

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

Interim financial statements
for the three-month and nine-month periods ended
30 June 2017
and
Independent auditor's report
on review of interim financial information



KPMG Phoomchai Audit Ltd.
Empire Tower, 50th-51st Floors
1 South Sathorn Road, Yannawa
Sathorn, Bangkok 10120, Thailand
Tel +66 2677 2000, Fax +66 2677 2222

บริษัท เคพีเอ็มจี ภูมิภาค ไทย สอบบัญชี จำกัด
ชั้น 50-51 เอ็มไพร์ทาวเวอร์
1 ถนนสาทรใต้ แขวงยานนาวา
เขตสาทร กรุงเทพฯ 10120
โทร +66 2677 2000 แฟกซ์ +66 2677 2222

Independent Auditor's Report on Review of Interim Financial Information

To the Board of Directors of Thai Beverage Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Thai Beverage Public Company Limited and its subsidiaries, and of Thai Beverage Public Company Limited, respectively, as at 30 June 2017; the consolidated and separate statements of income, comprehensive income for the three-month and nine-month periods ended 30 June 2017; changes in equity and cash flows for the nine-month period ended 30 June 2017; and condensed notes ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

(Nittaya Chetchotiros)
Certified Public Accountant
Registration No. 4439

KPMG Phoomchai Audit Ltd.
Bangkok
11 August 2017

Thai Beverage Public Company Limited and its Subsidiaries

Statement of financial position

	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 June 2017 (Unaudited)	30 September 2016	30 June 2017 (Unaudited)	30 September 2016
<i>(in thousand Baht)</i>					
Assets					
Current assets					
Cash and cash equivalents		3,888,162	5,059,219	1,439,161	1,734,302
Current investments		305	3,963	-	-
Trade accounts receivable	3, 4	2,958,281	2,588,209	2,345,826	454,969
Other receivables		932,727	721,253	118	92
Short-term loans to and other receivables					
from related parties	3	302,567	418,741	10,180,098	7,030,836
Inventories	5	38,421,260	38,145,322	-	-
Other current assets		3,711,879	3,167,189	79,876	47,879
Total current assets		50,215,181	50,103,896	14,045,079	9,268,078
Non-current assets					
Investments in associates	6	78,511,522	78,462,833	-	-
Investments in subsidiaries	7	-	-	167,863,011	167,792,016
Other long-term investments		171,278	275,378	-	-
Long-term loans to and other receivables					
from related parties	3	93,252	97,821	12,124	11,467
Investment properties		1,517,683	1,208,503	-	-
Property, plant and equipment	8	47,902,110	47,870,826	106,755	95,707
Goodwill		7,022,936	7,025,111	-	-
Other intangible assets		206,398	212,191	42,089	42,040
Leasehold rights		127,361	137,893	-	-
Deferred tax assets		433,408	372,056	38,050	34,335
Other non-current assets		1,899,679	1,886,819	253,998	261,028
Total non-current assets		137,885,627	137,549,431	168,316,027	168,236,593
Total assets		188,100,808	187,653,327	182,361,106	177,504,671

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 June 2017 (Unaudited)	30 September 2016	30 June 2017 (Unaudited)	30 September 2016
<i>(in thousand Baht)</i>					
Liabilities and equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	9	7,456,725	3,495,328	5,633,607	1,989,550
Trade accounts payable	3	4,618,461	4,532,296	-	-
Other payables		4,900,589	5,298,375	129,099	215,390
Current portion of bill of exchanges and long-term loans from financial institutions	9	24,903,276	15,500,615	24,903,276	14,955,640
Short-term loans from and other payables to related parties	3, 9	238,170	315,358	58,034,099	50,838,947
Income tax payable		2,408,160	1,716,489	182,872	114,436
Short-term provisions		18,844	19,104	-	-
Other current liabilities		2,047,051	1,941,153	326,475	308,279
Total current liabilities		46,591,276	32,818,718	89,209,428	68,422,242
Non-current liabilities					
Long-term loans from and other payables to related parties	3, 9	221	104	1,229,788	1,264,536
Debentures	9	2,000,000	2,000,000	-	-
Bill of exchanges and long-term loans from financial institutions	9	8,000,000	25,089,353	8,000,000	24,763,289
Deferred tax liabilities		888,664	1,026,732	-	-
Employee benefit obligations		2,870,195	2,886,553	211,420	201,261
Other non-current liabilities		101,788	119,617	148	122
Total non-current liabilities		13,860,868	31,122,359	9,441,356	26,229,208
Total liabilities		60,452,144	63,941,077	98,650,784	94,651,450
Equity					
Share capital:	10				
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	10	17,215,737	17,215,737	17,215,737	17,215,737
Retained earnings:					
Appropriated - legal reserve		2,900,000	2,900,000	2,900,000	2,900,000
Unappropriated		101,235,250	86,796,632	38,432,561	37,596,424
Other components of equity		(2,758,744)	7,765,846	20,964	-
Equity attributable to owners of the Company		123,983,828	120,069,800	83,710,322	82,853,221
Non-controlling interests		3,664,836	3,642,450	-	-
Total equity		127,648,664	123,712,250	83,710,322	82,853,221
Total liabilities and equity		188,100,808	187,653,327	182,361,106	177,504,671

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

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

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		Three-month period ended		Three-month period ended	
		30 June		30 June	
		2017	2016	2017	2016
<i>(in thousand Baht)</i>					
Income					
Revenue from sale of goods	3	45,283,811	45,450,226	-	-
Management fees	3	-	-	1,638,753	1,688,024
Dividend income	3	2,855	4,984	5,766,293	10,623,855
Interest income	3	18,279	29,259	111,980	76,318
Net gain on foreign exchange		-	31,354	22,411	2,602
Other income	3	135,054	195,680	2,082	506
Total income		45,439,999	45,711,503	7,541,519	12,391,305
Expenses					
Cost of sale of goods	3	31,188,897	31,760,997	-	-
Cost of rendering of services	3	-	-	542,394	441,170
Selling expenses	3	4,889,008	4,592,391	-	-
Administrative expenses	3	2,959,415	2,735,569	105,322	80,149
Net loss on foreign exchange		5,881	-	-	-
Finance costs	3	230,576	258,273	548,151	557,400
Total expenses		39,273,777	39,347,230	1,195,867	1,078,719
Share of profit of investment in associates, net of income tax	3, 6				
- Share of profit from normal operation of investment in associates		1,769,742	691,923	-	-
- Effect of change of interest in other investment of associate		8,498,027	-	-	-
Profit before income tax expense		16,433,991	7,056,196	6,345,652	11,312,586
Income tax expense	13	(1,140,599)	(1,168,662)	(88,997)	(109,871)
Profit for the period		15,293,392	5,887,534	6,256,655	11,202,715
Profit attributable to:					
Owners of the Company		15,232,645	5,805,757	6,256,655	11,202,715
Non-controlling interests		60,747	81,777	-	-
Profit for the period		15,293,392	5,887,534	6,256,655	11,202,715
Earnings per share (Baht)					
Basic earning per share	14	0.61	0.23	0.25	0.45
Diluted earnings per share		0.61	0.23	0.25	0.45

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

Thai Beverage Public Company Limited and its Subsidiaries

Statement of comprehensive income (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Three-month period ended		Three-month period ended	
	30 June		30 June	
Note	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Profit for the period	15,293,392	5,887,534	6,256,655	11,202,715
Other comprehensive income				
<i>Items that are or may be reclassified to profit or loss</i>				
Share of other comprehensive income of investment in associates	3, 6			
- Share of other comprehensive income from normal operation of investment in associates		(584,841)	(631,744)	-
- 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		189,992	(492,111)	-
Net change in fair value of available-for-sale investments		(3,437)	1,057	-
Income tax on other comprehensive income		(3,759)	21	-
Other comprehensive income (loss) for the period, net of income tax		(8,908,084)	(1,122,777)	-
Total comprehensive income for the period		6,385,308	4,764,757	6,256,655
Total comprehensive income attributable to:				
Owners of the Company		6,325,800	4,682,697	6,256,655
Non-controlling interests		59,508	82,060	-
Total comprehensive income for the period		6,385,308	4,764,757	6,256,655

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

Thai Beverage Public Company Limited and its Subsidiaries

Statement of income (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		Nine-month period ended		Nine-month period ended	
		30 June		30 June	
		2017	2016	2017	2016
<i>(in thousand Baht)</i>					
Income					
Revenue from sale of goods	3	142,460,279	151,505,595	-	-
Management fees	3	-	-	5,256,220	5,179,131
Dividend income	3, 7	5,499	4,984	14,204,788	16,235,009
Interest income	3	39,319	40,694	306,915	341,833
Net gain on foreign exchange		24,641	190,034	35,795	46,919
Other income	3	492,832	610,526	4,367	1,849
Total income		143,022,570	152,351,833	19,808,085	21,804,741
Expenses					
Cost of sale of goods	3	98,517,781	107,496,783	-	-
Cost of rendering of services	3	-	-	1,517,178	1,305,007
Selling expenses	3	13,843,376	13,645,208	-	-
Administrative expenses	3	8,977,247	8,288,499	439,253	408,311
Finance costs	3	740,993	872,393	1,616,535	1,804,072
Total expenses		122,079,397	130,302,883	3,572,966	3,517,390
Share of profit of investment in associates, net of income tax	3, 6				
- Share of profit from normal operation of investment in associates		4,114,949	2,535,242	-	-
- Effect of change of interest in other investment of associate		8,498,027	-	-	-
Profit before income tax expense		33,556,149	24,584,192	16,235,119	18,287,351
Income tax expense	13	(3,941,174)	(4,106,109)	(332,967)	(355,470)
Profit for the period		29,614,975	20,478,083	15,902,152	17,931,881
Profit attributable to:					
Owners of the Company		29,504,774	20,395,684	15,902,152	17,931,881
Non-controlling interests		110,201	82,399	-	-
Profit for the period		29,614,975	20,478,083	15,902,152	17,931,881
Earnings per share (Baht)					
Basic earning per share	14	1.18	0.81	0.63	0.71
Diluted earnings per share		1.17	0.81	0.63	0.71

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

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

	Consolidated		Separate	
	financial statements		financial statements	
	Nine-month period ended 30 June		Nine-month period ended 30 June	
<i>Note</i>	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Profit for the period	29,614,975	20,478,083	15,902,152	17,931,881
Other comprehensive income				
<i>Items that will never be reclassified to profit or loss</i>				
Revaluation of land	(141,472)	-	-	-
Defined employee benefit plan actuarial gains (losses)	107	(109,384)	-	(15,107)
Income tax on other comprehensive income	28,046	24,519	-	3,023
	<u>(113,319)</u>	<u>(84,865)</u>	<u>-</u>	<u>(12,084)</u>
<i>Items that are or may be reclassified to profit or loss</i>				
Share of other comprehensive income of investment in associates	3, 6			
- Share of other comprehensive income from normal operation of investment in associates		116,944	1,133,868	-
- 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		(2,036,504)	175,027	-
Net change in fair value of available-for-sale investments		(793)	2,380	-
Income tax on other comprehensive income		(6,791)	-	-
		<u>(10,433,183)</u>	<u>1,315,884</u>	<u>-</u>
Other comprehensive income (loss) for the period, net of income tax		<u>(10,546,502)</u>	<u>1,231,019</u>	<u>(12,084)</u>
Total comprehensive income for the period		<u>19,068,473</u>	<u>21,709,102</u>	<u>15,902,152</u>
Total comprehensive income attributable to:				
Owners of the Company		18,959,079	21,618,046	15,902,152
Non-controlling interests		109,394	91,056	-
Total comprehensive income for the period		<u>19,068,473</u>	<u>21,709,102</u>	<u>15,902,152</u>
			<u>17,919,797</u>	

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

Thai Beverage Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	Consolidated 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	Currency translation differences	Revaluation surplus	Fair value changes in available-for-sale investments	Share of other comprehensive income of investmet in associates	Total other components of equity	Equity attributable to owners of the Company	Non-controlling interests	
<i>(in thousand Baht)</i>													
Nine-month period ended 30 June 2016													
Balance at 1 October 2015	25,110,025	(19,718,440)	17,215,737	2,900,000	78,448,113	986,435	3,961,310	6,258	(308,042)	4,645,961	108,601,396	3,405,814	112,007,210
Transactions with owners, recorded directly in equity													
<i>Distributions to owners of the Company</i>													
Dividends to owners of the Company	15	-	-	-	(11,550,612)	-	-	-	-	-	(11,550,612)	(55,583)	(11,606,195)
<i>Total distributions to owners of the Company</i>		-	-	-	(11,550,612)	-	-	-	-	-	(11,550,612)	(55,583)	(11,606,195)
Acquisition of non-controlling interest		-	-	-	-	-	-	-	-	-	-	8,450	8,450
Total transactions with owners, recorded directly in equity		-	-	-	(11,550,612)	-	-	-	-	-	(11,550,612)	(47,133)	(11,597,745)
Comprehensive income for the period													
Profit		-	-	-	20,395,684	-	-	-	-	-	20,395,684	82,399	20,478,083
Other comprehensive income		-	-	-	(92,694)	179,957	-	1,231	1,133,868	1,315,056	1,222,362	8,657	1,231,019
Total comprehensive income for the period		-	-	-	20,302,990	179,957	-	1,231	1,133,868	1,315,056	21,618,046	91,056	21,709,102
Balance at 30 June 2016	25,110,025	(19,718,440)	17,215,737	2,900,000	87,200,491	1,166,392	3,961,310	7,489	825,826	5,961,017	118,668,830	3,449,737	122,118,567

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

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

	Consolidated financial statements														
	Retained earnings					Other components of equity									
	Note	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	Revaluation surplus	Fair value changes in available-for-sale investments	Share of other comprehensive income of investmet in associates	Total other components of equity	Equity attributable to owners of the Company	Non-controlling interests	Total equity
Nine-month period ended 30 June 2017															
Balance at 1 October 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
Transactions with owners, recorded directly in equity															
<i>Distributions to owners of the Company</i>															
Expense in relation to long-term incentive plan	11	-	-	-	-	-	20,964	-	-	-	-	20,964	20,964	-	20,964
Dividends to owners of the Company	15	-	-	-	-	(15,066,015)	-	-	-	-	-	-	(15,066,015)	(95,560)	(15,161,575)
Total distributions to owners of the Company		-	-	-	-	(15,066,015)	20,964	-	-	-	-	20,964	(15,045,051)	(95,560)	(15,140,611)
Acquisition of non-controlling interest		-	-	-	-	-	-	-	-	-	-	-	-	8,552	8,552
Total transactions with owners, recorded directly in equity		-	-	-	-	(15,066,015)	20,964	-	-	-	-	20,964	(15,045,051)	(87,008)	(15,132,059)
Comprehensive income for the period															
Profit		-	-	-	-	29,504,774	-	-	-	-	-	-	29,504,774	110,201	29,614,975
Other comprehensive income		-	-	-	-	(141)	-	(2,042,909)	(113,140)	(410)	(8,389,095)	(10,545,554)	(10,545,695)	(807)	(10,546,502)
Total comprehensive income for the period		-	-	-	-	29,504,633	-	(2,042,909)	(113,140)	(410)	(8,389,095)	(10,545,554)	18,959,079	109,394	19,068,473
Balance at 30 June 2017		25,110,025	(19,718,440)	17,215,737	2,900,000	101,235,250	20,964	(2,901,636)	5,002,514	11,183	(4,891,769)	(2,758,744)	123,983,828	3,664,836	127,648,664

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

Thai Beverage Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	Note	Separate financial statements				Total equity
		Issued and paid-up share capital	Difference arising from common control transactions	Premium on ordinary shares	Retained earning Legal reserve Unappropriated	
Nine-month period ended 30 June 2016						
Balance at 1 October 2015		25,110,025	31,035	17,215,737	2,900,000 30,986,638	76,243,435
Transactions with owners, recorded directly in equity						
Dividends to owners of the Company	15	-	-	-	- (11,550,612)	(11,550,612)
Total transactions with owners, recorded directly in equity		-	-	-	- (11,550,612)	(11,550,612)
Comprehensive income for the period						
Profit		-	-	-	- 17,931,881	17,931,881
Other comprehensive income		-	-	-	- (12,084)	(12,084)
Total comprehensive income for the period		-	-	-	- 17,919,797	17,919,797
Balance at 30 June 2016		25,110,025	31,035	17,215,737	2,900,000 37,355,823	82,612,620

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

Thai Beverage Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	Note	Separate financial statements				Other Components		Total equity
		Issued and paid-up share capital	Difference arising from common control transactions	Premium on ordinary shares	Retained earning		Other capital reserves- Share-based payment	
					Legal reserve	Unappropriated		
<i>(in thousand Baht)</i>								
Nine-month period ended 30 June 2017								
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	11	-	-	-	-	-	20,964	20,964
Dividends to owners of the Company	15	-	-	-	-	(15,066,015)	-	(15,066,015)
Total transactions with owners, recorded directly in equity		-	-	-	-	(15,066,015)	20,964	(15,045,051)
Comprehensive income for the period								
Profit		-	-	-	-	15,902,152	-	15,902,152
Total comprehensive income for the period		-	-	-	-	15,902,152	-	15,902,152
Balance at 30 June 2017		25,110,025	31,035	17,215,737	2,900,000	38,432,561	20,964	83,710,322

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

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

	Consolidated		Separate	
	financial statements		financial statements	
	Nine-month period ended 30 June		Nine-month period ended 30 June	
<i>Note</i>	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the period	29,614,975	20,478,083	15,902,152	17,931,881
<i>Adjustments for</i>				
Depreciation and amortisation	3,243,358	3,312,658	27,022	20,311
Interest income	(39,319)	(40,694)	(306,915)	(341,833)
Finance costs	740,993	872,393	1,616,535	1,804,072
Unrealised (gain) loss on exchange	4,745	(8,156)	(34,785)	55,143
Reversal of bad and doubtful debt expenses	(4,378)	(5,748)	-	-
Amortisation of advance payments to a specialist	37,500	37,500	7,031	7,031
Reversal of write-off allowance for decline in value of inventories and sale promotion equipments	(21,974)	(3,217)	-	-
Gain on disposal of other long-term investment	(7,420)	-	-	-
Reversal of gain on fair value of other non-current assets	68,281	-	-	-
Impairment loss on intangible assets	4,774	-	-	-
Gain on disposal of investment properties	-	(2,407)	-	-
Gain on disposal and write-off of property, plant and equipment and intangible assets	(14,339)	(12,841)	(610)	(2)
Impairment loss on property, plant and equipment	33,995	82,191	-	-
Dividend income	(5,499)	(4,984)	(14,204,788)	(16,235,009)
Employee benefit expenses	183,737	186,133	17,065	16,430
Expense in relation to long-term incentive plan	11 20,964	-	20,964	-
Share of profit from normal operation of investment in associates	3,6 (4,114,949)	(2,535,242)	-	-
Effect of change of interest in other investment of associate	3,6 (8,498,027)	-	-	-
Income tax expense	13 3,941,174	4,106,109	332,967	355,470
	<u>25,188,591</u>	<u>26,461,778</u>	<u>3,376,638</u>	<u>3,613,494</u>
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	(361,454)	190,842	(1,890,858)	481,609
Other receivables from related parties	120,450	(26,303)	(6,327)	2,899
Other receivables	(215,749)	(154,920)	35,457	(35,231)
Inventories	(253,964)	1,401,627	-	-
Other current assets	(511,482)	(294,595)	(67,479)	50,993
Trade accounts payable	82,111	344,416	-	-
Other payables to related parties	(77,576)	311,418	62,194	337,861
Other payables	(439,920)	195,597	(46,259)	(156,034)
Other current liabilities	105,898	(20,394)	(16,552)	(163,874)
Employee benefit paid	(199,988)	(130,572)	(6,906)	(22,962)
Other non-current liabilities	(4,781)	5,094	27	45
Cash generated from operating activities	<u>23,432,136</u>	<u>28,283,988</u>	<u>1,439,935</u>	<u>4,108,800</u>
Income tax paid	<u>(3,427,668)</u>	<u>(2,942,876)</u>	<u>(268,246)</u>	<u>(213,650)</u>
Net cash from operating activities	<u>20,004,468</u>	<u>25,341,112</u>	<u>1,171,689</u>	<u>3,895,150</u>

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

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

	Consolidated		Separate	
	financial statements		financial statements	
	Nine-month period ended 30 June		Nine-month period ended 30 June	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>				
Interest received	41,147	40,695	296,122	382,286
Dividends received	2,274,399	2,319,751	14,204,788	16,235,009
(Increase) decrease in current investments	3,659	(2)	-	-
Increase in loans to related parties	-	-	(11,478,900)	(8,090,100)
Decrease in loans to related parties	-	-	8,346,100	17,437,200
Cash inflow on disposal of subsidiaries	-	-	-	74,200
Cash outflow on investments in subsidiaries	-	-	(70,995)	(11,013,881)
Cash inflow on investments in indirect subsidiaries	9,467	8,450	-	-
Cash outflow on 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	(3,789,666)	(2,988,358)	(34,653)	(37,760)
Sale of property, plant and equipment	114,826	86,643	713	50
Purchase of intangible assets	(30,848)	(37,748)	(4,492)	(2,926)
Sale of intangible assets	2,008	82	90	-
Increase in leasedhold rights	-	(500)	-	-
(Increase) decrease in other non-current assets	(81,643)	2,857	-	-
Net cash from (used in) investing activities	(1,415,925)	(545,647)	11,258,773	14,984,078
<i>Cash flows from financing activities</i>				
Interest paid	(618,986)	(891,646)	(1,480,388)	(1,835,604)
Dividends paid to owners of the Company	(15,066,015)	(11,550,612)	(15,066,015)	(11,550,612)
Dividends paid to non-controlling interests	(95,560)	(55,583)	-	-
Bank overdrafts	(1,072,120)	(413,132)	-	-
Proceeds from short-term loans from financial institutions	21,741,440	25,979,336	20,050,000	23,150,000
Repayment of short-term loans from financial institutions	(16,644,040)	(37,460,000)	(16,350,000)	(31,600,000)
Proceeds from loans from related parties	-	-	35,770,800	42,411,000
Repayment of loans from related parties	-	-	(28,650,000)	(40,899,500)
Proceeds from debentures	-	1,000,000	-	-
Proceeds from long-term loans from financial institutions	8,000,000	5,000,000	8,000,000	5,000,000
Repayment of long-term loans from financial institutions	(15,865,093)	(4,037,088)	(15,000,000)	(3,000,000)
Net cash used in financing activities	(19,620,374)	(22,428,725)	(12,725,603)	(18,324,716)
Net (decrease) increase in cash and cash equivalents	(1,031,831)	2,366,740	(295,141)	554,512
Cash and cash equivalents at 1 October	5,059,219	1,497,949	1,734,302	112,823
Foreign currency translation differences for foreign operations	(139,226)	(933,897)	-	-
Cash and cash equivalents at 30 June	3,888,162	2,930,792	1,439,161	667,335
<i>Non-cash items</i>				
Payable for acquisition of assets	568,531	408,920	2,371	2,543
Reclassify from long-term loans to short-term loans to related parties	-	-	-	12,261,191
Reclassify from long-term loans to short-term loans from related parties	-	-	-	14,106,732

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

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

Note	Contents
1	General information
2	Basis of preparation of the interim financial statements
3	Related parties
4	Trade accounts receivable
5	Inventories
6	Investments in associates
7	Investments in subsidiaries
8	Property, plant and equipment
9	Interest-bearing liabilities
10	Share capital
11	Share-based payments - Long-term incentive plan
12	Operating segments
13	Income tax expense
14	Earnings per share
15	Dividends
16	Financial instruments
17	Commitments with non-related parties
18	Events after the reporting period
19	Thai Financial Reporting Standards (TFRS) not yet adopted

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

These notes form an integral part of the interim financial statements.

The interim financial statements were approved and authorised for issue by the Board of Directors on 11 August 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 June 2017 and 30 September 2016 were as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			30 June 2017	30 September 2016
<i>Direct subsidiaries</i>				
1. Beer Thai (1991) Plc.	Beer brewery and production of drinking water and soda water	Thailand	100.00	100.00
2. Beer Thip Brewery (1991) Co., Ltd.	Beer brewery and production of drinking water and soda water	Thailand	100.00	100.00
3. Cosmos Brewery (Thailand) Co., Ltd.	Beer brewery and production of drinking water and soda water	Thailand	100.00	100.00
4. Sangsom Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
5. Fuengfuanant Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
6. Mongkolsamai Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
7. Thanapakdi Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
8. Kanchanasingkorn Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
9. Sura Bangyikhan Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
10. Athimart Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
11. S.S. Karnsura Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
12. Kankwan Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
13. Theparunothai Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
14. Red Bull Distillery (1988) Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
15. United Winery and Distillery Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
16. Simathurakij Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
17. Nateechai Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
18. Luckchai Liquor Trading Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
19. Sura Piset Thipparat Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
20. Modern Trade Management Co., Ltd.	Beer, spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
21. Horeca Management Co., Ltd.	Beer, spirits and non-alcoholic beverages distributor	Thailand	100.00	100.00
22. Pomkit Co., Ltd.	Beer, drinking water and soda water distributor	Thailand	100.00	100.00
23. Pomklung Co., Ltd.	Beer, drinking water and soda water distributor	Thailand	100.00	100.00

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

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

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

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

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			30 June 2017	30 September 2016
<i>Indirect subsidiaries (continued)</i>				
91. Oishi Snack Co., Ltd. ²	Serving future snack business expansion	Thailand	79.66	79.66
92. BeerCo Limited ¹	Holding company	Hong Kong	100.00	100.00
93. Wellwater Limited ¹	Holding company	Hong Kong	100.00	100.00
94. Koykiao Co., Ltd. ⁷	Food and beverage business	Thailand	51.00	51.00
95. Max Asia Co., Ltd. ⁷	Bakery business	Thailand	70.00	70.00
96. Bistro Asia Co., Ltd. ⁷	Restaurant business	Thailand	100.00	-
97. International Beverage Vietnam Co., Ltd. ¹	Trading of alcoholic beverages	Socialist Republic of Vietnam	100.00	-
98. International Beverage Holdings (Singapore) Pte. Limited ¹	Holding company	Singapore	100.00	-
99. BevCo Limited ^{1,5}	Dormant	Hong Kong	100.00	-
<i>Subsidiaries of indirect subsidiaries</i>				
100. International Beverage Holdings Limited USA, Inc. ¹	Trading of alcoholic beverages	United States of America	100.00	100.00
101. Super Brands Company Pte. Ltd. ¹	Trademark holding	Singapore	100.00	100.00
102. Blairmhor Limited ¹	Holding company	United Kingdom	100.00	100.00
103. Inver House Distillers Limited ¹	Production and distribution of spirits	United Kingdom	100.00	100.00
104. InterBev Trading (China) Limited ¹	Trading of alcoholic beverages	People's Republic of China	100.00	100.00
105. Yunnan Yulinquan Liquor Co., Ltd. ¹	Spirits distillery	People's Republic of China	100.00	100.00
106. Blairmhor Distillers Limited ^{1,5}	Dormant	United Kingdom	100.00	100.00
107. Wee Beastie Limited ^{1,5}	Dormant	United Kingdom	100.00	100.00
108. Moffat & Towers Limited ^{1,5}	Dormant	United Kingdom	100.00	100.00
109. Glen Calder Blenders Limited ^{1,5}	Dormant	United Kingdom	100.00	100.00
110. Hankey Bannister & Company Limited ^{1,5}	Dormant	United Kingdom	100.00	100.00
111. R. Carmichael & Sons Limited ^{1,5}	Dormant	United Kingdom	100.00	100.00
112. J MacArthur Junior & Company Limited ^{1,5}	Dormant	United Kingdom	100.00	100.00
113. Mason & Summers Limited ^{1,5}	Dormant	United Kingdom	100.00	100.00
114. James Catto & Company Limited ^{1,5}	Dormant	United Kingdom	100.00	100.00
115. The Knockdhu Distillery Co., Ltd. ^{1,5}	Dormant	United Kingdom	100.00	100.00
116. Speyburn-Glenlivet Distillery Co., Ltd. ^{1,5}	Dormant	United Kingdom	100.00	100.00
117. The Pulteney Distillery Co., Ltd. ^{1,5}	Dormant	United Kingdom	100.00	100.00
118. The Balblair Distillery Co., Ltd. ^{1,5}	Dormant	United Kingdom	100.00	100.00
119. Sermsuk Plc. ¹	Production and distribution of beverages	Thailand	64.67	64.66
120. Sermsuk Holdings Co., Ltd. ¹	Holding company	Thailand	64.67	64.66
121. Sermsuk Beverage Co., Ltd. ¹	Production and distribution of beverages	Thailand	64.67	64.66
122. Sermsuk Training Co., Ltd. ¹	Human resources and organisation development services	Thailand	64.67	64.66
123. Great Brands Limited ¹	Brands management	Hong Kong	64.67	64.66
124. Wrangyer Beverage (2008) Co., Ltd. ¹	Production and distribution of energy drink	Thailand	64.67	64.66

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			30 June 2017	30 September 2016
<i>Subsidiaries of indirect subsidiaries (continued)</i>				
125. Interbev Timor, Unipessoal Lda ^{1,5}	Dormant	Democratic Republic of Timor-Leste	100.00	100.00
126. Oishi F&B (Singapore) Pte. Ltd. ²	Brands management and consulting services	Singapore	79.66	79.66
127. Oishi Myanmar Limited ²	Japanese restaurant business	Union of Myanmar	43.81	43.81
128. Oishi Group Limited Liability Company ²	Marketing management consulting services	Socialist Republic of Vietnam	79.66	79.66
129. S.P.M. Foods & Beverages Co., Ltd. ¹	Production and distribution of drinking water and energy drinks and spirits agency	Thailand	99.84	99.84
130. Chang Beer Co., Ltd. ¹	Holding company	Thailand	100.00	100.00
131. So Water Company Limited ¹	Holding company	Thailand	100.00	100.00
<i>Associates of indirect subsidiaries</i>				
132. Fraser and Neave, Limited ³	Manufacture and distribution of food and beverage and publishing and printing	Singapore	28.50	28.53
133. Frasers Centrepoint Limited ³	Development and investment in property	Singapore	28.39	28.44
<i>Associates of subsidiary of indirect subsidiaries</i>				
134. Liquorland Limited ³	Licences	United Kingdom	49.49	49.49
135. Petform (Thailand) Co., Ltd. ⁶	Manufacture and distribution of plastic packaging	Thailand	25.87	25.86

¹ Direct or indirect subsidiaries of International Beverage Holdings Limited

² Direct or indirect subsidiaries of Oishi Group Plc.

³ Indirect associates of International Beverage Holdings Limited

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

⁵ These companies are currently not doing the operation.

⁶ Direct associates of Sermasuk Plc.

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

⁸ 95% direct and 5% indirect share holding held by the Company

⁹ Direct subsidiary of Thai Cooperage Co., Ltd.

¹⁰ 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.

¹¹ Direct subsidiary of Sura Piset Sahasan Co., Ltd.

¹² Direct subsidiary of Beer Chang Co., Ltd.

¹³ Direct subsidiary of Sura Bangyikhan Co., Ltd.

¹⁴ Direct subsidiary of Thai Beverage Marketing Co., Ltd.

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.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

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 indirect subsidiary, was incorporated in Thailand with an authorised share capital of THB 10 million. (1 million ordinary shares with Bath 10 par value) and an initial paid-up share capital was 25%. Food of Asia Co., Ltd., which is the Company’s subsidiary, holds the entire shares.

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

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2015) *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions (FAP); and applicable rules and regulations of the related Securities and Exchange Commission.

The interim financial statements are prepared to provide an update of the financial statements for the nine-month period ended 30 September 2016. They do not include all of the financial information required for full annual financial statements but focus on new activities; events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiaries for the nine-month period ended 30 September 2016.

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the nine-month period ended 30 September 2016 except that the Group has adopted all the new and revised TFRS that are effective for annual periods beginning on or after 1 January 2016. The adoption of these new and revised TFRS did not have any material effect on the accounting policies, methods of computation, financial performance or position of the Group.

The FAP has issued a new announcement which is effective for annual financial periods beginning on or after 1 January 2017 and has not been adopted in the preparation of these financial statements. This new announcement that is relevant to the Group’s operations is disclosed in Note 19.

(b) Functional and presentation currency

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

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

(c) Use of judgements and estimates

The preparation of interim 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.

In preparing these interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the nine-month period ended 30 September 2016.

(d) Change in accounting period

The Company changed its financial year-end from 31 December to 30 September, which has an effect on the Company's first accounting period starting from 1 January 2016 to 30 September 2016. Consequently, the corresponding figures in the consolidated and separate statements of income and comprehensive income for the three-month and nine-month periods ended 30 June 2016 have been prepared and presented for the period from 1 April 2016 to 30 June 2016 and from 1 October 2015 to 30 June 2016, changes in equity and cash flows for the nine-month period ended 30 June 2016 have been prepared and presented for the period from 1 October 2015 to 30 June 2016 in accordance with the required format of the financial statements presentation.

3 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

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

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

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

Name of entities	Country of incorporation/ nationality	Nature of relationships
34. Sub Mahakij 8 Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
35. Waste Recycling Management Center Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
36. Gaewsarnsiri Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
37. TCC Land Development Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
38. P.I.T. Factory Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
39. Lake View Golf And Yacht Club Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
40. Excellent Energy International Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
41. Thai Retail Investment Fund	Thailand	Directors and controlling equity holders are the indirect principle unit holder
42. TCC Land Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
43. Thai Malaya Glass Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
44. Berli Jucker Foods Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
45. Dhanasindhi Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
46. Business Process Outsourcing Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
47. Berli Jucker Plc.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
48. Gaew Grung Thai Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
49. Phatra Leasing Public Co., Ltd.	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 Public Co., Ltd.	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

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

Name of entities	Country of incorporation/ nationality	Nature of relationships
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 hold substantial shares indirectly
62. Golden Ventures Leasehold Real Estate Investment Trust	Thailand	Directors and controlling equity holders hold substantial trust indirectly
63. New Noble Property and Loan Fund	Thailand	Directors and controlling equity holders are the indirect principle unit holder
64. Best Fortune Property and Loan Fund	Thailand	Directors and controlling equity holders are the indirect principal unit holder
65. Regent Gold Property Fund	Thailand	Directors and controlling equity holders are the indirect principle unit holder
66. Thai Commercial Investment Freehold and Leasehold Fund	Thailand	Directors and controlling equity holders are the indirect principle unit holder
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
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. Petpak Co., Ltd.	Thailand	A subsidiary holds shares
78. TCC Holding Co., Ltd.	Thailand	Having common controlling equity holders
79. TCC Assets Ltd.	British Virgin Islands	Directors and controlling equity holders hold substantial shares directly
80. Golden Land Property Development Public Co., Ltd.	Thailand	Directors hold substantial shares indirectly
81. Pacific Leisure (Thailand) Limited	Thailand	Directors and controlling equity holders hold shares indirectly
82. F&N Group and related parties of F&N Group	Singapore	A indirect subsidiary holds 28.50% share in Fraser and Neave, Limited
83. FCL Group and related parties of FCL Group	Singapore	A indirect subsidiary holds 28.39% shares in Frasers Centrepont Limited
84. 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.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

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

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

Significant transactions for the three-month and nine-month periods ended 30 June 2017 and 2016 with related parties were as follows:

<i>Three-month period ended 30 June</i>	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
		<i>(in million Baht)</i>			
Subsidiaries					
Management fees		-	-	1,639	1,688
Cost of rendering of services		-	-	103	94
Interest income		-	-	107	61
Interest expense		-	-	329	327
Dividend income	7	-	-	5,766	10,624
Other income		-	-	2	-
Administrative expenses		-	-	6	3
Increase in share capital of subsidiaries		-	-	-	352
Acquisitions of subsidiaries		-	-	20	-
Associates					
Share of profit of investment in associates, net of income tax					
- Share of profit from normal operation of investment in associates		1,770	692	-	-
- Effect of change of interest in other investment of associate		8,498	-	-	-
Share of other comprehensive income of investment in associates					
- Share of other comprehensive income from normal operation of investment in associates		(585)	-	-	-
- Realisation of fair value gains on change of interest of available-for-sale financial asset of associate		(8,506)	(632)	-	-
Dividend income		649	705	-	-
Key management personnel					
Key management personnel compensation					
Short-term employee benefits		68	90	67	65
Post-employment benefits		5	5	5	3
Long-term employee benefits		3	-	3	-
Total key management personnel compensation		76	95	75	68

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

<i>Three-month period ended 30 June</i>	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
		<i>(in million Baht)</i>			
Other related parties					
Revenue from sale of goods		809	592	-	-
Purchases of raw materials and packaging		2,612	2,515	-	-
Overhead costs		72	64	-	-
Cost of rendering of services		-	-	82	63
Dividend income	7	3	5	-	-
Other income		43	73	1	1
Selling and administrative expenses		470	461	4	3
Purchases of plant and equipment		71	56	-	-

<i>Nine-month period ended 30 June</i>	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
		<i>(in million Baht)</i>			

Subsidiaries

Management fees		-	-	5,256	5,179
Cost of rendering of services		-	-	261	308
Interest income		-	-	292	322
Interest expense		-	-	924	1,048
Dividend income	7	-	-	14,205	16,235
Other income		-	-	2	-
Administrative expenses		-	-	14	14
Increase in share capital of subsidiaries	7	-	-	-	33,191
Acquisitions of subsidiaries	7	-	-	71	2,773
Disposals of subsidiaries	7	-	-	-	74

Associates

Share of profit of investment in associates, net of income tax	6				
- Share of profit from normal operation of investment in associates		4,115	2,536	-	-
- Effect of change of interest in other investment of associate		8,498	-	-	-
Share of other comprehensive income of investment in associates					
- Share of other comprehensive income from normal operation of investment in associates		117	-	-	-
- Realisation of fair value gains on change of interest of available-for-sale financial asset of associate		(8,506)	1,134	-	-
Dividend income		2,269	2,315	-	-

Key management personnel

Key management personnel compensation					
Short-term employee benefits		374	371	340	338
Post-employment benefits		14	13	14	17
Long-term employee benefits		5	-	5	-
Total key management personnel compensation		393	384	359	355

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

<i>Nine-month period ended 30 June</i>	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Other related parties				
Revenue from sale of goods	2,498	997	-	-
Purchases of raw materials and packaging	7,646	7,610	-	-
Overhead costs	199	176	-	-
Cost of rendering of services	-	-	233	150
Dividend income	6	5	-	-
Other income	138	279	1	2
Selling and administrative expenses	1,381	1,069	12	6
Purchases of plant and equipment	303	249	-	-

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

<i>Trade accounts receivable from related parties</i>	Consolidated		Separate	
	financial statements		financial statements	
	30	30	30	30
	June	September	June	September
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Subsidiaries	-	-	2,346	455
Associates	133	78	-	-
Other related parties	198	154	-	-
Total	331	232	2,346	455

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month period ended 30 June 2017 (Unaudited)

Short-term loans to and other receivables from related parties

	Consolidated financial statements						Separate financial statements					
	30 June 2017			30 September 2016			30 June 2017			30 September 2016		
	Short-term loans to	Other receivables	Total	Short-term loans to	Other receivables	Total	Short-term loans to	Other receivables	Total	Short-term loans to	Other receivables	Total
	<i>(in million Baht)</i>											
Subsidiaries	-	-	-	-	-	-	10,044	73	10,117	6,912	39	6,951
Associates	-	147	147	-	250	250	-	-	-	-	-	-
Other related parties	-	156	156	-	169	169	-	63	63	-	80	80
Total	-	303	303	-	419	419	10,044	136	10,180	6,912	119	7,031

Long-term loans to and other receivables from related parties

	Consolidated financial statements						Separate financial statements					
	30 June 2017			30 September 2016			30 June 2017			30 September 2016		
	Long-term loans to	Other receivables	Total	Long-term loans to	Other receivables	Total	Long-term loans to	Other receivables	Total	Long-term loans to	Other receivables	Total
	<i>(in million Baht)</i>											
Subsidiaries	-	-	-	-	-	-	-	1	1	-	1	1
Other related parties	-	93	93	-	98	98	-	11	11	-	10	10
Total	-	93	93	-	98	98	-	12	12	-	11	11

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month period ended 30 June 2017 (Unaudited)

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

<i>Loans to related parties</i>	Consolidated		Separate	
	financial statements		financial statements	
<i>Nine-month period ended 30 June</i>	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Short-term loans				
Subsidiaries				
At 1 October	-	-	6,912	2,801
Reclassify from long-term loans	-	-	-	12,261
Increase	-	-	11,478	8,090
Decrease	-	-	(8,346)	(17,437)
At 30 June	-	-	10,044	5,715
Long-term loans				
Subsidiaries				
At 1 October	-	-	-	12,261
Reclassify to short-term loans	-	-	-	(12,261)
At 30 June	-	-	-	-
Trade accounts payable to related parties				
	Consolidated		Separate	
	financial statements		financial statements	
	30	30	30	30
	June	September	June	September
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Associates	264	154	-	-
Other related parties	1,262	1,388	-	-
Total	1,526	1,542	-	-

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month period ended 30 June 2017 (Unaudited)

Short-term loans from and other payables to related parties

	Consolidated financial statements						Separate financial statements					
	30 June 2017			30 September 2016			30 June 2017			30 September 2016		
	Short-term loans from	Other payables	Total	Short-term loans from	Other payables	Total	Short-term loans from	Other payables	Total	Short-term loans from	Other payables	Total
	<i>(in million Baht)</i>											
Subsidiaries	-	-	-	-	-	-	32,626	25,392	58,018	25,505	25,318	50,823
Associates	-	57	57	-	121	121	-	-	-	-	-	-
Other related parties	-	181	181	-	194	194	-	16	16	-	16	16
Total	-	238	238	-	315	315	32,626	25,408	58,034	25,505	25,334	50,839

Long-term loans from and other payables to related parties

	Consolidated financial statements						Separate financial statements					
	30 June 2017			30 September 2016			30 June 2017			30 September 2016		
	Long-term loans from	Other payables	Total	Long-term loans from	Other payables	Total	Long-term loans from	Other payables	Total	Long-term loans from	Other payables	Total
	<i>(in million Baht)</i>											
Subsidiaries	-	-	-	-	-	-	1,230	-	1,230	1,264	-	1,264

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

<i>Summary of loans from related parties</i>	Consolidated		Separate	
	financial statements		financial statements	
	30	30	30	30
	June	September	June	September
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Short-term loans	-	-	32,626	25,505
Long-term loans	-	-	1,230	1,264
Total	-	-	33,856	26,769

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

<i>Loans from related parties</i>	Consolidated		Separate	
	financial statements		financial statements	
<i>Nine-month period ended 30 June</i>	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Short-term loans				
Subsidiaries				
At 1 October	-	-	25,505	12,042
Reclassify from long-term loans	-	-	-	14,106
Increase	-	-	35,771	42,411
Decrease	-	-	(28,650)	(40,900)
At 30 June	-	-	32,626	27,659
Long-term loans				
Subsidiaries				
At 1 October	-	-	1,264	15,432
Reclassify to short-term loans	-	-	-	(14,106)
Difference from foreign exchange rate	-	-	(34)	(45)
At 30 June	-	-	1,230	1,281

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.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

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.

Service agreement

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

Commitments with related parties

	Consolidated		Separate	
	financial statements		financial statements	
	30	30	30	30
	June	September	June	September
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Capital commitments				
Land	66	-	-	-
Buildings and other constructions	40	262	-	-
Machinery and equipment	11	8	-	-
Total	117	270	-	-
Non-cancellable operating lease commitments				
Within one year	513	439	35	29
After one year but within five years	1,230	849	65	48
After five years	256	128	-	-
Total	1,999	1,416	100	77

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	30	30	30	30
	June	September	June	September
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Other commitments				
Purchase of raw material agreements	178	7	-	-
Purchase of molasses agreements	98	110	-	-
Application service provisioning agreements	61	89	60	89
Brewing supervision agreement	15	16	-	-
Sale of molasses agreements	-	4	-	-
Other service agreements	230	128	68	44
Total	582	354	128	133

4 Trade accounts receivable

		Consolidated		Separate	
		financial statements		financial statements	
		30	30	30	30
		June	September	June	September
	<i>Note</i>	2017	2016	2017	2016
		<i>(in million Baht)</i>			
Related parties	3	331	232	2,346	455
Other parties		2,684	2,423	-	-
Total		3,015	2,655	2,346	455
Less allowance for doubtful accounts		(57)	(67)	-	-
Net		2,958	2,588	2,346	455

Aging analyses for trade accounts receivable were as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	30	30	30	30
	June	September	June	September
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Related parties				
Within credit terms	214	182	2,346	455
Overdue:				
Less than 3 months	116	50	-	-
3-6 months	1	-	-	-
	331	232	2,346	455
Other parties				
Within credit terms	2,287	2,028	-	-
Overdue:				
Less than 3 months	345	331	-	-
3-6 months	30	26	-	-
6-12 months	7	27	-	-
Over 12 months	15	11	-	-
	2,684	2,423	-	-
Less allowance for doubtful accounts	(57)	(67)	-	-
Net	2,958	2,588	2,346	455

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

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

5 Inventories

	Consolidated financial statements		Separate financial statements	
	30 June 2017	30 September 2016	30 June 2017	30 September 2016
	<i>(in million Baht)</i>			
Finished goods	13,986	13,767	-	-
Maturing spirits	13,038	12,555	-	-
Work in progress	4,817	5,573	-	-
Raw materials	2,848	2,791	-	-
Packaging materials	2,778	2,602	-	-
Spare parts	567	520	-	-
Others	721	693	-	-
	<u>38,755</u>	<u>38,501</u>	<u>-</u>	<u>-</u>
Less allowance for decline in value	(334)	(356)	-	-
Net	<u>38,421</u>	<u>38,145</u>	<u>-</u>	<u>-</u>

6 Investments in associates

<i>Nine-month period ended 30 June</i>	Consolidated financial statements	
	2017	2016
	<i>(in million Baht)</i>	
At 1 October	78,463	73,303
Share of profit of investment in associates, net of income tax		
- Share of profit from normal operation of investment in associates	4,115	2,536
- Effect of change of interest in other investment of associate	8,498	-
Share of other comprehensive income of investment in associates		
- Share of other comprehensive income from normal operation of investment in associates	117	1,134
- Realisation of fair value gains on change of interest of available-for-sale financial asset of associate	(8,506)	-
Dividend income from associates	(2,269)	(2,315)
Translation differences on consolidation	(1,906)	1,326
At 30 June	<u>78,512</u>	<u>75,984</u>

On 21 December 2016, F&N Dairy Investments Pte Ltd (“F&NDI”) and F&Nbev Manufacturing Pte. Ltd. (“F&Nbev”), wholly-owned subsidiaries of Fraser and Neave, Limited (“F&N”), completed the acquisition each of 39.19 million shares (representing approximately 2.7% of total shares) in Vietnam Dairy Products Joint Stock Company (“Vinamilk”). F&NDI has an existing interest of approximately 10.95% in Vinamilk. Subsequently on 2 February 2017, 7 March 2017 and 7 April 2017, F&NDI further acquired 16.51 million, 4.11 million and 8.93 million addition shares in Vinamilk (representing approximately 1.14%, 0.28% and 0.62% of total shares), respectively. Subsequently on 11 May 2017, F&NDI further acquired 5.02 million addition shares in Vinamilk (representing approximately 0.35% of total shares). In this regard, for the period ended 30 June 2017, F&NDI’s and F&Nbev’s interests in Vinamilk are approximately 16.04% and 2.7%, respectively, bringing total shares extended to 18.74%.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

Effect of change of interest in other investment of associate of Baht 8,498.03 million was recognized in the quarter ended 30 June 2017. This relates to the fair valuation gains on the investment in Vinamilk that were previously taken to the Fair value reserves have now been reclassified to the income statement as associate of 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., a subsidiary of FCL, completed the acquisition of 735 million newly issued shares or approximately 40% of total shares, in TICON Industrial Connection Public Company Limited at the price of Baht 18 per share.

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 Fraser and Neave, Limited (“F&N”) and Frasers Centrepoint Limited (“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.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

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

	Consolidated financial statements									
	Ownership interest		Paid-up capital		Cost		Equity		Dividend income	
	30 June 2017	30 September 2016	30 June 2017	30 September 2016	30 June 2017	30 September 2016	30 June 2017	30 September 2016	30 June 2017	30 June 2016
	(%)						(in million Baht)			
<i>Associates company</i>										
<i>Held by indirect subsidiaries</i>										
Fraser and Neave, Limited	28.50	28.53	SGD 849 million	SGD 849 million	16,101	16,957	37,868	38,685	457	465
Fraser's Centrepoint Limited	28.39	28.44	SGD 1,767 million	SGD 1,767 million	34,036	35,834	40,051	39,234	1,750	1,775
<i>Held by subsidiary of indirect subsidiaries</i>										
Liquorland Limited	49.49	49.49	GBP 0.5 million	GBP 0.5 million	11	13	116	118	-	-
Petform (Thailand) Co., Ltd.	25.87	25.86	Baht 75 million	Baht 75 million	30	30	477	426	62	75
Total					50,178	52,834	78,512	78,463	2,269	2,315

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 June 2017 of SGD 2.35 per share and SGD 1.88 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 23,907 million and Baht 38,250 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 interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

7 Investments in subsidiaries

<i>Nine-month period ended 30 June</i>	Separate financial statements	
	2017	2016
	<i>(in million Baht)</i>	
At 1 October	167,792	131,902
Increase in share capital of subsidiaries	-	33,191
Acquisitions of subsidiaries	71	2,773
Disposal	-	(74)
At 30 June	<u>167,863</u>	<u>167,792</u>

On 2 December 2016, the Company invested in a new investment in 100% of BevTech Co., Ltd., the Company's subsidiary, which is incorporated in Thailand. BevTech Co., Ltd. has issued share capital of Baht 200 million (20 million ordinary shares with a Baht 10 par value) and an initial paid-up share capital was 25%.

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 is 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 is 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 9 June 2017, the Company invested in a new investment in 100% of Agent Management Co., Ltd., the Company's subsidiary, which is 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).

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

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

	Separate financial statements								
	Ownership interest		Paid-up capital		Cost method		Dividend income		
	30 June 2017	30 September 2016	30 June 2017	30 September 2016	30 June 2017	30 September 2016	30 June 2017	30 June 2016	
	(%)		(in million Baht)						
Subsidiaries									
Beer Thai (1991) Plc.	100.00	100.00	5,550	5,550	12,500	12,500	533	1,704	
Beer Thip Brewery (1991) Co., Ltd.	100.00	100.00	6,600	6,600	12,500	12,500	337	719	
Sangsom Co., Ltd.	100.00	100.00	7,500	7,500	7,500	7,500	495	586	
Fuengfuanant Co., Ltd.	100.00	100.00	900	900	900	900	119	157	
Mongkolsamai Co., Ltd.	100.00	100.00	700	700	691	691	2	15	
Thanapakdi Co., Ltd.	100.00	100.00	700	700	697	697	11	14	
Kanchanasingkorn Co., Ltd.	100.00	100.00	700	700	700	700	36	31	
Sura Bangyikhan Co., Ltd.	100.00	100.00	4,000	4,000	4,000	4,000	788	1,008	
Athimart Co., Ltd.	100.00	100.00	900	900	900	900	114	135	
S.S. Karnsura Co., Ltd.	100.00	100.00	800	800	800	800	98	117	
Kankwan Co., Ltd.	100.00	100.00	800	800	800	800	106	150	
Theparunothai Co., Ltd.	100.00	100.00	700	700	700	700	78	107	
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	47	
Simathurakij Co., Ltd.	100.00	100.00	900	900	888	888	160	190	
Natechai Co., Ltd.	100.00	100.00	800	800	800	800	4	28	
Luckchai Liquor Trading Co., Ltd.	100.00	100.00	800	800	766	766	72	69	
Sura Piset Thipparat Co., Ltd.	100.00	100.00	1,000	1,000	1,010	1,010	5	-	
Modern Trade Management Co., Ltd.	100.00	100.00	10	10	10	10	451	437	
Horeca Management Co., Ltd.	100.00	100.00	10	10	10	10	16	-	
Pomkit Co., Ltd.	100.00	100.00	10	10	10	10	134	182	
Pomklung Co., Ltd.	100.00	100.00	10	10	10	10	65	187	
Pomchok Co., Ltd.	100.00	100.00	10	10	10	10	48	125	
Pomcharoen Co., Ltd.	100.00	100.00	10	10	10	10	-	23	
Pomburapa Co., Ltd.	100.00	100.00	10	10	10	10	84	178	

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

	Separate financial statements								
	Ownership interest		Paid-up capital		Cost method		Dividend income		
	30 June 2017	30 September 2016	30 June 2017	30 September 2016	30 June 2017	30 September 2016	30 June 2017	30 June 2016	
	(%)		(in million Baht)						
<i>Subsidiaries (continued)</i>									
Pompalang Co., Ltd.	100.00	100.00	10	10	10	10	133	98	
Pomnakorn Co., Ltd.	100.00	100.00	10	10	10	10	43	96	
Pomthip (2012) Co., Ltd.	100.00	100.00	10	10	10	10	78	179	
Num Yuk Co., Ltd.	100.00	100.00	10	10	10	10	593	810	
Num Kijjakarn Co., Ltd.	100.00	100.00	10	10	10	10	723	900	
Num Palang Co., Ltd.	100.00	100.00	10	10	10	10	324	431	
Num Muang Co., Ltd.	100.00	100.00	10	10	10	10	528	683	
Num Nakorn Co., Ltd.	100.00	100.00	10	10	10	10	360	496	
Num Thurakij Co., Ltd.	100.00	100.00	10	10	10	10	636	775	
Numrungrad Co., Ltd.	100.00	100.00	10	10	10	10	499	667	
Numthip Co., Ltd.	100.00	100.00	10	10	10	10	443	591	
Thipchalothorn Co., Ltd.	100.00	100.00	1	1	3	3	258	84	
Krittayabun Co., Ltd.	100.00	100.00	5	5	27	27	387	126	
Surathip Co., Ltd.	100.00	100.00	1	1	7	7	288	83	
Sunthronpirom Co., Ltd.	100.00	100.00	5	5	25	25	224	77	
Piromsurang Co., Ltd.	100.00	100.00	5	5	24	24	166	95	
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	101	
Feed Addition Co., Ltd.	100.00	100.00	1	1	32	32	12	47	
Pan International (Thailand) Co., Ltd.	100.00	100.00	1	1	34	34	9	28	
Charun Business 52 Co., Ltd.	100.00	100.00	122	122	84	84	-	-	
Thai Cooperage Co., Ltd.	100.00	100.00	300	300	296	296	5	-	
Thai Beverage Recycle Co., Ltd.	100.00	100.00	123	123	134	134	91	95	
Thai Beverage Logistics Co., Ltd.	100.00	100.00	1,012	1,012	1,012	1,012	383	387	
Thai Beverage Marketing Co., Ltd.	100.00	100.00	300	300	300	300	164	41	
United Products Co., Ltd.	100.00	100.00	350	350	376	376	-	-	
Dhospaak Co., Ltd.	100.00	100.00	25	25	61	61	74	89	

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

	Separate financial statements							
	Ownership interest		Paid-up capital		Cost method		Dividend income	
	30 June 2017	30 September 2016	30 June 2017	30 September 2016	30 June 2017	30 September 2016	30 June 2017	30 June 2016
	(%)		(in million Baht)					
Subsidiaries (continued)								
Thai Beverage Training Co., Ltd.	100.00	100.00	3	3	2	2	37	22
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	2,205	2,292
Cosmos Brewery (Thailand) Co., Ltd.	100.00	100.00	1,667	1,667	4,139	4,139	83	273
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	170
Archa Beer Co., Ltd.	100.00	100.00	1	1	130	130	2	11
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	216
Thai Drinks Co., Ltd.	95.05	95.05	512	512	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	63
Food of Asia Co., Ltd.	100.00	100.00	10	10	10	10	-	-
Chang Corporation Co., Ltd.	50.99	50.99	1	1	1	1	-	-
BevCo Limited	50.99	50.99	5,436	5,436	2,772	2,772	-	-
BevTech Co., Ltd.	100.00	-	50	-	50	-	-	-
Namjai ThaiBev (Social Enterprise) Co., Ltd.	100.00	-	1	-	1	-	-	-
ASM Management Co., Ltd.	100.00	-	10	-	10	-	-	-
Agent Management Co., Ltd.	100.00	-	10	-	10	-	-	-
Total					167,863	167,792	14,205	16,235

None of the Company's subsidiaries are publicly listed and consequently do not have published price quotations, except for Oishi Group Plc. which is listed on the Stock Exchange of Thailand. Based on the closing price of Baht 137.00 per share at 30 June 2017 (30 September 2016: Baht 141.50 per share), the fair value of the Company's investment in Oishi Group Plc. is Baht 20,462 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.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

8 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the nine-month period ended 30 June 2017 and 2016 were as follows:

<i>Nine-month period ended 30 June</i>	Consolidated financial statements			
	2017		2016	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
	<i>(in million Baht)</i>			
Land	13	(183)	378	-
Revaluation of property	-	(271)	-	-
Land improvement	13	-	30	-
Buildings, buildings and leasehold improvements	526	(17)	1,151	(4)
Machinery and equipment	2,127	(71)	961	(42)
Oak barrels	27	(2)	27	(1)
Furniture, fixtures and office equipment	170	(6)	213	-
Vehicles	445	(1)	168	(1)
Assets under construction and installation	2,709	(2,177)	1,635	(1,542)
Total	6,030	(2,728)	4,563	(1,590)

<i>Nine-month period ended 30 June</i>	Separate financial statements			
	2017		2016	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
	<i>(in million Baht)</i>			
Furniture, fixtures and office equipment	25	-	36	-
Vehicle	9	-	11	-
Assets under construction and installation	7	(7)	6	(12)
Total	41	(7)	53	(12)

9 Interest-bearing liabilities

	Consolidated financial statements		Separate financial statements	
	30 June 2017	30 September 2016	30 June 2017	30 September 2016
	<i>(in million Baht)</i>			
Current				
Bank overdrafts				
Secured	-	1,071	-	-
Unsecured with letters of comfort	-	1	-	-

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2017	30 September 2016	30 June 2017	30 September 2016
<i>(in million Baht)</i>					
Current (continued)					
Short-term loans from financial institutions					
Promissory notes					
Secured		1,381	-	-	-
Unsecured with letters of comfort		442	434	-	-
Unsecured		1,700	-	1,700	-
Bill of exchanges					
Unsecured		3,934	1,989	3,934	1,989
Bank overdrafts and short-term loans from financial institutions		7,457	3,495	5,634	1,989
Current portion of long-term loans and bill of exchanges from financial institutions					
Unsecured		24,903	15,456	24,903	14,956
Unsecured with guarantee		-	45	-	-
		24,903	15,501	24,903	14,956
Short-term loans from related parties					
Unsecured	3	-	-	32,626	25,505
Total current		32,360	18,996	63,163	42,450
Non-current					
Long-term loans from related parties					
Unsecured	3	-	-	1,230	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	-	-
		8,000	25,089	8,000	24,763
Total non-current		10,000	27,089	9,230	26,027
Grand total		42,360	46,085	72,393	68,477

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

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

	Consolidated financial statements		Separate financial statements	
	30 June 2017	30 September 2016	30 June 2017	30 September 2016
	<i>(in million Baht)</i>			
Within one year	32,360	18,996	63,163	42,450
After one year but within five years	10,000	27,089	9,230	26,027
Total	<u>42,360</u>	<u>46,085</u>	<u>72,393</u>	<u>68,477</u>

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

Bank overdrafts and short-term loans from financial institutions

- (a) As at 30 June 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 June 2017, the Group and the Company had short-term loans from financial institutions totalling Baht 7,457 million and Baht 5,634 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.

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 to 4.3% per annum.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

Details are as follows:

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

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

As at 30 June 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 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, with interest rate ranging from 2.4% to 3.1% per annum. The additional long-term 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 exchanges 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 interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

Details are as follows:

Financial institutions	Amount <i>(in million Baht)</i>	Number of installments	Repayment Each installment <i>(in million Baht)</i>	Payment Due
Long-term loan				
No. 1				
Tranche A	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			(24)	
Net			<u>3,476</u>	
Bill of exchanges	1,500	1	1,500	23 Nov 17
Less: prepaid interest			(11)	
Net			<u>1,489</u>	
Bill of exchanges	5,000	1	5,000	23 Feb 18
Less: prepaid interest			(62)	
Net			<u>4,938</u>	
Total	<u>33,000</u>		<u>32,903</u>	

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

As at 30 June 2017, the Company had the outstanding balance of long-term loans and long-term bill of exchanges of Baht 32,903 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).

As at 30 June 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.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

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 June 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. During the nine-month period ended 30 June 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 agreements.

As at 30 June 2017, the Group and the Company had unutilised credit facilities totalling Baht 79,189 million and Baht 51,228 million, respectively (30 September 2016: Baht 74,896 million and Baht 46,268 million, respectively).

10 Share capital

<i>Nine-month period ended 30 June</i>	Par value per share (in Baht)	2017		2016	
		Number	Baht	Number	Baht
<i>Authorised</i>					
At 1 October					
- 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
At 30 June					
- ordinary shares	1	25,155	25,155	25,155	25,155
<i>Issued and paid-up</i>					
At 1 October					
- ordinary shares	1	25,110	25,110	25,110	25,110
At 30 June					
- ordinary shares	1	25,110	25,110	25,110	25,110

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

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

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.

11 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.

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.
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 : 1. Personal performance rating (KPI) from 1 October 2016 to 30 September 2017. 2. Group performance levels from 1 October 2016 to 30 September 2017 with 2 performance conditions: 1) Net profit less non-controlling interest (75% weightage) 2) Dow Jones Sustainability Indices (DJSI) score (25% weightage)
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 nine-month period ended 30 June 2017, the Group and the Company recorded expenses in relation to long-term incentive plan of Baht 20.96 million and Baht 20.96 million, respectively.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

Reconciliation of issued and paid-up ordinary share capital, share premium and other capital reserves - share-based payments for the nine-month period ended 30 June 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	-	-	-	21
At 30 June	25,110	25,110	17,216	21

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	-	-	-	21
At 30 June	25,110	25,110	17,216	21

12 Operating segments

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.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

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 onwards. 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 interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

Business segment results

<i>Three-month period ended</i> <i>30 June</i>	Spirits		Beer		Non-alcoholic beverages		Food		Elimination		Total	
	2017	2016 <i>(restated)</i>	2017	2016	2017	2016 <i>(restated)</i>	2017	2016	2017	2016	2017	2016
	<i>(in million Baht)</i>											
Revenue from sale to external customers	25,442	24,328	13,780	14,830	4,337	4,528	1,725	1,764	-	-	45,284	45,450
Inter-segment revenue	35	51	1	2	12	8	2	4	(50)	(65)	-	-
Interest income	9	16	4	9	3	3	2	2	-	-	18	30
Other income	50	70	54	67	63	119	14	(4)	(43)	(20)	138	232
Total allocated income	25,536	24,465	13,839	14,908	4,415	4,658	1,743	1,766	(93)	(85)	45,440	45,712
Cost of sale of goods	16,969	16,352	10,519	11,571	2,791	2,835	942	1,040	(32)	(37)	31,189	31,761
Selling expenses	1,244	1,099	1,946	1,679	1,510	1,644	241	186	(52)	(15)	4,889	4,593
Administrative expenses	1,332	1,175	638	578	486	513	518	502	(9)	(33)	2,965	2,735
Finance costs	60	39	17	7	39	32	3	2	-	-	119	80
Total allocated expenses	19,605	18,665	13,120	13,835	4,826	5,024	1,704	1,730	(93)	(85)	39,162	39,169
Share of profit of investment in associates	-	-	-	-	43	42	-	-	-	-	43	42
Profit (loss) before income tax expense	5,931	5,800	719	1,073	(368)	(324)	39	36	-	-	6,321	6,585
Income tax (expense) income	(1,174)	(1,156)	(113)	(156)	153	150	(7)	(7)	-	-	(1,141)	(1,169)
Allocated profit (loss) for the period	4,757	4,644	606	917	(215)	(174)	32	29	-	-	5,180	5,416
<i>Unallocated items:</i>												
- Share of profit from normal operation of investment in associates											1,727	650
- Effect of change of interest in other investment of associate											8,498	-
- Finance costs											(112)	(178)
Total unallocated items											10,113	472
Profit for the period											15,293	5,888

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

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

Business segments

<i>Three-month period ended 30 June</i>	Spirits		Beer		Non-alcoholic beverages		Food		Total	
	2017	2016 <i>(restated)</i>	2017	2016	2017	2016 <i>(restated)</i>	2017	2016	2017	2016
	<i>(in million Baht)</i>									
Capital expenditure	574	215	127	168	154	649	86	(46)	941	986
Depreciation	392	406	199	191	369	347	118	133	1,078	1,077
Amortisation	5	6	2	1	3	1	2	2	12	10
Gain (loss) on disposal of assets	9	3	19	25	(4)	(12)	(1)	(2)	23	14
Capital expenditure were as follows:										
Property, plant and equipment	573	211	126	166	153	648	85	(46)	937	979
Intangible assets	1	4	1	2	1	1	1	-	4	7

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

Business segment results

<i>Nine-month period ended 30 June</i>	Spirits		Beer		Non-alcoholic beverages		Food		Elimination		Total	
	2017	2016 (Restated)	2017	2016	2017	2016 (Restated) (in million Baht)	2017	2016	2017	2016	2017	2016
Revenue from sale to external customers	80,623	85,049	44,333	48,619	12,500	12,886	5,004	4,951	-	-	142,460	151,505
Inter-segment revenue	49	119	8	9	30	23	6	4	(93)	(155)	-	-
Interest income	20	21	10	12	6	6	3	2	-	-	39	41
Other income	146	210	151	254	294	425	36	18	(104)	(102)	523	805
Total allocated income	80,838	85,399	44,502	48,894	12,830	13,340	5,049	4,975	(197)	(257)	143,022	152,351
Cost of sale of goods	53,749	57,360	33,963	38,707	8,107	8,671	2,764	2,867	(65)	(108)	98,518	107,497
Selling expenses	3,640	3,640	5,315	4,877	4,297	4,647	668	559	(77)	(78)	13,843	13,645
Administrative expenses	4,053	3,714	1,891	1,702	1,568	1,526	1,521	1,417	(55)	(71)	8,978	8,288
Finance costs	155	179	40	50	107	94	7	10	-	-	309	333
Total allocated expenses	61,597	64,893	41,209	45,336	14,079	14,938	4,960	4,853	(197)	(257)	121,648	129,763
Share of profit of investments in associates	-	-	-	-	113	100	-	-	-	-	113	100
Profit (loss) before income tax expense	19,241	20,506	3,293	3,558	(1,136)	(1,498)	89	122	-	-	21,487	22,688
Income tax (expense) income	(3,830)	(4,069)	(504)	(522)	410	506	(17)	(21)	-	-	(3,941)	(4,106)
Allocated profit (loss) for the period	15,411	16,437	2,789	3,036	(726)	(992)	72	101	-	-	17,546	18,582
<i>Unallocated items:</i>												
- Share of profit from normal operation of investment in associates											4,002	2,435
- Effect of change of interest in other investment of associate											8,498	-
- Finance costs											(431)	(539)
Total unallocated items											12,069	1,896
Profit for the period											29,615	20,478

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

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

Business segments

<i>Nine-month period ended 30 June</i>	Spirits		Beer		Non-alcoholic beverages		Food		Total	
	2017	2016 <i>(Restated)</i>	2017	2016	2017	2016 <i>(Restated)</i>	2017	2016	2017	2016
	<i>(in million Baht)</i>									
Capital expenditure	1,715	1,181	618	461	1,338	1,088	218	317	3,889	3,047
Depreciation	1,175	1,250	587	564	1,072	1,075	373	392	3,207	3,281
Amortisation	16	16	6	3	7	5	7	7	36	31
Gain (loss) on disposal of assets	16	12	55	36	(35)	(69)	(9)	(4)	27	(25)
Capital expenditure were as follows:										
Property plant and equipment	1,702	1,171	608	455	1,333	1,072	215	311	3,858	3,009
Intangible assets	13	9	10	6	5	16	3	6	31	37
Leasehold right	-	1	-	-	-	-	-	-	-	1

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

Business segment financial position

	Spirits		Beer		Non-alcoholic beverages		Food		Total	
	30 June 2017	30 September 2016 <i>(restated)</i>	30 June 2017	30 September 2016	30 June 2017	30 September 2016 <i>(restated)</i>	30 June 2017	30 September 2016	30 June 2017	30 September 2016
	<i>(in million Baht)</i>									
Inventories	32,849	32,453	4,312	4,505	1,113	1,049	147	138	38,421	38,145
Property, plant and equipment	19,275	19,428	10,248	10,219	16,586	16,254	1,793	1,970	47,902	47,871
Other assets	8,825	9,004	3,200	2,710	10,254	10,461	1,581	1,543	23,860	23,718
Total allocated assets	60,949	60,885	17,760	17,434	27,953	27,764	3,521	3,651	110,183	109,734
<i>Unallocated items:</i>										
- Investments in associates									77,918	77,919
Total assets									188,101	187,653
Interest-bearing liabilities	15,231	11,435	3,539	2,509	7,917	6,652	673	517	27,360	21,113
Other liabilities	8,738	8,402	4,608	4,530	3,737	3,967	1,009	957	18,092	17,856
Total allocated liabilities	23,969	19,837	8,147	7,039	11,654	10,619	1,682	1,474	45,452	38,969
<i>Unallocated items:</i>										
- Loans from financial institutions									15,000	24,972
Total liabilities									60,452	63,941

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

Geographical information

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

	Consolidated financial statements			
	Revenue			
	For nine- month period ended 30 June 2017	For nine- month period ended 30 June 2016	Property, plant and equipment	
			30 June 2017	30 September 2016
			<i>(in million Baht)</i>	
Thailand	138,227	146,740	46,227	46,094
Overseas	4,795	5,611	1,675	1,777
Total	<u>143,022</u>	<u>152,351</u>	<u>47,902</u>	<u>47,871</u>

13 Income tax expense

Income tax expense is recognised based on management's best estimate of the annual income tax rate expected for the full financial year applied to the pre-tax income of the interim period. The Group's and Company's effective tax rate in respect of continuing operations for the nine-month period ended 30 June 2017 was 11.75% and 2.05%, respectively (2016:16.70% and 1.94%, respectively). This change in effective tax rate was caused mainly by the change of the following transactions:

- (a) Income not subject to tax; and
- (b) Expenses not deductible for tax purposes.

14 Earnings per share

Basic earnings per share

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

	Consolidated		Separate	
	financial statements		financial statements	
<i>Three-month period ended 30 June</i>	2017	2016	2017	2016
	<i>(in million Baht / million shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	<u>15,233</u>	<u>5,806</u>	<u>6,257</u>	<u>11,203</u>
Number of ordinary shares outstanding issued and paid-up	<u>25,110</u>	<u>25,110</u>	<u>25,110</u>	<u>25,110</u>
Earnings per share (basic) (in Baht)	<u>0.61</u>	<u>0.23</u>	<u>0.25</u>	<u>0.45</u>

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in million Baht / million shares)</i>			
<i>Nine-month period ended 30 June</i>				
Profit attributable to ordinary shareholders of the Company (basic)	<u>29,505</u>	<u>20,396</u>	<u>15,902</u>	<u>17,932</u>
Number of ordinary shares outstanding issued and paid-up	<u>25,110</u>	<u>25,110</u>	<u>25,110</u>	<u>25,110</u>
Earnings per share (basic) (in Baht)	<u>1.18</u>	<u>0.81</u>	<u>0.63</u>	<u>0.71</u>

Diluted earnings per share

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

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in million Baht / million shares)</i>			
<i>Three-month period ended 30 June</i>				
Profit attributable to ordinary shareholders of the Company (diluted)	<u>15,233</u>	<u>5,806</u>	<u>6,257</u>	<u>11,203</u>
Number of ordinary shares outstanding (basic)	<u>25,110</u>	<u>25,110</u>	<u>25,110</u>	<u>25,110</u>
Effect of long-term incentive plan	<u>4</u>	<u>-</u>	<u>4</u>	<u>-</u>
Number of ordinary shares outstanding (diluted)	<u>25,114</u>	<u>25,110</u>	<u>25,114</u>	<u>25,110</u>
Earnings per share (diluted) (in Baht)	<u>0.61</u>	<u>0.23</u>	<u>0.25</u>	<u>0.45</u>

<i>Nine-month period ended 30 June</i>				
Profit attributable to ordinary shareholders of the Company (diluted)	<u>29,505</u>	<u>20,396</u>	<u>15,902</u>	<u>17,932</u>
Number of ordinary shares outstanding (basic)	<u>25,110</u>	<u>25,110</u>	<u>25,110</u>	<u>25,110</u>
Effect of long-term incentive plan	<u>2</u>	<u>-</u>	<u>2</u>	<u>-</u>
Number of ordinary shares outstanding (diluted)	<u>25,112</u>	<u>25,110</u>	<u>25,112</u>	<u>25,110</u>
Earnings per share (diluted) (in Baht)	<u>1.17</u>	<u>0.81</u>	<u>0.63</u>	<u>0.71</u>

15 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.

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.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

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.

16 Financial instruments

Carrying amounts and fair values

As at 30 June 2017 and 30 September 2016, the fair values of all significant financial assets and liabilities are taken to approximately the carrying value, except the following items, which the Group and the Company do not measure at fair value in the consolidated and separate financial statements.

	Consolidated financial statements	
	Carrying value	Fair value
	<i>(in million Baht)</i>	
30 June 2017		
<i>Financial liabilities</i>		
Long-term bill of exchanges and loans from financial institutions	32,903	34,056
Debentures	2,000	2,007
<i>Off-statement of financial position items</i>		
Foreign currency forwards contracts in asset position	-	112
Foreign currency forwards contracts in liability position	-	374
	Separate financial statements	
	Carrying value	Fair Value
	<i>(in million Baht)</i>	
30 June 2017		
<i>Financial liabilities</i>		
Long-term loan from related party	1,230	1,158
Long-term bill of exchanges and loans from financial institutions	32,903	34,056
	Consolidated financial statements	
	Carrying value	Fair value
	<i>(in million Baht)</i>	
30 September 2016		
<i>Financial liabilities</i>		
Long-term bill of exchanges and loans from financial institutions	40,590	40,839
Debentures	2,000	2,014
<i>Off-statement of financial position items</i>		
Foreign currency forwards contracts in asset position	-	109
Foreign currency forwards contracts in liability position	-	333

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

	Separate financial statements	
	Carrying value	Fair Value
	<i>(in million Baht)</i>	
30 September 2016		
<i>Financial liabilities</i>		
Long-term loan from related party	1,264	1,160
Long-term bill of exchanges and loans from financial institutions	39,719	39,960

17 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	30 June 2017	30 September 2016	30 June 2017	30 September 2016
	<i>(in million Baht)</i>			
<i>Capital commitments</i>				
<i>Contracted but not provided for:</i>				
Machinery and equipment	590	1,052	-	-
Buildings and other constructions	106	171	-	-
Land	9	-	-	-
Computer software	1	15	-	-
Total	706	1,238	-	-
<i>Non-cancellable operating lease commitments</i>				
Within one year	461	640	23	23
After one year but within five years	408	563	33	40
After five years	73	79	-	-
Total	942	1,282	56	63
<i>Other commitments</i>				
Purchases of goods and raw materials agreements	2,054	1,420	-	-
Advertising and sponsorship agreements	1,532	542	-	-
Bank guarantees	1,171	1,067	-	-
Specialist and consultancy agreements	1,056	1,142	341	370
Service agreements	647	618	18	11
Purchases of molasses agreements	569	307	-	-
Unused letters of credit for goods and supplies	459	253	-	-
Forward contracts to buy foreign currencies	371	334	-	-
Forward contracts to sell foreign currencies	111	109	-	-
Other agreements	11	22	1	1
Total	7,981	5,814	360	382

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

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 40 years from 1 August 2004 to 1 August 2044. Under the agreements, the Company and its subsidiaries are obliged to pay monthly service fees of Baht 4.3 million which are to be annually increased by 5% for the first 20 years from 1 August 2004 to 1 August 2024. Afterwards, the Company and its subsidiaries have to pay monthly service fees of Baht 0.25 million until the expiration of the agreements. Service fee, under the agreements, 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 June 2017, the remaining commitments to be paid, relating to these agreements, amounted to Baht 859.9 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 June 2017, the remaining commitment to be paid relating to this agreement amounted to Baht 195.86 million (*30 September 2016: Baht 212.31 million*).

Sponsorship agreement

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

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

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.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

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. The agreements will expire on 31 December 2016. The new agreement is currently being reviewed and signed by the Company and the parties.

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 indirect 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

Serm Suk 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 interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

18 Events after the reporting period

On 5 July 2017, Frasers Property Investments (Holland) B.V., a wholly-owned subsidiary of Frasers Centrepoint Limited (“FCL”), completed the acquisition of 84,143,602 depository receipts representing 86.56% of the ordinary shares in the share capital of Geneba Properties N.V., for a consideration of EUR 314.8 million (approximately SGD 494.6 million). Following the completion of the acquisition, Geneba became a subsidiary of FCL.

On 7 July 2017, Geneba 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.

On 1 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 by issuing 1 million ordinary shares with Baht 10 par value.

On 1 August 2017, The QRS of Asia Co., Ltd., the Company’s indirect subsidiary, was incorporated in Thailand with an authorized and paid-up share capital of Baht 10 million by issuing 1 million ordinary shares with Baht 10 par value.

On 8 August 2017, a Company’s 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 Acquisition is expected to be completed by the end of December 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 Baht 80 million (800,000 ordinary shares with a Baht 100 par value). There will be full payment of shares before proceed capital increase , totalling authorised and paid-up share capital to Baht 1,000 million to support such project.

At the Board of Directors meeting held on 11 August 2017 , the Board of Directors had the following resolutions;

- (a) to approved the Company on the increase in the authorised share capital of Foods Company Holdings Co., Ltd., the Company’s subsidiary, of Baht 6,190 million to operate food business.
- (b) to approved the Company and Foods Company Holdings Co., Ltd. on the increase in the authorised share capital of Food of Asia Co., Ltd. of Baht 6,190 million to operate food business.

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

19 Thai Financial Reporting Standards (TFRS) not yet adopted

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

TFRS	Topic
TAS 1 (revised 2016)	Presentation of Financial Statements
TAS 2 (revised 2016)	Inventories
TAS 7 (revised 2016)	Statement of Cash Flows
TAS 8 (revised 2016)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2016)	Events After the Reporting Period
TAS 11 (revised 2016)	Construction Contracts
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 19 (revised 2016)	Employee Benefits
TAS 21 (revised 2016)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2016)	Borrowing Costs
TAS 24 (revised 2016)	Related Party Disclosures
TAS 26 (revised 2016)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2016)	Separate Financial Statements
TAS 28 (revised 2016)	Investments in Associates and Joint Ventures
TAS 33 (revised 2016)	Earnings Per Share
TAS 34 (revised 2016)	Interim Financial Reporting
TAS 36 (revised 2016)	Impairment of Assets
TAS 37 (revised 2016)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2016)	Intangible Assets
TAS 40 (revised 2016)	Investment Property
TAS 41 (revised 2016)	Agriculture
TFRS 2 (revised 2016)	Share-based Payment
TFRS 3 (revised 2016)	Business Combinations
TFRS 4 (revised 2016)	Insurance Contracts
TFRS 8 (revised 2016)	Operating Segments
TFRS 10 (revised 2016)	Consolidated Financial Statements
TFRS 11 (revised 2016)	Joint Arrangements
TFRS 12 (revised 2016)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2016)	Fair Value Measurement
TSIC 15 (revised 2016)	Operating Leases - Incentives
TSIC 25 (revised 2016)	Income Taxes - Changes in the Tax Status of an Enterprise or its Shareholders
TSIC 27 (revised 2016)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 29 (revised 2016)	Disclosure - Service Concession Arrangements
TSIC 31 (revised 2016)	Revenue - Barter Transactions Involving Advertising Services
TSIC 32 (revised 2016)	Intangible Assets - Web Site Costs
TFRIC 1 (revised 2016)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2016)	Determining Whether an Arrangement Contains a Lease
TFRIC 5 (revised 2016)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 10 (revised 2016)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2016)	Service Concession Arrangements

Thai Beverage Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 June 2017 (Unaudited)

TFRS	Topic
TFRIC 13 (revised 2016)	Customer Loyalty Programmes
TFRIC 14 (revised 2016)	TAS 19 (revised 2016) <i>Employee Benefits</i> - 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.