

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

Financial statements for the year ended  
30 September 2017  
and  
Independent Auditor's Report



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## Independent Auditor's Report

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

#### *Opinion*

I have audited the consolidated and separate financial statements of Thai Beverage Public Company Limited and its subsidiaries (the "Group") and of Thai Beverage Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 30 September 2017, 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.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 30 September 2017 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards ("TFRSs").

#### *Basis for Opinion*

I conducted my audit in accordance with Thai Standards on Auditing ("TSAs"). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.



*Key Audit Matters*

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

<b>Recoverability of goodwill, Investments in associates and subsidiaries and property, plant and equipment</b>	
Refer to notes 3 9 10 13 and 14	
<b>The key audit matter</b>	<b>How the matter was addressed in the audit</b>
<p>The principal businesses of the Group and the Company are investment and operating both domestic and international business. There are many external risk factors such as change in economic and consumer behavior. Those risks may affect in forecast operating result significantly in certain business and country. This may result in impairment loss.</p> <p>Recoverability of goodwill, Investments in associates and subsidiaries and property, plant and equipment depend on future operations achievement. In determining future profitability, management use judgment in defining approach and assumption together with relevant risk assessment in calculating discounted cash flow projection, therefore, I have determined this matter to be a key audit matter.</p>	<p>My audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• understanding the preparation of discounted cash flow projection and impairment indicators assessment method.</li> <li>• consideration of appraising the Group cash generating unit identification.</li> <li>• assessing the discounted cash flow projection approved by management through evaluating the key assumptions used as well as comparing forecast with actual operating result. In determining appropriateness of discounted rate, KPMG valuation specialist compare the rate used with the weighted average cost of capital within the same industry which the Group operates in.</li> <li>• test calculation of discounted cash flow projection;</li> <li>• evaluating the sensitivity of key assumptions used in future cash flows projection which affect to the recoverable amount of cash-generating unit; and</li> <li>• evaluating the adequacy of the financial statements disclosures in accordance with Thai Financial Reporting Standards.</li> </ul>

*Other matter*

I draw attention to the following; describe in Note (2) the Company changed its financial year-end from 31 December to 30 September in 2016. Consequently, the consolidated and separate statements of income and comprehensive income, changes in equity and cash flows for the accounting period ended 30 September 2017 comprise 12 months whereas the comparative information presented for the year ended 30 September 2016 comprise 9 months, which results in the periods presented being not comparable. Therefore, supplementary information in Note 40 has been prepared by the Group and the Company as additional information in the form of unaudited consolidated and separate statements of income and comprehensive income, cash flows and segment information for the year ended 30 September 2016. I have not audited the supplementary information and do not express any audit opinion on such information.



### *Other Information*

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

### *Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements*

Management is responsible for preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, 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.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements*

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.



As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

*m. Chetchotiros*

(Nittaya Chetchotiros)  
Certified Public Accountant  
Registration No. 4439

KPMG Phoomchai Audit Ltd.  
Bangkok  
23 November 2017

# Thai Beverage Public Company Limited and its Subsidiaries

## Statement of financial position

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2017	30 September 2016	30 September 2017	30 September 2016
<i>(in thousand Baht)</i>					
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	5	9,929,210	5,059,219	6,848,862	1,734,302
Current investments		305	3,963	-	-
Trade accounts receivable	4, 6	2,627,222	2,588,209	569,068	454,969
Other receivables		620,566	721,253	64,977	35,575
Short-term loans to and other receivables					
from related parties	4	316,726	418,741	11,548,290	7,030,836
Inventories	7	37,761,172	38,145,322	-	-
Other current assets	8	4,665,825	3,167,189	31,070	12,396
<b>Total current assets</b>		<b>55,921,026</b>	<b>50,103,896</b>	<b>19,062,267</b>	<b>9,268,078</b>
<b>Non-current assets</b>					
Investments in associates	9	78,372,625	78,462,833	-	-
Investments in subsidiaries	10	-	-	168,015,496	167,792,016
Other long-term investments		168,388	275,378	-	-
Long-term loans to and other receivables					
from related parties	4	107,470	97,821	12,164	11,467
Investment properties	12	1,522,947	1,208,503	-	-
Property, plant and equipment	13	48,531,803	47,870,826	111,924	95,707
Goodwill	14	6,963,821	7,025,111	-	-
Other intangible assets		192,906	212,191	53,729	42,040
Leasehold rights		124,639	137,893	-	-
Deferred tax assets	15	509,342	372,056	39,341	34,335
Other non-current assets	16	1,825,403	1,886,819	251,654	261,028
<b>Total non-current assets</b>		<b>138,319,344</b>	<b>137,549,431</b>	<b>168,484,308</b>	<b>168,236,593</b>
<b>Total assets</b>		<b>194,240,370</b>	<b>187,653,327</b>	<b>187,546,575</b>	<b>177,504,671</b>

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

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Statement of financial position**

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2017	30 September 2016	30 September 2017	30 September 2016
<i>(in thousand Baht)</i>					
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans from financial institutions	17	5,703,438	3,495,328	3,952,815	1,989,550
Trade accounts payable	4, 18	4,797,456	4,532,296	-	-
Other payables	19	6,467,508	5,298,375	234,653	215,390
Current portion of bill of exchanges and long-term loans from financial institutions	17	24,950,451	15,500,615	24,950,451	14,955,640
Short-term loans from and other payables to related parties	4, 17	384,157	315,358	37,231,265	50,838,947
Other short-term loan		4,500	-	-	-
Income tax payable		3,453,496	1,716,489	132,722	114,436
Short-term provisions		15,929	19,104	-	-
Other current liabilities	20	1,893,784	1,941,153	44,618	308,279
<b>Total current liabilities</b>		<b>47,670,719</b>	<b>32,818,718</b>	<b>66,546,524</b>	<b>68,422,242</b>
<b>Non-current liabilities</b>					
Long-term loans from and other payables to related parties	4, 17	221	104	27,494,000	1,264,536
Debentures	17	2,000,000	2,000,000	-	-
Bill of exchanges and long-term loans from financial institutions	17	8,000,000	25,089,353	8,000,000	24,763,289
Deferred tax liabilities	15	868,303	1,026,732	-	-
Employee benefit obligations	21	3,088,932	2,886,553	231,038	201,261
Other non-current liabilities		99,192	119,617	148	122
<b>Total non-current liabilities</b>		<b>14,056,648</b>	<b>31,122,359</b>	<b>35,725,186</b>	<b>26,229,208</b>
<b>Total liabilities</b>		<b>61,727,367</b>	<b>63,941,077</b>	<b>102,271,710</b>	<b>94,651,450</b>
<b>Equity</b>					
Share capital:	22				
Authorised share capital		25,155,025	25,155,025	25,155,025	25,155,025
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	22	17,215,737	17,215,737	17,215,737	17,215,737
Retained earnings:					
Appropriated - legal reserve	23	2,900,000	2,900,000	2,900,000	2,900,000
Unappropriated		106,085,610	86,796,632	39,984,527	37,596,424
Other components of equity	23	(2,812,926)	7,765,846	33,541	-
<b>Equity attributable to owners of the Company</b>		<b>128,780,006</b>	<b>120,069,800</b>	<b>85,274,865</b>	<b>82,853,221</b>
Non-controlling interests	11	3,732,997	3,642,450	-	-
<b>Total equity</b>		<b>132,513,003</b>	<b>123,712,250</b>	<b>85,274,865</b>	<b>82,853,221</b>
<b>Total liabilities and equity</b>		<b>194,240,370</b>	<b>187,653,327</b>	<b>187,546,575</b>	<b>177,504,671</b>

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 30 September 2017	For the nine-month period ended 30 September 2016	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016
<i>(in thousand Baht)</i>					
<b>Income</b>	25				
Revenue from sale of goods	4, 33	189,997,301	139,152,663	-	-
Management fees	4	-	-	6,991,238	5,158,683
Dividend income	4, 10	5,499	4,984	15,392,990	17,369,640
Interest income	4	42,610	37,490	445,206	218,744
Net gain on foreign exchange		34,895	49,922	56,216	66,353
Other income	4, 26	616,785	642,515	9,078	2,406
<b>Total income</b>		<b>190,697,090</b>	<b>139,887,574</b>	<b>22,894,728</b>	<b>22,815,826</b>
<b>Expenses</b>	25				
Cost of sale of goods	4, 7	131,898,650	97,590,784	-	-
Cost of rendering of services	4	-	-	2,291,803	1,448,797
Selling expenses	4, 27	18,573,766	13,388,906	-	-
Administrative expenses	4, 28	12,000,424	8,790,385	551,692	384,568
Finance costs	4, 31	981,337	813,036	2,203,809	1,678,840
<b>Total expenses</b>		<b>163,454,177</b>	<b>120,583,111</b>	<b>5,047,304</b>	<b>3,512,205</b>
Share of profit of investment in associates, net of income tax	4, 9				
- Share of profit from normal operation of investment in associates		4,072,898	3,374,649	-	-
- Effect of change of interest in other investment of associate		8,496,587	-	-	-
<b>Profit before income tax expense</b>		<b>39,812,398</b>	<b>22,679,112</b>	<b>17,847,424</b>	<b>19,303,621</b>
Income tax expense	32	(5,131,634)	(3,642,816)	(383,202)	(316,865)
<b>Profit for the year / period</b>		<b>34,680,764</b>	<b>19,036,296</b>	<b>17,464,222</b>	<b>18,986,756</b>
<b>Profit attributable to:</b>					
Owners of the Company		34,509,739	18,919,624	17,464,222	18,986,756
Non-controlling interests	11	171,025	116,672	-	-
<b>Profit for the year / period</b>		<b>34,680,764</b>	<b>19,036,296</b>	<b>17,464,222</b>	<b>18,986,756</b>
<b>Earnings per share (Baht)</b>	34				
Basic earning per share		1.37	0.75	0.70	0.76
Diluted earnings per share		1.37	0.75	0.70	0.76

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		Separate	
		financial statements		financial statements	
		For the year ended 30 September 2017	For the nine-month period ended 30 September 2016	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016
		<i>(in thousand Baht)</i>			
<b>Profit for the year / period</b>		<b>34,680,764</b>	<b>19,036,296</b>	<b>17,464,222</b>	<b>18,986,756</b>
<b>Other comprehensive income</b>					
<i>Items that will not be reclassified to profit or loss</i>					
Revaluation of land	13	(141,471)	1,730,671	-	-
Defined employee benefit plan actuarial gains (losses)	21	(183,254)	75,358	(12,630)	4,325
Income tax on other comprehensive income	32	64,713	(360,859)	2,526	(865)
		<u>(260,012)</u>	<u>1,445,170</u>	<u>(10,104)</u>	<u>3,460</u>
<i>Items that are or may be reclassified to profit or loss</i>					
Share of other comprehensive income of investment in associates	4, 9				
- Share of other comprehensive income from normal operation of investment in associates		282,863	2,136,647	-	-
- Realisation of fair value gains on change of interest of available-for-sale financial asset of associate		(8,506,039)	-	-	-
Foreign currency translation differences for foreign operations		(2,274,379)	(1,532,917)	-	-
Net change in fair value of available-for-sale investments		(3,702)	8,726	-	-
Income tax on other comprehensive income	32	740	8,648	-	-
		<u>(10,500,517)</u>	<u>621,104</u>	<u>-</u>	<u>-</u>
<b>Other comprehensive income for the year / period, net of income tax</b>		<b>(10,760,529)</b>	<b>2,066,274</b>	<b>(10,104)</b>	<b>3,460</b>
<b>Total comprehensive income for the year / period</b>		<b><u>23,920,235</u></b>	<b><u>21,102,570</u></b>	<b><u>17,454,118</u></b>	<b><u>18,990,216</u></b>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		23,742,680	20,757,136	17,454,118	18,990,216
Non-controlling interests	11	177,555	345,434	-	-
<b>Total comprehensive income for the year / period</b>		<b><u>23,920,235</u></b>	<b><u>21,102,570</u></b>	<b><u>17,454,118</u></b>	<b><u>18,990,216</u></b>

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>													
For the nine-month period ended 30 September 2016	25,110,025	(19,718,440)	17,215,737	2,900,000	84,385,026	663,864	3,961,310	7,079	1,560,679	5,992,932	115,885,280	3,380,233	119,265,513
Balance at 1 January 2016													
Transactions with owners, recorded directly in equity													
<i>Distributions to owners of the Company</i>													
Dividends to owners of the Company					(16,572,616)						(16,572,616)	(97,667)	(16,670,283)
<i>Total distributions to owners of the Company</i>					(16,572,616)						(16,572,616)	(97,667)	(16,670,283)
Acquisition of non-controlling interest												14,450	14,450
Total transactions with owners, recorded directly in equity					(16,572,616)						(16,572,616)	(83,217)	(16,655,833)
Comprehensive income for the period													
Profit					18,919,624						18,919,624	116,672	19,036,296
Other comprehensive income					64,598	(1,522,591)	1,154,344	4,514	2,136,647	1,772,914	1,837,512	228,762	2,066,274
Total comprehensive income for the period					18,984,222	(1,522,591)	1,154,344	4,514	2,136,647	1,772,914	20,757,136	345,434	21,102,570
Balance at 30 September 2016	25,110,025	(19,718,440)	17,215,737	2,900,000	86,796,632	(858,727)	5,115,654	11,593	3,497,326	7,765,846	120,069,800	3,642,450	123,712,250

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

Thai Beverage Public Company Limited and its Subsidiaries

Statement of changes in equity

	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	Other capital reserves- Share-based payment	Currency translation differences (in thousand Baht)	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>														
For the year ended 30 September 2017	25,110,025	(19,718,440)	17,215,737	2,900,000	86,796,632	-	(858,727)	5,115,654	11,593	3,497,326	7,765,846	120,069,800	3,642,450	123,712,250
Balance at 1 October 2016														
Transactions with owners, recorded directly in equity														
<i>Distributions to owners of the Company</i>														
Expense in relation to long-term incentive plan	24	-	-	-	-	33,541	-	-	-	-	33,541	33,541	-	33,541
Dividends to owners of the Company	35	-	-	-	(15,066,015)	-	-	-	-	-	-	(15,066,015)	(95,560)	(15,161,575)
<i>Total distributions to owners of the Company</i>														
	-	-	-	-	(15,066,015)	33,541	-	-	-	-	33,541	(15,032,474)	(95,560)	(15,128,034)
Acquisition of non-controlling interest													8,552	8,552
Total transactions with owners, recorded directly in equity														
	-	-	-	-	(15,066,015)	33,541	-	-	-	-	33,541	(15,032,474)	(87,008)	(15,119,482)
Comprehensive income for the year														
Profit														
Other comprehensive income														
Total comprehensive income for the year														
	25,110,025	(19,718,440)	17,215,737	2,900,000	106,085,610	33,541	(3,132,810)	5,002,515	9,678	(4,725,850)	(2,812,926)	128,780,006	3,732,997	132,513,003
Balance at 30 September 2017														

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	Retained earnings	Unappropriated	
<b>For the nine-month period ended 30 September 2016</b>						
Balance at 1 January 2016	25,110,025	31,035	17,215,737	2,900,000	35,178,824	80,435,621
			<i>(in thousand Baht)</i>			
<b>Transactions with owners, recorded directly in equity</b>						
Dividends to owners of the Company	-	-	-	-	(16,572,616)	(16,572,616)
<b>Total transactions with owners, recorded directly in equity</b>	-	-	-	-	(16,572,616)	(16,572,616)
<b>Comprehensive income for the period</b>						
Profit	-	-	-	-	18,986,756	18,986,756
Other comprehensive income	-	-	-	-	3,460	3,460
<b>Total comprehensive income for the period</b>	-	-	-	-	18,990,216	18,990,216
<b>Balance at 30 September 2016</b>	<b>25,110,025</b>	<b>31,035</b>	<b>17,215,737</b>	<b>2,900,000</b>	<b>37,596,424</b>	<b>82,853,221</b>

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
	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	Share-based payment		
<i>Note</i>								
<b>For the year ended 30 September 2017</b>								
Balance at 1 October 2016	25,110,025	31,035	17,215,737	2,900,000	37,596,424	-	82,853,221	
Transactions with owners, recorded directly in equity								
Expense in relation to long-term incentive plan	-	-	-	-	-	33,541	33,541	
Dividends to owners of the Company	-	-	-	-	(15,066,015)	-	(15,066,015)	
<b>Total transactions with owners, recorded directly in equity</b>	-	-	-	-	(15,066,015)	33,541	(15,032,474)	
<b>Comprehensive income for the year</b>								
Profit	-	-	-	-	17,464,222	-	17,464,222	
Other comprehensive income	-	-	-	-	(10,104)	-	(10,104)	
<b>Total comprehensive income for the year</b>	-	-	-	-	17,454,118	-	17,454,118	
<b>Balance at 30 September 2017</b>	<b>25,110,025</b>	<b>31,035</b>	<b>17,215,737</b>	<b>2,900,000</b>	<b>39,984,527</b>	<b>33,541</b>	<b>85,274,865</b>	

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

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

	Consolidated financial statements		Separate financial statements	
	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016
Note	<i>(in thousand Baht)</i>			
<b>Cash flows from operating activities</b>				
Profit for the year / period	34,680,764	19,036,296	17,464,222	18,986,756
<b>Adjustments for</b>				
Depreciation and amortisation	4,307,684	3,293,208	36,953	22,335
Interest income	(42,610)	(37,490)	(445,206)	(218,744)
Finance costs	981,337	813,036	2,203,809	1,678,840
Unrealised (gain) loss on exchange	2,274	(2,809)	(58)	(59,255)
Reversal of allowance for doubtful account	6	(5,095)	-	-
Amortisation of advance payments to a specialist	50,000	37,500	9,374	7,031
Allowance for decline in value of inventories (Reversal of)	47,504	(1,541)	-	-
Impairment loss on investment properties	-	2,405	-	-
Gain on disposal of other long-term investment	(7,420)	-	-	-
Reversal of gain on fair value of other non-current assets	68,281	-	-	-
Gain on disposal of investment properties	-	(2,408)	-	-
Loss (Gain) on disposal and write-off of property, plant and equipment and intangible assets	14,528	49,960	(306)	1
Impairment loss on property, plant and equipment (Reversal of)	82,130	(88,057)	-	-
Impairment loss on intangible assets	92,983	-	-	-
Dividend income	(5,499)	(4,984)	(15,392,990)	(17,369,640)
Employee benefit expenses	246,055	187,457	22,754	17,747
Expense in relation to long-term incentive plan	24	33,541	-	-
Effect of change of interest in other investment of associate	4, 9	(8,496,587)	-	-
Share of profit from normal operation of investment in associates	4, 9	(4,072,898)	-	-
Income tax expense	32	5,131,634	383,202	316,865
	33,108,606	23,545,229	4,296,759	3,381,936
<b>Changes in operating assets and liabilities</b>				
Trade accounts receivable	(32,338)	1,310,168	(114,099)	1,985,806
Other receivables from related parties	93,175	363,712	(69,208)	(4,933)
Other receivables	100,335	(113,536)	(29,402)	(18,262)
Inventories	336,646	(2,941,425)	-	-
Other current assets	(1,461,555)	861,729	(18,674)	9,371
Trade accounts payable	264,806	(318,943)	-	-
Other payables to related parties	67,018	49,467	256,855	91,742
Other payables	1,012,786	478,159	21,985	107,137
Other current liabilities	(47,369)	(349,922)	(263,661)	176,698
Employee benefit paid	(226,901)	(78,976)	(5,607)	(12,269)
Other non-current liabilities	(7,364)	(3,127)	26	-
Cash generated from operating activities	33,207,845	22,802,535	4,074,974	5,717,226
Income tax paid	(3,634,833)	(4,314,120)	(367,396)	(202,554)
<b>Net cash from operating activities</b>	<b>29,573,012</b>	<b>18,488,415</b>	<b>3,707,578</b>	<b>5,514,672</b>

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

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

	Consolidated financial statements		Separate financial statements	
	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016
Note	<i>(in thousand Baht)</i>			
<b><i>Cash flows from investing activities</i></b>				
Interest received	42,019	35,520	454,670	259,662
Dividends received	2,273,453	2,355,752	15,392,990	17,369,640
Decrease (Increase) in current investments	3,658	(1)	-	-
Increase in loans to related parties	-	-	(15,757,081)	(7,161,100)
Decrease in loans to related parties	-	-	11,317,210	7,151,300
Cash outflow on acquisition of investments in subsidiaries	-	-	(230,980)	(351,750)
Cash inflow on disposal of investments in indirect subsidiary	9,467	14,450	7,500	-
Cash outflow on acquisition of investments in indirect subsidiaries	(1,694)	-	-	-
Cash inflow on disposal of other long-term investment	42,420	-	-	-
Sale of investment properties	-	22,483	-	-
Purchase of property, plant and equipment	(5,507,441)	(2,954,297)	(46,666)	(42,001)
Sale of property, plant and equipment	155,969	132,316	744	56
Purchase of intangible assets	(49,769)	(56,355)	(17,902)	(10,558)
Sale of intangible assets	2,396	1,210	70	-
Decrease (Increase) in other non-current assets	(23,779)	2,656	-	-
<b>Net cash from (used in) investing activities</b>	<b>(3,053,301)</b>	<b>(446,266)</b>	<b>11,120,555</b>	<b>17,215,249</b>
<b><i>Cash flows from financing activities</i></b>				
Interest paid	(791,059)	(942,360)	(1,974,620)	(1,847,680)
Dividends paid to owners of the Company	(15,066,015)	(16,572,616)	(15,066,015)	(16,572,616)
Dividends paid to non-controlling interests	(95,560)	(97,667)	-	-
Bank overdrafts	(1,072,120)	(375,737)	-	-
Proceeds from short-term loans from financial institutions	21,665,431	3,768,903	20,050,000	2,700,000
Repayment of short-term loans from financial institutions	(18,343,772)	(7,750,000)	(18,050,000)	(6,350,000)
Proceeds from other short-term loan	4,500	-	-	-
Proceeds from short-term loans from related parties	-	-	29,492,921	32,342,400
Repayment of short-term loans from related parties	-	-	(43,395,323)	(38,862,300)
Proceeds from long-term loans from related parties	-	-	27,494,000	-
Repayment of long-term loans from related parties	-	-	(1,264,536)	-
Proceeds from long-term loans from financial institutions and debentures	8,000,000	11,000,000	8,000,000	10,000,000
Repayment of long-term loans from financial institutions	(15,869,509)	(4,633,731)	(15,000,000)	(3,000,000)
<b>Net cash used in financing activities</b>	<b>(21,568,104)</b>	<b>(15,603,208)</b>	<b>(9,713,573)</b>	<b>(21,590,196)</b>
<b>Net increase in cash and cash equivalents</b>	<b>4,951,607</b>	<b>2,438,941</b>	<b>5,114,560</b>	<b>1,139,725</b>
Cash and cash equivalents at 1 October 2016 and 1 January 2016	5,059,219	3,489,986	1,734,302	594,577
Foreign currency translation differences for foreign operations	(81,616)	(869,708)	-	-
<b>Cash and cash equivalents at 30 September</b>	<b>9,929,210</b>	<b>5,059,219</b>	<b>6,848,862</b>	<b>1,734,302</b>
<b><i>Non-cash items</i></b>				
Investment in subsidiary to be paid according to the agreement	-	-	-	24,950,000
Payable for acquisition of assets	643,402	500,249	4,002	3,203
Receivable from share-based payment	-	-	18,536	-

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



**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

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**Thai Beverage Public Company Limited and its Subsidiaries**  
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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 23 November 2017.

**1 General information**

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

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

The principal businesses of the Company are investment and management services. The principal businesses of Thai Beverage Public Company Limited and its subsidiaries, the “Group”, are the production and distribution of alcoholic and non-alcoholic beverages, and food. Details of the Company’s subsidiaries and associates as at 30 September 2017 and 2016 were as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			30 September 2017	30 September 2016
<b>Direct subsidiaries</b>				
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. United Products Co., Ltd.	Production and distribution of spirits	Thailand	100.00	100.00
21. Sura Piset Phatra Lanna Co., Ltd.	Holding company	Thailand	100.00	100.00
22. Pomkit Co., Ltd.	Beer, drinking water and soda water distributor	Thailand	100.00	100.00
23. Pomklung Co., Ltd.	Beer, drinking water and soda water distributor	Thailand	100.00	100.00
24. Pomchok Co., Ltd.	Beer, drinking water and soda water distributor	Thailand	100.00	100.00

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			30 September 2017	30 September 2016
<i>Direct subsidiaries (continued)</i>				
25. Pomcharoen Co., Ltd.	Beer, drinking water and soda water distributor	Thailand	100.00	100.00
26. Pomburapa Co., Ltd.	Beer, drinking water and soda water distributor	Thailand	100.00	100.00
27. Pompalang Co., Ltd.	Beer, drinking water and soda water distributor	Thailand	100.00	100.00
28. Pomnakorn Co., Ltd.	Beer, drinking water and soda water distributor	Thailand	100.00	100.00
29. Pomthip (2012) Co., Ltd.	Beer, drinking water and soda water distributor	Thailand	100.00	100.00
30. Num Yuk Co., Ltd.	Spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
31. Num Kijjakarn Co., Ltd.	Spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
32. Num Palang Co., Ltd.	Spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
33. Num Muang Co., Ltd.	Spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
34. Num Nakorn Co., Ltd.	Spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
35. Num Thurakij Co., Ltd.	Spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
36. Numrungrid 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. Modern Trade Management Co., Ltd.	Beer, spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
39. Horeca Management Co., Ltd.	Beer, spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
40. Cash Van Management Co., Ltd.	Beer, spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
41. Thipchalothorn Co., Ltd.	Beer, spirits and non-alcoholic beverages agency	Thailand	100.00	100.00
42. Krittayabun Co., Ltd.	Beer, spirits and non-alcoholic beverages agency	Thailand	100.00	100.00
43. Surathip Co., Ltd.	Beer, spirits and non-alcoholic beverages agency	Thailand	100.00	100.00
44. Sunthronpirom Co., Ltd.	Beer, spirits and non-alcoholic beverages agency	Thailand	100.00	100.00
45. Piromsurang Co., Ltd.	Beer, spirits and non-alcoholic beverages agency	Thailand	100.00	100.00
46. Thai Molasses Co., Ltd.	Trading of molasses	Thailand	99.72	99.72
47. Feed Addition Co., Ltd.	Trading of feeds and fertilizer	Thailand	100.00	100.00
48. Pan International (Thailand) Co., Ltd.	Trading of supplies and procurement	Thailand	100.00	100.00
49. Charun Business 52 Co., Ltd.	Brick producer	Thailand	100.00	100.00
50. Thai Cooperage Co., Ltd.	Oak barrel producer	Thailand	100.00	100.00
51. Thai Beverage Energy Co., Ltd.	Production and distribution of biogas	Thailand	100.00	100.00

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			30 September 2017	30 September 2016
<b>Direct subsidiaries (continued)</b>				
52. Thai Beverage Recycle Co., Ltd.	Trading of bottles	Thailand	100.00	100.00
53. Thai Beverage Logistics Co., Ltd.	Transportation and distribution	Thailand	100.00	100.00
54. Thai Beverage Marketing Co., Ltd.	Advertising and marketing promotion	Thailand	100.00	100.00
55. Dhospaak Co., Ltd.	Advertising agency	Thailand	100.00	100.00
56. Chang International Co., Ltd.	Advertising and marketing services	Thailand	100.00	100.00
57. Thai Beverage Training Co., Ltd.	Training	Thailand	100.00	100.00
58. Thai Beverage Brands Co., Ltd.	Trademark holding	Thailand	100.00	100.00
59. Beer Chang Co., Ltd.	Trademark holding and production of beer concentrate	Thailand	100.00	100.00
60. Archa Beer Co., Ltd.	Trademark holding and production of beer concentrate	Thailand	100.00	100.00
61. Thai Drinks Co., Ltd. <sup>8</sup>	Distribution of beverages	Thailand	100.00	100.00
62. Oishi Group Plc.	Japanese restaurants and distribution of foods and beverages	Thailand	79.66	79.66
63. C A C Co., Ltd.	Management of the ASEAN Economic Community (AEC) centre	Thailand	100.00	100.00
64. International Beverage Holdings Limited	Holding company	Hong Kong	100.00	100.00
65. BevCo Limited <sup>4</sup>	Holding company	Thailand	100.00	100.00
66. Chang Corporation Company Limited <sup>4</sup>	Holding company	Thailand	100.00	100.00
67. BevTech Co., Ltd.	Production of plastic packaging and relating business	Thailand	100.00	-
68. Namjai ThaiBev (Social Enterprise) Co., Ltd.	Social Enterprise	Thailand	100.00	-
69. ASM Management Co., Ltd.	Asset management and service	Thailand	100.00	-
70. Agent Management Co., Ltd.	Non-alcoholic beverages distributor	Thailand	100.00	-
71. Foods Company Holdings Co., Ltd.	Holding company	Thailand	100.00	-
<b>Indirect subsidiaries</b>				
72. Thai Thum Distillery Co., Ltd. <sup>9</sup>	Production and distribution of spirits	Thailand	99.90	99.90
73. Sura Piset Sahasan Co., Ltd. <sup>10</sup>	Trading of spirits	Thailand	100.00	100.00
74. Sura Piset Sampan Co., Ltd. <sup>11</sup>	Trading of spirits	Thailand	100.00	100.00
75. Oishi Trading Co., Ltd. <sup>2</sup>	Production and distribution of food and beverage	Thailand	79.66	79.66
76. Oishi Ramen Co., Ltd. <sup>2</sup>	Japanese restaurants	Thailand	79.66	79.66
77. Oishi Snack Co., Ltd. <sup>2</sup>	Serving future snack business expansion	Thailand	79.66	79.66
78. Oishi International Holdings Limited <sup>2</sup>	International distribution of beverage	Hong Kong	79.66	79.66
79. Chang Beer International Co., Ltd. <sup>12</sup>	Dormant	Thailand	100.00	100.00
80. Maekhong Distillery Limited <sup>13</sup>	Consultancy service	Thailand	100.00	100.00
81. Chang Corp Co., Ltd. <sup>14</sup>	Advertising and marketing services	Thailand	100.00	100.00
82. BeerCo Limited <sup>1</sup>	Holding company	Hong Kong	100.00	100.00
83. Wellwater Limited <sup>1</sup>	Holding company	Hong Kong	100.00	100.00
84. Food of Asia Co., Ltd. <sup>5</sup>	Restaurant business	Thailand	100.00	100.00
85. InterBev (Singapore) Limited <sup>1</sup>	Marketing and trading of alcoholic beverages	Singapore	100.00	100.00
86. InterBev (Cambodia) Co., Ltd. <sup>1</sup>	Dormant	Cambodia	100.00	100.00
87. InterBev Malaysia Sdn. Bhd. <sup>1</sup>	Trading of beverage products and providing of marketing services	Malaysia	100.00	100.00
88. Best Spirits Company Limited <sup>1</sup>	Trading of alcoholic beverages	Hong Kong	100.00	100.00

**Thai Beverage Public Company Limited and its Subsidiaries**  
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Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			30 September 2017	30 September 2016
<b>Indirect subsidiaries (continued)</b>				
89. International Beverage Holdings (UK) Limited <sup>1</sup>	Holding company	United Kingdom	100.00	100.00
90. International Beverage Holdings (China) Limited <sup>1</sup>	Holding company	Hong Kong	100.00	100.00
91. Beer Chang International Limited <sup>1</sup>	Dormant	Singapore	100.00	100.00
92. International Beverage Trading Limited <sup>1</sup>	Trading of alcoholic beverages	Bermuda	100.00	100.00
93. InterBev Investment Limited <sup>1</sup>	Holding company	Hong Kong	100.00	100.00
94. International Beverage Vietnam Company Limited <sup>1</sup>	Trading of alcoholic beverages	Socialist Republic of Vietnam	100.00	-
95. International Beverage Holdings (Singapore) Pte. Limited <sup>1</sup>	Holding company	Singapore	100.00	-
96. BevCo Limited <sup>1</sup>	Dormant	Hong Kong	100.00	-
97. International Beverage Holdings Limited USA, Inc. <sup>1</sup>	Trading of alcoholic beverages	United States of America	100.00	100.00
98. Super Brands Company Pte. Ltd. <sup>1</sup>	Trademark holding	Singapore	100.00	100.00
<b>Subsidiaries of indirect subsidiaries</b>				
99. Blairnhor Limited <sup>1</sup>	Holding company	United Kingdom	100.00	100.00
100. Inver House Distillers Limited <sup>1</sup>	Production and distribution of spirits	United Kingdom	100.00	100.00
101. InterBev Trading (China) Limited <sup>1</sup>	Trading of alcoholic beverages	People's Republic of China	100.00	100.00
102. Yunnan Yulinquan Liquor Co., Ltd. <sup>1</sup>	Spirits distillery	People's Republic of China	100.00	100.00
103. InterBev Trading (Hong Kong) Limited <sup>1</sup>	Holding company and trading beverage products	Hong Kong	100.00	100.00
104. Blairnhor Distillers Limited <sup>1</sup>	Dormant	United Kingdom	100.00	100.00
105. Wee Beastie Limited <sup>1</sup>	Dormant	United Kingdom	100.00	100.00
106. Moffat & Towers Limited <sup>1</sup>	Dormant	United Kingdom	100.00	100.00
107. Glen Calder Blenders Limited <sup>1</sup>	Dormant	United Kingdom	100.00	100.00
108. Hankey Bannister & Company Limited <sup>1</sup>	Dormant	United Kingdom	100.00	100.00
109. R. Carmichael & Sons Limited <sup>1</sup>	Dormant	United Kingdom	100.00	100.00
110. J MacArthur Junior & Company Limited <sup>1</sup>	Dormant	United Kingdom	100.00	100.00
111. Mason & Summers Limited <sup>1</sup>	Dormant	United Kingdom	100.00	100.00
112. James Catto & Company Limited <sup>1</sup>	Dormant	United Kingdom	100.00	100.00
113. The Knockdhu Distillery Co., Ltd. <sup>1</sup>	Dormant	United Kingdom	100.00	100.00
114. Speyburn-Glenlivet Distillery Co., Ltd. <sup>1</sup>	Dormant	United Kingdom	100.00	100.00
115. The Pulteney Distillery Co., Ltd. <sup>1</sup>	Dormant	United Kingdom	100.00	100.00
116. The Balblair Distillery Co., Ltd. <sup>1</sup>	Dormant	United Kingdom	100.00	100.00
117. Interbev Timor, Unipessoal, Lda <sup>1</sup>	Dormant	Democratic Republic of Timor-Leste	100.00	100.00
118. Sermsuk Plc. <sup>1</sup>	Production and distribution of beverages	Thailand	64.67	64.66
119. Sermsuk Holdings Co., Ltd. <sup>1</sup>	Holding company	Thailand	64.67	64.66

**Thai Beverage Public Company Limited and its Subsidiaries**  
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Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			30 September 2017	30 September 2016
<b>Subsidiaries of indirect subsidiaries (continued)</b>				
120. Sermasuk Beverage Co., Ltd. <sup>1</sup>	Production and distribution of beverages	Thailand	64.67	64.66
121. Sermasuk Training Co., Ltd. <sup>1</sup>	Human resources and organisation development services	Thailand	64.67	64.66
122. Great Brands Limited <sup>1</sup>	Brands management	Hong Kong	64.67	64.66
123. Wrangyer Beverage (2008) Co., Ltd. <sup>1</sup>	Production and distribution of energy drink	Thailand	64.67	64.66
124. S.P.M. Foods & Beverages Co., Ltd. <sup>1</sup>	Production and distribution of drinking water and energy drinks and spirits agency	Thailand	99.84	99.84
125. Chang Beer Co., Ltd. <sup>1</sup>	Holding company	Thailand	100.00	100.00
126. So Water Company Limited <sup>1</sup>	Holding company	Thailand	100.00	100.00
127. Oishi F&B (Singapore) Pte. Ltd. <sup>2</sup>	Brands management and consulting services	Singapore	79.66	79.66
128. Oishi Myanmar Limited <sup>2</sup>	Japanese restaurant business	Union of Myanmar Socialist Republic of Vietnam	43.81	43.81
129. Oishi Group Limited Liability Company <sup>2</sup>	Marketing management consulting services	Republic of Vietnam	79.66	79.66
130. Koykiao Co., Ltd. <sup>7</sup>	Food and beverage business	Thailand	51.00	51.00
131. Max Asia Co., Ltd. <sup>7</sup>	Bakery business	Thailand	70.00	70.00
132. Bistro Asia Co., Ltd. <sup>7</sup>	Restaurant business	Thailand	100.00	-
133. The QSR of Asia Co., Ltd. <sup>7</sup>	Restaurant business	Thailand	100.00	-
<b>Associates of indirect subsidiaries</b>				
134. Fraser and Neave, Limited <sup>3</sup>	Manufacture and distribution of food and beverage and publishing and printing	Singapore	28.50	28.53
135. Frasers Centrepoint Limited <sup>3</sup>	Development and investment in property	Singapore	28.39	28.44
<b>Associates of subsidiary of indirect subsidiaries</b>				
136. Liquorland Limited <sup>3</sup>	Licences	United Kingdom	49.49	49.49
137. Petform (Thailand) Co., Ltd. <sup>6</sup>	Manufacture and distribution of plastic packaging	Thailand	25.87	25.86

<sup>1</sup> Direct or indirect subsidiaries of International Beverage Holdings Limited

<sup>2</sup> Direct or indirect subsidiaries of Oishi Group Plc.

<sup>3</sup> Indirect associates of International Beverage Holdings Limited

<sup>4</sup> 51% direct and 49% indirect share holding held by the Company

<sup>5</sup> 25% direct and 75% indirect share holding held by the Company

<sup>6</sup> Direct associates of Sermasuk Plc.

<sup>7</sup> Direct subsidiaries of Food of Asia Co., Ltd.

<sup>8</sup> 95% direct and 5% indirect share holding held by the Company

<sup>9</sup> Direct subsidiary of Thai Cooperage Co., Ltd.

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- <sup>10</sup> 41.45% share holding held by Thai Cooperage Co., Ltd., 40% share holding held by Thai Thum Distillery Co., Ltd. and 18.55% share holding held by Sura Piset Phatra Lanna Co., Ltd.
- <sup>11</sup> Direct subsidiary of Sura Piset Sahasan Co., Ltd.
- <sup>12</sup> Direct subsidiary of Beer Chang Co., Ltd.
- <sup>13</sup> Direct subsidiary of Sura Bangyikhan Co., Ltd.
- <sup>14</sup> Direct subsidiary of Thai Beverage Marketing Co., Ltd.

On 11 October 2016, Oishi Myanmar Limited, a indirect subsidiary of the Company in the Republic of the Union of Myanmar, increased its registered share capital to USD 4.50 million (4.50 million ordinary shares with a USD 1 par value) from USD 2.10 million (2.10 million ordinary shares with a USD 1 par value). The payment of additional called-up share capital was partially made of USD 0.60 million in October 2016, totalling authorised and called-up share capital to USD 2.70 million.

On 17 October 2016, International Beverage Vietnam Co., Ltd., the Company's indirect subsidiary, was incorporated in Vietnam with a registered share capital of USD 200,000. On 18 January 2017, the registered share capital increased from USD 200,000 to USD 300,000. International Beverage Holdings Limited, which is the Company's subsidiary, holds the entire shares.

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

On 28 November 2016, International Beverage Holdings (Singapore) Pte. Limited, the Company's indirect subsidiary, was incorporated in Singapore with a registered share capital of USD 10,000. International Beverage Holdings Limited, which is the Company's subsidiary, holds the entire shares.

On 26 April 2017, Bistro Asia Co., Ltd., the Company's subsidiary of indirect subsidiary, was incorporated in Thailand with an authorised and paid-up share capital of Baht 10 million by issuing 1 million ordinary shares with Bath 10 par value. Food of Asia Co., Ltd., which is the Company's indirect subsidiary, is controlling equity holder.

On 12 May 2017, BevCo Limited, the Company's indirect subsidiary, was incorporated in Hong Kong with an registered share capital of HKD 10,000. International Beverage Holding Limited, which is the Company's subsidiary, holds the entire shares.

On 2 August 2017, The QRS of Asia Co., Ltd., the Company's subsidiary of indirect subsidiary, was registered in Thailand with an authorised and paid-up share capital of Baht 10 million by issuing 1 million ordinary shares with Baht 10 par value. Food of Asia Co., Ltd., which is the Company's indirect subsidiary, is controlling equity holder.

On 8 August 2017, the Company sold 75% of its paid-up share capital in Food of Asia Co., Ltd. to Food Company Holding Co., Ltd., the Company's subsidiary, amounting to Baht 7.50 million. This is for business restructuring purpose. Consequently, Food of Asia Co., Ltd. become an indirect subsidiary of the Company.

# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 30 September 2017

At the Board of Directors meeting of Oishi Group Plc., the Company's direct subsidiary, held on 10 August 2017, the Board of directors agreed to approve the business restructuring of the Company's indirect subsidiaries to improve group management efficiency. After restructuring, Oishi Snack Co., Ltd. ("Oishi Snack"), the Company's indirect subsidiary will operate production and distribution of package food business, together with supply raw materials to support Oishi restaurants. By doing so, Oishi Snack will purchase property, plant and equipment relating to such business from Oishi Trading Co., Ltd., the Company's indirect subsidiary at the price evaluated by an independent appraisal. The total value of the project is approximately Baht 950 million and expected to be completed in March 2018. At the same time, Oishi Snack will change its name and increase its authorised share capital to Baht 1,000 million (10,000,000 ordinary shares with a Baht 100 par value) from authorised share capital of Baht 80 million (800,000 ordinary shares with a Baht 100 par value and paid-up share of Baht 100 per share). There will be full payment of shares before proceed capital increase to support such project.

On 7 September 2017, Oishi Snack Co., Ltd., the Company's indirect subsidiary, has fully paid-up share capital totalling Baht 80 million (800,000 ordinary shares with a Baht 100 par value) from paid-up share capital of Baht 52 million (800,000 ordinary shares with a Baht 100 par value and paid-up share of Baht 65 per share).

## 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 2016. The initial application of these new and revised TFRS has resulted in changes in certain of the Group's accounting policies. These changes have no material effect on the financial statements.

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

### (b) Basis of measurement

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

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



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**(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 notes to the financial statements to the nearest million unless otherwise stated.

**(d) Use of judgements and estimates**

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

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

*Assumptions and estimation uncertainties*

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

Note 3 (v)	Current and deferred taxation
Note 9	Valuation of investments in associates
Note 13	Valuation of the recoverable amount of property, plant and equipment
Note 14	Valuation of the recoverable amount of goodwill
Note 15	Utilisation of tax losses
Note 21	Measurement of employee benefit obligations
Note 24	Share-based payments - Long-term incentive plan
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.

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

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

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

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

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

- Note 12 Investment properties
- Note 13 Property, plant and equipment
- Note 36 Financial instruments

**(e) *Change in accounting period***

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

**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.

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

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

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

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

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

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

*Acquisitions from entities under common control*

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

*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.

**Thai Beverage Public Company Limited and its Subsidiaries**  
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*Non-controlling interests*

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

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

*Loss of control*

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

*Interests in equity-accounted investees*

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

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

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

*Transactions eliminated on consolidation*

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

**(b) Foreign currencies**

*Foreign currency transactions*

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

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

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.

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*Foreign operations*

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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**(f) Inventories**

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

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

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

**(g) Non-current assets held for sale**

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

**(h) Investments**

*Investments in associates and subsidiaries*

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

*Investments in other debt and equity securities*

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

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

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

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

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*Disposal of investments*

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

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

**(i) Investment properties**

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

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

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

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

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

*Recognition and measurement*

*Owned assets*

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

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

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

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

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*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	3 to 30 years
Buildings and constructions	5 to 40 years
Building improvements	5 to 33 years
Machinery and equipment	3 to 40 years
Oak barrels	10 to 20 years
Furniture, fixtures and office equipment	3 to 11 years
Vehicles	3 to 10 years

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

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



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**(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*

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

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

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

*Other intangible assets*

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

*Subsequent expenditure*

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

*Amortisation*

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

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

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

# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the financial statements

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

### (l) *Leasehold rights*

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

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

### (m) *Impairment*

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

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

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

#### *Calculation of recoverable amount*

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

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

#### *Reversals of impairment*

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

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

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

**(n) *Interest-bearing liabilities***

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

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

Trade and other accounts payable are stated at cost.

**(p) *Employee benefits***

*Defined contribution plans*

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

*Defined benefit plans*

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

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

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

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

*Other long-term employee benefits*

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

*Termination benefits*

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

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

*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.

*Share-based payments*

The grant-date fair value of equity-settled share-based payment awards granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

**(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 a 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.

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

*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 cost**

Interest expenses and similar costs are charged to profit or loss for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial year of time to be prepared for its intended use or sale.

**(u) Lease payments**

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

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

*Determining whether an arrangement contains a lease*

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

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

**(v) Income tax**

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

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

# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 30 September 2017

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 and diluted 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. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

### **(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.

# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 30 September 2017

### 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

# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 30 September 2017

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. Mosho Entertainment Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
29. Commercial Solution Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
30. TCCCL Ladphao Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
31. F&B International Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
32. Sub Permpoon 8 Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
33 The Street Retail Development Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
34. Sub Mahakij 8 Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
35. Waste Recycling Management Center Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
36. Gaewsarnsiri Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
37. TCC Land Development Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
38. P.I.T. Factory Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
39. Lake View Golf And Yacht Club Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
40. Excellent Energy International Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
41. Thai Retail Investment Fund	Thailand	Directors and controlling equity holders hold substantial principle unit indirectly
42. TCC Land Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
43. Thai Malaya Glass Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
44. Berli Jucker Foods Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly



# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 30 September 2017

Name of entities	Country of incorporation/ nationality	Nature of relationships
45. Dhanasindhi Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
46. Business Process Outsourcing Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
47. Berli Jucker Plc.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
48. Gaew Grung Thai Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
49. Phatra Leasing Plc.	Thailand	Common directors with an indirect subsidiary
50. N.C.C. Management and Development Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
51. InterContinental Singapore	Singapore	Directors and controlling equity holders hold substantial shares indirectly
52. TCC Hotel Asset Management Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
53. TCC Logistics & Warehouse Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
54. Riverside Homes Development Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
55. SMJC Real Estate Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
56. Big C Supercenter Plc.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
57. CW Towers Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
58. BJC Specialties Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
59. Phu Thai Group Joint Stock Company	Vietnam	Directors and controlling equity holders hold substantial shares indirectly
60. Asset World Retail Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
61. Lertrattakarn Co., Ltd.	Thailand	Directors and equity holders hold substantial shares indirectly
62. Golden Ventures Leasehold Real Estate Investment Trust	Thailand	Directors and controlling equity holders hold principle unit indirectly
63. New Noble Property and Loan Fund	Thailand	Directors and controlling equity holders hold substantial principle unit indirectly
64. Best Fortune Property and Loan Fund	Thailand	Directors and controlling equity holders hold substantial principle unit indirectly
65. Regent Gold Property Fund	Thailand	Directors and controlling equity holders hold substantial principle unit indirectly
66. Thai Commercial Investment Freehold and Leasehold Fund	Thailand	Directors and controlling equity holders hold principle until indirectly
67. Plaza Athenee Hotel (Thailand) Co., Ltd.	Thailand	Directors and controlling equity holders are the directors and hold substantial shares indirectly
68. North Park Golf And Sports Club Co., Ltd.	Thailand	Directors and controlling equity holders are the directors and hold substantial shares indirectly

# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 30 September 2017

Name of entities	Country of incorporation/ nationality	Nature of relationships
69. Thai Beverage Can Co., Ltd.	Thailand	Directors and controlling equity holders hold 50% shares indirectly
70. Dhamma Land Property Development Co., Ltd.	Thailand	Directors and controlling equity holders are relatives of indirect substantial shares holders
71. PS Recycle Co., Ltd.	Thailand	Directors and controlling equity holders are relatives of controlling person
72. T.C.C. International Limited	Hong Kong	Controlling equity holders hold substantial shares indirectly
73. Best Wishes Co., Ltd.	Hong Kong	Controlling equity holders hold substantial shares indirectly
74. Bangkok Glass Co., Ltd.	Thailand	A subsidiary holds shares
75. The Pet Co., Ltd.	Thailand	A subsidiary holds shares
76. Crown Seal Plc.	Thailand	A subsidiary holds shares
77. TCC Holding Co., Ltd.	Thailand	Having common controlling equity holders
78. TCC Assets Ltd.	British Virgin Islands	Directors and controlling equity holders hold substantial shares directly
79. Golden Land Property Development Plc.	Thailand	Directors and equity holders hold substantial shares indirectly
80. Pacific Leisure (Thailand) Limited	Thailand	Directors and controlling equity holders hold substantial shares indirectly
81. F&N Group and related parties of F&N Group	Singapore	A indirect subsidiary holds 28.50% share in Fraser and Neave, Limited
82. FCL Group and related parties of FCL Group	Singapore	A indirect subsidiary holds 28.39% shares in Frasers Centrepoint Limited
83. 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**  
**For the year ended 30 September 2017**

Significant transactions for the year ended 30 September 2017 and for the nine-month period ended 30 September 2016 with related parties were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	For the year ended 30 September <i>Note</i> 2017	For the nine- month period ended 30 September 2016	For the year ended 30 September 2017	For the nine- month period ended 30 September 2016
	<i>(in million Baht)</i>			
<b>Subsidiaries</b>				
Management fees	-	-	6,991	5,159
Cost of rendering of services	-	-	497	289
Interest income	-	-	431	198
Interest expense	-	-	1,279	951
Dividend income	10	-	15,393	17,369
Other income	-	-	4	-
Administrative expenses	-	-	26	12
<b>Associates</b>				
Dividend income	2,268	2,351	-	-
<b>Key management personnel</b>				
Key management personnel compensation				
Short-term employee benefits	440	340	405	314
Post-employment benefits	18	13	18	10
Expenses in relation to long-term incentive plan	8	-	8	-
<b>Total key management personnel compensation</b>	<b>466</b>	<b>353</b>	<b>431</b>	<b>324</b>
<b>Other related parties</b>				
Revenue from sale of goods	3,399	1,275	-	-
Purchases of raw materials and packaging	10,063	7,915	-	-
Overhead costs	315	176	-	-
Cost of rendering of services	-	-	336	170
Dividend income	6	5	-	-
Other income	165	214	3	1
Selling and administrative expenses	1,887	1,173	18	7
Purchases of plant and equipment	477	184	7	-

Balances as at 30 September 2017 and 2016 with related parties were as follows:

**Trade accounts receivable from related parties**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	<i>(in million Baht)</i>			
Subsidiaries	-	-	569	455
Associates	47	78	-	-
Other related parties	241	154	-	-
<b>Total</b>	<b>288</b>	<b>232</b>	<b>569</b>	<b>455</b>

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

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

	Consolidated financial statements				Separate financial statements				
	30 September 2017		30 September 2016		30 September 2017		30 September 2016		
	Short-term loans to	Other receivables	Short-term loans to	Other receivables	Short-term loans to	Other receivables	Short-term loans to	Other receivables	
Subsidiaries	-	-	-	-	104	11,455	6,912	39	6,951
Associates	-	168	-	250	-	-	-	-	-
Other related parties	-	149	-	169	93	93	-	80	80
<b>Total</b>	<b>-</b>	<b>317</b>	<b>-</b>	<b>419</b>	<b>197</b>	<b>11,548</b>	<b>6,912</b>	<b>119</b>	<b>7,031</b>

*(in million Baht)*

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

	Consolidated financial statements				Separate financial statements				
	30 September 2017		30 September 2016		30 September 2017		30 September 2016		
	Long-term loans to	Other receivables	Long-term loans to	Other receivables	Long-term loans to	Other receivables	Long-term loans to	Other receivables	
Subsidiaries	-	-	-	-	1	1	-	1	1
Other related parties	-	107	-	98	11	11	-	10	10
<b>Total</b>	<b>-</b>	<b>107</b>	<b>-</b>	<b>98</b>	<b>12</b>	<b>12</b>	<b>-</b>	<b>11</b>	<b>11</b>

*(in million Baht)*

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

Movements during for the year ended 30 September 2017 and for the nine-month period ended 30 September 2016 of loans to related parties were as follows:

<i>Loans to related parties</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016
	<i>(in million Baht)</i>			
<b>Short-term loans</b>				
<b>Subsidiaries</b>				
At 1 October / 1 January	-	-	6,912	6,902
Increase	-	-	15,757	7,161
Decrease	-	-	(11,318)	(7,151)
<b>At 30 September</b>	<b>-</b>	<b>-</b>	<b>11,351</b>	<b>6,912</b>

The currency denomination of loans to and other receivables from related parties as at 30 September 2017 and 2016 was as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	<i>(in million Baht)</i>			
Thai Baht (THB) and other functional currencies of subsidiaries	424	517	11,560	7,042
<b>Total</b>	<b>424</b>	<b>517</b>	<b>11,560</b>	<b>7,042</b>

<i>Trade accounts payable to related parties</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	<i>(in million Baht)</i>			
Associates	238	154	-	-
Other related parties	1,393	1,388	-	-
<b>Total</b>	<b>1,631</b>	<b>1,542</b>	<b>-</b>	<b>-</b>

**Thai Beverage Public Company Limited and its Subsidiaries**  
Notes to the financial statements  
For the year ended 30 September 2017

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

	Consolidated financial statements			Separate financial statements		
	30 September 2017			30 September 2016		
	Short-term loans from	Other payables	Total	Short-term loans from	Other payables	Total
Subsidiaries	-	-	-	-	-	-
Associates	-	71	71	-	121	121
Other related parties	-	313	313	-	194	194
<b>Total</b>	<b>-</b>	<b>384</b>	<b>384</b>	<b>-</b>	<b>315</b>	<b>315</b>
			<i>(in million Baht)</i>			
				Short-term loans from	Other payables	Total
				30 September 2017	30 September 2016	30 September 2016
				11,602	25,533	37,135
				-	-	-
				-	96	96
				11,602	25,629	37,231
				-	-	-
				25,505	25,505	50,823
				-	-	-
				25,505	25,318	50,823
				25,505	25,334	50,839

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

	Consolidated financial statements			Separate financial statements		
	30 September 2017			30 September 2016		
	Long-term loans from	Other payables	Total	Long-term loans from	Other payables	Total
Subsidiaries	-	-	-	-	-	-
			<i>(in million Baht)</i>			
				Long-term loans from	Other payables	Total
				30 September 2017	30 September 2016	30 September 2016
				27,494	-	27,494
				-	-	-
				27,494	1,264	1,264

# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 30 September 2017

### Summary of loans from related parties

	Consolidated financial statements		Separate financial statements	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	<i>(in million Baht)</i>			
Short-term loans	-	-	11,602	25,505
Long-term loans	-	-	27,494	1,264
<b>Total</b>	<b>-</b>	<b>-</b>	<b>39,096</b>	<b>26,769</b>

Movements during the year ended 30 September 2017 and for the nine-month period ended 30 September 2016 of loans from related parties were as follows:

### Loans from related parties

	Consolidated financial statements		Separate financial statements	
	For the year ended 30 September 2017	For the nine- month period ended 30 September 2016	For the year ended 30 September 2017	For the nine- month period ended 30 September 2016
	<i>(in million Baht)</i>			

#### Short-term loans

##### Subsidiaries

At 1 October / 1 January	-	-	25,505	32,025
Increase	-	-	29,492	32,342
Decrease	-	-	(43,395)	(38,862)
<b>At 30 September</b>	<b>-</b>	<b>-</b>	<b>11,602</b>	<b>25,505</b>

#### Long-term loans

##### Subsidiaries

At 1 October / 1 January	-	-	1,265	1,317
Increase	-	-	27,494	-
Decrease	-	-	(1,265)	-
Effect of foreign currency exchange differences	-	-	-	(52)
<b>At 30 September</b>	<b>-</b>	<b>-</b>	<b>27,494</b>	<b>1,265</b>

The currency denomination of loans from and other payables to related parties as at 30 September 2017 and 2016 was as follows:

	Consolidated financial statements		Separate financial statements	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	<i>(in million Baht)</i>			
Thai Baht (THB) and other functional currencies of subsidiaries	375	223	64,720	50,704
Singapore Dollars (SGD)	8	6	4	1
United States Dollars (USD)	1	1	1	-
Euro (EUR)	-	84	-	-
Pound Sterling (GBP)	-	1	-	-
Hong Kong Dollars (HKD)	-	-	-	1,398
<b>Total</b>	<b>384</b>	<b>315</b>	<b>64,725</b>	<b>52,103</b>

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

*Significant agreements with related parties*

*Supporting service agreements*

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

*Application service provisioning agreement*

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

*Molasses purchase and sale agreements*

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

*Glass bottle purchase and sale agreement*

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

*Revolving loan agreement*

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

The Company entered into revolving loan agreements with subsidiaries for lending the loans with total credit limit of Baht 97,500 million, bearing interest at the rate of 4% per annum and repayable at call. As at 30 September 2017, the Company had the outstanding balance of short-term loans of Baht 11,602 million (30 September 2016: Baht 25,505 million).

During 2017, the Company issued promissory notes to subsidiaries to convert from short-term loans to long-term loans totalling Baht 27,494 million. The loans will be payable within 2 years with interest rate at 4% per annum.

*Service agreement*

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



# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 30 September 2017

### *Property sublease agreements*

In 2017, a subsidiary and indirect subsidiaries of the Company entered into the sublease agreements to lease furnished office space and service agreement with a related company. Under the agreement, which effective for a period of 3 years, starting from the agreement dated in 2017, the said subsidiary and indirect subsidiaries are committed to pay rental and service fee on the rates as stipulated in the agreement. The agreement is currently being reviewed and signed by the company and the parties.

### *Commitments with related parties*

	Consolidated financial statements		Separate financial statements	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	<i>(in million Baht)</i>			
<b>Capital commitments</b>				
Machinery and equipment	60	8	-	-
Land	35	-	-	-
Buildings and other constructions	6	262	-	-
<b>Total</b>	<b>101</b>	<b>270</b>	<b>-</b>	<b>-</b>
<b>Non-cancellable operating lease commitments</b>				
Within one year	517	439	51	29
After one year but within five years	1,281	849	63	48
After five years	293	128	-	-
<b>Total</b>	<b>2,091</b>	<b>1,416</b>	<b>114</b>	<b>77</b>
<b>Other commitments</b>				
Sale of molasses agreements	119	4	-	-
Application service provisioning agreements	50	89	50	89
Purchase of raw material agreements	40	7	-	-
Purchase of molasses agreements	23	110	-	-
Brewing supervision agreement	15	16	-	-
Other service agreements	224	128	84	44
<b>Total</b>	<b>471</b>	<b>354</b>	<b>134</b>	<b>133</b>

## 5 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	<i>(in million Baht)</i>			
Cash on hand	156	64	-	-
Cash at banks - current accounts	802	1,024	1	2
Cash at banks - savings accounts	8,971	3,893	6,848	1,732
Highly liquid short-term investments	-	78	-	-
<b>Total</b>	<b>9,929</b>	<b>5,059</b>	<b>6,849</b>	<b>1,734</b>

# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 30 September 2017

The currency denomination of cash and cash equivalents as at 30 September 2017 and 2016 was as follows:

	Consolidated financial statements		Separate financial statements	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	<i>(in million Baht)</i>			
Thai Baht (THB) and other functional currencies of subsidiaries	9,816	4,930	6,849	1,734
United States Dollars (USD)	69	83	-	-
Hong Kong Dollars (HKD)	31	-	-	-
Pound Sterling (GBP)	12	4	-	-
Singapore Dollars (SGD)	1	42	-	-
<b>Total</b>	<b>9,929</b>	<b>5,059</b>	<b>6,849</b>	<b>1,734</b>

### 6 Trade accounts receivable

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2017	30 September 2016	30 September 2017	30 September 2016
		<i>(in million Baht)</i>			
Related parties	4	288	232	569	455
Other parties		2,394	2,423	-	-
<b>Total</b>		<b>2,682</b>	<b>2,655</b>	<b>569</b>	<b>455</b>
Less allowance for doubtful accounts		(55)	(67)	-	-
<b>Net</b>		<b>2,627</b>	<b>2,588</b>	<b>569</b>	<b>455</b>

	Consolidated financial statements		Separate financial statements	
	For the year ended 30 September 2017	For the nine- month period ended 30 September 2016	For the year ended 30 September 2017	For the nine- month period ended 30 September 2016
	<i>(in million Baht)</i>			
Bad and doubtful debts expenses (reversal of) for the year / period	(9)	8	-	-

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	<i>(in million Baht)</i>			
<b>Related parties</b>				
Within credit terms	211	182	569	455
Overdue:				
Less than 3 months	76	50	-	-
6-12 months	1	-	-	-
	<b>288</b>	<b>232</b>	<b>569</b>	<b>455</b>

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	<i>(in million Baht)</i>			
<b>Other parties</b>				
Within credit terms	2,006	2,028	-	-
Overdue:				
Less than 3 months	333	331	-	-
3-6 months	32	26	-	-
6-12 months	10	27	-	-
Over 12 months	13	11	-	-
	<u>2,394</u>	<u>2,423</u>	<u>-</u>	<u>-</u>
Less allowance for doubtful accounts	(55)	(67)	-	-
	<u>2,339</u>	<u>2,356</u>	<u>-</u>	<u>-</u>
<b>Net</b>	<u>2,627</u>	<u>2,588</u>	<u>569</u>	<u>455</u>

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

The currency denomination of trade accounts receivable as at 30 September 2017 and 2016 was as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	<i>(in million Baht)</i>			
Thai Baht (THB) and other functional currencies of subsidiaries	2,441	2,556	569	455
United States Dollars (USD)	180	19	-	-
Malaysian Ringgit (MYR)	6	13	-	-
<b>Total</b>	<u>2,627</u>	<u>2,588</u>	<u>569</u>	<u>455</u>

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

**7 Inventories**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	<i>(in million Baht)</i>			
Finished goods	14,023	13,767	-	-
Maturing spirits	13,283	12,555	-	-
Work in progress	4,623	5,573	-	-
Raw materials	2,683	2,791	-	-
Packaging materials	2,556	2,602	-	-
Spare parts	553	520	-	-
Others	443	693	-	-
	<u>38,164</u>	<u>38,501</u>	<u>-</u>	<u>-</u>
Less allowance for decline in value	(403)	(356)	-	-
<b>Net</b>	<b><u>37,761</u></b>	<b><u>38,145</u></b>	<b><u>-</u></b>	<b><u>-</u></b>

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	For the year ended 30 September 2017	For the nine- month period ended 30 September 2016	For the year ended 30 September 2017	For the nine- month period ended 30 September 2016
	<i>(in million Baht)</i>			
Inventories recognised as an expense in 'Cost of sale of goods':				
- Cost	131,851	97,591	-	-
- Write-down to net realisable value	267	233	-	-
- Reversal of write-down	(219)	(233)	-	-
<b>Net</b>	<b><u>131,899</u></b>	<b><u>97,591</u></b>	<b><u>-</u></b>	<b><u>-</u></b>

**8 Other current assets**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	<i>(in million Baht)</i>			
Prepaid excise tax	1,798	1,709	-	-
Deposits	1,251	259	-	-
Refundable value added tax	805	654	30	12
Refundable excise tax	157	74	-	-
Others	655	471	1	-
<b>Total</b>	<b><u>4,666</u></b>	<b><u>3,167</u></b>	<b><u>31</u></b>	<b><u>12</u></b>

# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 30 September 2017

### *Asset sale and purchase agreement*

On 8 August 2017, The QSR of Asia Co., Ltd., the Company's subsidiary of indirect subsidiary, entered into an Asset Sale and Purchase Agreement ("ASPA") with Yum Restaurants International (Thailand) Co., Ltd., for the potential acquisition of over 240 existing KFC stores and a number of developing KFC stores in Thailand, as well as the properties and assets which are necessary or used for the operation of the foregoing KFC stores ("the Acquisition"). The preliminary amount of consideration for the existing KFC stores is approximately Baht 11.3 billion including VAT (subject to the price adjustment mechanisms as set out in the ASPA, and depending on the exact number of the existing KFC stores to be acquired at closing), and an additional amount of consideration for the developing KFC stores which will be determined at closing in accordance with the terms of the ASPA. The aforementioned indirect subsidiary paid deposit of Baht 1.1 billion as stipulated in the agreement and which is presented as other current assets in the consolidated financial statements as at 30 September 2017. However, the acquisition will be completed provided that the parties fulfilled the conditions specified in the ASPA. The acquisition is expected to be completed by December 2017.

## 9 Investments in associates

	<b>Consolidated financial statements</b>	
	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016
	<i>(in million Baht)</i>	
At 1 October / 1 January	78,463	75,737
Share of profit of investment in associates, net of income tax		
- Share of profit from normal operation of investment in associates	4,073	3,375
- Effect of change of interest in other investment of associate	8,497	-
Share of other comprehensive income of investment in associates		
- Share of other comprehensive income from normal operation of investment in associates	283	2,137
- Realisation of fair value gains on change of interest of available-for-sale financial asset of associate	(8,506)	-
Dividend income from associates	(2,268)	(2,351)
Translation differences on consolidation	(2,169)	(435)
<b>At 30 September</b>	<b>78,373</b>	<b>78,463</b>

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

### **Notes to the financial statements**

**For the year ended 30 September 2017**

As at 30 September 2016, F&N Dairy Investments Pte Ltd (“F&NDI”), wholly-owned subsidiaries of Fraser and Neave, Limited (“F&N”) has interest in Vietnam Dairy Products Joint Stock Company (“Vinamilk”) approximately to 10.95% which was accounted as other investment. During the year F&Nbev Manufacturing Pte. Ltd. (“F&Nbev”), wholly-owned subsidiaries of F&N and F&NDI have completed the acquisition in Vinamilk of 112.95 million shares, resulting in increased of interest in Vinamilk to 18.74%. According to that, F&N reclassified investment in Vinamilk to investment in associate and reclassified fair valuation gains on investment in Vinamilk that were previously recognised in other comprehensive income to statement of income. As a result, the Company recognized Baht 8,496.59 million at a portion of shares held in F&N.

On 16 January 2017, FCL Treasury Pte. Ltd., a subsidiary of Frasers Centrepoint Limited (“FCL”), established a SGD 5 billion Multicurrency Debt Issuance Programme (the “Programme”). The net proceeds will be used for the refinancing of existing borrowings, working capital requirements and the general corporate purposes.

On 17 January 2017, Frasers Property Holdings (Thailand) Co., Ltd. (“FPHT”), a subsidiary of FCL, completed the acquisition of 735 million newly issued shares or approximately 40.07% of total shares in TICON Industrial Connection Public Company Limited (“TICON”) at the price of Baht 18 per share. Subsequently, during the year FPHT completed the acquisition of 16 million newly issued additional shares, resulting in increased of the interest in TICON’s total share to 40.95%.

At the annual general meeting of the shareholders of F&N and FCL associates of an indirect subsidiary of the company, held on 24 January 2017, the shareholders of F&N and FCL approved the dividend payment of SGD 0.03 and SGD 0.062 per share, respectively. The dividend was paid to the shareholders in February 2017. The Company’s indirect subsidiary received the said dividend of approximately Baht 1,559 million.

At Board of Director’s meeting of F&N and FCL, held on 8 May 2017 and 11 May 2017, respectively, the Board of Directors of F&N and FCL approved the interim dividend payment of SGD 0.015 and SGD 0.024 per share, respectively.

On 5 July 2017, Frasers Property Investments (Holland) B.V. (“Frasers Property”), a wholly-owned subsidiary of FCL, completed the acquisition of 84,143,602 depository receipts representing 86.56% of the ordinary shares in the share capital of Geneva Properties N.V. (“Geneba”), for a consideration of EUR 314.8 million (approximately SGD 494.6 million). Following the completion of the acquisition, Geneva became a subsidiary of FCL. Subsequently, Frasers Property complete the acquisition of all remaining depository receipts resulting in increased of the interest in Geneva’s total share to 99.45% .

On 7 July 2017, Geneva RE19 B.V., an indirect subsidiary of FCL, entered into a conditional sale and purchase agreement to acquire 76.5% of the ordinary shares in the share capital of Harder, Gutperle, Harder & Gutperle GmbH GbR (“H&G”), for a consideration of approximately EUR 20.5 million (approximately SGD 32.1 million), resulting in H&G becoming an indirect subsidiary of FCL.

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

Investments in associates as at 30 September 2017 and 2016, and dividend income from those investments for the year ended 30 September 2017 and for the nine-month period ended 30 September 2016 were as follows:

	Ownership interest		Paid-up capital	Consolidated financial statements				Dividend income	
	30			Cost		Equity		For the	
	September 2017	September 2016		September 2017	September 2016	September 2017	September 2016	year ended 30 September 2017	nine-month period ended 30 September 2016
(in million Baht)									
<i>Associates</i>									
<i>Held by indirect subsidiaries</i>									
Fraser and Neave, Limited	28.50	28.53	SGD 849 million	15,979	16,957	37,465	38,685	457	465
Fraser's Centrepoint Limited	28.39	28.44	SGD 1,775 million	33,779	35,834	40,283	39,234	1,749	1,775
<i>Held by subsidiary of indirect subsidiaries</i>									
Liquorland Limited	49.49	49.49	GBP 0.5 million	11	13	118	118	-	-
Petform (Thailand) Co., Ltd.	25.87	25.86	Baht 75 million	30	30	507	426	62	111
<b>Total</b>				<b>49,799</b>	<b>52,834</b>	<b>78,373</b>	<b>78,463</b>	<b>2,268</b>	<b>2,351</b>

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 30 September 2017 of SGD 2.53 per share and SGD 2.09 per share, respectively (30 September 2016: SGD 2.14 per share and SGD 1.49 per share, respectively). The market value calculated from the above mentioned closing price of the Group's investments in F&N and FCL are Baht 25,630 million and Baht 42,345 million, respectively (30 September 2016: Baht 22,410 million and Baht 31,207 million, respectively).

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

*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.

	Fraser and Neave, Limited		Frasers Centrepoint Limited	
	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016
<b><i>Statement of comprehensive income</i></b>				
		<i>(in million Baht)</i>		
Revenue	47,016	38,285	99,747	71,126
Profit from continuing operations	32,942	3,112	18,309	10,997
Post-tax profit from discontinued operation	-	-	-	3,178
Other comprehensive income	(30,851)	7,794	2,862	(3,509)
<b>Total comprehensive income (100%)</b>	<b>2,091</b>	<b>10,906</b>	<b>21,171</b>	<b>10,666</b>
Attributable to non-controlling interests	1,058	918	7,448	3,717
Attributable to investee's shareholders	1,033	9,988	13,723	6,949
<b><i>Statement of financial position</i></b>				
		<i>(in million Baht)</i>		
Current assets	42,700	41,300	158,986	177,032
Non-current assets	77,529	54,498	504,441	437,549
Current liabilities	(29,316)	(11,455)	(82,473)	(87,574)
Non-current liabilities	(13,891)	(4,296)	(260,429)	(226,286)
<b>Net assets (100%)</b>	<b>77,022</b>	<b>80,047</b>	<b>320,525</b>	<b>300,721</b>
Attributable to non-controlling interests	7,789	7,857	144,786	131,586
Attributable to investee's shareholders	69,233	72,190	175,739	169,135



**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

	Fraser and Neave, Limited		Frasers Centrepoint Limited	
	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016
<i>Carrying amount of interest in associates</i>				
Group's interest in net assets of investee at 1 October / 1 January	38,685	36,507	39,234	38,659
Total comprehensive income attributable to the Group	306	2,842	3,898	2,564
Dividends received for the year/ period	(457)	(465)	(1,749)	(1,775)
Translation differences on consolidation	(1,069)	(199)	(1,100)	(214)
<b>Carrying amount of interest in investee at 30 September</b>	<b>37,465</b>	<b>38,685</b>	<b>40,283</b>	<b>39,234</b>

(in million Baht)

*Immaterial associates*

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

	Petform (Thailand) Co., Ltd.		Liquorland Limited	
	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016
<i>Carrying amount of interests in immaterial associates</i>				
Group's share of:				
- Profit for the year / period	143	106	8	9
- Other comprehensive income	-	-	-	-
- Total comprehensive income	<b>143</b>	<b>106</b>	<b>8</b>	<b>9</b>

(in million Baht)

**10 Investments in subsidiaries**

	Separate financial statements	
	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016
At 1 October / 1 January	167,792	142,490
Increase in share capital of subsidiary	-	25,302
Acquisitions	231	-
Disposals	(8)	-
<b>At 30 September</b>	<b>168,015</b>	<b>167,792</b>

(in million Baht)

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

*Acquisitions*

During the year, the Company invested in a new investment in 100% of BevTech Co., Ltd., the Company's subsidiary, which was incorporated in Thailand. BevTech Co., Ltd. has issued share capital of Baht 200 million (20 million ordinary shares with a Baht 10 par value).

On 15 December 2016, the Company invested in a new investment in 100% of Namjai ThaiBev (Social Enterprise) Co., Ltd., the Company's subsidiary, which was incorporated in Thailand. Namjai ThaiBev (Social Enterprise) Co., Ltd. has issued and paid-up share capital of Baht 1 million (0.1 million ordinary shares with a Baht 10 par value).

On 20 April 2017, the Company invested in a new investment in 100% of ASM Management Co., Ltd., the Company's subsidiary, which was incorporated in Thailand. ASM Management Co., Ltd. has issued and paid-up share capital of Baht 10 million (1 million ordinary shares with a Baht 10 par value).

On 8 June 2017, the Company invested in a new investment in 100% of Agent Management Co., Ltd., the Company's subsidiary, which was incorporated in Thailand. Agent Management Co., Ltd. has issued and paid-up share capital of Baht 10 million (1 million ordinary shares with a Baht 10 par value).

On 2 August 2017, Foods Company Holdings Co., Ltd., the Company's direct subsidiary, was incorporated in Thailand with an authorized and paid-up share capital of Baht 10 million (1 million ordinary shares with a Baht 10 par value).

*Disposals*

On 8 August 2017, the Company sold 75% of its interest in the issued and paid up capital of Food of Asia Co., Ltd. amounting to 7.50 million, reducing the Company total interest in Food of Asia Co., Ltd to 25%. Details of the disposals are given in note 1.

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

Investments in subsidiaries as at 30 September 2017 and 2016, and dividend income from those investments for the year ended 30 September 2017 and for the nine-month period ended 30 September 2016 were as follows:

	Ownership interest		Separate financial statements				Dividend income		
	30 September		Paid-up capital		Cost method		For the		
	2017	2016	30 September 2017	30 September 2016	30 September 2017	30 September 2016	year ended 30 September 2017	nine-month period ended 30 September 2017	
	(%)		(in million Baht)						
<b>Subsidiaries</b>									
Beer Thai (1991) Plc.	100.00	100.00	5,550	5,550	12,500	12,500	533	355	
Beer Thip Brewery (1991) Co., Ltd.	100.00	100.00	6,600	6,600	12,500	12,500	337	264	
Sangsom Co., Ltd.	100.00	100.00	7,500	7,500	7,500	7,500	495	787	
Fuengfuanant Co., Ltd.	100.00	100.00	900	900	900	900	119	201	
Mongkolsamai Co., Ltd.	100.00	100.00	700	700	691	691	2	17	
Thanapakdi Co., Ltd.	100.00	100.00	700	700	697	697	11	20	
Kanchanasingkorn Co., Ltd.	100.00	100.00	700	700	700	700	36	50	
Sura Bangyikhan Co., Ltd.	100.00	100.00	4,000	4,000	4,000	4,000	788	1,312	
Athimart Co., Ltd.	100.00	100.00	900	900	900	900	114	179	
S.S. Karnsura Co., Ltd.	100.00	100.00	800	800	800	800	98	156	
Kankwan Co., Ltd.	100.00	100.00	800	800	800	800	106	186	
Theparunothai Co., Ltd.	100.00	100.00	700	700	700	700	78	132	
Red Bull Distillery (1988) Co., Ltd.	100.00	100.00	5,000	5,000	5,000	5,000	-	-	
United Winery and Distillery Co., Ltd.	100.00	100.00	1,800	1,800	1,800	1,800	36	68	
Simathurakij Co., Ltd.	100.00	100.00	900	900	888	888	160	247	
Nateechai Co., Ltd.	100.00	100.00	800	800	800	800	4	32	
Luckchai Liquor Trading Co., Ltd.	100.00	100.00	800	800	766	766	72	94	
Sura Piset Thipparat Co., Ltd.	100.00	100.00	1,000	1,000	1,010	1,010	5	1	
Modern Trade Management Co., Ltd.	100.00	100.00	10	10	10	10	451	712	
Horeca Management Co., Ltd.	100.00	100.00	10	10	10	10	16	7	
Pomkit Co., Ltd.	100.00	100.00	10	10	10	10	134	106	
Pomklung Co., Ltd.	100.00	100.00	10	10	10	10	65	81	
Ponchok Co., Ltd.	100.00	100.00	10	10	10	10	48	50	
Poncharoen Co., Ltd.	100.00	100.00	10	10	10	10	-	24	
Pomburapa Co., Ltd.	100.00	100.00	10	10	10	10	84	72	
Pompalang Co., Ltd.	100.00	100.00	10	10	10	10	133	96	

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

	Separate financial statements						Dividend income For the nine-month period ended 30 September 2017
	Ownership interest		Paid-up capital		Cost method		
	30 September 2017	30 September 2016	30 September 2017	30 September 2016	30 September 2017	30 September 2016	
	(in million Baht)						
	(%)						
<b>Subsidiaries (continued)</b>							
Pomnakorn Co., Ltd.	100.00	100.00	10	10	10	10	43
Pomthip (2012) Co., Ltd.	100.00	100.00	10	10	10	10	78
Num Yuk Co., Ltd.	100.00	100.00	10	10	10	10	593
Num Kijjakarn Co., Ltd.	100.00	100.00	10	10	10	10	723
Num Palang Co., Ltd.	100.00	100.00	10	10	10	10	324
Num Muang Co., Ltd.	100.00	100.00	10	10	10	10	528
Num Nakorn Co., Ltd.	100.00	100.00	10	10	10	10	360
Num Thurakij Co., Ltd.	100.00	100.00	10	10	10	10	636
Numrunrod Co., Ltd.	100.00	100.00	10	10	10	10	499
Numthip Co., Ltd.	100.00	100.00	10	10	10	10	443
Thipchalothorn Co., Ltd.	100.00	100.00	1	1	3	3	258
Krittayabun Co., Ltd.	100.00	100.00	5	5	27	27	387
Surathip Co., Ltd.	100.00	100.00	1	1	7	7	288
Sunthronpirom Co., Ltd.	100.00	100.00	5	5	25	25	224
Piromsurang Co., Ltd.	100.00	100.00	5	5	24	24	166
Thai Beverage Energy Co., Ltd.	100.00	100.00	860	860	864	864	47
Thai Molasses Co., Ltd.	99.72	99.72	40	40	35	35	76
Feed Addition Co., Ltd.	100.00	100.00	1	1	32	32	12
Pan International (Thailand) Co., Ltd.	100.00	100.00	1	1	34	34	9
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	5
Thai Beverage Recycle Co., Ltd.	100.00	100.00	123	123	134	134	91
Thai Beverage Logistics Co., Ltd.	100.00	100.00	1,012	1,012	1,012	1,012	383
Thai Beverage Marketing Co., Ltd.	100.00	100.00	300	300	300	300	164

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

	Separate financial statements						Dividend income For the nine-month period ended 30 September 2017
	Ownership interest		Paid-up capital		Cost method		
	30 September 2017	30 September 2016	30 September 2017	30 September 2016	30 September 2017	30 September 2016	
	(in million Baht)						
	(%)						
<b>Subsidiaries (continued)</b>							
United Products Co., Ltd.	100.00	100.00	350	350	376	376	-
Dhospaak Co., Ltd.	100.00	100.00	25	25	61	61	74
Thai Beverage Training Co., Ltd.	100.00	100.00	3	3	2	2	37
C A C Co., Ltd.	100.00	100.00	30	30	30	30	-
International Beverage Holdings Limited	100.00	100.00	67,942	67,942	92,892	92,892	3,393
Cosmos Brewery (Thailand) Co., Ltd.	100.00	100.00	1,667	1,667	4,139	4,139	83
Thai Beverage Brands Co., Ltd.	100.00	100.00	5	5	39	39	2
Beer Chang Co., Ltd.	100.00	100.00	1	1	4,318	4,318	173
Archa beer Co., Ltd.	100.00	100.00	1	1	130	130	2
Sura Piset Phatra Lanna Co., Ltd.	100.00	100.00	1,000	1,000	1,015	1,015	23
Oishi Group Plc.	79.66	79.66	375	375	5,540	5,540	373
Thai Drinks Co., Ltd.	95.05	95.05	1,500	1,500	438	438	-
Chang International Co., Ltd.	100.00	100.00	10	10	10	10	447
Cash Van Management Co., Ltd.	100.00	100.00	10	10	10	10	524
Food of Asia Co., Ltd.	25.00	100.00	10	10	2	10	-
Chang Corporation Co., Ltd.	50.99	50.99	1	1	1	1	-
BevCo Co., Ltd.	50.99	50.99	5,436	5,436	2,772	2,772	-
Bev Tech Co., Ltd.	100.00	-	200	-	200	-	-
Namjai Thai Bev (Social Enterprise) Co., Ltd.	100.00	-	1	-	1	-	-
ASM Management Co., Ltd.	100.00	-	10	-	10	-	-
Agent Management Co., Ltd.	100.00	-	10	-	10	-	-
Foods Company Holdings Co., Ltd.	100.00	-	10	-	10	-	-
<b>Total</b>					<b>168,015</b>	<b>167,792</b>	<b>15,393</b>
							<b>17,369</b>

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

None of the Company's direct 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 133.00 per share at 30 September 2017 (30 September 2016: Baht 141.50 per share), the market price of the Company's investment in Oishi Group Plc. is Baht 19,865 million (30 September 2016: Baht 21,134 million).

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

**11 Non-controlling interests**

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

	Consolidated financial statements		Other	Intra-group eliminations	Total
	Oishi Group Public Company Limited and its subsidiaries	Sermsuk Public Company Limited and its subsidiaries			
<i>As at 30 September 2017</i>					
Non-controlling interest percentage	20.34%	35.33%			
Current assets	2,641	2,240			
Non-current assets	7,066	10,872			
Current liabilities	(2,030)	(2,218)			
Non-current liabilities	(2,086)	(2,200)			
<b>Net assets</b>	<b>5,591</b>	<b>8,694</b>			
Carrying amount of non-controlling interest	1,137	3,072	8	(484)	3,733
<i>For the year ended 30 September 2017</i>					
Revenue	13,551	10,623			
Profit (loss)	1,443	(293)			
Other comprehensive income	(2)	21			
<b>Total comprehensive income</b>	<b>1,441</b>	<b>(272)</b>			
Profit (loss) allocated to non-controlling interest	294	(104)	(3)	(16)	171
Other comprehensive income allocated to non-controlling interest	-	7	-	-	7
Cash flows from operating activities	2,389	239			
Cash flows from investing activities	(500)	(224)			
Cash flows from financing activities	(1,036)	-			
<b>Net decrease in cash and cash equivalents</b>	<b>853</b>	<b>15</b>			

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

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

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

**12 Investment properties**

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2017	30 September 2016	30 September 2017	30 September 2016
<i>(in million Baht)</i>					
<b>Cost</b>					
At 1 October /1 January		1,325	1,374	-	-
Disposals		-	(22)	-	-
Transfer from (to) property, plant and equipment	13	319	(27)	-	-
<b>At 30 September</b>		<b>1,644</b>	<b>1,325</b>	<b>-</b>	<b>-</b>
<b>Accumulated depreciation and impairment losses</b>					
At 1 October /1 January		116	113	-	-
Depreciation charge for the period/year		5	4	-	-
Disposals		-	(2)	-	-
Transfer to property, plant and equipment	13	-	(1)	-	-
Allowance for impairment losses		-	2	-	-
<b>At 30 September</b>		<b>121</b>	<b>116</b>	<b>-</b>	<b>-</b>
<b>Net book value</b>					
At 1 October /1 January		<b>1,209</b>	<b>1,261</b>	<b>-</b>	<b>-</b>
<b>At 30 September</b>		<b>1,523</b>	<b>1,209</b>	<b>-</b>	<b>-</b>

The Group's investment properties were revalued by independent property valuers, which considered valuation using the market comparison approach and cost approach. As at 30 September 2017, the appraised value of investment properties was Baht 2,613 million (30 September 2016: Baht 2,144 million).

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

**Measurement of fair value**

*Fair value hierarchy*

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

The fair value measurement for investment property of Baht 2,613 million has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.



**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

*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.

<b>Valuation technique</b>	<b>Significant unobservable inputs</b>	<b>Inter-relationship between key unobservable inputs and fair value measurement</b>
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**  
**For the year ended 30 September 2017**

**13 Property, plant and equipment**

	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	
<b>Cost/ revaluation</b>											
At 1 January 2016		16,672	1,761	26,375	58,181	2,932	1,903	4,029	510	112,363	
Additions		8	4	166	493	27	168	17	1,970	2,853	
Surplus on revaluation of land		1,731	-	-	-	-	-	-	-	1,731	
Transfer		6	38	284	766	-	35	157	(1,293)	(7)	
Transfer from investment properties	12	25	-	2	-	-	-	-	-	27	
Disposals		-	-	(41)	(406)	-	(60)	(163)	(10)	(680)	
Effect of foreign currency exchange differences		(20)	(1)	(265)	(253)	(58)	(1)	(1)	(12)	(611)	
<b>At 30 September 2016 /</b>											
<b>1 October 2016</b>		18,422	1,802	26,521	58,781	2,901	2,045	4,039	1,165	115,676	
Additions		15	10	396	1,146	31	232	242	3,578	5,650	
Surplus on revaluation of land		(141)	-	-	-	-	-	-	-	(141)	
Transfer		-	21	423	1,605	-	31	209	(2,299)	(10)	
Transfer to investment properties	12	(312)	-	(7)	-	-	-	-	-	(319)	
Disposals		-	(3)	(149)	(715)	(1)	(148)	(211)	-	(1,227)	
Effect of foreign currency exchange differences		(1)	-	(14)	(12)	(1)	(1)	(1)	-	(30)	
<b>At 30 September 2017</b>		17,983	1,830	27,170	60,805	2,930	2,159	4,278	2,444	119,599	

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

	Note	Land		Land improvement	Building, buildings and leasehold improvements	Consolidated financial statements (in million Baht)				Vehicles	Assets under construction and installation	Total
						Machinery and equipment	Oak barrels	Furniture, fixtures and office equipment				
<b>Depreciation and impairment losses</b>												
At 1 January 2016		159	1,193		13,864	43,191	2,493	1,293		3,249	-	65,442
Depreciation charge for the period		-	63		964	1,766	96	176		191	-	3,256
Reversal of impairment losses		(54)	-		-	(34)	-	-		-	-	(88)
Transfers		-	-		-	(1)	-	(1)		-	-	(2)
Transfer from investment properties	12	-	-		1	-	-	-		-	-	1
Disposals		-	-		(30)	(252)	-	(55)		(161)	-	(498)
Effect of foreign currency exchange differences		-	-		(114)	(147)	(43)	(1)		(1)	-	(306)
<b>At 30 September 2016 / 1 October 2016</b>		<b>105</b>	<b>1,256</b>		<b>14,685</b>	<b>44,523</b>	<b>2,546</b>	<b>1,412</b>		<b>3,278</b>	-	<b>67,805</b>
Depreciation charge for the year		-	82		1,278	2,376	58	239		221	-	4,254
Impairment losses		-	-		-	50	-	-		-	32	82
Transfers		-	-		-	3	-	(2)		(2)	-	(1)
Disposals		-	(3)		(117)	(590)	-	(137)		(210)	-	(1,057)
Effect of foreign currency exchange differences		-	-		(7)	(7)	(1)	(1)		(1)	1	(16)
<b>At 30 September 2017</b>		<b>105</b>	<b>1,335</b>		<b>15,839</b>	<b>46,355</b>	<b>2,603</b>	<b>1,511</b>		<b>3,286</b>	<b>33</b>	<b>71,067</b>
<b>Net book value</b>												
At 1 January 2016		16,513	568		12,511	14,990	439	610		780	510	46,921
At 30 September 2016 / 1 October 2016		18,317	546		11,836	14,258	355	633		761	1,165	47,871
At 30 September 2017		17,878	495		11,331	14,452	327	646		992	2,411	48,532

In 2017, the Group reviewed the recoverable amount of property, plant and equipment in accordance with Thai Financial Reporting Standard and found that the recoverable amount of property, plant and equipment as at 30 September 2017 exceeded its carrying amount.

The gross amount of the Group's fully depreciated property, plant and equipment that was still in use as at 30 September 2017 amounted to Baht 44,704 million (30 September 2016: Baht 40,467 million).

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

	<b>Separate financial statements</b>				<b>Total</b>
	Leasehold improvements	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	
	<i>(in million Baht)</i>				
<b>Cost</b>					
At 1 January 2016	13	216	25	17	271
Additions	2	29	14	3	48
Disposals	-	(1)	-	(12)	(13)
<b>At 30 September 2016 /</b>					
<b>1 October 2016</b>	<b>15</b>	<b>244</b>	<b>39</b>	<b>8</b>	<b>306</b>
Additions	-	31	9	14	54
Disposals	-	(17)	(6)	(7)	(30)
<b>At 30 September 2017</b>	<b>15</b>	<b>258</b>	<b>42</b>	<b>15</b>	<b>330</b>
<b>Accumulated depreciation and impairment losses</b>					
At 1 January 2016	13	160	20	-	193
Depreciation charge for the period	-	16	3	-	19
Disposals	-	(1)	-	-	(1)
<b>At 30 September 2016 /</b>					
<b>1 October 2016</b>	<b>13</b>	<b>175</b>	<b>23</b>	<b>-</b>	<b>211</b>
Depreciation charge for the year	-	24	6	-	30
Disposals	-	(17)	(6)	-	(23)
<b>At 30 September 2017</b>	<b>13</b>	<b>182</b>	<b>23</b>	<b>-</b>	<b>218</b>
<b>Net book value</b>					
At 1 January 2016	-	56	5	17	78
<b>At 30 September 2016 /</b>					
<b>1 October 2016</b>	<b>2</b>	<b>69</b>	<b>16</b>	<b>8</b>	<b>95</b>
<b>At 30 September 2017</b>	<b>2</b>	<b>76</b>	<b>19</b>	<b>15</b>	<b>112</b>

The gross amount of the Company's fully depreciated leasehold improvements and equipment that was still in use as at 30 September 2017 amounted to Baht 189 million (30 September 2016: Baht 159 million).

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
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**Measurement of fair value**

*Fair value hierarchy*

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

As at 30 September 2017, the fair value measurement for land of Baht 17,878 million has been categorized as a Level 3 fair value based on the inputs to the valuation technique used (30 September 2016: Baht 18,317 million).

*Level 3 fair value*

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

	<b>Consolidated financial statements</b>	
	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016
	<i>(in million Baht)</i>	
Balance at 1 October / 1 January	18,317	16,513
Acquisitions and transfer from investment properties	-	39
Transfer to investment properties	(297)	-
Surplus on revaluation of land (Reversal of)	(141)	1,731
Reversal of impairment losses	-	54
Translation differences on consolidation	(1)	(20)
<b>Balance at 30 September</b>	<b>17,878</b>	<b>18,317</b>

*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.

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

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

**14 Goodwill**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	<i>(in million Baht)</i>			
<b>Cost</b>				
At 1 October / 1 January	7,173	7,222	-	-
Effect of foreign currency exchange differences	-	(49)	-	-
<b>At 30 September</b>	<b>7,173</b>	<b>7,173</b>	-	-
<b>Impairment losses</b>				
At 1 October / 1 January	148	171	-	-
Impairment losses	61	-	-	-
Effect of foreign currency exchange differences	-	(23)	-	-
<b>At 30 September</b>	<b>209</b>	<b>148</b>	-	-
<b>Net book value</b>				
At 1 October / 1 January	7,025	7,051	-	-
<b>At 30 September</b>	<b>6,964</b>	<b>7,025</b>	-	-

Goodwill as at 30 September 2017 and 2016 was consisted of:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	<i>(in million Baht)</i>			
Non-alcohol beverage and food business	6,123	6,123	-	-
Alcohol beverage business	841	902*	-	-
<b>Total</b>	<b>6,964</b>	<b>7,025</b>	-	-

\* Bath 547 million of goodwill has been re-allocated from Non-alcohol beverage to Alcohol beverage because, in the opinion of management, the classification is more appropriate to the Group's business.

In 2017, the Group reviewed the recoverable amount of goodwill and found that the recoverable amount of goodwill as at 30 September 2017 exceeded its carrying amount. Goodwill is allocated for impairment testing purposes to the individual Cash Generated Unit.

The recoverable amount of each cash generating unit was based on value-in-use. The value-in-use calculations apply a discounted cash flow model using cash flow projections based on financial budgets and forecasts approved by management covering 3 to 5 years period. Cash flow beyond these periods are extrapolated using the estimated growth rates of 1.61% to 2.00%. The terminal growth rate used does not exceed the long term average growth rate of the respective industry of the CGU. The discount rate of 8.49% to 11.20% applied to the cash flow projections reflect management's estimates of the risks specific to the respective cash generating units at the date of the assessment. 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.

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

**15 Deferred tax**

Deferred tax assets and liabilities as at 30 September 2017 and 2016 were as follows:

	<b>Consolidated financial statements</b>			
	<b>Assets</b>		<b>Liabilities</b>	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	<i>(in million Baht)</i>			
Total	1,937	1,684	(2,296)	(2,339)
Set off of tax	(1,428)	(1,312)	1,428	1,312
<b>Net deferred tax assets (liabilities)</b>	<b>509</b>	<b>372</b>	<b>(868)</b>	<b>(1,027)</b>

  

	<b>Separate financial statements</b>			
	<b>Assets</b>		<b>Liabilities</b>	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	<i>(in million Baht)</i>			
Total	39	34	-	-
<b>Net deferred tax assets</b>	<b>39</b>	<b>34</b>	<b>-</b>	<b>-</b>

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

	<b>Consolidated financial statements</b>			
	<b>At 1 October 2016</b>	<b>(Charged) / Credited to:</b>		<b>At 30 September 2017</b>
		<b>Profit or loss (Note 32)</b>	<b>Other comprehensive income</b>	
	<i>(in million Baht)</i>			
<b>Deferred tax assets</b>				
Inventories	232	27	-	259
Property, plant and equipment	303	(7)	-	296
Long-term investments	1	-	-	1
Provisions	6	-	-	6
Employee benefit obligations	487	(21)	36	502
Loss carry forward	630	219	-	849
Others	25	(1)	-	24
<b>Total</b>	<b>1,684</b>	<b>217</b>	<b>36</b>	<b>1,937</b>
<b>Deferred tax liabilities</b>				
Property, plant and equipment	(2,300)	2	28	(2,270)
Others	(39)	12	1	(26)
<b>Total</b>	<b>(2,339)</b>	<b>14</b>	<b>29</b>	<b>(2,296)</b>
<b>Net</b>	<b>(655)</b>	<b>231</b>	<b>65</b>	<b>(359)</b>

# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 30 September 2017

	<b>Consolidated financial statements</b>			
	<b>At 1 January 2016</b>	<b>(Charged) / Credited to:</b>		<b>At 30 September 2016</b>
		Profit or loss (Note 32)	Other comprehensive income	
		<i>(in million Baht)</i>		
<b><i>Deferred tax assets</i></b>				
Inventories	217	15	-	232
Property, plant and equipment	290	13	-	303
Long-term investments	1	-	-	1
Provisions	6	-	-	6
Employee benefit obligations	502	-	(15)	487
Loss carry forward	556	74	-	630
Others	28	(3)	-	25
<b>Total</b>	<b>1,600</b>	<b>99</b>	<b>(15)</b>	<b>1,684</b>
<b><i>Deferred tax liabilities</i></b>				
Property, plant and equipment	(1,966)	12	(346)	(2,300)
Others	(37)	-	(2)	(39)
<b>Total</b>	<b>(2,003)</b>	<b>12</b>	<b>(348)</b>	<b>(2,339)</b>
<b>Net</b>	<b>(403)</b>	<b>111</b>	<b>(363)</b>	<b>(655)</b>

	<b>Separate financial statements</b>			
	<b>At 1 October 2016</b>	<b>(Charged) / Credited to:</b>		<b>At 30 September 2017</b>
		Profit or loss (Note 32)	Other comprehensive income	
		<i>(in million Baht)</i>		
<b><i>Deferred tax assets</i></b>				
Intangible assets	1	-	-	1
Employee benefit obligations	33	2	3	38
<b>Total</b>	<b>34</b>	<b>2</b>	<b>3</b>	<b>39</b>

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



**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

**16 Other non-current assets**

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2017	30 September 2016	30 September 2017	30 September 2016
		<i>(in million Baht)</i>			
Advance payments to a specialist	37	1,342	1,392	252	261
Deposits		300	282	-	-
Others		183	213	-	-
<b>Total</b>		<b>1,825</b>	<b>1,887</b>	<b>252</b>	<b>261</b>

**17 Interest-bearing liabilities**

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2017	30 September 2016	30 September 2017	30 September 2016
		<i>(in million Baht)</i>			
<b>Current</b>					
Bank overdrafts					
Secured		-	1,071	-	-
Unsecured with letters of comfort		-	1	-	-
Short-term loans from financial institutions					
Promissory notes					
Secured		1,446	-	-	-
Unsecured with letters of comfort		304	434	-	-
Bill of exchanges					
Unsecured		3,953	1,989	3,953	1,989
Bank overdrafts and short-term loans from financial institutions		5,703	3,495	3,953	1,989
Current portion of bill of exchanges and long-term loans from financial institutions					
Unsecured		24,950	15,456	24,950	14,956
Unsecured with guarantee		-	45	-	-
		24,950	15,501	24,950	14,956
Short-term loans from related parties					
Unsecured	4	-	-	11,602	25,505
Other short-term loan					
Unsecured		5	-	-	-
<b>Total current</b>		<b>30,658</b>	<b>18,996</b>	<b>40,505</b>	<b>42,450</b>

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2017	30 September 2016	30 September 2017	30 September 2016
<i>(in million Baht)</i>					
<b>Non-current</b>					
Long-term loans from related parties					
Unsecured	4	-	-	27,494	1,264
Debentures					
Unsecured		2,000	2,000	-	-
Long-term bill of exchanges from financial institutions					
Unsecured		-	9,763	-	9,763
Long-term loans from financial institutions					
Unsecured		8,000	15,000	8,000	15,000
Unsecured with guarantee		-	326	-	-
		<u>8,000</u>	<u>25,089</u>	<u>8,000</u>	<u>24,763</u>
<b>Total non-current</b>		<b><u>10,000</u></b>	<b><u>27,089</u></b>	<b><u>35,494</u></b>	<b><u>26,027</u></b>
<b>Grand total</b>		<b><u>40,658</u></b>	<b><u>46,085</u></b>	<b><u>75,999</u></b>	<b><u>68,477</u></b>

The periods to maturity of interest-bearing liabilities as at 30 September 2017 and 2016 were as follows:

	Consolidated financial statements		Separate financial statements	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
<i>(in million Baht)</i>				
Within one year	30,658	18,996	40,505	42,450
After one year but within five years	10,000	27,089	35,494	26,027
<b>Total</b>	<b><u>40,658</u></b>	<b><u>46,085</u></b>	<b><u>75,999</u></b>	<b><u>68,477</u></b>

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

*Bank overdrafts and short-term loans from financial institutions*

- (a) As at 30 September 2017, the Group had no outstanding balance of bank overdraft (30 September 2016: Baht 1,072 million which were partially supported by letters of comfort issued by the Company).
- (b) As at 30 September 2017, the Group and the Company had short-term loans and short-term bill of exchanges from financial institutions totalling Baht 5,703 million and Baht 3,953 million, respectively (30 September 2016: Baht 2,423 million and Baht 1,989 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. An overseas indirect subsidiary had the short-term loans from the foreign financial institution in the credit facilities totalling GBP 45 million with the inventory secured and the inventory value must be not less than the outstanding loan.

# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 30 September 2017

### *Other short-term loan*

As at 30 September 2017, the Group had the outstanding balance of other short-term loan of Baht 4.50 million, which in August 2017, a subsidiary of an indirect subsidiary received short-term loan from its minority shareholder amounting to Baht 4.50 million with interest rate of 5% per annum, repayable within 3 months.

### *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
<b>Total</b>	<b>10,000</b>			

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

As at 30 September 2017, the outstanding balance of long-term loans from the financial institutions was fully repaid (30 September 2016: Baht 1,000 million).

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

The principal of the long-term loans from the first two financial institutions is amounting to Baht 23,000 million, which will be repaid commencing from December 2017 to March 2019 with interest payable every three months and monthly for the financial institution No. 1 and 2, respectively, with interest rate ranging from 2.4% to 3.1% per annum. The additional loan issued in the period which is amounting to Baht 8,000 million is included in the aforementioned principal of long-term loan.

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

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

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	1,000	1	1,000	25 Jun 18
Tranche B	1,300	1	1,300	31 Oct 18
Tranche C	1,300	1	1,300	30 Nov 18
Tranche D	1,300	1	1,300	28 Dec 18
Tranche E	1,300	1	1,300	31 Jan 19
Tranche F	1,300	1	1,300	28 Feb 19
Tranche G	1,500	1	1,500	22 Mar 19
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	3,500	1	3,500	13 Nov 17
Less: prepaid interest			(8)	
Net			<u>3,492</u>	
Bill of exchanges	1,500	1	1,500	23 Nov 17
Less: prepaid interest			(4)	
Net			<u>1,496</u>	
Bill of exchanges	5,000	1	5,000	23 Feb 18
Less: prepaid interest			(38)	
Net			<u>4,962</u>	
<b>Total</b>	<b><u>33,000</u></b>		<b><u>32,950</u></b>	

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

As at 30 September 2017, the Company had the outstanding balance of long-term loans and long-term bill of exchanges of Baht 32,950 million (30 September 2016: Baht 38,719 million).

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

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

# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 30 September 2017

As at 30 September 2017, the subsidiary had outstanding unsubordinated, unsecured debentures and without a shareholder representative with the name registered in the amount of Baht 2,000 million (2,000,000 units at par value of Baht 1,000 each). These debentures mature on 9 December 2018 and 6 July 2019 with fixed coupon rate of 2.51% per annum and 2.20% per annum, respectively, and payable every six-month period. In this regard, the remaining facility after such issuance was Baht 1,000 million.

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

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

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

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

The principal of the long-term loan is amounting to GBP 10 million with three-year period. The long-term loan is repayable in 12 consecutive quarterly installments. The first 11 installments shall be repayable in the amount of GBP 250,000 per installment and the final installment shall be repayable in the remaining amount. As at 30 September 2017, an indirect subsidiary repaid the long-term loan prior to the maturity date without any penalty fee (30 September 2016: GBP 8.25 million or equivalent to Baht 371 million).

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

As at 30 September 2017, the Group and the Company had unutilised credit facilities totalling Baht 82,824 million and Baht 54,898 million, respectively (30 September 2016: Baht 74,896 million and Baht 46,268 million, respectively).

The currency denomination of interest-bearing liabilities as at 30 September 2017 and 2016 was as follows:

	Consolidated financial statements		Separate financial statements	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	<i>(in million Baht)</i>			
Thai Baht (THB) and other functional currencies of subsidiaries	40,658	46,070	75,999	67,213
Singapore Dollars (SGD)	-	15	-	-
Hong Kong Dollars (HKD)	-	-	-	1,264
<b>Total</b>	<b>40,658</b>	<b>46,085</b>	<b>75,999</b>	<b>68,477</b>

# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 30 September 2017

### 18 Trade accounts payable

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2017	30 September 2016	30 September 2017	30 September 2016
			<i>(in million Baht)</i>		
Related parties	4	1,631	1,542	-	-
Other parties		3,166	2,990	-	-
<b>Total</b>		<b>4,797</b>	<b>4,532</b>	<b>-</b>	<b>-</b>

The currency denomination of trade accounts payable as at 30 September 2017 and 2016 was as follows:

	Consolidated financial statements		Separate financial statements	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
			<i>(in million Baht)</i>	
Thai Baht (THB) and other functional currencies of subsidiaries	4,554	4,173	-	-
Euro (EUR)	187	297	-	-
Australian Dollars (AUD)	36	-	-	-
Pound Sterling (GBP)	12	17	-	-
United States Dollars (USD)	8	38	-	-
Singapore Dollars (SGD)	-	7	-	-
<b>Total</b>	<b>4,797</b>	<b>4,532</b>	<b>-</b>	<b>-</b>

### 19 Other payables

	Consolidated financial statements		Separate financial statements	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
			<i>(in million Baht)</i>	
Accrued expenses	2,690	2,535	226	208
Advanced payments from customers for purchase of goods	1,426	395	-	-
Accrued promotion expenses	1,340	1,390	-	-
Accounts payable for purchase of assets	630	464	4	3
Others	382	514	5	4
<b>Total</b>	<b>6,468</b>	<b>5,298</b>	<b>235</b>	<b>215</b>

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

The currency denomination of other payables as at 30 September 2017 and 2016 was as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	<i>(in million Baht)</i>			
Thai Baht (THB) and other functional currencies of subsidiaries	6,231	5,126	235	215
Euro (EUR)	101	69	-	-
Japanese Yen (JPY)	64	-	-	-
United States Dollars (USD)	41	21	-	-
Ringgit (MYR)	24	52	-	-
Singapore Dollars (SGD)	6	25	-	-
Hong Kong Dollars (HKD)	1	-	-	-
Pound Sterling (GBP)	-	5	-	-
<b>Total</b>	<b>6,468</b>	<b>5,298</b>	<b>235</b>	<b>215</b>

**20 Other current liabilities**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	<i>(in million Baht)</i>			
Value added tax payable	1,043	961	31	20
Deposits and retention	570	485	-	-
Withholding tax payable	211	409	12	287
Others	70	86	2	1
<b>Total</b>	<b>1,894</b>	<b>1,941</b>	<b>45</b>	<b>308</b>

**21 Employee benefit obligations**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	<i>(in million Baht)</i>			
<b>Statement of financial position</b>				
<b>Obligations for:</b>				
Short-term employee benefits				
- accumulated annual leave	1	11	-	-
Long-term employee benefits				
- long service award	39	45	-	-
Post-employment benefits				
- compensation plan based on Thai Labour law	3,049	2,831	231	201
<b>Total</b>	<b>3,089</b>	<b>2,887</b>	<b>231</b>	<b>201</b>

# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 30 September 2017

	Consolidated financial statements		Separate financial statements	
	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016
	<i>(in million Baht)</i>			
<b>Recognised in statement of income:</b>				
Compensation plan based on Thai Labour law	245	190	23	18
Actuarial losses recognised during the year / period	1	9	-	-
	<u>246</u>	<u>199</u>	<u>23</u>	<u>18</u>
<b>Recognised in statement of other comprehensive income:</b>				
Actuarial losses (gains) recognised during the year / period	183	(75)	13	(4)
Cumulative actuarial losses (gains) recognised	171	(12)	(33)	(46)

### *Compensation plan based on Thai Labour law*

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

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

Movement in the present value of the defined benefit obligations:

	Consolidated financial statements		Separate financial statements	
	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016
	<i>(in million Baht)</i>			
Defined benefit obligations at 1 October / 1 January	2,887	2,817	201	200
<b>Include in profit or loss:</b>				
Current service cost	179	132	18	13
Interest on obligation	66	58	5	5
Actuarial losses	1	9	-	-
	<u>246</u>	<u>199</u>	<u>23</u>	<u>18</u>
<b>Included in other comprehensive income</b>				
Actuarial losses (gain)	183	(75)	13	(4)
	<u>183</u>	<u>(75)</u>	<u>13</u>	<u>(4)</u>



# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 30 September 2017

	Consolidated financial statements		Separate financial statements	
	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016
	<i>(in million Baht)</i>			
<b>Other</b>				
Benefit paid	(227)	(54)	(6)	(13)
	<u>(227)</u>	<u>(54)</u>	<u>(6)</u>	<u>(13)</u>
<b>Defined benefit obligations at 30 September</b>	<b>3,089</b>	<b>2,887</b>	<b>231</b>	<b>201</b>

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

	Consolidated financial statements		Separate financial statements	
	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016
	<i>(in million Baht)</i>			
Demographic assumptions	85	(128)	6	(8)
Financial assumptions	(21)	73	-	5
Experience adjustment	119	(20)	7	(1)
<b>Total</b>	<b>183</b>	<b>(75)</b>	<b>13</b>	<b>(4)</b>

### *Actuarial assumptions*

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

	Consolidated financial statements		Separate financial statements	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	<i>(%)</i>			
Discount rate	2.50	2.25 - 2.50	2.50	2.50
Future salary growth	5.00	5.00	5.00	5.00

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

At 30 September 2017, the weighted-average duration of the defined benefit obligation was 8-12 years (30 September 2016: 7 - 13 years).

# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 30 September 2017

### Sensitivity analysis

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

	Consolidated financial statements		Separate financial statements	
	<i>(in million Baht)</i>			
Defined benefit obligation 30 September 2017	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(127)	136	(7)	8
Future salary growth (0.5% movement)	90	(85)	7	(7)
Future salary growth (1% movement)	141	(95)	-	-

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.

## 22 Share capital

	Par value per share <i>(in Baht)</i>	Consolidated / Separate financial statements			
		For the year ended 30 September 2017		For the nine-month period ended 30 September 2016	
		Number	Baht	Number	Baht
		<i>(million shares / million Baht)</i>			
<b>Authorised</b>					
At 1 October / 1 January					
- ordinary shares	1	25,155	25,155	29,000	29,000
Reduction of shares	1	-	-	(3,890)	(3,890)
Increase of new shares	1	-	-	45	45
<b>At 30 September</b>					
- ordinary shares	1	<u>25,155</u>	<u>25,155</u>	<u>25,155</u>	<u>25,155</u>
<b>Issued and paid-up</b>					
At 1 October / 1 January					
- ordinary shares	1	<u>25,110</u>	<u>25,110</u>	<u>25,110</u>	<u>25,110</u>
<b>At 30 September</b>					
- ordinary shares	1	<u>25,110</u>	<u>25,110</u>	<u>25,110</u>	<u>25,110</u>

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

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

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

# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 30 September 2017

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

### *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.

## 23 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.

## 24 Share-based payments - Long-term incentive plan

### *Information regarding the Long-term incentive plan 2016*

On 28 April 2016, the General Meeting of the Shareholders approved the ThaiBev Long-term incentive plan (LTIP 2016) which will offer newly issued ordinary shares of the Company in addition to the existing benefit to its qualified employees in accordance with the LTIP 2016 criteria.

Items	Description
Award date	31 January 2017
Participant's qualification	Thai Beverage Public Company Limited and its subsidiaries' employee level 12 and above who meet the conditions specified by the ThaiBev LTIP Committee.

# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 30 September 2017

Items	Description
Preliminary award	A preliminary number of awarded shares will be notified in the award letter. This number shall be subject to Group performance and individual participant's performance during the relevant period.
Final award	The final award to be released to the employee, depends on : <ol style="list-style-type: none"> <li>1. Personal performance rating (KPI) from 1 October 2016 to 30 September 2017.</li> <li>2. Group performance levels from 1 October 2016 to 30 September 2017 with 2 performance conditions:               <ol style="list-style-type: none"> <li>1) Net profit less non-controlling interest (75% weightage)</li> <li>2) Dow Jones Sustainability Indices (DJSI) score (25% weightage)</li> </ol> </li> </ol>
Vesting and releasing schedule of final award	Shares will be vested and released to the participants subject to a 3 year multiple vesting periods.
The award-date fair value	The volume-weighted average market price of the ThaiBev's share on the Singapore Exchange Securities Trading Limited (SGX-ST) over the 3 days prior to the award-date.

For the year ended 30 September 2017, the Group and the Company recorded expenses in relation to long-term incentive plan of Baht 33.54 million and Baht 15.01 million, respectively.

Reconciliation of issued and paid-up ordinary share capital, share premium and other capital reserves - share-based payments for the year ended 30 September 2017.

### Consolidated financial statements 2017

	Issued and paid-up ordinary share capital <i>(No. of million shares)</i>	(in million Baht)	Share premium <i>(in million Baht)</i>	Other capital reserves - share-based payments
At 1 October	25,110	25,110	17,216	-
Expenses in relation to long-term incentive plan	-	-	-	34
<b>At 30 September</b>	<b>25,110</b>	<b>25,110</b>	<b>17,216</b>	<b>34</b>

### Separate financial statements 2017

	Issued and paid-up ordinary share capital <i>(No. of million shares)</i>	(in million Baht)	Share premium <i>(in million Baht)</i>	Other capital reserves - share-based payments
At 1 October	25,110	25,110	17,216	-
Expenses in relation to long-term incentive plan	-	-	-	34
<b>At 30 September</b>	<b>25,110</b>	<b>25,110</b>	<b>17,216</b>	<b>34</b>

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

**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.

***Business segments***

The Group comprises the following main business segments:

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

Operating segment has been changed from 1 October 2016 onward. Soda activities have been transferred from Non-alcoholic beverage segment to Spirits segment to conform with management and responsibility of the business segment. Prior period was restated for the benefit of the financial statements users for comparison and analysis.

***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.

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

**Business segment results**

	Spirits		Beer		Non-alcoholic beverages		Food		Elimination		Total	
	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016
Revenue from sale to external customers	109,237	76,806	57,316	44,389	16,738	12,968	6,706	4,990	-	-	189,997	139,153
Inter-segment revenue	60	135	10	8	39	30	36	3	(145)	(176)	-	-
Interest income	21	19	11	10	6	5	5	3	-	-	43	37
Other income	228	225	190	180	349	331	45	32	(155)	(71)	657	697
<b>Total allocated income</b>	<b>109,546</b>	<b>77,185</b>	<b>57,527</b>	<b>44,587</b>	<b>17,132</b>	<b>13,334</b>	<b>6,792</b>	<b>5,028</b>	<b>(300)</b>	<b>(247)</b>	<b>190,697</b>	<b>139,887</b>
Cost of sale of goods	73,209	51,594	44,316	34,972	10,769	8,250	3,705	2,895	(100)	(120)	131,899	97,591
Selling expenses	5,050	3,526	7,092	4,520	5,640	4,819	896	585	(104)	(61)	18,574	13,389
Administrative expenses	5,570	3,877	2,385	1,845	2,095	1,658	2,046	1,476	(96)	(66)	12,000	8,790
Finance costs	215	135	54	29	149	108	18	6	-	-	436	278
<b>Total allocated expenses</b>	<b>84,044</b>	<b>59,132</b>	<b>53,847</b>	<b>41,366</b>	<b>18,653</b>	<b>14,835</b>	<b>6,665</b>	<b>4,962</b>	<b>(300)</b>	<b>(247)</b>	<b>162,909</b>	<b>120,048</b>
Share of profit of investment in associates	-	-	-	-	143	106	-	-	-	-	143	106
<b>Profit (loss) before income tax expense</b>	<b>25,502</b>	<b>18,053</b>	<b>3,680</b>	<b>3,221</b>	<b>(1,378)</b>	<b>(1,395)</b>	<b>127</b>	<b>66</b>	<b>-</b>	<b>-</b>	<b>27,931</b>	<b>19,945</b>
Income tax (expense) income	(5,082)	(3,634)	(550)	(441)	523	444	(23)	(12)	-	-	(5,132)	(3,643)
<b>Allocated profit (loss) for the year / period</b>	<b>20,420</b>	<b>14,419</b>	<b>3,130</b>	<b>2,780</b>	<b>(855)</b>	<b>(951)</b>	<b>104</b>	<b>54</b>	<b>-</b>	<b>-</b>	<b>22,799</b>	<b>16,302</b>

(restated)

(in million Baht)

(restated)

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

<b>Total</b>	<b>For the year ended 30 September 2017</b>	<b>For the nine-month period ended 30 September 2016</b>
	<i>(in million Baht)</i>	
	8,497	-
	3,930	3,269
	(545)	(535)
	<u>11,882</u>	<u>2,734</u>
	<u>34,681</u>	<u>19,036</u>

*Unallocated items:*

- Effect of change of interest in other investment of associate
- Share of profit from normal operation of investment in associates
- Finance costs

**Total unallocated items**

**Profit for the year / period**

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

***Business segment financial position***

	Spirits		Beer		Non-alcoholic beverages		Food		Total	
	30 September 2017	30 September 2016 <i>(restated)</i>	30 September 2017	30 September 2016	30 September 2017	30 September 2016 <i>(restated)</i>	30 September 2017	30 September 2016	30 September 2017	30 September 2016
Inventories	31,250	32,453	5,163	4,505	1,228	1,049	120	138	37,761	38,145
Property, plant and equipment	19,811	19,428	10,322	10,219	16,635	16,254	1,764	1,970	48,532	47,871
Other assets	11,665	9,004	3,108	2,710	12,007	10,461	3,419	1,543	30,199	23,718
<b>Total allocated assets</b>	<b>62,726</b>	<b>60,885</b>	<b>18,593</b>	<b>17,434</b>	<b>29,870</b>	<b>27,764</b>	<b>5,303</b>	<b>3,651</b>	<b>116,492</b>	<b>109,734</b>
<i>Unallocated items:</i>										
- Investments in associates									77,748	77,919
<b>Total assets</b>									<b>194,240</b>	<b>187,653</b>
Interest-bearing liabilities	14,018	11,435	3,103	2,509	7,523	6,652	1,014	517	25,658	21,113
Other liabilities	9,513	8,402	5,726	4,530	4,738	3,967	1,092	957	21,069	17,856
<b>Total allocated liabilities</b>	<b>23,531</b>	<b>19,837</b>	<b>8,829</b>	<b>7,039</b>	<b>12,261</b>	<b>10,619</b>	<b>2,106</b>	<b>1,474</b>	<b>46,727</b>	<b>38,969</b>
<i>Unallocated items:</i>										
- Loans from financial institutions									15,000	24,972
<b>Total liabilities</b>									<b>61,727</b>	<b>63,941</b>



**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

Capital expenditure, depreciation, amortisation, and gain (loss) on disposal of assets for the year ended 30 September 2017 and the nine-month period ended 30 September 2016 were as follows:

	Spirits		Beer		Non-alcoholic beverages		Food		Total
	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016 <i>(restated)</i>	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016 <i>(restated)</i>	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016	
Capital expenditure	2,684	751	899	600	1,802	1,344	315	215	5,700
Depreciation	1,562	1,231	780	573	1,429	1,064	488	391	4,259
Amortisation	22	16	8	4	9	5	10	9	49
Gain (loss) on disposal of assets	25	10	72	63	(91)	(59)	(5)	(2)	1
Capital expenditure were as follows:									
Property, plant and equipment	2,664	735	885	585	1,791	1,325	310	209	5,650
Intangible assets	20	16	14	15	11	19	5	6	50

Certain operating segment information in the nine-month period ended 30 September 2016 have been reclassified to conform to the presentation in the year ended 30 September 2017. 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.

# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 30 September 2017

### Geographical information

The geographical financial information of the Group in the consolidated financial statements as at 30 September 2017 and 2016 and for the year ended 30 September 2017 and for nine-month period ended 30 September 2016 were as follows:

	<b>Consolidated financial statements</b>			
	Revenue			
	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016	Property, plant and equipment	
			30 September 2017	30 September 2016
	<i>(in million Baht)</i>			
Thailand	184,464	134,619	46,880	46,094
Overseas	6,233	5,268	1,652	1,777
<b>Total</b>	<b>190,697</b>	<b>139,887</b>	<b>48,532</b>	<b>47,871</b>

### 26 Other income

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016
	<i>(in million Baht)</i>			
Other service income	96	134	8	-
Gain on disposal of assets	78	66	1	-
Revenue from sales of scraps	35	92	-	-
Revenue from sales of by products	25	19	-	-
Insurance reimbursement and others	25	14	-	-
Transportation income	21	16	-	-
Rental income	20	15	-	-
Reversal of impairment loss on property, plant and equipment	-	88	-	-
Others	317	199	-	2
<b>Total</b>	<b>617</b>	<b>643</b>	<b>9</b>	<b>2</b>

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

**27 Selling expenses**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016
	<i>(in million Baht)</i>			
Marketing and advertising expenses	7,022	5,258	-	-
Personnel expenses	4,596	3,380	-	-
Transportation expenses	1,492	1,123	-	-
Rental fee	1,490	907	-	-
Travelling expenses	1,261	901	-	-
Commission expenses	500	325	-	-
Others	2,213	1,495	-	-
<b>Total</b>	<b>18,574</b>	<b>13,389</b>	<b>-</b>	<b>-</b>

**28 Administrative expenses**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016
	<i>(in million Baht)</i>			
Personnel expenses	5,281	3,991	40	23
Idle capacity	750	347	-	-
Depreciation and amortisation charges	748	616	2	1
Hire and service fees	682	444	4	2
Donation	569	528	9	4
Marketing and advertising expenses	565	248	41	18
Management personnel compensation	418	353	431	324
Rental fee	406	350	1	1
Utilities expenses	395	310	6	3
Consultant and professional fee	392	293	5	2
Travelling expenses	290	202	2	1
Others	1,504	1,108	11	5
<b>Total</b>	<b>12,000</b>	<b>8,790</b>	<b>552</b>	<b>384</b>

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

**29 Employee benefit expenses**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016
	<i>(in million Baht)</i>			
<b>Management</b>				
Salaries and wages	248	179	248	179
Bonus	140	118	140	118
Pension costs - defined benefit plans	10	8	10	8
Pension costs - defined contribution plans	8	5	8	5
Expenses in relation to long-term incentive plan	8	-	8	-
Others	52	43	17	14
	<b>466</b>	<b>353</b>	<b>431</b>	<b>324</b>
<b>Other employees</b>				
Salaries and wages	9,278	6,681	524	340
Bonus	1,293	1,267	77	130
Overtime and per diem allowance	798	612	23	14
Pension costs - defined benefit plans	235	182	13	10
Pension costs - defined contribution plans	233	167	16	11
Expenses in relation to long-term incentive plan	26	-	7	-
Others	1,494	1,127	131	81
	<b>13,357</b>	<b>10,036</b>	<b>791</b>	<b>586</b>
<b>Total employee benefit expenses</b>	<b>13,823</b>	<b>10,389</b>	<b>1,222</b>	<b>910</b>

*Defined benefit plans*

Details of the defined benefit plans are given in Note 21.

*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**  
**For the year ended 30 September 2017**

**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:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016
	<i>(in million Baht)</i>			
<b><i>Included in cost of sales of goods and cost of rendering of services:</i></b>				
Changes in inventories of finished goods and work in progress	410	(3,955)	-	-
Raw materials, consumables and excise tax used	124,891	94,814	-	-
Employee benefit expenses	3,528	2,665	752	563
Depreciation and amortisation	2,622	2,096	35	21
<b><i>Included in selling expenses:</i></b>				
Advertising and public relations	5,097	3,731	-	-
Employee benefit expenses	4,596	3,380	-	-
Marketing and sales promotion expenses	1,925	1,527	-	-
<b><i>Included in administrative expenses:</i></b>				
Employee benefit expenses	5,699	4,344	470	347
Depreciation and amortisation	748	616	2	1
Rental fee	406	350	1	1

**31 Finance costs**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016
	<i>(in million Baht)</i>			
<b><i>Interest expense:</i></b>				
Related parties	4	-	1,279	951
Financial institutions		1,002	814	728
<b>Total interest expense</b>		<b>1,002</b>	<b>814</b>	<b>1,679</b>
<i>Less amounts included in the cost of assets</i>		(21)	(1)	-
<b>Net</b>		<b>981</b>	<b>2,204</b>	<b>1,679</b>

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

**32 Income tax expense**

*Income tax recognised in profit or loss*

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended 30 September 2017	For the nine-month period ended 30 September 2016	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016
<i>(in million Baht)</i>					
<b>Current tax expense</b>					
Current year / period		5,365	3,767	389	315
Adjustment for prior years		(2)	(13)	(4)	-
		<u>5,363</u>	<u>3,754</u>	<u>385</u>	<u>315</u>
<b>Deferred tax expense</b>	15				
Movements in temporary differences		(12)	(37)	(2)	2
Recognition of previously unrecognised tax losses		(219)	(74)	-	-
		<u>(231)</u>	<u>(111)</u>	<u>(2)</u>	<u>2</u>
<b>Total income tax expense</b>		<u>5,132</u>	<u>3,643</u>	<u>383</u>	<u>317</u>

*Income tax recognised in other comprehensive income*

	Consolidated financial statements					
	For the year ended 30 September 2017			For the nine-month period ended 30 September 2016		
	Before tax	Tax benefit	Net of tax	Before tax	Tax benefit (expense)	Net of tax
<i>(in million Baht)</i>						
Share of other comprehensive income of associates	283	-	283	2,137	-	2,137
Realisation of fair value gains on change of interest of available-for-sale financial asset of associate	(8,506)	-	(8,506)	-	-	-
Foreign currency translation differences for foreign operations	(2,274)	-	(2,274)	(1,533)	11	(1,522)
Revaluation of property	(142)	28	(114)	1,730	(346)	1,384
Defined benefit plan actuarial (losses) gains	(183)	36	(147)	75	(15)	60
Net change in fair value of available-for-sale investments	(4)	1	(3)	9	(2)	7
<b>Total</b>	<u>(10,826)</u>	<u>65</u>	<u>(10,761)</u>	<u>2,418</u>	<u>(352)</u>	<u>2,066</u>

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

	<b>Separate financial statements</b>					
	For the year ended 30 September 2017			For the nine-month period ended 30 September 2016		
	Before tax	Tax expense	Net of tax <i>(in million Baht)</i>	Before tax	Tax benefit	Net of tax
Defined benefit plan actuarial (losses) gains	(13)	3	(10)	4	(1)	3
<b>Total</b>	<b>(13)</b>	<b>3</b>	<b>(10)</b>	<b>4</b>	<b>(1)</b>	<b>3</b>

**Reconciliation of effective tax rate**

	<b>Consolidated financial statements</b>			
	For the year ended 30 September 2017		For the nine-month period ended 30 September 2016	
	Rate (%)	<i>(in million Baht)</i>	Rate (%)	<i>(in million Baht)</i>
Profit for the year / period		34,681		19,036
Total income tax expense		5,132		3,643
Profit before total income tax expense		39,813		22,679
Income tax using the Thai corporation tax rate	20.00	7,962	20.00	4,536
Effect of different tax rates in foreign jurisdictions		(567)		(194)
Income not subject to tax		(2,421)		(930)
Expenses not deductible for tax purposes		(63)		168
Current year / period losses for which no deferred tax asset was recognised		214		66
Others		7		(3)
<b>Total</b>	<b>12.89</b>	<b>5,132</b>	<b>16.06</b>	<b>3,643</b>

	<b>Separate financial statements</b>			
	For the year ended 30 September 2017		For the nine-month period ended 30 September 2016	
	Rate (%)	<i>(in million Baht)</i>	Rate (%)	<i>(in million Baht)</i>
Profit for the year / period		17,464		18,987
Total income tax expense		383		317
Profit before total income tax expense		17,847		19,304
Income tax using the Thai corporation tax rate	20.00	3,569	20.00	3,861
Income not subject to tax		(3,210)		(3,563)
Expenses not deductible for tax purposes		24		19
<b>Total</b>	<b>2.15</b>	<b>383</b>	<b>1.64</b>	<b>317</b>

**Income tax reduction**

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





**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

**34 Earnings per share**

***Basic earnings per share***

The calculations of basic earnings per share for the year ended 30 September 2017 and for the nine-month period ended 30 September 2016 were based on the profit for the year/period attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the year/period as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016
	<i>(in million Baht / million shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	34,510	18,920	17,464	18,987
Number of ordinary shares outstanding	25,110	25,110	25,110	25,110
<b>Earnings per share (basic) (in Baht)</b>	<b>1.37</b>	<b>0.75</b>	<b>0.70</b>	<b>0.76</b>

***Diluted earnings per share***

The calculations of diluted earnings per share for the year ended 30 September 2017 and for the nine-month period ended 30 September 2016 were based on the profit for the year/period attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the year/period after adjusting for the effects of all dilutive potential ordinary shares as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016	For the year ended 30 September 2017	For the nine-month period ended 30 September 2016
	<i>(in million Baht / million shares)</i>			
Profit attributable to ordinary shareholders of the Company (diluted)	34,510	18,920	17,464	18,987
Number of ordinary shares outstanding (basic)	25,110	25,110	25,110	25,110
Effect of long-term incentive plan	3	-	3	-
<b>Number of ordinary shares outstanding (diluted)</b>	<b>25,113</b>	<b>25,110</b>	<b>25,113</b>	<b>25,110</b>
<b>Earnings per share (diluted) (in Baht)</b>	<b>1.37</b>	<b>0.75</b>	<b>0.70</b>	<b>0.76</b>

**35 Dividends**

At the annual general meeting of the shareholders of the Company held on 26 January 2017, the shareholders had the resolution to approve the appropriation of dividend payment of Baht 0.60 per share, totalling Baht 15,066 million. On 7 September 2016, a portion of the said dividend was paid as the interim dividend of Baht 0.20 per share, totalling Baht 5,022 million. The remaining dividend payment of Baht 0.40 per share, totalling Baht 10,044 million, was paid to the shareholders in February 2017.

# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 30 September 2017

At the Board of Directors' meeting held on 11 May 2017, the Board of Directors unanimously approved the interim dividend payment from the profit for the six-month period ended 31 March 2017 of Baht 0.20 per share, totalling Baht 5,022 million. The dividend was paid to the shareholders in June 2017.

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

### 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.

#### *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 17). The Group mitigates this risk by ensuring that the majority of its borrowings are at fixed interest rates.

The effective interest rates of loans receivable as at 30 September 2017 and 2016 and the periods in which the loans receivable mature or re-price were as follows:

	Effective interest rate (% per annum)	Separate financial statements		
		Within 1 year	After 1 year but within 5 years (in million Baht)	Total
<b>2017</b>				
<b>Current</b>				
Short-term loans receivable - related parties	5.00	11,351	-	11,351
<b>Total</b>		<b>11,351</b>	<b>-</b>	<b>11,351</b>

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

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

The effective interest rates of interest-bearing financial liabilities as at 30 September 2017 and 2016 and the periods in which those liabilities mature or re-price were as follows:

	Interest rate (% per annum)	Consolidated financial statements		
		Within 1 year	After 1 year but within 5 years (in million Baht)	Total
<b>2017</b>				
<b>Current</b>				
Short-term loans payable - financial institutions	0.98 - 1.94	5,703	-	5,703
Current portion of long-term loans - financial institutions	1.88 - 3.10	24,950	-	24,950
Short-term loans payable - others	5.00	5	-	5
<b>Non-current</b>				
Debentures	2.20 - 2.51	-	2,000	2,000
Long-term loans payable - financial institutions	2.40	-	8,000	8,000
<b>Total</b>		<b>30,658</b>	<b>10,000</b>	<b>40,658</b>

<b>2016</b>				
<b>Current</b>				
Bank overdrafts	1.60 - 1.75	1,072	-	1,072
Short-term loans payable - financial institutions	1.75 - 1.78	2,423	-	2,423
Current portion of long-term loans - financial institutions	1.88 - 3.35	15,501	-	15,501
<b>Non-current</b>				
Debentures	2.20 - 2.51	-	2,000	2,000
Long-term loans payable - financial institutions	1.88 - 3.10	-	25,089	25,089
<b>Total</b>		<b>18,996</b>	<b>27,089</b>	<b>46,085</b>

	Interest rate (% per annum)	Separate financial statements		
		Within 1 year	After 1 year but within 5 years (in million Baht)	Total
<b>2017</b>				
<b>Current</b>				
Short-term loans payable - financial institutions	1.94	3,953	-	3,953
Current portion of long-term loans - financial institutions	1.88 - 3.10	24,950	-	24,950
Short-term loans payable - related parties	4.00	11,602	-	11,602

**Thai Beverage Public Company Limited and its Subsidiaries**  
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	Interest rate (% per annum)	Separate financial statements		
		Within 1 year	After 1 year but within 5 years (in million Baht)	Total
<b>Non-current</b>				
Long-term loans payable - financial institutions	2.40	-	8,000	8,000
Long-term loans payable - related parties	4.00	-	27,494	27,494
<b>Total</b>		<b>40,505</b>	<b>35,494</b>	<b>75,999</b>
<b>2016</b>				
<b>Current</b>				
Short-term loans payable - financial institutions	1.77	1,989	-	1,989
Current portion of long-term loans - financial institutions	1.98 - 3.35	14,956	-	14,956
Short-term loans payable - related parties	4.00	25,505	-	25,505
<b>Non-current</b>				
Long-term loans payable - financial institutions	1.88 - 3.10	-	24,763	24,763
Long-term loans payable - related parties	2.30	-	1,264	1,264
<b>Total</b>		<b>42,450</b>	<b>26,027</b>	<b>68,477</b>

**Foreign currency risk**

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

At 30 September 2017 and 2016, the Group and the Company were exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2017	30 September 2016	30 September 2017	30 September 2016
<i>(in million Baht)</i>					
<b>Singapore Dollars</b>					
Cash and cash equivalents	5	1	42	-	-
Trade accounts payable	18	-	(7)	-	-
Loans from and other payables to related parties	4	(8)	(6)	(4)	(1)
Interest-bearing liabilities	17	-	(15)	-	-
Other payables	19	(6)	(25)	-	-
<b>Gross statement of financial position exposure</b>		<b>(13)</b>	<b>(11)</b>	<b>(4)</b>	<b>(1)</b>
Currency forwards		-	1	-	-
<b>Net exposure</b>		<b>(13)</b>	<b>(10)</b>	<b>(4)</b>	<b>(1)</b>

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
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	Note	Consolidated financial statements		Separate financial statements	
		30 September 2017	30 September 2016	30 September 2017	30 September 2016
<i>(in million Baht)</i>					
<b>United States Dollars</b>					
Cash and cash equivalents	5	69	83	-	-
Trade accounts receivable	6	180	19	-	-
Trade accounts payable	18	(8)	(38)	-	-
Loans from and other payables to related parties	4	(1)	(1)	(1)	-
Other payables	19	(41)	(21)	-	-
<b>Gross statement of financial position exposure</b>		<b>199</b>	<b>42</b>	<b>(1)</b>	<b>-</b>
Estimated forecast purchase of goods		(324)	(404)	-	-
Estimated forecast purchase of assets		(62)	(17)	-	-
Estimated forecast other liabilities		(834)	(696)	-	-
<b>Gross exposure</b>		<b>(1,021)</b>	<b>(1,075)</b>	<b>(1)</b>	<b>-</b>
Currency forwards		5	53	-	-
<b>Net exposure</b>		<b>(1,016)</b>	<b>(1,022)</b>	<b>(1)</b>	<b>-</b>
<b>Euro</b>					
Other receivables		-	8	-	-
Trade accounts payable	18	(187)	(297)	-	-
Trade accounts payable - related parties		-	(84)	-	-
Other payables	19	(101)	(69)	-	-
<b>Gross statement of financial position exposure</b>		<b>(288)</b>	<b>(442)</b>	<b>-</b>	<b>-</b>
Estimated forecast purchase of goods		(911)	(933)	-	-
Estimated forecast payment for advertising		(72)	(71)	-	-
Estimated forecast purchase of assets		(35)	(252)	-	-
Estimated forecast other liabilities		(41)	(112)	-	-
<b>Gross exposure</b>		<b>(1,347)</b>	<b>(1,810)</b>	<b>-</b>	<b>-</b>
Currency forwards		186	259	-	-
<b>Net exposure</b>		<b>(1,161)</b>	<b>(1,551)</b>	<b>-</b>	<b>-</b>
<b>Pound Sterling</b>					
Cash and cash equivalents	5	12	4	-	-
Trade accounts payable	18	(12)	(17)	-	-
Other payables to related parties	4	-	(1)	-	-
Other payables	19	-	(5)	-	-
<b>Gross statement of financial position exposure</b>		<b>-</b>	<b>(19)</b>	<b>-</b>	<b>-</b>
Estimated forecast purchase of goods		(20)	(22)	-	-
Estimated forecast payment for advertising		(20)	(168)	-	-
Estimated forecast purchase of assets		-	(163)	-	-
Estimated forecast other liabilities		-	(23)	-	-
<b>Gross exposure</b>		<b>(40)</b>	<b>(395)</b>	<b>-</b>	<b>-</b>

# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 30 September 2017

		Consolidated financial statements		Separate financial statements	
	Note	30 September 2017	30 September 2016	30 September 2017	30 September 2016
		(in million Baht)			
<b>Pound Sterling (continued)</b>					
Currency forwards		5	-	-	-
<b>Net exposure</b>		<b>(35)</b>	<b>(395)</b>	<b>-</b>	<b>-</b>
<b>Australian Dollars</b>					
Trade accounts payable	18	(36)	-	-	-
<b>Gross statement of financial position exposure</b>		<b>(36)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Estimated forecast purchase of goods		(192)	-	-	-
<b>Gross exposure</b>		<b>(228)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Currency forwards		19	-	-	-
<b>Net exposure</b>		<b>(209)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Hong Kong Dollars</b>					
Cash and cash equivalents	5	31	-	-	-
Other payables	19	(1)	-	-	1,264
<b>Gross statement of financial position exposure</b>		<b>30</b>	<b>-</b>	<b>-</b>	<b>1,264</b>
<b>Japanese Yen</b>					
Other payables	19	(64)	-	-	-
<b>Gross statement of financial position exposure</b>		<b>(64)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Estimated forecast purchase of machinery		-	(117)	-	-
Estimated forecast other liabilities		(7)	-	-	-
<b>Gross exposure</b>		<b>(71)</b>	<b>(117)</b>	<b>-</b>	<b>-</b>
Currency forwards		63	-	-	-
<b>Net exposure</b>		<b>(8)</b>	<b>(117)</b>	<b>-</b>	<b>-</b>
<b>Other foreign currencies</b>					
Trade accounts receivable	6	6	13	-	-
Other receivables		-	40	-	-
Other payables	19	(24)	(52)	-	-
<b>Gross statement of financial position exposure</b>		<b>(18)</b>	<b>1</b>	<b>-</b>	<b>-</b>

# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 30 September 2017

### *Credit risk*

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

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

### *Liquidity risk*

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

### *Carrying value and fair values*

As at 30 September 2017 and 2016, fair values financial assets 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>						
<b>30 September 2017</b>							
<b><i>Financial assets</i></b>							
Foreign currency forwards contracts in asset position	-	-	-	-	144	-	144
<b><i>Financial liabilities</i></b>							
Long-term loans and bill of exchanges from financial institutions	24,950	8,000	32,950	-	-	34,101	34,101
Debentures	-	2,000	2,000	-	2,013	-	2,013
Foreign currency forwards contracts in liability position	-	-	-	-	302	-	302

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

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

	<b>Separate financial statements</b>						
	Carrying value			Fair value			
	Current	Non-current	Total	Level 1	Level 2	Level 3	Total
	<i>(in million Baht)</i>						
<b>30 September 2017</b>							
<b><i>Financial liabilities</i></b>							
Long-term loan from related party	-	27,494	27,494	-	-	28,463	28,463
Long-term loans and bill of exchanges from financial institutions	24,950	8,000	32,950	-	-	34,101	34,101
<b>30 September 2016</b>							
<b><i>Financial liabilities</i></b>							
Long-term loan from related party	-	1,264	1,264	-	-	1,160	1,160
Long-term loans and bill of exchanges from financial institutions	14,956	24,763	39,719	-	-	39,960	39,960



**Thai Beverage Public Company Limited and its Subsidiaries**  
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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	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
	<i>(in million Baht)</i>			
<b>Capital commitments</b>				
<i>Contracted but not provided for:</i>				
Machinery and equipment	224	1,052	-	-
Buildings and other constructions	172	171	-	-
Computer software	101	15	-	-
<b>Total</b>	<b>497</b>	<b>1,238</b>	<b>-</b>	<b>-</b>
<b>Future minimum lease payments under non-cancellable operating lease</b>				
Within one year	583	640	22	23
After one year but within five years	518	563	28	40
After five years	72	79	-	-
<b>Total</b>	<b>1,173</b>	<b>1,282</b>	<b>50</b>	<b>63</b>
<b>Other commitments</b>				
Purchases of goods and raw materials agreements	1,626	1,420	-	-
Advertising services and sponsorship agreements	1,417	542	-	-
Specialist and consultancy agreements	1,026	1,142	332	370
Bank guarantees	1,064	1,067	-	-
Service agreements	816	618	17	11
Forward contracts to buy foreign currencies	304	334	-	-
Unused letters of credit for goods and supplies	272	253	-	-
Forward contracts to sell foreign currencies	146	109	-	-
Purchases of molasses agreements	113	307	-	-
Other agreements	6	22	-	1
<b>Total</b>	<b>6,790</b>	<b>5,814</b>	<b>349</b>	<b>382</b>

**Thai Beverage Public Company Limited and its Subsidiaries**  
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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 30 September 2017, the remaining commitments to be paid, relating to these agreements, amounted to Baht 836 million (*30 September 2016: Baht 929.4 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 30 September 2017, the remaining commitment to be paid relating to this agreement amounted to Baht 190.34 million (*30 September 2016: Baht 212.31 million*).

*Sponsorship agreement*

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.

In 2017, a subsidiary has entered into a sponsorship agreement with Football Association of Thailand Under the royal patronage, for a period of 10 years from 1 January 2017 to 31 December 2026 in order to promote the products by specified privileges in the agreement. Under the conditions as stipulated in the agreements, the subsidiary will subsidize with cash and others at total amount of Baht 100 million per annum.

In 2017, a subsidiary has entered into an agreement with a company in the United Kingdom for a period of three years from 1 June 2017 to 31 May 2020 to receive rights as specified in the agreement. The subsidiary is obliged to pay a minimum amount of GBP 0.15 million per year at the condition specified in the agreement.

**Thai Beverage Public Company Limited and its Subsidiaries**  
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*Material and package trading agreement*

On 19 November 2014, the Company and Oishi Ramen Co., Ltd., the Company's indirect subsidiary, entered into sale and purchase of material and package agreement with a local company for distributing products to the Group's restaurants and for materials and packaging management to the Company and its subsidiary. The Company and its subsidiary agreed to pay the service charge at the rate specified in the agreements. Subsequently, an amendment to the agreements was made to continue for the successive one year term from 1 January 2017 to 31 December 2017.

*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 indirect subsidiary agreed to pay the fee and complied with the conditions as stipulated in the agreement. The agreement shall be in effect for a period of seven years, effective from 21 December 2009 to 30 November 2016 with renewal if not less than 90 days prior written notice is given by any one party to the other. Subsequently on 9 November 2016, the indirect subsidiary entered the new agreement with a party. The agreement shall be in effect for a period of two years, effective from 1 December 2016 to 30 November 2018 with renewal if not less than 90 days prior written notice is given by any one party to the other.

*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.

*Co-packing agreement*

Sermsuk Beverage Co., Ltd. which is subsidiary of indirect subsidiary entered into a "Co-packing agreement" with International Refreshment (Thailand) Co., Ltd. ("the parties") to produce bottled tea drink. The subsidiary of indirect subsidiary has to comply with certain conditions contained in the agreement. The agreement is for one year period effective from 1 January 2017 to 31 December 2017.

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
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**38 Events after the reporting period**

*The Company and its Subsidiaries*

On 3 October 2017, Food of Asia Co., Ltd., the Company's indirect subsidiary, has acquired a 76% shareholding interest in Spice of Asia Co., Ltd. ("Spice of Asia"), a company incorporated in Thailand, for a consideration of Baht 114.5 million. Following the completion of the acquisition, Spice of Asia became a subsidiary of indirect subsidiary of the Company.

In October 2017, the Company entered into short-term loans and issued short-term bill of exchanges with domestic financial institutions totalling Baht 19,600 million. Loans are unsecured with interest rate of 1.6% - 1.8% per annum.

On 10 October 2017, International Beverage Holdings Limited, the Company's subsidiary and International Beverage Holdings (Singapore) Pte. Limited, the Company's indirect subsidiary completed the increase in share capital of HKD 5,602.32 million and USD 720.0 million respectively.

On 12 October 2017, International Beverage Holdings (Singapore) Pte. Limited ("IBHL Singapore"), the company's indirect subsidiary, has acquired an aggregate 75% interest in the shares of Myanmar Supply Chain and Marketing Services Co., Ltd. ("MSC") and Myanmar Distillery Co., Ltd. ("MDC"), companies incorporated in Republic of the Union of Myanmar from third-party vendors through direct acquisition of 5% stake in MSC and MDC and indirect acquisition of 70% stake in MSC and MDC through the acquisition of 100% of the shares in Alliance Asia Investment Private Limited ("AAIPL"), and Alliance Strategic Investments Pte. Ltd. ("ASIPL"), which are companies incorporated in Singapore, holding an aggregate of 70% of the shares in MSC and MDC. The total considerations are, subject to the certain terms in the definitive agreements including earn-out target, approximately USD 741.6 million. Following the completion of the acquisition, MSC, MDC, AAIPL and ASIPL became indirect subsidiaries of the Company.

The Company is presently in the process of determining the fair value of the acquired business according to TFRS 3 of Spice of Asia, MSC, MDC, AAIPL and ASIPL which is expected to be completed within one year from the date of purchase.

On 18 October 2017, International Beverage Trading (Hong Kong) Limited, the Company's indirect subsidiary, was incorporated in Hong Kong with a registered capital of GBP 1,000. International Beverage Holding Limited, which is the Company's subsidiary, holds the entire shares.

On 20 October 2017, the Company entered into agreement with Cycling Track Management Co., Ltd. ("CTMC") which was registered in Thailand, to receive benefits as specified in the agreement of world class bicycle lane project around the Suvarnabhumi International Airport for a period of 9 years from 1 September 2017 to 31 August 2026. Under the agreement, the Company shall pay CTMC a fee in the aggregate amount of Baht 100 million within December 2017.

At the Board of Directors' meeting held on 23 November 2017, the Board of Directors approved in principle to enter into a long term land and building lease agreement with a related company to be used as another office of the Group for a period of 32 years and 8 months, effective from 1 December 2017, under the rental fee stipulated in the agreement.

At the Board of Directors' meeting held on 23 November 2017, the Board of Directors approved in principle for Thai Beverage Logistics Co., Ltd., a subsidiary of the Company, to enter into a warehouse rental agreement with a related company to improve storage efficiency for a period of 3 years under the conditions and rental fee stipulated in the agreement.

# Thai Beverage Public Company Limited and its Subsidiaries

## Notes to the financial statements

For the year ended 30 September 2017

At the Board of Directors' meeting of the Company held on 23 November 2017, the Board of Directors agreed to propose a dividend payment of Baht 0.67 per share, totalling Baht 16,824 million. On 9 June 2017, the interim dividend was paid Baht 0.20 per share, totalling Baht 5,022 million. The remaining dividend payment is Baht 0.47 per share, totalling Baht 11,802 million. The Board of Directors will propose this matter to the shareholders' meeting for further approval.

### *Associates of the Group*

At the Board of Directors' meeting of Fraser and Neave, Limited ("F&N") and Frasers Centrepoint Limited ("FCL"), held on 8 November 2017 and 9 November 2017, respectively, the Board of Directors of F&N and FCL agreed to propose a dividend payment of SGD 0.045 and SGD 0.086 per share, respectively. The interim dividend was paid SGD 0.015 and SGD 0.024 per share, respectively in June 2017. The remaining dividend payment of SGD 0.030 and SGD 0.062 per share, respectively will be paid during 2018, subject to the Shareholders approval.

### **39 Thai Financial Reporting Standards (TFRS) not yet adopted**

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

<b>TFRS</b>	<b>Topic</b>
TAS 2 (Revised 2016)	Inventories
TAS 7 (Revised 2016)	Statement of Cash Flow
TAS 8 (Revised 2016)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2016)	Events after the Reporting Period
TAS 12 (Revised 2016)	Income Taxes
TAS 16 (revised 2016)	Property, Plant and Equipment
TAS 17 (revised 2016)	Leases
TAS 18 (revised 2016)	Revenue
TAS 21 (revised 2016)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2016)	Borrowing Costs
TAS 24 (revised 2016)	Related Party Disclosure
TAS 26 (revised 2016)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2016)	Separate Financial Statements
TAS 28 (revised 2016)	Investment in Associates and Joint Ventures
TAS 33 (revised 2016)	Earnings per Share
TAS 36 (revised 2016)	Impairment of Assets
TAS 37 (revised 2016)	Provisions, Contingent Liabilities and Contingent Assets
TAS 40 (revised 2016)	Investment Property
TAS 41 (revised 2016)	Agriculture
TFRS 2 (revised 2016)	Share-based Payment
TFRS 3 (revised 2016)	Business Combination
TFRS 4 (revised 2016)	Insurance Contracts
TFRS 8 (revised 2016)	Operating Segments
TFRS 11 (revised 2016)	Joint Arrangements
TFRS 12 (revised 2016)	Disclosure of Interest in Other Entities
TFRS 13 (revised 2016)	Fair Value Measurement
TSIC 15 (revised 2016)	Operating Leases - Incentives
TSIC 25 (revised 2016)	Income Taxes - Changes in the Tax Status of an Enterprise or its Shareholders

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

<b>TFRS</b>	<b>Topic</b>
TSIC 29 (revised 2016)	Service Concession Arrangements: Disclosures
TSIC 31 (revised 2016)	Revenue - Barter Transactions Involving Advertising Services
TSIC 32 (revised 2016)	Intangible Assets - Web Site Costs
TFRIC 1 (revised 2016)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2016)	Determining Whether an Arrangement Contains a Lease
TFRIC 5 (revised 2016)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 10 (revised 2016)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2016)	Service Concession Arrangements
TFRIC 13 (revised 2016)	Customer Loyalty Programmes
TFRIC 14 (revised 2016)	TAS 19 (revised 2016) Employee Benefits – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 17 (revised 2016)	Distributions of Non-cash Assets to Owners
TFRIC 18 (revised 2016)	Transfers of Assets from Customers
FAP Announcement No. 5/2559	Accounting Guidance for derecognition of financial assets and financial liabilities

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

**40 Supplementary information**

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

For the benefit of the users in comparing and analysing the financial information, the Group and the Company have prepared the supplementary information in the form of the unaudited consolidated and separate statements of income and comprehensive income, cash flows and segment information for the year ended 30 September 2016, as details below:

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

**Statement of income**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	For the year ended 30 September		For the year ended 30 September	
	2017	2016 (Unaudited)	2017	2016 (Unaudited)
	<i>(in thousand Baht)</i>			
<b>Income</b>				
Revenue from sale of goods	189,997,301	190,032,887	-	-
Management fees	-	-	6,991,238	6,547,380
Dividend income	5,499	4,984	15,392,990	21,364,664
Interest income	42,610	45,275	445,206	420,884
Net gain on foreign exchange	34,895	207,628	56,216	76,484
Other income	616,785	913,896	9,078	3,087
<b>Total income</b>	<b>190,697,090</b>	<b>191,204,670</b>	<b>22,894,728</b>	<b>28,412,499</b>
<b>Expenses</b>				
Cost of sale of goods	131,898,650	134,370,743	-	-
Cost of rendering of services	-	-	2,291,803	1,997,676
Selling expenses	18,573,766	18,212,837	-	-
Administrative expenses	12,000,424	11,708,385	551,692	513,890
Finance costs	981,337	1,148,322	2,203,809	2,340,120
<b>Total expenses</b>	<b>163,454,177</b>	<b>165,440,287</b>	<b>5,047,304</b>	<b>4,851,686</b>
Share of profit of investment in associates, net of income tax				
- Share of profit from normal operation of investment in associates	4,072,898	4,102,872	-	-
- Effect of change of interest in other investment of associate	8,496,587	-	-	-
<b>Profit before income tax expense</b>	<b>39,812,398</b>	<b>29,867,255</b>	<b>17,847,424</b>	<b>23,560,813</b>
Income tax expense	(5,131,634)	(4,835,298)	(383,202)	(369,787)
<b>Profit for the year</b>	<b>34,680,764</b>	<b>25,031,957</b>	<b>17,464,222</b>	<b>23,191,026</b>
<b>Profit attributable to:</b>				
Owners of the Company	34,509,739	24,949,231	17,464,222	23,191,026
Non-controlling interests	171,025	82,726	-	-
<b>Profit for the year</b>	<b>34,680,764</b>	<b>25,031,957</b>	<b>17,464,222</b>	<b>23,191,026</b>
<b>Earnings per share (Baht)</b>				
Basic earnings per share	<b>1.37</b>	<b>0.99</b>	<b>0.70</b>	<b>0.92</b>
Diluted earnings per share	<b>1.37</b>	<b>0.99</b>	<b>0.70</b>	<b>0.92</b>

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

**Statement of comprehensive income**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	For the year ended 30 September		For the year ended 30 September	
	2017	2016 (Unaudited)	2017	2016 (Unaudited)
	<i>(in thousand Baht)</i>			
<b>Profit for the year</b>	<b>34,680,764</b>	<b>25,031,957</b>	<b>17,464,222</b>	<b>23,191,026</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified to profit or loss</i>				
Revaluation of land	(141,471)	1,730,671	-	-
Defined employee benefit plan actuarial losses	(183,254)	(34,026)	(12,630)	(10,782)
Income tax on other comprehensive income	64,713	(336,340)	2,526	2,158
	<u>(260,012)</u>	<u>1,360,305</u>	<u>(10,104)</u>	<u>(8,624)</u>
<i>Items that are or may be reclassified to profit or loss</i>				
Share of other comprehensive income of investment in associates				
- Share of other comprehensive income from normal operation of investment in associates	282,863	3,805,368	-	-
- Realisation of fair value gains on change of interest of available-for-sale financial asset of associate	(8,506,039)	-	-	-
Foreign currency translation differences for foreign operations	(2,274,379)	(1,853,402)	-	-
Net change in fair value of available-for-sale investments	(3,702)	10,313	-	-
Income tax on other comprehensive income	740	6,332	-	-
	<u>(10,500,517)</u>	<u>1,968,611</u>	<u>-</u>	<u>-</u>
<b>Other comprehensive income for the year, net of income tax</b>	<b>(10,760,529)</b>	<b>3,328,916</b>	<b>(10,104)</b>	<b>(8,624)</b>
<b>Total comprehensive income for the year</b>	<b><u>23,920,235</u></b>	<b><u>28,360,873</u></b>	<b><u>17,454,118</u></b>	<b><u>23,182,402</u></b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Company	23,742,680	28,041,020	17,454,118	23,182,402
Non-controlling interests	177,555	319,853	-	-
<b>Total comprehensive income for the year</b>	<b><u>23,920,235</u></b>	<b><u>28,360,873</u></b>	<b><u>17,454,118</u></b>	<b><u>23,182,402</u></b>



**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

**Statement of cash flows**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	For the year ended 30 September		For the year ended 30 September	
	2017	2016 (Unaudited)	2017	2016 (Unaudited)
	<i>(in thousand Baht)</i>			
<b><i>Cash flows from operating activities</i></b>				
Profit for the year	34,680,764	25,031,957	17,464,222	23,191,026
<b><i>Adjustments for</i></b>				
Depreciation and amortisation	4,307,684	4,421,020	36,953	28,487
Interest income	(42,610)	(45,275)	(445,206)	(420,884)
Finance costs	981,337	1,148,322	2,203,809	2,340,120
Unrealised (gain) loss on exchange	2,274	(45,466)	(58)	(69,258)
Reversal of allowance for doubtful account	(5,095)	(5,989)	-	-
Amortisation of advance payments to a specialist	50,000	50,000	9,374	9,375
Allowance for decline in value of inventories	47,504	73,524	-	-
Impairment loss on investment properties	-	2,405	-	-
Gain on disposal of other long-term investment	(7,420)	-	-	-
Reversal of gain on fair value of other non-current assets	68,281	-	-	-
Gain on disposal of investment properties	-	(2,408)	-	-
Loss (Gain) on disposal and write-off of property, plant and equipment and intangible assets	14,528	58,838	(306)	(6)
Impairment loss on property, plant and equipment (Reversal of)	82,130	(22,949)	-	-
Impairment loss on intangible assets	92,983	-	-	-
Dividend income	(5,499)	(4,984)	(15,392,990)	(21,364,664)
Employee benefit expenses	246,055	246,339	22,754	22,346
Expenses in relation to long-term incentive plan	33,541	-	15,005	-
Effect of change of interest in other investment of associate	(8,496,587)	-	-	-
Share of profit from normal operation of investment in associates	(4,072,898)	(4,102,872)	-	-
Income tax expense	5,131,634	4,835,298	383,202	369,787
	<u>33,108,606</u>	<u>31,637,760</u>	<u>4,296,759</u>	<u>4,106,329</u>
<b><i>Changes in operating assets and liabilities</i></b>				
Trade accounts receivable	(32,338)	535,162	(114,099)	502,405
Other receivables from related parties	93,175	(67,042)	(69,208)	2,320
Other receivables	100,335	(40,114)	(29,402)	(18,262)
Inventories	336,646	1,146,453	-	-
Other current assets	(1,461,555)	(243,414)	(18,674)	56,580
Trade accounts payable	264,806	16,900	-	-
Other payables to related parties	67,018	309,427	256,855	321,072
Other payables	1,012,786	1,108,601	21,985	107,137
Other current liabilities	(47,369)	290,741	(263,661)	(41,429)
Employee benefit paid	(226,901)	(124,771)	(5,607)	(12,853)
Other non-current liabilities	(7,364)	(3,651)	26	45
Cash generated from operating activities	<u>33,207,845</u>	<u>34,566,052</u>	<u>4,074,974</u>	<u>5,023,344</u>
Income tax paid	<u>(3,634,833)</u>	<u>(4,591,041)</u>	<u>(367,396)</u>	<u>(252,064)</u>
<b>Net cash from operating activities</b>	<u><b>29,573,012</b></u>	<u><b>29,975,011</b></u>	<u><b>3,707,578</b></u>	<u><b>4,771,280</b></u>

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

**Statement of cash flows (continued)**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>For the year ended 30 September</b>		<b>For the year ended 30 September</b>	
	<b>2017</b>	<b>2016</b> <i>(Unaudited)</i>	<b>2017</b>	<b>2016</b> <i>(Unaudited)</i>
	<i>(in thousand Baht)</i>			
<b><i>Cash flows from investing activities</i></b>				
Interest received	42,019	43,300	454,670	455,843
Dividends received	2,273,453	2,355,752	15,392,990	21,364,664
Decrease (Increase) in current investments	3,658	(2)	-	-
Increase in loans to related parties	-	-	(15,757,081)	(22,786,070)
Decrease in loans to related parties	-	-	11,317,210	30,936,270
Cash inflow on disposal of investments in subsidiaries	-	-	-	74,200
Cash outflow on acquisition of investments in subsidiaries	-	-	(230,980)	(11,013,881)
Cash inflow on disposal of investments in indirect subsidiary	9,467	14,450	7,500	-
Cash outflow on acquisition of investments in indirect subsidiary	(1,694)	-	-	-
Cash inflow on disposal of others long-term investment	42,420	-	-	-
Sale of investment properties	-	22,483	-	-
Purchase of property, plant and equipment	(5,507,441)	(4,033,888)	(46,666)	(49,848)
Sale of property, plant and equipment	155,969	152,327	744	66
Purchase of intangible assets	(49,769)	(69,954)	(17,902)	(12,803)
Sale of intangible assets	2,396	1,212	70	-
Increase in leasehold rights	-	(500)	-	-
Increase in other non-current assets	(23,779)	(8,028)	-	-
<b>Net cash from (used in) investing activities</b>	<b>(3,053,301)</b>	<b>(1,522,848)</b>	<b>11,120,555</b>	<b>18,968,441</b>
<b><i>Cash flows from financing activities</i></b>				
Interest paid	(791,059)	(1,237,964)	(1,974,620)	(2,443,030)
Dividends paid to owners of the Company	(15,066,015)	(16,572,616)	(15,066,015)	(16,572,616)
Dividends paid to non-controlling interests	(95,560)	(97,667)	-	-
Bank overdrafts	(1,072,120)	(313,418)	-	-
Proceeds from short-term loans from financial institutions	21,665,431	26,016,732	20,050,000	23,150,000
Repayment of short-term loans from financial institutions	(18,343,772)	(37,460,000)	(18,050,000)	(31,600,000)
Proceeds from other short-term loan	4,500	-	-	-
Proceeds from short-term loans from related parties	-	-	29,492,921	77,744,204
Repayment of short-term loans from related parties	-	-	(43,395,323)	(78,396,800)
Proceeds from long-term loans from related parties	-	-	27,494,000	-
Repayment of long-term loans from related parties	-	-	(1,264,536)	-
Proceeds from long-term loans from financial institutions and debentures	8,000,000	12,000,000	8,000,000	10,000,000
Repayment of long-term loans from financial institutions	(15,869,509)	(6,047,212)	(15,000,000)	(4,000,000)
<b>Net cash used in financing activities</b>	<b>(21,568,104)</b>	<b>(23,712,145)</b>	<b>(9,713,573)</b>	<b>(22,118,242)</b>
<b>Net increase in cash and cash equivalents</b>	<b>4,951,607</b>	<b>4,740,018</b>	<b>5,114,560</b>	<b>1,621,479</b>
Cash and cash equivalents at 1 October 2016 and 2015	5,059,219	1,497,949	1,734,302	112,823
Foreign currency translation differences for foreign operations	(81,616)	(1,178,748)	-	-
<b>Cash and cash equivalents at 30 September</b>	<b>9,929,210</b>	<b>5,059,219</b>	<b>6,848,862</b>	<b>1,734,302</b>
<b><i>Non-cash items</i></b>				
Investment in subsidiary to be paid according to the agreement	-	-	-	24,950,000
Payable for acquisition of assets	643,402	500,249	4,002	9,826
Receivable from share-based payment	-	-	18,536	-
Reclassify from short-term to long-term loan from related parties	-	-	-	12,569,000

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

**Business segment results**

<i>For the year ended 30 September</i>	Spirits		Beer		Non-alccoholic beverages		Food		Elimination		Total
	2017	2016 (Unaudited)	2017	2016 (Unaudited)	2017	2016 (Unaudited)	2017	2016 (Unaudited)	2017	2016 (Unaudited)	
Revenue from sale to external customers	109,237	106,347	57,316	60,146	16,738	16,898	6,706	6,642	-	-	189,997
Inter-segment revenue	60	152	10	13	39	38	36	3	(145)	(206)	-
Interest income	21	23	11	12	6	7	5	3	-	-	43
Other income	228	317	190	324	349	581	45	41	(155)	(137)	657
<b>Total allocated income</b>	<b>109,546</b>	<b>106,839</b>	<b>57,527</b>	<b>60,495</b>	<b>17,132</b>	<b>17,524</b>	<b>6,792</b>	<b>6,689</b>	<b>(300)</b>	<b>(343)</b>	<b>190,697</b>
Cost of sale of goods	73,209	71,580	44,316	47,937	10,769	11,132	3,705	3,871	(100)	(149)	131,899
Selling expenses	5,050	4,843	7,092	6,250	5,640	6,452	896	771	(104)	(103)	18,574
Administrative expenses	5,570	5,201	2,385	2,458	2,095	2,210	2,046	1,930	(96)	(91)	12,000
Finance costs	215	227	54	61	149	130	18	12	-	-	436
<b>Total allocated expenses</b>	<b>84,044</b>	<b>81,851</b>	<b>53,847</b>	<b>56,706</b>	<b>18,653</b>	<b>19,924</b>	<b>6,665</b>	<b>6,584</b>	<b>(300)</b>	<b>(343)</b>	<b>162,909</b>
Share of profit of investment in associates	-	-	-	-	143	131	-	-	-	-	143
<b>Profit (loss) before income tax expense</b>	<b>25,502</b>	<b>24,988</b>	<b>3,680</b>	<b>3,789</b>	<b>(1,378)</b>	<b>(2,269)</b>	<b>127</b>	<b>105</b>	<b>-</b>	<b>-</b>	<b>27,931</b>
Income tax income (expense)	(5,082)	(4,993)	(550)	(524)	523	699	(23)	(17)	-	-	(5,132)
<b>Allocated profit (loss) for the year</b>	<b>20,420</b>	<b>19,995</b>	<b>3,130</b>	<b>3,265</b>	<b>(855)</b>	<b>(1,570)</b>	<b>104</b>	<b>88</b>	<b>-</b>	<b>-</b>	<b>22,799</b>
<i>Unallocated items:</i>											
- Effect of change of interest in other investment of associate											8,497
- Share of profit from normal operation of investment in associates											3,972
- Finance costs											(545)
<b>Total unallocated items</b>											<b>11,882</b>
<b>Profit for the year</b>											<b>34,681</b>
											<b>190,033</b>
											<b>191,204</b>
											<b>134,371</b>
											<b>18,213</b>
											<b>11,708</b>
											<b>430</b>
											<b>164,722</b>
											<b>26,613</b>
											<b>(4,835)</b>
											<b>21,778</b>
											<b>3,254</b>
											<b>25,032</b>

**Thai Beverage Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**  
**For the year ended 30 September 2017**

Capital expenditure, depreciation, amortisation, and gain (loss) on disposal of assets based on business segments for the year ended 30 September 2017 and 2016 were as follows:

<i>For the year ended 30 September</i>	Spirits		Beer		Non-alcoholic beverages		Food		Total
	2017	2016 (Unaudited)	2017	2016 (Unaudited)	2017	2016 (Unaudited)	2017	2016 (Unaudited)	
Capital expenditure	2,684	1,557	899	745	1,802	1,585	315	382	5,700
Depreciation	1,562	1,661	780	760	1,429	1,435	488	520	4,259
Amortisation	22	21	8	5	9	7	10	11	49
Gain (loss) on disposal of assets	25	14	72	66	(91)	(57)	(5)	(4)	1
Capital expenditure were as follows:									
Property, plant and equipment	2,664	1,536	885	727	1,791	1,562	310	374	5,650
Intangible assets	20	20	14	18	11	23	5	8	50
Leasehold right	-	1	-	-	-	-	-	-	-