximately Baht 3,848 million in the consolidated statement of income.

On 21 January 2015, Sinomax International Pte. Ltd. (“Sinomax”), an indirect wholly-owned subsidiary of FCL, has entered into an agreement to sell its entire shareholding interest in Beijing Sin Hua Yan Real Estate Development Co., Ltd. (“BJSYH”) to Beijing Haina Junan Investment Co., Ltd. The consideration for the sale of Sinomax’s entire shareholding interest in BJSYH is approximately RMB 357.4 million (approximately Baht 1,894.13 million), and was settled in cash. The said transaction has been completed in March 2015.

At the annual general meeting of the shareholders of Fraser and Neave, Limited (“F&N”) and Fraser Centrepoint Limited (“FCL”), associates of an indirect subsidiary of the Company, held on 30 January 2015, the shareholders approved the dividend payment of SGD 0.03 per share and SGD 0.062 per share, respectively. The dividend was paid on 16 February 2015. The Company’s indirect subsidiary received the said dividend of approximately Baht 295 million and Baht 1,221 million, respectively.

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On 9 March 2015, FCL Treasury Pte. Ltd., a subsidiary of FCL, has issued SGD 700 million subordinated perpetual securities, with interest rate of 5% per annum and has no fixed final redemption date, under the SGD 3,000 million Multicurrency Debt Issuance Programme which is guaranteed by FCL.

At the Board of Directors' meeting of F&N and FCL, held on 7 May 2015 and 11 May 2015, respectively, the Board of Directors of F&N and FCL approved the interim dividend payment of SGD 0.02 and SGD 0.024 per share, respectively. The interim dividend was paid on 11 June 2015. The Company's indirect subsidiary received the said dividend of approximately Baht 207 million and Baht 496 million respectively.

On 22 May 2015, FCL Treasury Pte. Ltd., a subsidiary of FCL, has issued up to SGD 500 million in aggregate principal amount of bonds, with interest rate of 3.65% per annum due in 2022 in Singapore, which is guaranteed by FCL.

On 17 June 2015, Frasers Hospitality UK Holdings Limited, a subsidiary of FCL, has executed a sale and purchase agreement with MHDV Holdings II Sarl to purchase all of the ordinary shares constituting the entire issued share capital of MHDV Holdings (UK) Limited. The consideration for the transaction was £363.4 million (equivalent to approximately SGD 759.5 million).

On 6 July 2015, Frasers Hospitality Trust ("FHT"), a subsidiary of FCL, issued of 150 million new stapled securities at an issue price of SGD 0.82 per stapled securities. FHT received gross proceeds of SGD 123 million and used to partially fund the acquisition of the 75-year leasehold interest in Sofitel Sydney Wentworth in the amount of SGD 120 million.

On 24 July 2015, Frasers Commercial Trust ("FCOT"), a subsidiary of FCL, issued of 96 million units of a private placement ("the Private Placement") at an issue price of SGD 1.48 per unit, totalling SGD 142.1 million. FCL Trust Holdings (Commercial) Pte. Ltd., a wholly-owned subsidiary of FCOT, had undertaken to subscribe for 23.1 million units of the Private Placement. FCOT will use of SGD 140.2 million to be partial finance of the acquisition of the building in Australia and for the working capital purposes.

At the Board of Directors' meeting held on 9 November 2015 of FCL, the Board of Directors has approved an investment in Golden Land Property Development Public Company Limited, a related company, ("the Proposed Transaction"). The aggregated consideration of the Proposed Transaction is Baht 4,971 million (equivalent to approximately SGD 196 million) for the subscription of the new ordinary shares in Golden Land Property Development Public Company Limited, at a subscription price of Baht 7.25 (equivalent to approximately SGD 0.29) per share. Subsequently on 14 January 2016, the transaction has been completed. Therefore, the FCL Group holds 29.5% of the issued share capital of Golden Land Property Development Public Company Limited.

During 2015, Malmaison and Hotel du Vin Property Holdings Limited, a subsidiary of FCL, has entered into a share purchase agreement to acquire 100% of the issued and paid-up share capital of Golden Tent Limited. The consideration for the acquisition is approximately Baht 1,945 million.

Thai Beverage Public Company Limited and its Subsidiaries

Notes to the financial statements

Investments in associates as at 31 December 2015 and 2014, and dividend income from those investments for the years then ended were as follows:

	Consolidated financial statements													
	Ownership interest (%)		Paid-up capital		Cost		Impairment		At cost – net		Equity		Dividend income	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
	(in million Baht)													
Associates														
<i>Held by indirect subsidiaries</i>														
Perform (Thailand) Co., Ltd.	25.86	25.86	Baht 75 million	Baht 75 million	30	30	-	-	30	30	431	377	54	58
			SGD 849	SGD 845										
Fraser and Neave, Limited	28.53	28.54	million	million	17,108	16,372	-	-	17,108	16,372	36,507	29,118	502	1,491
			SGD 1,767	SGD 1,760										
Fraser's Centrepoint Limited	28.44	28.49	million	million	36,153	34,605	-	-	36,153	34,605	38,659	37,985	1,717	885
<i>Held by subsidiary of indirect subsidiaries</i>														
Liquorland Limited	49.49	49.49	GBP 0.5 million	GBP 0.5 million	13	13	-	-	13	13	140	134	-	-
Total					<u>53,304</u>	<u>51,020</u>	<u>-</u>	<u>-</u>	<u>53,304</u>	<u>51,020</u>	<u>75,737</u>	<u>67,614</u>	<u>2,273</u>	<u>2,434</u>

The Group has investment in associates, Fraser and Neave, Limited ("F&N") and Fraser's Centrepoint Limited ("FCL"), which are listed on the Singapore Exchange Securities Trading Limited ("SGX") with the closing price as at 31 December 2015 of SGD 2.08 per share and SGD 1.68 per share, respectively (2014: SGD 2.73 per share and SGD 1.69 per share, respectively). The fair value calculated from the above mentioned closing price of the Group's investments in F&N and FCL are Baht 21,892 million and Baht 35,363 million, respectively (2014: Baht 28,031 million and Baht 34,705 million, respectively).

Thai Beverage Public Company Limited and its Subsidiaries

Notes to the financial statements

Associates

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

For the year ended 31 December	Fraser and Neave, Limited		Fraser's Centrepoint Limited	
	2015	2014	2015	2014
Statement of comprehensive income	<i>(in million Baht)</i>			
Revenue	50,892	52,458	78,763	69,813
Profit from continuing operations	2,489	638	16,941	14,636
Post-tax profit from discontinued operation	15,112	2,483	-	-
Other comprehensive income	8,098	(2,093)	(6,251)	(6,879)
Total comprehensive income	25,699	1,028	10,690	7,757
Attributable to non-controlling interests	682	2,413	3,637	2,517
Attributable to investee's shareholders	25,017	(1,385)	7,053	5,240
As at 31 December 2015				
Statement of financial position				
Current assets	41,987	26,145	158,913	152,935
Non-current assets	45,984	40,200	430,083	362,249
Current liabilities	(11,486)	(12,006)	(69,621)	(49,308)
Non-current liabilities	(4,274)	(4,354)	(246,690)	(225,931)
Net assets	72,211	49,985	272,685	239,945
Attributable to non-controlling interests	7,869	10,358	72,044	79,727
Attributable to investee's shareholders	64,342	39,627	200,641	160,218
Group's interest in net assets of investee at 1 January	29,118	36,473	37,985	38,667
Total comprehensive income attributable to the Group	7,129	(437)	1,685	1,424
Dividends received during the year	(502)	(1,491)	(1,717)	(885)
Capital reduction of associate	-	(4,465)	-	-
Translation differences on consolidation	762	(962)	706	(1,221)
Carrying amount of interest in investee at 31 December	36,507	29,118	38,659	37,985

Immaterial associates

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

	Petform (Thailand) Co., Ltd.		Liquorland Limited	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Carrying amount of interests in immaterial associates				
Group's share of:				
Profit for the year	266	404	(8)	3
Other comprehensive income	(6)	(1)	-	-
Total comprehensive income	260	403	(8)	3

Thai Beverage Public Company Limited and its Subsidiaries

Notes to the financial statements

11 Investments in subsidiaries

	Separate financial statements	
	2015	2014
	<i>(in million Baht)</i>	
At 1 January	101,830	85,447
Increase in share capital of subsidiary	37,941	16,375
Acquisitions	2,793	8
Disposals	(74)	-
At 31 December	<u>142,490</u>	<u>101,830</u>

During the year ended 31 December 2015, there were the following acquisitions and disposals of investments in subsidiaries:

Acquisitions

On 12 February 2015, 15 May 2015 and 10 July 2015, the Company made a new investment in 99.99% of Cash Van Management Co., Ltd. and Food of Asia Co., Ltd., the Company's subsidiaries, incorporated in Thailand for a consideration of Baht 20 million each. Cash Van Management Co., Ltd. and Food Of Asia Co., Ltd. have paid-up share capital of Baht 10 million (1 million ordinary shares with a Baht 10 par value) each.

On 20 March 2015, 22 May 2015 and 16 October 2015, the Company made an additional investment in the issued and paid-up share capital of Horeca Management Co., Ltd. and Chang International Co., Ltd., for a total consideration of Baht 13 million.

On 23 March 2015, 24 December 2015 and 25 December 2015, the Company made an additional investment in the issued and paid-up share capital of International Beverage Holdings Limited ("IBHL"), the Company's subsidiary, for a consideration of HKD 8,623.34 million or approximately Baht 37,829 million. In this regard, the paid-up share capital of IBHL was increased from HKD 7,010.67 million (7,010.67 million ordinary shares with a HKD 1 par value) to be HKD 15,634.01 million (15,634.01 million ordinary shares with a HKD 1 par value).

On 10 August 2015, the Company made an additional investment in the issued and paid-up share capital of Thai Drinks Co., Ltd., the Company's subsidiary, for a consideration of Baht 100 million. In this regard, the paid-up share capital of Thai Drinks Co., Ltd. was increased from Baht 60 million (0.6 million ordinary shares with a Baht 100 par value) to be Baht 160 million (1.6 million ordinary shares with a Baht 100 par value).

On 19 November 2015 and 24 December 2015, the Company made a new investment in 50.99% of Chang Corporation Company Limited ("Chang Corporation") and BevCo Limited, the Company's subsidiaries, incorporated in Thailand, for a consideration of Baht 0.51 million and Baht 2,772.45 million, respectively. Chang Corporation has paid-up share capital of Baht 1 million (0.1 million ordinary shares with a Baht 10 par value) and BevCo has paid-up share capital of Baht 5,436.17 million (548 million ordinary shares with a Baht 10 par value).

Disposals

On 28 December 2015, the Company sold 46.38% of its interest in the issued and paid-up share capital of Thai Drinks Co., Ltd., the Company's subsidiary, for a consideration of Baht 74.2 million, to So Water Company Limited, the Company's subsidiary.

Thai Beverage Public Company Limited and its Subsidiaries

Notes to the financial statements

Investments in subsidiaries as at 31 December 2015 and 2014, and dividend income from those investments for the years ended were as follows:

	Ownership interest		Separate financial statements				Dividend income	
	(%)		Paid-up capital		Cost method		2015	2014
	2015	2014	2015	2014	2015	2014	2015	2014
			<i>(in million Baht)</i>					
Subsidiaries								
Beer Thai (1991) Plc.	100.00	100.00	5,550	5,550	12,500	12,500	2,209	316
Beer Thip Brewery (1991) Co., Ltd.	100.00	100.00	6,600	6,600	12,500	12,500	1,135	323
Sangsom Co., Ltd.	100.00	100.00	7,500	7,500	7,500	7,500	278	1,485
Fuengfuanant Co., Ltd.	100.00	100.00	900	900	900	900	60	391
Mongkolsamai Co., Ltd.	100.00	100.00	700	700	691	691	4	101
Thanapakdi Co., Ltd.	100.00	100.00	700	700	697	697	12	131
Kanchanasingkorn Co., Ltd.	100.00	100.00	700	700	700	700	9	204
Sura Bangyikhan Co., Ltd.	100.00	100.00	4,000	4,000	4,000	4,000	376	3,216
Athimart Co., Ltd.	100.00	100.00	900	900	900	900	52	453
S.S. Karnsura Co., Ltd.	100.00	100.00	800	800	800	800	47	430
Kankwan Co., Ltd.	100.00	100.00	800	800	800	800	58	502
Theparunothai Co., Ltd.	100.00	100.00	700	700	700	700	40	451
Red Bull Distillery (1988) Co., Ltd.	100.00	100.00	5,000	5,000	5,000	5,000	-	225
United Winery and Distillery Co., Ltd.	100.00	100.00	1,800	1,800	1,800	1,800	22	108
Simathurakij Co., Ltd.	100.00	100.00	900	900	888	888	71	602
Natechai Co., Ltd.	100.00	100.00	800	800	800	800	16	69
Luckchai Liquor Trading Co., Ltd.	100.00	100.00	800	800	766	766	23	189
Sura Piset Thipparat Co., Ltd.	100.00	100.00	1,000	1,000	1,010	1,010	-	5
Modern Trade Management Co., Ltd.	100.00	100.00	10	10	10	10	203	1,201
Horeca Management Co., Ltd.	100.00	100.00	10	2	10	2	-	-
Pomkit Co., Ltd.	100.00	100.00	10	10	10	10	240	541
Pomklung Co., Ltd.	100.00	100.00	10	10	10	10	254	453
Pomchok Co., Ltd.	100.00	100.00	10	10	10	10	162	475
Pomcharoen Co., Ltd.	100.00	100.00	10	10	10	10	42	157
Pomburapa Co., Ltd.	100.00	100.00	10	10	10	10	231	485
Pompalang Co., Ltd.	100.00	100.00	10	10	10	10	131	134
Pomnakorn Co., Ltd.	100.00	100.00	10	10	10	10	136	245

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

	Ownership interest (%)		Paid-up capital		Separate financial statements		Dividend income	
	2015	2014	2015	2014	2015	2014	2015	2014
			(in million Baht)		Cost method			
<i>Subsidiaries (continued)</i>								
Pomthip (2012) Co., Ltd.	100.00	100.00	10	10	10	10	231	158
Num Yuk Co., Ltd.	100.00	100.00	10	10	10	10	283	1,571
Num Kijjakarn Co., Ltd.	100.00	100.00	10	10	10	10	317	2,274
Num Palang Co., Ltd.	100.00	100.00	10	10	10	10	172	816
Num Muang Co., Ltd.	100.00	100.00	10	10	10	10	256	1,534
Num Nakorn Co., Ltd.	100.00	100.00	10	10	10	10	174	1,028
Num Thurakij Co., Ltd.	100.00	100.00	10	10	10	10	271	1,384
Numrungrud Co., Ltd.	100.00	100.00	10	10	10	10	244	1,226
Numthip Co., Ltd.	100.00	100.00	10	10	10	10	208	835
Thipecthalothorn Co., Ltd.	100.00	100.00	1	1	3	3	56	373
Krittayabun Co., Ltd.	100.00	100.00	5	5	27	27	187	698
Surathip Co., Ltd.	100.00	100.00	1	1	7	7	56	293
Sunthronpirom Co., Ltd.	100.00	100.00	5	5	25	25	12	250
Piromsurang Co., Ltd.	100.00	100.00	5	5	24	24	80	393
Thai Beverage Energy Co., Ltd.	100.00	100.00	860	860	864	864	-	-
Thai Molasses Co., Ltd.	99.72	99.72	40	40	35	35	58	283
Feed Addition Co., Ltd.	100.00	100.00	1	1	32	32	61	121
Pan International (Thailand) Co., Ltd.	100.00	100.00	1	1	34	34	-	71
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	-	10
Thai Beverage Recycle Co., Ltd.	100.00	100.00	123	123	134	134	15	35
Thai Beverage Logistics Co., Ltd.	100.00	100.00	1,012	1,012	1,012	1,012	120	846
Thai Beverage Marketing Co., Ltd.	100.00	100.00	300	300	300	300	63	289
United Products Co., Ltd.	100.00	100.00	350	350	376	376	-	-
Dhospaak Co., Ltd.	100.00	100.00	25	25	61	61	-	31
Thai Beverage Training Co., Ltd.	100.00	100.00	3	3	2	2	-	6
C A C Co., Ltd.	100.00	100.00	30	30	30	30	-	-
International Beverage Holdings Limited	100.00	100.00	67,943	30,114	67,942	30,114	-	-
Cosmos Brewery (Thailand) Co., Ltd.	100.00	100.00	1,667	1,667	4,139	4,139	373	128

Thai Beverage Public Company Limited and its Subsidiaries

Notes to the financial statements

	Ownership interest		Separate financial statements				Dividend income	
	2015	2014	Paid-up capital		Cost method		2015	2014
	(%)	(%)	2015	2014	2015	2014	2015	2014
			<i>(in million Baht)</i>					
Subsidiaries (continued)								
Thai Beverage Brands Co., Ltd.	100.00	100.00	5	5	39	39	-	10
Beer Chang Co., Ltd.	100.00	100.00	1	1	4,318	4,318	214	404
Archa beer Co., Ltd.	100.00	100.00	1	1	130	130	14	92
Sura Piset Phatra Lanna Co., Ltd.	100.00	100.00	1,000	1,000	1,015	1,015	-	-
Oishi Group Plc.	79.66	79.66	375	375	5,540	5,540	239	232
Thai Drinks Co., Ltd.	53.62	100.00	160	60	86	60	-	-
Chang International Co., Ltd.	100.00	100.00	10	5	10	5	69	-
Cash Van Management Co., Ltd.	100.00	-	10	-	10	-	-	-
Food of Asia Co., Ltd.	100.00	-	10	-	10	-	-	-
Chang Corporation Co., Ltd.	50.99	-	1	-	1	-	-	-
BevCo Co., Ltd.	50.99	-	5,436	-	2,772	-	-	-
Total			120,125	76,734	142,490	101,830	9,584	28,283

None of the Company's subsidiaries are publicly listed and consequently do not have published price quotations, except for Oishi Group Plc. which is listed on the Stock Exchange of Thailand. Based on the closing price of Baht 62.50 per share at 31 December 2015 (2014: Baht 70.00 per share), the fair value of the Company's investment in Oishi Group Plc. is Baht 9,335 million (2014: Baht 10,455 million).

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

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

12 Non-controlling interests

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

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

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

	Oishi Group Public Company Limited	31 December 2014 Sermsuk Public Company Limited <i>(in million Baht)</i>	Intra-group eliminations	Total
Non-controlling interest percentage	20.34%	35.34%		
Current assets	1,308	4,273		
Non-current assets	7,823	10,292		
Current liabilities	(3,746)	(3,433)		
Non-current liabilities	(1,751)	(2,187)		
Net assets	3,635	8,945		
Carrying amount of non-controlling interest	739	3,161	(486)	3,414
Revenue	12,405	10,385		
Profit	525	187		
Other comprehensive income	(16)	54		
Total comprehensive income	509	241		
Profit allocated to non-controlling interest	103	66	(430)	(261)
Other comprehensive income allocated to non-controlling interest	(3)	19	-	16
Cash flows from operating activities	1,375	(974)		
Cash flows from investing activities	(1,842)	735		
Cash flows from financing activities	489	258		
Net increase in cash and cash equivalents	22	19		

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

13 Investment properties

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
<i>(in million Baht)</i>					
Cost					
At 1 January		1,232	1,232	-	-
Additions		155	-	-	-
Transfer to property, plant and equipment	14	(13)	-	-	-
At 31 December		1,374	1,232	-	-
Depreciation and impairment losses					
At 1 January		118	217	-	-
Depreciation charge for the year		6	6	-	-
Transfer to property, plant and equipment	14	(11)	-	-	-
Reversal of allowance for impairment losses		-	(105)	-	-
At 31 December		113	118	-	-
Net book value					
At 1 January 2014		-	1,015	-	-
At 31 December 2014 and 1 January 2015		1,114	1,114	-	-
At 31 December 2015		1,261	-	-	-

The Group's investment properties were revalued by independent property valuers, which considered valuation using the market comparison approach and cost approach. As at 31 December 2015, the appraised value of investment properties was Baht 2,121 million (2014: Baht 1,934 million).

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

Measurement of fair value

Fair value hierarchy

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

The fair value measurement for investment properties, which were consisted of land and building and construction, has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Thai Beverage Public Company Limited and its Subsidiaries
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Valuation technique and significant unobservable inputs

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

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

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

14 Property, plant and equipment

	Note	Consolidated financial statements (in million Baht)							Total	
		Land	Land improvement	Building, buildings and leasehold improvements	Machinery and equipment	Oak barrels	Furniture, fixtures and office equipment	Vehicles		Assets under construction and installation
<i>Cost/ revaluation</i>										
At 1 January 2014		16,884	1,660	22,936	53,611	2,811	1,497	4,273	2,291	105,963
Additions		-	3	470	761	54	206	26	3,259	4,779
Transfers		-	93	1,291	2,367	-	32	71	(3,683)	171
Transfer to assets held for sale	9	(1,281)	-	(45)	-	-	-	-	-	(1,326)
Disposals		-	-	(39)	(347)	(5)	(65)	(254)	(6)	(716)
Translation differences on consolidation		(6)	-	(67)	(69)	(17)	(1)	4	(1)	(157)
At 31 December 2014 and 1 January 2015		15,597	1,756	24,546	56,323	2,843	1,669	4,120	1,860	108,714
Additions		910	4	509	878	77	263	32	1,435	4,108
Transfer		-	2	1,317	1,386	-	43	11	(2,786)	(27)
Transfer from investment properties	13	-	-	13	-	-	-	-	-	13
Disposals		-	(2)	(81)	(473)	(4)	(73)	(135)	(16)	(784)
Translation differences on consolidation		6	1	71	67	16	1	1	17	180
At 31 December 2015		16,513	1,761	26,375	58,181	2,932	1,903	4,029	510	112,204

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

	Note	Consolidated financial statements (in million Baht)							Total	
		Land	Land improvement	Buildings, buildings and leasehold improvements	Machinery and equipment	Oak barrels	Furniture, fixtures and office equipment	Vehicles		Assets under construction and installation
Depreciation and impairment losses										
At 1 January 2014		-	1,022	11,573	39,453	2,238	1,024	2,957	37	58,304
Depreciation charge for the year		-	83	1,122	2,078	131	183	341	-	3,938
Impairment losses		-	-	-	(37)	-	-	-	-	(37)
Transfers		-	6	74	(39)	-	(1)	-	(37)	3
Transfer to assets held for sale	9	-	-	(36)	-	-	-	-	-	(36)
Disposals		-	-	(29)	(280)	(4)	(62)	(253)	-	(628)
Translation differences on consolidation		-	-	(31)	(42)	(12)	-	4	-	(81)
At 31 December 2014 and 1 January 2015		-	1,111	12,673	41,133	2,353	1,144	3,049	-	61,463
Depreciation charge for the year		-	83	1,212	2,386	132	212	328	-	4,353
Impairment losses		-	-	-	65	-	-	-	-	65
Transfers		-	-	-	(27)	-	1	-	-	(26)
Transfer from investment properties	13	-	-	11	-	-	-	-	-	11
Disposals		-	(2)	(64)	(408)	(3)	(65)	(129)	-	(671)
Translation differences on consolidation		-	1	32	42	11	1	1	-	88
At 31 December 2015		-	1,193	13,864	43,191	2,493	1,293	3,249	-	65,283
Net book value										
At 1 January 2014		16,884	638	11,363	14,158	573	473	1,316	2,254	47,659
At 31 December 2014 and 1 January 2015		15,597	645	11,873	15,190	490	525	1,071	1,860	47,251
At 31 December 2015		16,513	568	12,511	14,990	439	610	780	510	46,921

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In 2015, the Group reviewed the recoverable amount of property, plant and equipment in accordance with Thai Financial Reporting Standard and found that the recoverable amount of property, plant and equipment as at 31 December 2015 exceeded its carrying amount.

The gross amount of the Group's fully depreciated property, plant and equipment that was still in use as at 31 December 2015 amounted to Baht 38,947 million (2014: Baht 37,490 million).

	Separate financial statements				Total
	Leasehold improvements	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	
	<i>(in million Baht)</i>				
Cost					
At 1 January 2014	13	182	25	6	226
Additions	-	15	-	9	24
Transfers	-	2	-	(2)	-
Disposals	-	(10)	-	-	(10)
At 31 December 2014 and 1 January 2015	13	189	25	13	240
Additions	-	29	-	4	33
Disposals	-	(2)	-	-	(2)
At 31 December 2015	13	216	25	17	271
Depreciation and impairment losses					
At 1 January 2014	10	142	14	-	166
Depreciation charge for the year	3	14	3	-	20
Disposals	-	(10)	-	-	(10)
At 31 December 2014 and 1 January 2015	13	146	17	-	176
Depreciation charge for the year	-	16	3	-	19
Disposals	-	(2)	-	-	(2)
At 31 December 2015	13	160	20	-	193
Net book value					
At 1 January 2014	3	40	11	6	60
At 31 December 2014 and 1 January 2015	-	43	8	13	64
At 31 December 2015	-	56	5	17	78

The gross amount of the Company's fully depreciated leasehold improvements and equipment that was still in use as at 31 December 2015 amounted to Baht 149 million (2014: Baht 125 million).

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Measurement of fair value

Fair value hierarchy

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

The fair value measurement for land has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Valuation technique and significant unobservable inputs

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

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

15 Goodwill

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Cost				
At 1 January	7,209	7,225	-	-
Translation differences on consolidation	13	(16)	-	-
At 31 December	7,222	7,209	-	-
Impairment losses				
At 1 January	165	173	-	-
Translation differences on consolidation	6	(8)	-	-
At 31 December	171	165	-	-
Net book value				
At 1 January	7,044	7,052	-	-
At 31 December	7,051	7,044	-	-

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Goodwill as at 31 December was consisted of:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Non-alcohol beverage and food business	6,670	6,670	-	-
Alcohol beverage business	381	374	-	-
Total	7,051	7,044	-	-

In 2015, the Group reviewed the recoverable amount of goodwill and found that the recoverable amount of goodwill as at 31 December 2015 exceeded its carrying amount.

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

The key assumptions used in the estimation of the recoverable amount are discount rate, which was 7% - 10.2%, revenue growth rate and terminate value growth rate. The discounted cash flows were prepared for a period of 5 years. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

16 Deferred tax

Deferred tax assets and liabilities as at 31 December were as follows:

	Consolidated financial statements			
	Assets		Liabilities	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Total	1,600	1,662	(2,003)	(2,240)
Set off of tax	(1,183)	(1,275)	1,183	1,275
Net deferred tax assets (liabilities)	417	387	(820)	(965)

	Separate financial statements			
	Assets		Liabilities	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Total	37	33	-	-
Net deferred tax assets	37	33	-	-

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

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

	Consolidated financial statements			At 31 December 2014
	At 1 January 2014	(Charged) / Credited to:		
		Profit or loss (Note 32)	Other comprehensive income	
		<i>(in million Baht)</i>		
Deferred tax assets				
Inventories	223	(9)	-	214
Property, plant and equipment	250	8	-	258
Investment properties	21	(21)	-	-
Long-term investments	1	-	-	1
Provisions	8	(1)	-	7
Employee benefit obligations	445	10	25	480
Loss carry forward	335	347	-	682
Others	14	6	-	20
Total	1,297	340	25	1,662
Set off of tax	(905)			(1,275)
	392			387
Deferred tax liabilities				
Property, plant and equipment	(2,182)	(24)	3	(2,203)
Others	(38)	-	1	(37)
Total	(2,220)	(24)	4	(2,240)
Set off of tax	905			1,275
	(1,315)			(965)
Net		316	29	

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

	At 1 January 2014	Separate financial statements (Charged) / Credited to:		At 31 December 2014
		Profit or loss (Note 32) <i>(in million Baht)</i>	Other comprehensive income	
<i>Deferred tax assets</i>				
Intangible assets	3	-	-	3
Employee benefit obligations	27	2	1	30
Total	30	2	1	33

Deferred tax assets have not been recognised in respect of the following items:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Tax losses	-	79	-	-
Total	-	79	-	-

The tax losses expire in 2019. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

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17 Other non-current assets

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
		<i>(in million Baht)</i>			
Advance payments to a specialist	37	1,429	1,479	268	277
Deposits		279	263	-	-
Others		110	111	-	-
Total		1,818	1,853	268	277

18 Interest-bearing liabilities

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
		<i>(in million Baht)</i>			
Current					
Bank overdrafts					
Secured		1,039	1,029	-	-
Unsecured with letters of comfort		409	334	-	-
Short-term loans from financial institutions					
Promissory notes - Unsecured		1,415	7,173	650	5,300
Bill of exchanges - Unsecured		4,979	-	4,979	-
Bank overdrafts and short-term loans from financial institutions		7,842	8,536	5,629	5,300
Current portion of debentures					
Unsecured		1,000	-	-	-
Current portion of long-term loans and bill of exchanges from financial institutions					
Unsecured		9,479	2,900	8,879	2,500
Unsecured with guarantee		53	10,511	-	-
		9,532	13,411	8,879	2,500
Short-term loans from related parties					
Unsecured	4	-	-	32,025	7,517
Total current		18,374	21,947	46,533	15,317

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	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
<i>(in million Baht)</i>					
Non-current					
Long-term loans from related parties					
Unsecured	4	-	-	1,317	12,569
Debentures					
Unsecured		1,000	1,000	-	-
Long-term bill of exchanges					
Unsecured		1,955	-	1,955	-
Long-term loans from financial institutions					
Unsecured		22,500	4,600	22,000	4,000
Unsecured with guarantee		428	21,955	-	-
		<u>24,883</u>	<u>26,555</u>	<u>23,955</u>	<u>4,000</u>
Total non-current		<u>25,883</u>	<u>27,555</u>	<u>25,272</u>	<u>16,569</u>
Grand total		<u>44,257</u>	<u>49,502</u>	<u>71,805</u>	<u>31,886</u>

The periods to maturity of interest-bearing liabilities as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<i>(in million Baht)</i>				
Within one year	18,374	21,947	46,533	15,317
After one year but within five years	25,883	27,555	25,272	16,569
Total	<u>44,257</u>	<u>49,502</u>	<u>71,805</u>	<u>31,886</u>

The principal features of the borrowings were as follows:

Bank overdrafts and short-term loans from financial institutions

- (a) As at 31 December 2015, the Group had utilised bank overdrafts amounting to Baht 1,448 million (2014: Baht 1,363 million) which were partially supported by letters of comfort issued by the Company.
- (b) As at 31 December 2015, the Group and the Company had utilised short-term loans from financial institutions totalling Baht 6,394 million and Baht 5,629 million, respectively (2014: Baht 7,173 million and Baht 5,300 million, respectively), which was consisted of promissory notes issued by the Group and the Company to several domestic financial institutions and bill of exchanges issued by the Company, with money market rates quoted by the financial institutions.

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Long-term loans from financial institutions and bill of exchanges

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

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

Details are as follows:

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

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

As at 31 December 2015, the Company had the outstanding balance of long-term loans from the financial institutions of Baht 4,000 million (2014: Baht 6,500 million).

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

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

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Details are as follows:

Financial institutions	Amount (in million Baht)	Number of installments	Repayment Each installment (in million Baht)	Payment Due
Long-term loan				
No. 1				
Tranche A	5,000	1	5,000	23 Mar 17
Tranche B	1,000	1	1,000	25 Jun 18
Tranche C	2,000	1	2,000	3 Mar 17
No. 2				
Tranche A	5,000	1	5,000	22 Dec 17
Tranche B	5,000	1	5,000	23 Mar 18
Tranche C	4,000	1	4,000	22 Jun 18
No. 3				
Bill of exchanges	5,000	1	5,000	23 Dec 16
Less: prepaid interest			(121)	
Net			4,879	
Bill of exchanges	2,000	1	2,000	3 Mar 17
Less: prepaid interest			(45)	
Net			1,955	
Total	29,000		28,834	

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

As at 31 December 2015, the Company had the outstanding balance of long-term loans and long-term bill of exchanges of Baht 28,834 million (2014: nil).

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

In 2012, the shareholders of the subsidiary approved the subsidiary to issue debentures not exceeding Baht 3,000 million with period not exceeding 10 years. In case, the subsidiary redeems or repays the said debentures, the subsidiary can issue additional debentures as substitute under the conditions and limits (Revolving). In 2013, the subsidiary had issued outstanding unsubordinated, unsecured debentures and without a share holder representative with the name registered in the amount of Baht 1,000 million (1,000,000 units at par value of Baht 1,000 each). The debentures have a fixed coupon rate of 4% per annum, payable every six-month period. The debentures have a three-year term and mature on 7 August 2016. In this regard, the remaining facility after such issuance was Baht 2,000 million.

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Subsequently, at the Board of Directors of the subsidiary's meeting held on 10 November 2015, the Board of Directors agreed to approve the additional issuance of the debentures not exceeding Baht 1,000 million (1,000,000 units at par value of Baht 1,000 each). The debentures are unsubordinated, unsecured and without a shareholder representative with the name registered. The debentures have a three-year term and mature on 9 December 2018. The debentures have a fixed coupon rate of 2.51% per annum, payable every six-month period.

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

- (d) The long-term loan facility agreements with seven branches of foreign financial institutions in Singapore, entered into by an overseas subsidiary, are detailed as follows:

The principal of the long-term loans is amounting to SGD 3,300 million and is repayable in installments every six months over five years. The aforementioned long-term loan from financial institutions are unsecured, but guaranteed by the Company. On 23 February 2015 and 23 March 2015, the aforesaid subsidiary fully repaid the remaining balance of loan, including all interest payable, prior to the maturity date without any penalty fees amounting to SGD 1,290.42 million (2014: the aforesaid subsidiary had outstanding balance of the long-term loans of SGD 1,290.42 million or equivalent to Baht 31,955 million).

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

(e.1) The principal of the long-term loans is amounting to Baht 1,000 million which will be repaid monthly in 5 installments, Baht 200 million each, commencing from November 2015 to March 2016, interest was monthly payable at 3.85% per annum. As at 31 December 2015, the outstanding balance of the long-term loan was Baht 600 million (2014: Baht 1,000 million).

(e.2) The principal of the long-term loan agreement is amounting to Baht 500 million which will be repaid monthly in 5 installments, Baht 100 million each, commencing from February 2017 to June 2017, interest was monthly payable at 2.25% per annum. As at 31 December 2015, the outstanding balance of the long-term loan was Baht 500 million (2014: nil).

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

The principal of the long-term loan is amounting to GBP 10 million with three-year period. The long-term loan is repayable in 12 consecutive quarterly installments. The first 11 installments shall be repayable in the amount of GBP 250,000 per installment and the final installment shall be repayable in the remaining amount. As at 31 December 2015, the outstanding balance of the long-term loan was GBP 9 million or equivalent to Baht 482 million (2014: GBP 10 million or equivalent to Baht 511 million).

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

As at 31 December 2015, the Group and the Company had unutilised credit facilities totalling Baht 71,311 million and Baht 40,418 million, respectively (2014: Baht 48,344 million and Baht 18,968 million, respectively).

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The currency denomination of interest-bearing liabilities as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Thai Baht (THB) and other functional currencies of subsidiaries	44,242	17,548	70,488	31,886
Singapore Dollars (SGD)	15	31,954	-	-
Hong Kong Dollars (HKD)	-	-	1,317	-
Total	44,257	49,502	71,805	31,886

19 Trade accounts payable

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
		<i>(in million Baht)</i>			
Related parties	4	1,564	1,539	-	-
Other parties		3,287	3,264	-	-
Total		4,851	4,803	-	-

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

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Thai Baht (THB) and other functional currencies of subsidiaries	4,609	4,490	-	-
Euro (EUR)	117	64	-	-
United States Dollars (USD)	64	86	-	-
Australian Dollars (AUD)	48	131	-	-
Pound Sterling (GBP)	12	1	-	-
Myanmar Kyat (MMK)	1	-	-	-
Singapore Dollars (SGD)	-	31	-	-
Total	4,851	4,803	-	-

20 Other payables

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Accrued expenses	1,840	1,789	146	158
Accrued promotion expenses	1,613	1,420	-	-
Advanced payments from customers for purchase of goods	817	376	-	-
Accounts payable for purchase of assets	550	489	9	9
Others	183	304	29	47
Total	5,003	4,378	184	214

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

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Thai Baht (THB) and other functional currencies of subsidiaries	4,902	4,076	184	214
Japanese Yen (JPY)	56	113	-	-
Euro (EUR)	20	106	-	-
United States Dollars (USD)	18	43	-	-
Myanmar Kyat (MMK)	5	-	-	-
Singapore Dollars (SGD)	1	39	-	-
Pound Sterling (GBP)	1	-	-	-
New Zealand Dollars (NZD)	-	1	-	-
Total	5,003	4,378	184	214

21 Other current liabilities

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Value added tax payable	1,500	1,186	53	34
Deposits and retention	524	535	-	-
Withholding tax payable	170	177	25	22
Others	97	74	1	1
Total	2,291	1,972	79	57

22 Employee benefit obligations

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Statement of financial position				
Obligations for:				
Short-term employee benefits				
- accumulated annual leave	11	9	-	-
Long-term employee benefits				
- long service award	45	57	-	-
Post-employment benefits				
- compensation plan based on Thai Labour law	2,761	2,511	200	173
Total	2,817	2,577	200	173
 <i>Year ended 31 December</i>				
Recognised in statement of income:				
Compensation plan based on Thai Labour law	242	239	18	17
Actuarial gains recognised during the year	(2)	(9)	-	-
	240	230	18	17
 Recognised in statement of comprehensive income:				
Actuarial losses recognised during the year	109	129	15	9
Cumulative actuarial gains recognised	63	(46)	(42)	(57)

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Compensation plan based on Thai Labour law

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

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

Movement in the present value of the defined benefit obligations:

		Consolidated		Separate	
	<i>Note</i>	financial statements	financial statements	financial statements	financial statements
		2015	2014	2015	2014
		<i>(in million Baht)</i>			
Defined benefit obligations at 1 January		2,577	2,314	173	138
Include in profit or loss:	29				
Current service cost		162	144	12	11
Interest on obligation		80	95	6	6
Actuarial gains		(2)	(9)	-	-
		240	230	18	17
Included in other comprehensive income					
Actuarial losses		109	129	15	9
		109	129	15	9
Other					
Benefit paid		(109)	(96)	(6)	9
		(109)	(96)	(6)	9
Defined benefit obligations at 31 December		2,817	2,577	200	173

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

		Consolidated		Separate	
		financial statements	financial statements	financial statements	financial statements
		2015	2014	2015	2014
		<i>(in million Baht)</i>			
Demographic assumptions		(32)	-	-	-
Financial assumptions		76	128	5	9
Experience adjustment		65	47	10	-
Total		109	175	15	9

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Actuarial assumptions

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

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		%		
Discount rate	2.75 - 2.90	3.00 - 3.30	2.90	3.30
Future salary growth	5.00	5.00 - 6.00	5.00	5.00

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

At 31 December 2015, the weighted-average duration of the defined benefit obligation was 15 years (2014: 15 years).

Sensitivity analysis

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

Defined benefit obligation 31 December 2015	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
	<i>(in million Baht)</i>			
Discount rate (0.5% movement)	(119)	127	(6)	6
Future salary growth (0.5% movement)	79	(75)	6	(6)
Future salary growth (1% movement)	154	(105)	-	-

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

23 Share capital

	Par value per share <i>(in Baht)</i>	2015		2014	
		Number	Baht	Number	Baht
<i>(million shares / million Baht)</i>					
Authorised					
At 1 January					
- ordinary shares	1	29,000	29,000	29,000	29,000
At 31 December					
- ordinary shares	1	29,000	29,000	29,000	29,000
Issued and paid-up					
At 1 January					
- ordinary shares	1	25,110	25,110	25,110	25,110
At 31 December					
- ordinary shares	1	25,110	25,110	25,110	25,110

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

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Share premium

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

24 Reserves

Reserves comprise:

Appropriations of profit and/or retained earnings

Legal reserve

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

Other components of equity

Currency translation differences

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

Fair value changes in available-for-sale investments

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

Valuation surplus

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

Movements in reserves

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

25 Operating segment

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

Inter-segment pricing is determined on mutually agreed terms.

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

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

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Business segments

The Group comprises the following main business segments:

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

Geographical information

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

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

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Business segment results

	Spirits		Beer		Non-alcoholic beverages		Food		Elimination		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Revenue from sale to external customers	105,911	104,511	43,103	35,183	16,458	15,766	6,577	6,580	-	-	172,049	162,040
Inter-segment revenue	80	81	9	10	30	9	1	22	(120)	(122)	-	-
Interest income	10	79	4	20	5	6	-	1	-	-	19	106
Other income	212	227	260	206	969	215	30	64	(120)	(68)	1,351	644
Total allocated income	106,213	104,898	43,376	35,419	17,462	15,996	6,608	6,667	(240)	(190)	173,419	162,790
Cost of sale of goods	71,013	70,183	35,024	28,817	11,959	11,773	3,946	4,025	(112)	(88)	121,830	114,710
Selling expenses	4,074	4,003	4,796	3,846	5,986	4,635	761	750	(64)	(45)	15,553	13,189
Administrative expenses	5,713	5,128	2,002	2,196	2,004	1,703	1,819	1,791	(64)	(57)	11,474	10,761
Finance costs	258	170	87	47	174	203	13	9	-	-	532	429
Total allocated expenses	81,058	79,484	41,909	34,906	20,123	18,314	6,539	6,575	(240)	(190)	149,389	139,089
Share of profit of associates	-	-	-	-	108	159	-	-	-	-	108	159
Profit (loss) before income tax expense	25,155	25,414	1,467	513	(2,553)	(2,159)	69	92	-	-	24,138	23,860
Income tax (expense) benefit	(4,986)	(5,107)	(252)	(117)	742	690	(12)	(18)	-	-	(4,508)	(4,552)
Allocated profit (loss) for the year	20,169	20,307	1,215	396	(1,811)	(1,469)	57	74	-	-	19,630	19,308
<i>Unallocated items:</i>												
- Share of profit from disposal of interest in associate, net of income tax											3,848	-
- Share of profit of associates											3,818	3,230
- Net gain (loss) on foreign exchange											(1)	19
- Finance costs											(831)	(1,124)
Total unallocated items											6,834	2,125
Profit for the year											26,464	21,433

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Business segment financial position

	Spirits		Beer		Non-alcoholic beverages <i>(in million Baht)</i>		Food		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Inventories	30,796	28,863	3,155	3,466	1,044	1,503	209	252	35,204	34,084
Property, plant and equipment	19,125	18,502	10,212	10,623	15,522	15,945	2,063	2,181	46,922	47,251
Other assets	9,333	9,455	3,518	2,311	10,396	10,503	1,479	1,280	24,726	23,549
Total allocated assets	59,254	56,820	16,885	16,400	26,962	27,951	3,751	3,713	106,852	104,884
<i>Unallocated items:</i>										
- Investments in associates									75,165	67,103
Total assets									182,017	171,987
Interest-bearing liabilities	10,009	8,554	2,486	1,969	6,423	6,667	461	358	19,379	17,548
Other liabilities	9,371	8,827	4,509	2,926	3,652	4,799	961	1,257	18,493	17,809
Total allocated liabilities	19,380	17,381	6,995	4,895	10,075	11,466	1,422	1,615	37,872	35,357
<i>Unallocated items:</i>										
- Loans from financial institutions									24,879	31,954
Total liabilities									62,751	67,311

Capital expenditure, depreciation, amortisation, and gain (loss) on disposal of assets based on business segments for the year ended 31 December 2015 and 2014 were as follows:

Capital expenditure	2,208	1,613	323	332	1,140	2,234	495	633	4,166	4,812
Depreciation	1,619	1,542	731	701	1,508	1,254	500	446	4,358	3,943
Amortisation	20	18	4	4	9	11	9	10	42	43
Gain (loss) on disposal of assets	28	32	33	89	(59)	50	(13)	(5)	(11)	166

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Notes to the financial statements

Certain operating segment information in 2014 have been reclassified to conform to the presentation in 2015. The reclassification of the operating segment information regarding the results of each reportable segment have been made, because management believes that such information is more appropriate in evaluating the results of the Group's segments.

Geographical information

The geographical financial information of the Group in the consolidated financial statements as at 31 December and for the years ended 31 December was as follows:

	Consolidated financial statements			
	Revenue		Property, plant and equipment	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Thailand	166,387	155,890	44,796	45,228
Overseas	7,032	6,900	2,126	2,023
Total	173,419	162,790	46,922	47,251

26 Other income

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
		<i>(in million Baht)</i>			
Gain on sale of assets classified as held for sale	9	446	-	-	-
Other service income		304	17	-	-
Revenue from sales of scraps		74	96	-	-
Gain on disposal of assets		60	167	-	-
Revenue from sales of by products		25	30	-	-
Insurance reimbursement and others		7	10	-	-
Reversal of impairment loss on assets		-	105	-	-
Others		243	171	13	48
Total		1,159	596	13	48

27 Selling expenses

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Marketing and advertising expenses	6,802	5,117	-	-
Personnel expenses	3,930	3,582	-	-
Travelling expenses	1,123	1,389	-	-
Transportation expenses	1,057	878	-	-
Rental fee	869	837	-	-
Commission expenses	376	228	-	-
Others	1,396	1,158	-	-
Total	15,553	13,189	-	-

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28 Administrative expenses

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Personnel expenses	4,930	4,441	30	21
Depreciation and amortisation charges	1,064	925	1	1
Rental fee	651	593	1	1
Hire and service fees	639	607	-	-
Idle capacity	547	514	-	-
Donation	546	672	7	7
Utilities expenses	430	437	-	1
Management personnel compensation	381	381	426	369
Travelling expenses	364	382	3	3
Consultant and professional fee	341	299	3	3
Marketing and advertising expenses	221	170	27	19
Others	1,361	1,344	14	9
Total	11,475	10,765	512	434

29 Employee benefit expenses

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Management				
Salaries and wages	242	205	242	205
Bonus	150	133	150	133
Pension costs - defined contribution plans	7	4	7	3
Others	54	54	27	28
	453	396	426	369
Other employees				
Salaries and wages	8,329	7,699	382	316
Bonus	1,333	1,253	102	108
Overtime and per diem allowance	673	614	18	16
Pension costs - defined contribution plans	207	123	13	7
Others	1,658	1,553	76	94
	12,200	11,242	591	541
Total employee benefit expenses	12,653	11,638	1,017	910

Defined benefit plans

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

Defined contribution plans

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

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

30 Expenses by nature

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

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
<i>Included in cost of sales of goods and cost of rendering of services:</i>				
Changes in inventories of finished goods and work in progress	1,214	162	-	-
Raw materials, consumables and excise tax used	113,585	105,549	-	-
Employee benefit expenses	3,412	3,218	561	506
Depreciation and amortisation	2,927	2,451	22	22
<i>Included in selling expenses:</i>				
Advertising and public relations	4,672	2,519	-	-
Employee benefit expenses	3,930	3,582	-	-
Marketing and sales promotion expenses	2,130	2,598	-	-
<i>Included in administrative expenses:</i>				
Employee benefit expenses	5,311	4,822	456	390
Depreciation and amortisation	1,064	925	1	1
Rental fee	651	593	1	1

31 Finance costs

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
		<i>(in million Baht)</i>			
<i>Interest expense:</i>					
Related parties	4	-	-	1,334	1,200
Financial institutions		1,376	1,564	884	279
Exchange differences		2	1	-	-
Total interest expense		1,378	1,565	2,218	1,479
Other finance costs		-	1	-	-
Total		1,378	1,566	2,218	1,479
Less amounts included in the cost of property, plant and equipment		(15)	(13)	-	-
Net		1,363	1,553	2,218	1,479

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32 Income tax expense

Income tax recognised in profit or loss

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
<i>(in million Baht)</i>					
Current tax expense					
Current year		4,662	4,868	68	188
Over provided in prior years		(4)	-	(3)	(2)
		<u>4,658</u>	<u>4,868</u>	<u>65</u>	<u>186</u>
Deferred tax expense	16				
Movements in temporary differences		(22)	31	(1)	(2)
Recognition of previously unrecognised tax losses		(128)	(347)	-	-
		<u>(150)</u>	<u>(316)</u>	<u>(1)</u>	<u>(2)</u>
Total income tax expense		<u>4,508</u>	<u>4,552</u>	<u>64</u>	<u>184</u>

Income tax recognised in other comprehensive income

	Consolidated financial statements					
	Before tax	2015 Tax benefit	Net of tax	Before tax	2014 Tax benefit	Net of tax
<i>(in million Baht)</i>						
Share of other comprehensive income of associates	1,148	-	1,148	(2,243)	-	(2,243)
Foreign currency translation differences for foreign operations	2,401	20	2,421	(1,056)	-	(1,056)
Revaluation of property	-	-	-	-	3	3
Defined benefit plan actuarial losses	(110)	25	(85)	(129)	25	(104)
Net change in fair value of available-for-sale investments	-	-	-	(3)	1	(2)
Total	<u>3,439</u>	<u>45</u>	<u>3,484</u>	<u>(3,431)</u>	<u>29</u>	<u>(3,402)</u>

	Separate financial statements					
	Before tax	2015 Tax benefit	Net of tax	Before tax	2014 Tax benefit	Net of tax
<i>(in million Baht)</i>						
Defined benefit plan actuarial losses	(15)	3	(12)	(9)	1	(8)
Total	<u>(15)</u>	<u>3</u>	<u>(12)</u>	<u>(9)</u>	<u>1</u>	<u>(8)</u>

Thai Beverage Public Company Limited and its Subsidiaries
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Reconciliation of effective tax rate

	Consolidated financial statements			
	2015		2014	
	<i>Rate (%)</i>	<i>(in million Baht)</i>	<i>Rate (%)</i>	<i>(in million Baht)</i>
Profit for the year		26,464		21,433
Total income tax expense		4,508		4,552
Profit before total income tax expense		<u>30,972</u>		<u>25,985</u>
Income tax using the Thai corporation tax rate	20.00	6,194	20.00	5,197
Effect of different tax rates in foreign jurisdictions		(311)		(138)
Income not subject to tax		(1,640)		(616)
Expenses not deductible for tax purposes		161		27
Current year losses for which no deferred tax asset was recognised		91		82
Others		13		-
Total	<u>14.56</u>	<u>4,508</u>	<u>17.52</u>	<u>4,552</u>

	Separate financial statements			
	2015		2014	
	<i>Rate (%)</i>	<i>(in million Baht)</i>	<i>Rate (%)</i>	<i>(in million Baht)</i>
Profit for the year		9,715		28,911
Total income tax expense		64		184
Profit before total income tax expense		<u>9,779</u>		<u>29,095</u>
Income tax using the Thai corporation tax rate	20.00	1,956	20.00	5,819
Income not subject to tax		(1,917)		(5,657)
Expenses not deductible for tax purposes		28		24
Over provided in prior years		(3)		(2)
Total	<u>0.65</u>	<u>64</u>	<u>0.63</u>	<u>184</u>

Income tax reduction

Royal Decree No. 577 B.E. 2557 dated 10 November 2014 grants the reduction to 20% of net taxable profit for the accounting period 2015 which begins on or after 1 January 2015.

On 22 January 2016, The National Legislative Assembly has approved a reduction of the corporate income tax rate from 30% to 20% of net taxable profit for the accounting period begins on or after 1 January 2016.

The Group has applied the tax rate of 20% in measuring deferred tax assets and liabilities as at 31 December 2015 and 2014 in accordance with tax clarification issued by the FAP in 2012.

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33 Promotional privileges

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

The production of bio-gas

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

The production of beverage

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

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

Summary of revenue from promoted and non-promoted businesses:

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Promoted businesses	4,824	5,090	-	-
Non-promoted businesses	167,225	156,950	-	-
Total income	172,049	162,040	-	-

Privileges granted to business operator in Free Zone

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

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34 Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2015 and 2014 were based on the profit for the years attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the years as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht / million shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	<u>26,463</u>	<u>21,694</u>	<u>9,715</u>	<u>28,911</u>
Number of ordinary shares outstanding	<u>25,110</u>	<u>25,110</u>	<u>25,110</u>	<u>25,110</u>
Earnings per share (basic) (in Baht)	<u>1.05</u>	<u>0.86</u>	<u>0.39</u>	<u>1.15</u>

35 Dividends

At the Board of Directors' meeting, held on 13 August 2015, the Board of Directors unanimously approved the interim dividend payment for 2015 of Baht 0.15 per share, totalling Baht 3,767 million. The said dividend was paid to the shareholders on 10 September 2015.

At the annual general meeting of the shareholders of the Company held on 22 April 2015, the shareholders had the resolution to approve the appropriation of dividend of Baht 0.61 per share, totalling Baht 15,317 million. On 11 September 2014, a portion of the said dividend was paid as the interim dividend of Baht 0.15 per share, totalling Baht 3,767 million. The remaining dividend of Baht 0.46 per share, totalling Baht 11,551 million, was paid to the shareholders on 20 May 2015.

At the Board of Directors' meeting, held on 14 August 2014, the Board of Directors unanimously approved the interim dividend payment for 2014 of Baht 0.15 per share, totalling Baht 3,767 million. The said dividend was paid to the shareholders on 11 September 2014.

At the annual general meeting of the shareholders of the Company held on 25 April 2014, the shareholders had the resolution to approve the appropriation of dividend of Baht 0.44 per share, totalling Baht 11,048 million. On 11 September 2013, a portion of the said dividend was paid as the interim dividend of Baht 0.14 per share, totalling Baht 3,515 million. The remaining dividend of Baht 0.30 per share, totalling Baht 7,533 million, was paid to the shareholders on 22 May 2014.

36 Financial instruments

Financial risk management policies

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

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an 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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Capital management

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

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because loan interest rates are mainly fixed. The Group is primarily exposed to interest rate risk from its borrowings (see Note 18). The Group mitigates this risk by ensuring that the majority of its borrowings are at fixed interest rates.

The effective interest rates of loans receivable as at 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
2015				
Current				
Short-term loans receivable - related parties	5.00	6,902	-	6,902
Total		6,902	-	6,902
2014				
Current				
Short-term loans receivable - related parties	5.00	12,182	-	12,182
Non-current				
Long-term loans receivable - related parties	5.00	-	3,719	3,719
Total		12,182	3,719	15,901

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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
2015				
Current				
Bank overdrafts	1.60-7.36	1,448	-	1,448
Short-term loans payable - financial institutions	1.63-3.00	6,394	-	6,394
Current portion of debentures	4.00	1,000	-	1,000
Current portion of long-term loans - financial institutions	2.08-3.85	9,532	-	9,532
Non-current				
Debentures	2.51	-	1,000	1,000
Long-term loans payable - financial institutions	1.98-3.10	-	24,883	24,883
Total		18,374	25,883	44,257
2014				
Current				
Bank overdrafts	1.60-1.97	1,363	-	1,363
Short-term loans payable - financial institutions	2.10-3.16	7,173	-	7,173
Current portion of long-term loans - financial institutions	1.88-3.85	13,411	-	13,411
Non-current				
Debentures	4.00	-	1,000	1,000
Long-term loans payable - financial institutions	1.88-3.85	-	26,555	26,555
Total		21,947	27,555	49,502
Separate financial statements				
	Effective interest rate (% per annum)	Within 1 year	After 1 year but within 5 years (in million Baht)	Total
2015				
Current				
Short-term loans payable - financial	1.63-2.00	5,629	-	5,629
Current portion of long-term loans - financial institutions	2.58-3.43	8,879	-	8,879
Short-term loans payable - related parties	5.00	32,025	-	32,025
Non-current				
Long-term loans payable - financial institutions	1.98-3.10	-	23,955	23,955
Long-term loans payable - related parties	2.32	-	1,317	1,317
Total		46,533	25,272	71,805

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	Effective interest rate (% per annum)	Separate financial statements		
		Within 1 year	After 1 year but within 5 years (in million Baht)	Total
2014				
Current				
Short-term loans payable - financial	2.10-2.41	5,300	-	5,300
Current portion of long-term loans - financial institutions	3.04-3.85	2,500	-	2,500
Short-term loans payable - related parties	5.00	7,517	-	7,517
Non-current				
Long-term loans payable - financial institutions	3.04-3.85	-	4,000	4,000
Long-term loans payable - related parties	5.00	-	12,569	12,569
Total		15,317	16,569	31,886

Foreign currency risk

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

At 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	
		2015	2014	2015	2014
<i>(in million Baht)</i>					
Singapore Dollars					
Cash and cash equivalents	5	31	2	-	-
Trade accounts receivable	6	4	-	-	-
Other receivable to related parties	4	5	-	-	-
Trade accounts payable	19	-	(31)	-	-
Loans from and other payables to related parties	4	(17)	(41)	(12)	-
Interest-bearing liabilities	18	(15)	(31,954)	-	-
Other payables	20	(1)	(39)	-	1
Gross statement of financial position exposure		7	(32,063)	(12)	1
Forwards to sell foreign currency		(4)	-	-	-
Net exposure		3	(32,063)	(12)	1
United States Dollars					
Cash and cash equivalents	5	44	129	-	-
Trade accounts receivable	6	68	-	-	-
Other receivables		-	16	-	-
Trade accounts payable	19	(64)	(86)	-	-
Loans from and other payables to related parties	4	(3)	-	(1)	-
Other payables	20	(18)	(43)	-	-
Gross statement of financial position exposure		27	16	(1)	-

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	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
				<i>(in million Baht)</i>	
Estimated forecast purchase of goods		(423)	(1,084)	-	-
Estimated forecast other liabilities		(722)	(824)	-	-
Gross exposure		(1,118)	(1,892)	(1)	-
Forwards to buy foreign currency		52	65	-	-
Net exposure		(1,066)	(1,827)	(1)	-
Euro					
Cash and cash equivalents	5	-	1	-	-
Trade accounts receivable	6	36	34	-	-
Other receivables		1	-	-	-
Trade accounts payable	19	(117)	(64)	-	-
Other payables	20	(20)	(106)	-	-
Gross statement of financial position exposure		(100)	(135)	-	-
Estimated forecast purchase of goods		(1,000)	(476)	-	-
Estimated forecast payment for advertising		(141)	(24)	-	-
Estimated forecast purchase of assets		-	(32)	-	-
Other provisions		(53)	(33)	-	-
Gross exposure		(1,294)	(700)	-	-
Forwards to buy foreign currency		16	11	-	-
Net exposure		(1,278)	(689)	-	-
Pound Sterling					
Cash and cash equivalents	5	4	358	-	-
Trade accounts payable	19	(12)	(1)	-	-
Other payables to related parties	4	(1)	-	-	-
Other payables	20	(1)	-	-	-
Gross statement of financial position exposure		(10)	357	-	-
Estimated forecast purchase of goods		(2)	-	-	-
Estimated forecast payment for advertising		(469)	(763)	-	-
Estimated forecast purchase of assets		(189)	-	-	-
Gross exposure		(670)	(406)	-	-

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		Consolidated		Separate	
	<i>Note</i>	financial statements	financial statements	financial statements	financial statements
		2015	2014	2015	2014
		<i>(in million Baht)</i>			
Australian Dollars					
Trade accounts payable	19	(48)	(131)	-	-
Gross statement of financial position exposure		(48)	(131)	-	-
Estimated forecast purchase of goods		-	(55)	-	-
Gross exposure		(48)	(186)	-	-
Forwards to buy foreign currency		33	77	-	-
Net exposure		(15)	(109)	-	-
Hong Kong Dollars					
Cash and cash equivalents	5	35	1	-	-
Loans from and other payables to related parties	4	-	-	1,317	-
Gross statement of financial position exposure		35	1	1,317	-
Japanese Yen					
Other payables	20	(56)	(113)	-	-
Gross statement of financial position exposure		(56)	(113)	-	-
Estimated forecast purchase of machinery		(2)	-	-	-
Gross exposure		(58)	(113)	-	-
Forwards to buy foreign currency		55	-	-	-
Net exposure		(3)	(113)	-	-
Other foreign currencies					
Cash and cash equivalents	5	8	2	-	-
Trade accounts receivable	6	15	20	-	-
Other receivables		4	-	-	-
Trade accounts payable	19	(1)	-	-	-
Loans from and other payables to related parties	4	(3)	(17)	-	-
Other payables	20	(5)	(1)	-	-
Gross statement of financial position exposure		18	4	-	-

Credit risk

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

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

Liquidity risk

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

Fair values of financial assets and liabilities

As at 31 December 2015 and 2014, fair values of financial asset and liabilities is taken to approximately the carrying value, except the following items:

	Consolidated financial statements						
	Carrying value			Fair value			
	Current	Non-current	Total	Level 1	Level 2	Level 3	Total
	<i>(in million Baht)</i>						
31 December 2015							
<i>Financial assets</i>							
Foreign currency forwards contracts in asset position	-	-	-	-	88	-	88
<i>Financial liabilities</i>							
Long-term loans and bill of exchanges from financial institutions	9,532	24,883	34,415	-	-	34,803	34,803
Foreign currency forwards contracts in liability position	-	-	-	-	167	-	167
	Separate financial statements						
	Carrying value			Fair value			
	Current	Non-current	Total	Level 1	Level 2	Level 3	Total
	<i>(in million Baht)</i>						
31 December 2015							
<i>Financial liabilities</i>							
Long-term loan from related party	-	1,317	1,317	-	-	1,317	1,317
Long-term loans and bill of exchanges from financial institutions	8,879	23,955	32,834	-	-	33,221	33,221

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

Financial instruments carried at fair value

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

Financial instruments not measured at fair value

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

37 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Capital commitments				
<i>Contracted but not provided for:</i>				
Machinery and equipment	325	205	-	-
Buildings and other constructions	201	234	-	-
Computer software	18	2	-	-
Land	9	-	-	-
Total	553	441	-	-
Non-cancellable operating lease commitments				
Within one year	640	535	22	12
After one year but within five years	514	547	46	21
After five years	82	89	-	-
Total	1,236	1,171	68	33
Other commitments				
Purchases of molasses agreements	1,668	1,954	-	-
Purchases of goods and raw materials agreements	1,632	1,684	-	-
Specialist and consultancy agreements	1,224	1,330	397	431
Bank guarantees	1,142	1,032	28	44
Advertising servicer and sponsorship agreements	1,068	1,229	-	-
Service agreements	896	809	8	1
Forward contracts to buy foreign currencies	167	198	-	-
Forward contracts to sell foreign currencies	88	-	-	-
Unused letters of credit for goods and supplies	73	240	-	-
Other agreements	14	17	-	-
Total	7,972	8,493	433	476

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Other significant commitments

Specialist agreements

In 2004, the Company and four subsidiaries entered into production and blending control agreements with a specialist for a period of forty years from 1 August 2004 to 1 August 2044. Under the agreements, the Company and its subsidiaries are obliged to pay monthly service fees of Baht 4.3 million which are to be annually increased by 5% for the first 20 years from 1 August 2004 to 1 August 2024. Afterwards, the Company and its subsidiaries have to pay monthly service fees of Baht 0.25 million until the expiration of the agreements. Service fee, under the agreements, totalled Baht 1,766.2 million. Subsequently, the addendums were made on 5 January 2006, under which the Company and its subsidiaries have to pay additional amount to this specialist amounting to Baht 2,000 million. Therefore, the total service fees under the agreements both outstanding and already paid by the Company and its subsidiaries amounted to Baht 3,766.2 million.

As at 31 December 2015, the remaining commitments to be paid, relating to these agreements, amounted to Baht 996.4 million (2014: Baht 1,082.2 million).

Consultancy agreement

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

As at 31 December 2015, the remaining commitment to be paid relating to this agreement amounted to Baht 228.06 million (2014: Baht 248.22 million).

Sponsorship agreement

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

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

Material and package trading agreement

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

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Transportation agreement

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

Purchase natural gas agreement

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

Contract manufacturing agreement

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

38 Events after the reporting period

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

At the Board of Directors' meeting held on 26 February 2016, the Board of Directors had the following resolutions:

- a) to endorse for a dividend payment for the year 2015 of Baht 0.61 per share, totalling Baht 15,317 million. On 13 August 2015, a portion of the said dividend was paid as interim dividend of Baht 0.15 per share, totalling Baht 3,767 million. The remaining dividend payment of Baht 0.46 per share, totalling Baht 11,550 million, will be paid during 2016. The Board of Directors propose this matter to shareholders' meeting for further approval;
- b) to approve to change the accounting period from beginning on 1 January and ending on 31 December of every year to beginning on 1 October and ending on 30 September of every year;
- c) to endorse on the reduction in the authorised share capital of the Company by entailing of the cancellation of unissued shares approximately Baht 3,890 million, from Baht 29,000 million to be approximately Baht 25,110 million. The Board of Directors propose this matter to shareholders' meeting for further approval; and
- d) to endorse on the increase in the authorised share capital of the Company of Baht 45 million, from approximately Baht 25,110 million to be approximately Baht 25,155 million, in accordance with newly-issued ordinary shares and to endorse on the allocation of the new 45 million shares in response to the Long-term Incentive Plan. The Board of Directors propose this matter to shareholders' meeting for further approval.

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39 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new and revised TFRS have been issued but are not yet effective and have not been applied in preparing these financial statements. Those new and revised TFRS that may be relevant to the Group's operations, which become effective for annual financial periods beginning on or after 1 January 2016, are set out below. The Group does not plan to adopt these TFRS early.

TFRS	Topic
TAS 1 (revised 2015)	Presentation of Financial Statements
TAS 2 (revised 2015)	Inventories
TAS 7 (revised 2015)	Statement of Cash Flows
TAS 8 (revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2015)	Events After the Reporting Period
TAS 12 (revised 2015)	Income Taxes
TAS 16 (revised 2015)	Property, Plant and Equipment
TAS 17 (revised 2015)	Leases
TAS 18 (revised 2015)	Revenue
TAS 19 (revised 2015)	Employee Benefits
TAS 21 (revised 2015)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2015)	Borrowing Costs
TAS 24 (revised 2015)	Related Party Disclosures
TAS 27 (revised 2015)	Separate Financial Statements
TAS 28 (revised 2015)	Investment in Associates and Joint Ventures
TAS 33 (revised 2015)	Earnings Per Share
TAS 34 (revised 2015)	Interim Financial Reporting
TAS 36 (revised 2015)	Impairment of Assets
TAS 37 (revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2015)	Intangible Assets
TAS 41	Agriculture
TFRS 2 (revised 2015)	Share-based Payment
TFRS 3 (revised 2015)	Business Combinations
TFRS 5 (revised 2015)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2015)	Operating Segments
TFRS 10 (revised 2015)	Consolidated Financial Statements
TFRS 11 (revised 2015)	Joint Arrangement
TFRS 12 (revised 2015)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2015)	Fair Value Measurement
TSIC 15 (revised 2015)	Operating Leases – Incentives
TSIC 25 (revised 2015)	Income Taxes – Changes in the Tax Status of an Enterprise or its Shareholders
TSIC 27 (revised 2015)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TFRIC 1 (revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2015)	Determining Whether an Arrangement Contains a Lease
TFRIC 5 (revised 2015)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 10 (revised 2015)	Interim Financial Reporting and Impairment
TFRIC 13 (revised 2015)	Customer Loyalty Programmes
TFRIC 18 (revised 2015)	Transfers of Assets from Customers
TFRIC 21	Levies

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

40 Reclassification of accounts

Certain accounts in the statement of financial position as at 31 December 2014, which are included in the 2015 financial statements for comparative purposes, have been reclassified to conform to the presentation in the 2015 financial statements.

	2014		
	Before reclassification	Consolidated financial statements Reclassification <i>(in million Baht)</i>	After reclassification
<i>Statement of financial position as at 31 December 2014</i>			
Inventories	35,084	(1,000)	34,084
Property, plant and equipment	46,251	<u>1,000</u>	47,251
		<u>-</u>	

	2014		
	Before reclassification	Separate financial statements Reclassification <i>(in million Baht)</i>	After reclassification
<i>Statement of financial position as at 31 December 2014</i>			
Trade accounts receivable	-	399	399
Short-term loans to and other receivables from related parties	12,663	<u>(399)</u>	12,264
		<u>-</u>	

The reclassification has been made because in the opinion of management, the new classification is more appropriate to the Group's business.