



THAIBEV  
NEXT  
FRONTIER

ANNUAL REPORT 2009



Thai Beverage Public Company Limited



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## Next Frontier is a new inspiration

The new frontier is our stimulus and catalyst which empower us to move forward to those lands where we believe to reach them all.

Therefore we must dedicate all our latency and capability from our people, system and new technology to get us ready for the new day, new step and new land of inspiration that awaits us.

**Thapana Sirivadhanabhakdi**  
President and CEO



# Investor Information

Thai Beverage is listed on the Singapore Exchange (SGX-ST) main board.

SGX Ticker ..... THBEV  
 Reuters ..... tbev.si  
 Bloomberg ..... thbev sp  
 Google Finance ..... SIN:Y92

IPO date                      May 30, 2006  
 IPO offer price              S\$ 0.28  
 Fiscal year ends              December 31  
 External Auditor              KPMG Phoomchai Audit Ltd.  
 Dividend Policy              not less than 50% of net profit after deducting all appropriated reserves and investments

**Share price \***

2009 High S\$ 0.275  
 2009 Low S\$ 0.165  
 \* data from January 5, 2009  
 to December 31, 2009

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 Bangkok 10900 THAILAND

**Investor Relations Department**

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**Corporate website:**

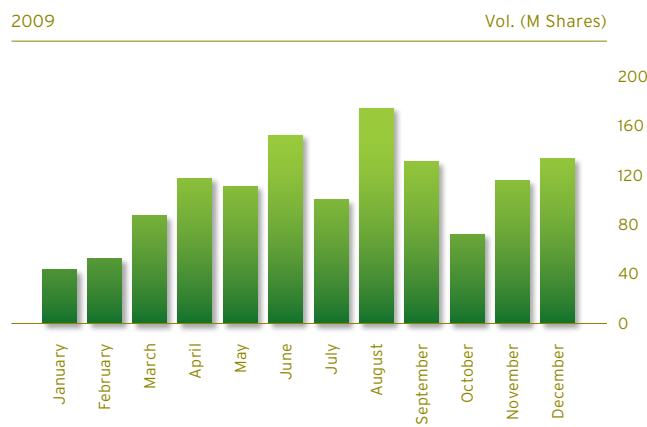
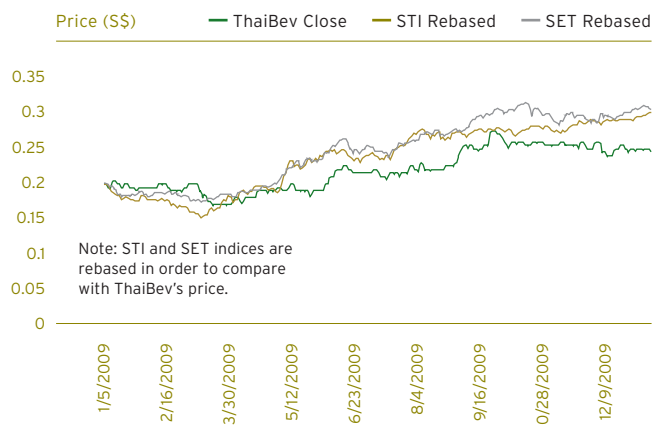
[www.thaibeve.com](http://www.thaibeve.com)

**IR website:**

[www.thaibeve.com/ir.html](http://www.thaibeve.com/ir.html)

## ThaiBev's stock performance

## ThaiBev's Monthly Volume



# Financial Highlights

## Annual Report 2009

Thai Beverage Public Company Limited

	2009	Restated* 2008
<b>Statements of Income (Mil.Baht)</b>		
Revenue from sales	107,969	105,452
Total revenues	108,258	106,226
Cost of sales	76,610	75,326
Gross profit	31,360	30,126
Operating profit	15,264	14,812
EBIT	15,553	15,586
Net profit	10,643	10,606
Depreciation and amortisation	4,356	5,022
EBITDA	19,909	20,608

## Balance Sheets (Mil.Baht)

Current assets	33,488	34,942
Non-current assets	43,662	45,117
Total assets	77,150	80,059
Current liabilities	18,090	22,721
Non-current liabilities	2,616	3,337
Total liabilities	20,706	26,058
Shareholders' equity	56,444	54,001
Total liabilities and shareholders' equity	77,150	80,059

## Liquidity Ratio

Current Ratio	times	1.85	1.54
Quick Ratio	times	0.40	0.23
Average Collection Period	days	6.03	6.01
Average Inventory Period	days	133.24	140.54
Average Payable Period	days	15.55	14.61
Cash Cycle	days	123.72	131.94

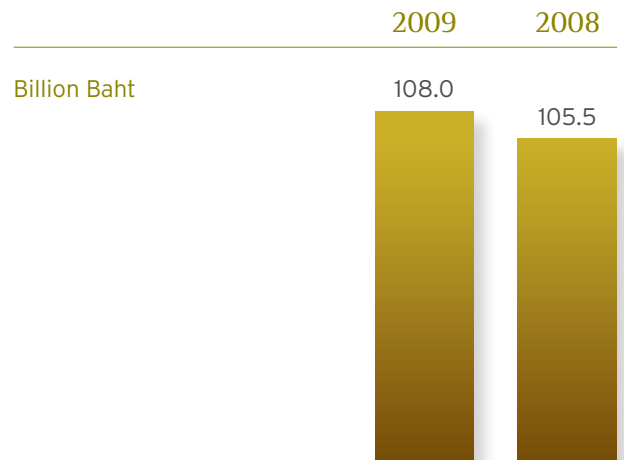
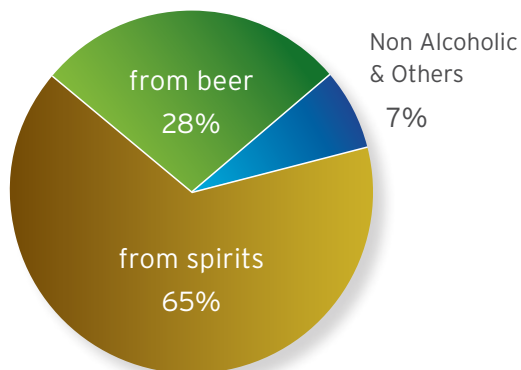
		2009	Restated* 2008
<b>Profitability Ratio</b>			
Gross Profit Margin	%	29.04	28.57
EBITDA Margin	%	18.44	19.54
EBIT Margin	%	14.41	14.78
Operating Cash Flows to Operating Profit Ratio	%	115.40	95.83
Net Profit Margin	%	9.86	10.06
Return on Equity	%	19.27	19.09
<b>Efficiency Ratios</b>			
Return on Assets	%	13.54	13.06
Return on Fixed Assets	%	27.53	25.19
Total Assets Turnover	times	1.37	1.30
<b>Leverage Ratios</b>			
Debt to Equity Ratio	times	0.37	0.48
Interest Bearing Debt to Equity Ratio	times	0.21	0.32
Interest Bearing Debt to EBITDA Ratio	times	0.60	0.84
Interest Coverage Ratio	times	36.29	30.26
Dividend Payout Ratio	%	78.57	73.17

\* Restated due to the reclassification and the acquisition of 2 small-sized subsidiaries in 2009 which consolidated financial statements have been prepared on the basis of a business combination involving an entity under common control and accounted for in a manner similar to a pooling of interests.



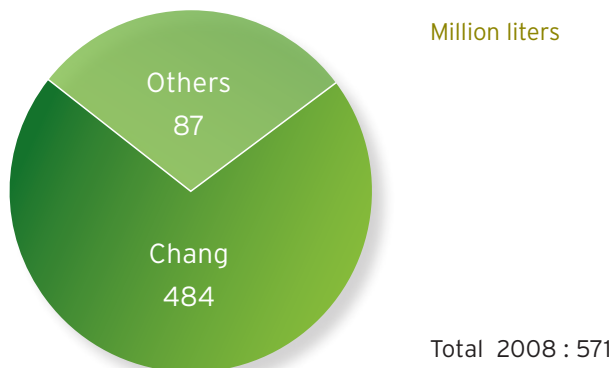
# Sales of Baht 108.0 billion in 2009

## Total Sales

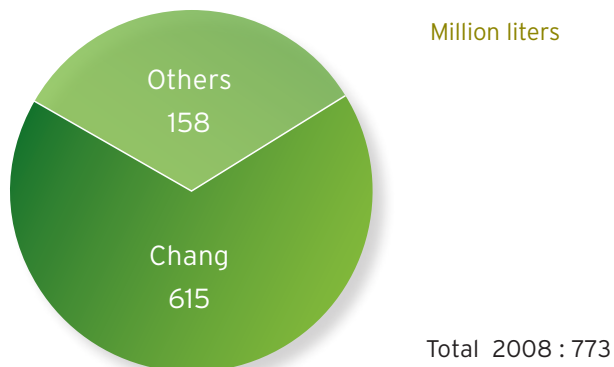


## Beer: Volume

2009

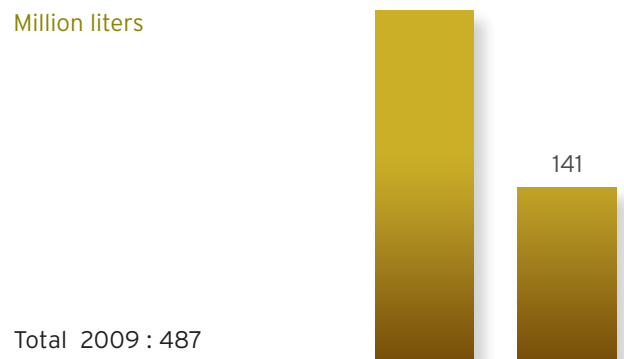


2008

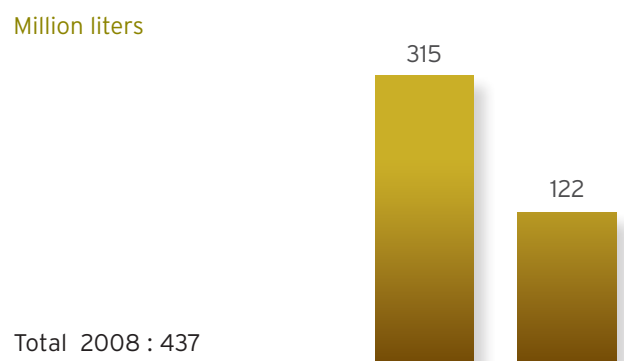


## Spirits: Volume

2009



2008





## Message from the Chairman

Dear Shareholders,

I am especially pleased to inform you that 2009 has been a significant year in the development of our Company. As many of you will know, we listed on the Singapore Exchange on May 30, 2006.

The Board and I felt that a listing would drive the Company towards greater professionalism and efficiency over time, due to the disciplines required to meet the expectations of our shareholders and the market. Since listing, ThaiBev has changed in many ways, not least in terms of corporate governance, transparency and accountability. These important goals not only led to the investment community choosing ThaiBev as the recipient of several investor relations awards over the years, but transparency and management awards too. I was also pleased to note that our credit rating agencies, Moody's and Standard and Poor's maintained our ratings, thus helping to maintain a low cost of debt, our potential to obtain financial resources for the business expansion on regional level and our readiness to compete in domestic and international markets. In summary, these are all indicators that our decision to list was the right one as it has pushed our management into going the extra mile for our stakeholders in general.

Many of you will be interested to know that there was a prudent rationale as to why the Board and I have been devoted to bringing in new and experienced management with different ideas from our own. For several years, we have been aware that we needed to look anew at how we structure and run our businesses. My concern has always been how to develop the profitability of our beer business. The young professionals that we recruited to help drive and manage change at the Company informed the Board that this was not an easy fix and would require a major restructuring to our supply chain system, to reach even the most remote retail outlets in the country. After detailed consultation, the Board felt that the long-term benefits would outweigh the short-term pain required by the plan.

Of course, life is about change and the ability to cope with changes. The Board accepted that beer sales would have to decline throughout the year as we de-stocked the old packaging and introduced the new look Chang Classic, Chang Draught and Chang Light at the end of the third quarter. We also accepted our management's assurance that the changes would not affect the consolidated bottom line negatively. I am pleased to inform you they were correct.

Not only have we ended the year with profits up 0.8% on 2008, but we have put our beer business firmly on the road to sustainable profitability in the future. I hope you will join me in following the beer story closely next year.

The year has also been one of uncertainty on the macroeconomic level. While it appears that the news from America improves now and again, some local events continue to make the future very unpredictable for Thailand. The alcoholic beverage industry has had to bear some of the burden for supporting Thailand's economic recovery through our tax contribution and the significant rise in excise taxes on beer in May 2009 came at a bad time for beer companies. However, being the only fully-integrated beverage company in Thailand, with a complete portfolio of beer, spirits and non alcohol beverages, I believe we were relatively less affected.

The relationship between ThaiBev and the community, besides our funding of important government projects through our tax contribution, has always been one of mutual interest. Wastewater treatment at both breweries and distilleries at ThaiBev are usually seen as an integral part of the relationship between industry and the local community. Our facilities are manned by staff that lives in the community and therefore whatever affect the community affects us.

ThaiBev recycles bottles to the extent possible as this not only helps the environment but saves on the cost of producing new bottles. Distilleries and breweries also create biogas from liquid waste. The biogas is 60% methane and provides the energy required to heat our boilers. At one ThaiBev brewery about 8,000 cubic metres of biogas can substitute for about 4,000 litres of heavy fuel, so we also contribute to the country's balance of payments by helping to lower the amount of imported fuel for our factories.

Finally, I would like to thank our management for doing a good job during a very difficult economic period in 2009 and trust that the new systems they have been implementing will bear fruit for the future growth of our Company.



**Charoen Sirivadhanabhakdi**  
Chairman of the Board



# Shareholding Structure

as of December 31, 2009

## Thai Beverage Public Company Limited

Authorized share capital of Baht 29,000,000,000 with paid-up capital of Baht 25,110,025,000 consisting of 25,110,025,000 issued common shares, with the par value of Baht 1 each.

### Brewery Group

Beer Thip Brewery (1991) Co., Ltd.  
Cosmos Brewery (Thailand) Co., Ltd.  
Beer Thai (1991) Public Company Limited  
└ 100% Vidhayathan Co., Ltd.

### Trademark Group

Thai Beverage Brands Co., Ltd.  
Archa Beer Co., Ltd.  
Beer Chang Co., Ltd.  
└ 100% Chang Beer International Co., Ltd.<sup>(1)</sup>

### Beer Group

Pomthip Co., Ltd.  
Pomkit Co., Ltd.  
Pomklung Co., Ltd.  
Pomchok Co., Ltd.  
Pomcharoen Co., Ltd.  
Pomburapa Co., Ltd.  
Pompalang Co., Ltd.<sup>(8)</sup>  
Pomnakorn Co., Ltd.<sup>(7)</sup>

### Liquor Marketing Group

Num Yuk Co., Ltd.  
Num Kijjakarn Co., Ltd.  
Num Palang Co., Ltd.  
Num Muang Co., Ltd.  
Num Nakorn Co., Ltd.  
Num Thurakij Co., Ltd.  
Numrungrod Co., Ltd.<sup>(6)</sup>  
Numthip Co., Ltd.<sup>(5)</sup>

### Sole Agent Group

Thipchalothorn Co., Ltd.  
Krittayabun Co., Ltd.  
Surathip Co., Ltd.  
Sunthornpirom Co., Ltd.  
Piromsurang Co., Ltd.

### Marketing Group

Thai Beverage Marketing Co., Ltd.  
└ 100% Chang Corp Co., Ltd.<sup>(3)</sup>  
└ 100% Chang International Co., Ltd.<sup>(4)</sup>  
Dhospaak Co., Ltd.

### Overseas Group

International Beverage Holdings Limited\*\*\*

Remarks	<p>(1) Beer Chang Co., Ltd. and other companies in Beer Chang group acquired entire shares of this company on February 2, 2009.</p> <p>(2) Sura Bangyikhan Co., Ltd. and other companies in Sura Bangyikhan group acquired entire shares of this company on February 2, 2009 and filing the amendment of the company's name in English from "Maekhong Distillery Limited" to "Mekhong Distillery Limited" on April 17, 2009.</p> <p>(3) Incorporated on March 6, 2009</p> <p>(4) Incorporated on March 6, 2009</p> <p>(5) Registered the change of the company's name from "Muangkij Co., Ltd." to "Numthip Co., Ltd." on April 30, 2009</p>
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100%

**Distillery Group 1**

Sangsom Co., Ltd.  
Fuengfuanant Co., Ltd.  
Mongkolsamai Co., Ltd.  
Thanapakdi Co., Ltd.  
Kanchanasingkorn Co., Ltd.  
Sura Piset Thipharat Co., Ltd.

**Distillery Group 2**

Sura Bangyikhan Co., Ltd.  
└ 100% Mekhong Distillery Limited<sup>(2)</sup>  
Athimart Co., Ltd.  
S.S. Karnsura Co., Ltd.  
Kankwan Co., Ltd.  
Theparunothai Co., Ltd.

**Distillery Group 3**

Red Bull Distillery (1988) Co., Ltd.\*  
Simathurakij Co., Ltd.  
Nateechai Co., Ltd.  
Luckchai Liquor Trading Co., Ltd.  
United Winery and Distillery Co., Ltd.  
Sura Piset Pattharalanna Co., Ltd.  
└ 99.55% United Products Co., Ltd.  
└ 18.55% Sura Piset Sahasan Co., Ltd.

100%

**Business Development Group (Supply Chain Group)**

Thai Beverage Energy Co., Ltd.  
Feed Addition Co., Ltd.  
Charun Business 52 Co., Ltd.  
Dhanasindhi Co., Ltd.  
Thai Beverage Recycle Co., Ltd.

99.72% Thai Molasses Co., Ltd.  
Thai Cooperage Co., Ltd.\*\*  
Pan International (Thailand) Co., Ltd.  
Thai Beverage Logistics Co., Ltd.

**Non-Alcohol Beverage Business Group**

Wrangyer Beverage (2008) Co., Ltd.  
Thai Drinks Co., Ltd.  
89.93% Oishi Group Public Company Limited  
└ 89.93% Oishi Ramen Co., Ltd.  
└ 89.93% Oishi Trading Co., Ltd.  
└ 99.83% SPM Foods and Beverages Co., Ltd.

100%

Thai Cooperage Co., Ltd.\*\*

Red Bull Distillery (1988) Co., Ltd.\*

93.50%		Thai Thum Distillery Co., Ltd.	
41.45%	40.00% ↓	Sura Piset Sahasan Co., Ltd.	↑ 0.41%
33.83%	58.63% ↓	Sura Piset Samphan Co., Ltd.	5.98%
			7.54%

Remarks

(6) Registered the change of the company's name from "Pan Alcohol Co., Ltd." to "Numrungrod Co., Ltd." on May 7, 2009  
(7) Incorporated on May 26, 2009  
(8) Incorporated on June 2, 2009

**Updated (January 1 - February 28, 2010):**

(a) Incorporated on January 26, 2010

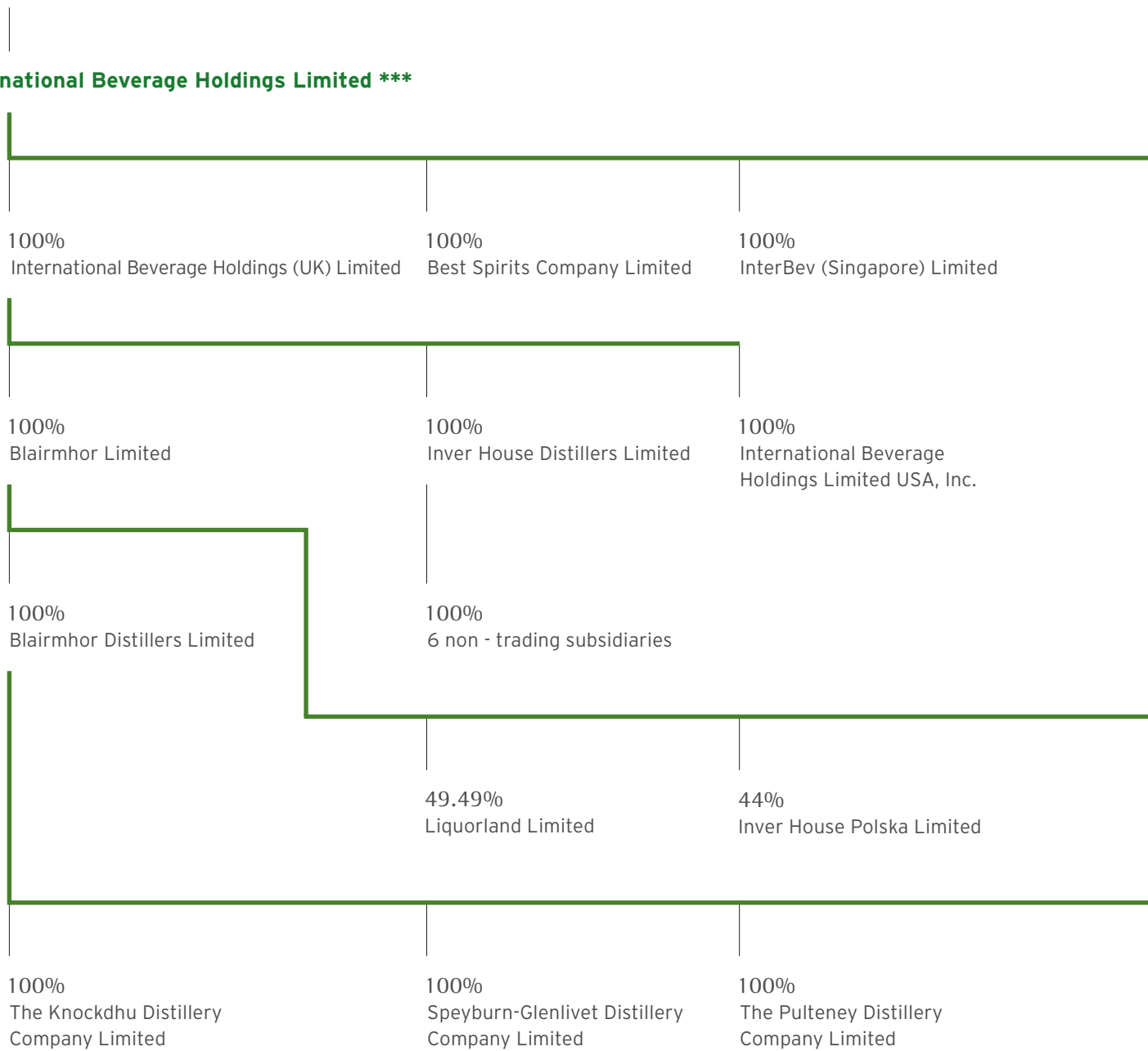
# Shareholding Structure

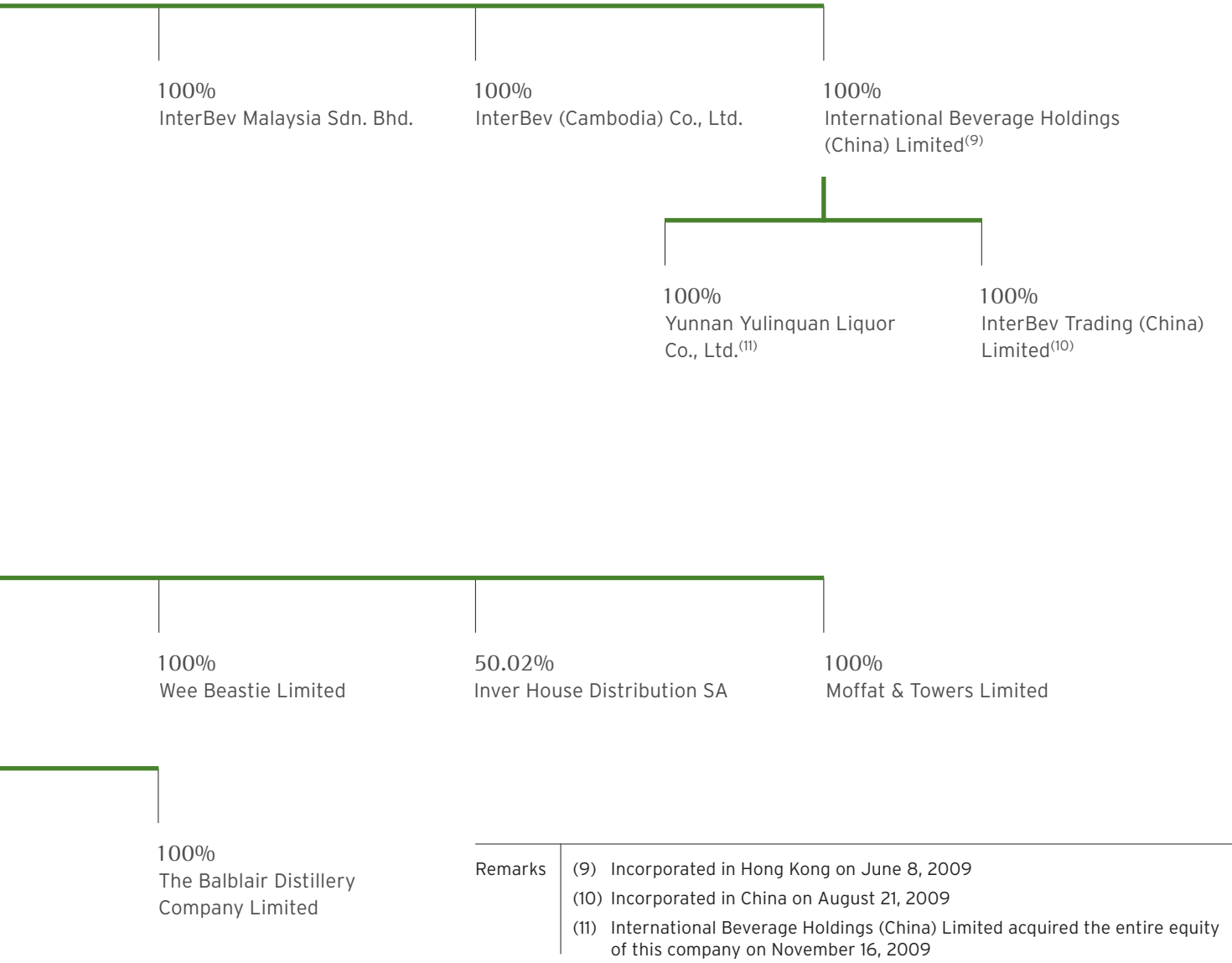
as of December 31, 2009

## Thai Beverage Public Company Limited - 100%

Thai company listed in Singapore Stock Exchange

### International Beverage Holdings Limited \*\*\*





# Report of the Board of Directors

## Breakdown in Shares and Types of Share

Company / Location	Type of Business	Type of Share	Paid-up Capital (Baht)	Shares Issued	No. of Shares Held (Direct and Indirect)	% of Share-holding	Remark
1. <b>Beer Thai (1991) Public Company Limited</b> 15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Beer brewery and production of drinking water and soda water	Common	5,550,000,000.00	555,000,000	555,000,000	100.00%	
2. <b>Beer Thip Brewery (1991) Co., Ltd.</b> 15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Beer brewery and production of drinking water and soda water	Common	6,600,000,000.00	660,000,000	660,000,000	100.00%	
3. <b>Sangsom Co., Ltd.</b> 14 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Spirits distillery	Common	7,500,000,000.00	750,000,000	750,000,000	100.00%	
4. <b>Fuengfuanant Co., Ltd.</b> 333 Moo 1, Tambon Tha Toom Amphoe Si Maha Phot Prachin Buri 25140	Spirits distillery	Common	900,000,000.00	90,000,000	90,000,000	100.00%	
5. <b>Mongkolsamai Co., Ltd.</b> 14 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Spirits distillery	Common	700,000,000.00	70,000,000	70,000,000	100.00%	
6. <b>Thanapakdi Co., Ltd.</b> 315 Moo 4, Tambon Mae Faek Amphoe San Sai, Chiangmai 50290	Spirits distillery	Common	700,000,000.00	70,000,000	70,000,000	100.00%	
7. <b>Kanchanasing Korn Co., Ltd.</b> 14 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Spirits distillery	Common	700,000,000.00	70,000,000	70,000,000	100.00%	
8. <b>Sura Bangyikhan Co., Ltd.</b> 82 Moo 3, Tambon Bang Ku Wat Amphoe Muang, Pathum Thani 12000	Spirits distillery	Common	4,000,000,000.00	400,000,000	400,000,000	100.00%	
9. <b>Athimart Co., Ltd.</b> 170 Moo 11, Tambon Nikhom Amphoe Satuek, Buri Ram 31150	Spirits distillery	Common	900,000,000.00	90,000,000	90,000,000	100.00%	
10. <b>S.S. Karnsura Co., Ltd.</b> 101 Moo 8, Tambon Kaeng Dom Amphoe Sawang Wirawong Ubon Ratchathani 34190	Spirits distillery	Common	800,000,000.00	80,000,000	80,000,000	100.00%	
11. <b>Kankwan Co., Ltd.</b> 14 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Spirits distillery	Common	800,000,000.00	80,000,000	80,000,000	100.00%	
12. <b>Theparunothai Co., Ltd.</b> 99 Moo 4, Tambon Hat Kham Amphoe Muang, Nong Khai 43000	Spirits distillery	Common	700,000,000.00	70,000,000	70,000,000	100.00%	
13. <b>Red Bull Distillery (1988) Co., Ltd.</b> 15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Spirits distillery	Common	5,000,000,000.00	500,000,000	500,000,000	100.00%	

Company / Location	Type of Business	Type of Share	Paid-up Capital (Baht)	Shares Issued	No. of Shares Held (Direct and Indirect)	% of Share-holding	Remark
14. <b>United Winery and Distillery Co., Ltd.</b> 14 Sangsom Building, Soi Yasob 1 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Spirits distillery	Common	1,800,000,000.00	180,000,000	180,000,000	100.00%	
15. <b>Simathurakij Co., Ltd.</b> 1 Moo 6, Tambon Ban Daen Amphoe Banphot Phisai Nakhon Sawan 60180	Spirits distillery	Common	900,000,000.00	90,000,000	90,000,000	100.00%	
16. <b>Natechai Co., Ltd.</b> 14 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Spirits distillery	Common	800,000,000.00	80,000,000	80,000,000	100.00%	
17. <b>Luckchai Liquor Trading Co., Ltd.</b> 46 Moo 1, Tambon Nong Klang Na Amphoe Muang, Ratchaburi 70000	Spirits distillery	Common	800,000,000.00	80,000,000	80,000,000	100.00%	
18. <b>Sura Piset Thipharat Co., Ltd.</b> 14 Sangsom Building, Soi Yasob 1 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Spirits distillery	Common	1,000,000,000.00	10,000,000	10,000,000	100.00%	(1)
19. <b>Pomthip Co., Ltd.</b> 40/53 Moo 3, Talad Bangkhen Sub-District Laksi District, Bangkok 10210	Beer distributor	Common	10,000,000.00	1,000,000	1,000,000	100.00%	
20. <b>Pomkit Co., Ltd.</b> 48, 50, 52 Suranaree Road Tambon Nai Muang, Amphoe Muang Nakhon Ratchasima 30000	Beer distributor	Common	10,000,000.00	1,000,000	1,000,000	100.00%	
21. <b>Pomklung Co., Ltd.</b> 22/1 Soi 2 (Paprao), Paprao Road Tambon Padad, Amphoe Muang Chiangmai 50100	Beer distributor	Common	10,000,000.00	1,000,000	1,000,000	100.00%	
22. <b>Pomchok Co., Ltd.</b> 16/1 Moo 1, U Thong Road Tambon Tha Wasukri Amphoe Phra Nakhon Si Ayutthaya Ayutthaya 13000	Beer distributor	Common	10,000,000.00	1,000,000	1,000,000	100.00%	
23. <b>Pomcharoen Co., Ltd.</b> 135/3 Moo 4, Kanchanavithi Road Tambon Bang Kung, Amphoe Muang Surat Thani 84000	Beer distributor	Common	10,000,000.00	1,000,000	1,000,000	100.00%	
24. <b>Pomburapa Co., Ltd.</b> 51/42 Moo 3, Sukhumvit Road Tambon Ban Suan, Amphoe Muang Chon Buri 20000	Beer distributor	Common	10,000,000.00	1,000,000	1,000,000	100.00%	
25. <b>Pompalang Co., Ltd.</b> 439 Moo 11, Tambon Muang Kao Amphoe Muang, Khon Kaen 40000  (Incorporated on June 2, 2009)	Beer distributor	Common	10,000,000.00	1,000,000	1,000,000	100.00%	

Company / Location	Type of Business	Type of Share	Paid-up Capital (Baht)	Shares Issued	No. of Shares Held (Direct and Indirect)	% of Share-holding	Remark
26. Pomnakorn Co., Ltd. 85/35, 85/36 Petchakasem Road Tambon Na-Muang, Amphoe Muang Ratchaburi 70000  (Incorporated on May 26, 2009)	Beer distributor	Common	10,000,000.00	1,000,000	1,000,000	100.00%	
27. Num Yuk Co., Ltd. 40/53 Moo 3, Talad Bangkhen Sub-District Laksi District, Bangkok 10210	Spirits distributor	Common	10,000,000.00	1,000,000	1,000,000	100.00%	
28. Num Kijjakarn Co., Ltd. 1, 3, 5 Trok Wat Muang, Suranaree Road Tambon Nai Muang, Amphoe Muang Nakhon Ratchasima 30000	Spirits distributor	Common	10,000,000.00	1,000,000	1,000,000	100.00%	
29. Num Palang Co., Ltd. 22/1 Soi 2 (Paprao), Paprao Road Tambon Padad, Amphoe Muang Chiangmai 50100	Spirits distributor	Common	10,000,000.00	1,000,000	1,000,000	100.00%	
30. Num Muang Co., Ltd. 16/2 Moo 1, U Thong Road Tambon Tha Wasukri Amphoe Phra Nakhon Si Ayutthaya Ayutthaya 13000	Spirits distributor	Common	10,000,000.00	1,000,000	1,000,000	100.00%	
31. Num Nakorn Co., Ltd. 149/3 Chulachomklao Road Tambon Tha Kham Amphoe Phun Phin, Surat Thani 84130	Spirits distributor	Common	10,000,000.00	1,000,000	1,000,000	100.00%	
32. Num Thurakij Co., Ltd. 51/40-41 Moo 3, Sukhumvit Road Tambon Ban Suan, Amphoe Muang Chon Buri 20000	Spirits distributor	Common	10,000,000.00	1,000,000	1,000,000	100.00%	
33. Numrungrud Co., Ltd. 439 Moo 11, Tambon Muang Kao Amphoe Muang, Khon Kaen 40000  (Registered the change of company's name from Pan Alcohol Co., Ltd. on May 7, 2009)	Spirits distributor	Common	10,000,000.00	100,000	100,000	100.00%	(2)
34. Numthip Co., Ltd. 85/33, 85/34 Petchakasem Road Tambon Na-Muang, Amphoe Muang Ratchaburi 70000  (Registered the change of company's name from Muangkij Co., Ltd. on April 30, 2009)	Spirits distributor	Common	10,000,000.00	100,000	100,000	100.00%	(3)
35. Thipchalothorn Co., Ltd. 15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Beer and spirits agency	Common	1,000,000.00	100,000	100,000	100.00%	
36. Krittayabun Co., Ltd. 14 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Beer and spirits agency	Common	5,000,000.00	500,000	500,000	100.00%	
37. Surathip Co., Ltd. 14 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Beer and spirits agency	Common	1,200,000.00	120,000	120,000	100.00%	

Company / Location	Type of Business	Type of Share	Paid-up Capital (Baht)	Shares Issued	No. of Shares Held (Direct and Indirect)	% of Shareholding	Remark
38. Sunthornpirom Co., Ltd. 14 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Spirits agency	Common	5,000,000.00	500,000	500,000	100.00%	
39. Piromsurang Co., Ltd. 14 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Spirits agency	Common	5,000,000.00	500,000	500,000	100.00%	
40. Thai Beverage Energy Co., Ltd. 15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Trading of fertilizer, biogas and distribution of spirits	Common	860,000,000.00	8,600,000	8,600,000	100.00%	(4)
41. Wrangyer Beverage (2008) Co., Ltd. 14 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Production and distribution of energy drink	Common	200,000,000.00	20,000,000	20,000,000	100.00%	
42. Thai Molasses Co., Ltd. 14 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Trading of molasses	Common	40,000,000.00	40,000	39,889	99.72%	
43. Feed Addition Co., Ltd. 15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Trading of feeds and fertilizer	Common	1,000,000.00	10,000	10,000	100.00%	
44. Pan International (Thailand) Co., Ltd. 15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Trading of supplies and procurement	Common	1,000,000.00	10,000	10,000	100.00%	
45. Charun Business 52 Co., Ltd. 15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Brick producer and distribution of spirits	Common	121,800,000.00	1,218,000	1,218,000	100.00%	
46. Thai Cooperage Co., Ltd. 15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Oak barrel producer	Common	300,000,000.00	30,000,000	30,000,000	100.00%	
47. Thai Beverage Recycle Co., Ltd. 15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Trading of bottles	Common	123,000,000.00	1,230,000	1,230,000	100.00%	
48. Thai Beverage Logistics Co., Ltd. 1 East Water Building Soi Vibhavadi-Rangsit 5 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Transportation and distribution	Common	1,012,000,000.00	101,200,000	101,200,000	100.00%	(5)
49. Thai Beverage Marketing Co., Ltd. 15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Import and export spirits for trading/ international marketing and non-alcoholic beverages agency	Common	300,000,000.00	30,000,000	30,000,000	100.00%	
50. Dhanasindhi Co., Ltd. 14 Soi Yasoop 1, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Construction	Common	20,000,000.00	20,000	20,000	100.00%	

Company / Location	Type of Business	Type of Share	Paid-up Capital (Baht)	Shares Issued	No. of Shares Held (Direct and Indirect)	% of Share-holding	Remark
51. <b>Dhospaak Co., Ltd.</b> 1 East Water Building, 20th Floor Soi Vibhavadi-Rangsit 5 Chomphon Sub-District Chatuchak District, Bangkok 10900	Advertising agency	Common	25,000,000.00	2,500,000	2,500,000	100.00%	
52. <b>International Beverage Holdings Limited</b> Room 901-2, Silvercord Tower 1 30 Canton Road, Tsim Sha Tsui Kowloon, Hong Kong	Holding company	Ordinary	HKD 1,724,100,000.00	1,724,100,000	1,724,100,000	100.00%	(6)
53. <b>Cosmos Brewery (Thailand) Co., Ltd.</b> 15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Beer brewery and production of drinking water and soda water	Common	1,666,666,500.00	166,666,650	166,666,650	100.00%	
54. <b>Thai Beverage Brands Co., Ltd.</b> 15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Trademark holding	Common	5,000,000.00	50,000	50,000	100.00%	
55. <b>Beer Chang Co., Ltd.</b> 15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Trademark holding and production of concentrate materials	Common	1,000,000.00	10,000	10,000	100.00%	
56. <b>Archa Beer Co., Ltd.</b> 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Trademark holding and production of concentrate materials	Common	1,000,000.00	100,000	100,000	100.00%	
57. <b>Sura Piset Pattharalanna Co., Ltd.</b> 14 Sangsom Building, Soi Yasoob 1 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Holding company	Common	1,000,000,000.00	10,000,000	10,000,000	100.00%	(7)
58. <b>Thai Drinks Co., Ltd.</b> 14, Sangsom Building Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Production and distribution of drinking water	Common	60,000,000.00	600,000	600,000	100.00%	(8)
59. <b>Oishi Group Public Company Limited</b> 9 UM Tower Building, 20th Floor Ramkhamhaeng Road Suanluang Sub-District Suanluang District, Bangkok 10250	Japanese restaurants bakery shops and production and distribution of food and beverage	Common	375,000,000.00	187,500,000	168,610,199	89.93%	
60. <b>Thai Thum Distillery Co., Ltd.*</b> 14 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Production and distribution of spirits	Common	17,500,000.00	17,500	17,483	99.90%	
61. <b>Sura Piset Sahasan Co., Ltd.*</b> 14 Sangsom Building, Soi Yasoob 1 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Trading of spirits	Common	100,000,000.00	1,000,000	1,000,000	100.00%	
62. <b>Sura Piset Samphan Co., Ltd.*</b> 14 Sangsom Building, Soi Yasoob 1 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Trading of spirits	Common	100,000,000.00	1,000,000	1,000,000	100.00%	

Company / Location	Type of Business	Type of Share	Paid-up Capital (Baht)	Shares Issued	No. of Shares Held (Direct and Indirect)	% of Shareholding	Remark
63. <b>Vidhayathan Co., Ltd.</b> 15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Environmental public relations	Common	5,000,000.00	500,000	500,000	100.00%	
64. <b>InterBev (Singapore) Limited</b> No. 138 Cecil Street # 05-02 Cecil Court Singapore	Trading of alcoholic beverages	Common	SGD 3,000,000.00	3,000,000	3,000,000	100.00%	
65. <b>InterBev (Cambodia) Co., Ltd.</b> No. 35, Street 322 Sangkat Boeung Keng Kang 1 Khan Chamkamon, Phnom Penh, Cambodia	Trading of alcoholic beverages	Common	USD 200,000.00	1,000	1,000	100.00%	
66. <b>InterBev Malaysia Sdn. Bhd.</b> No. 9-1, Jalan USJ 1/1B Regalia Business Centre 47620 Subang Jaya, Selangor, Malaysia	Trading of alcoholic beverages	Common	MYR 100,000.00	100,000	100,000	100.00%	
67. <b>Best Spirits Company Limited</b> Room 901-2, Silvercord Tower 1 30 Canton Road, Tsim Sha Tsui Kowloon, Hong Kong	Trading of alcoholic beverages	Ordinary	HKD 15,300,000.00	15,300,000	15,300,000	100.00%	
68. <b>International Beverage Holdings (UK) Limited</b> Moffat Distillery, Airdrie, ML6 8PL, Scotland	Holding company	Common	GBP 71,670,000.00	71,670,000	71,670,000	100.00%	(9)
69. <b>International Beverage Holdings (China) Limited</b> Room 901-2, Silvercord Tower 1 30 Canton Road, Tsim Sha Tsui Kowloon, Hong Kong  (Incorporated on June 8, 2009)	Holding company	Ordinary	HKD 193,500,000.00	19,350,000	19,350,000	100.00%	(10)
70. <b>United Products Company Limited</b> 56 Sukhapibal Road, Tambon Nakornchaisri Amphoe Nakornchaisri Nakornpathom 73120	Production and distribution of spirits	Common	350,000,000.00	3,500,000	3,484,219	99.55%	
71. <b>SPM Foods and Beverages Company Limited</b> 79 Moo 3, Tambon Lamlookbua Amphoe Dontoom, Nakornpathom 73150	Production and distribution of drinking water and energy drinks and spirits agency	Common	606,250,000.00	60,625,000	60,520,000	99.83%	
72. <b>Oishi Trading Co., Ltd.</b> 9 Ramkhamhaeng Road Suanluang Sub-District Suanluang District, Bangkok 10250	Production and distribution of food and beverage	Common	420,000,000.00	4,200,000	3,776,868	89.93%	
73. <b>Oishi Ramen Co., Ltd.</b> 444 1st Floor, Room 1 A 08-09 Phaya Thai Road, Wangmai Sub-District Pathumwan District, Bangkok 10330	Japanese ramen restaurants	Common	158,000,000.00	1,580,000	1,420,822	89.93%	
74. <b>Chang Beer International Co., Ltd.*</b> 15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Dormant	Common	1,000,000.00	100,000	100,000	100.00%	(11)
75. <b>Mekhong Distillery Limited</b> 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900  (Registered the change of company's English name from Maekhong Distillery Limited to Mekhong Distillery Limited on April 17, 2009)	Consultancy service	Common	500,000.00	5,000	5,000	100.00%	(12)

Company / Location	Type of Business	Type of Share	Paid-up Capital (Baht)	Shares Issued	No. of Shares Held (Direct and Indirect)	% of Share-holding	Remark
76. <b>Chang International Co., Ltd.*</b> 15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Dormant	Common	100,000.00	10,000	10,000	100.00%	(13)
77. <b>Chang Corp Co., Ltd.*</b> 15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	Dormant	Common	100,000.00	10,000	10,000	100.00%	(14)
78. <b>International Beverage Holdings Limited USA, Inc.</b> 275 Madison Avenue, Suite 1718 New York, NY	Trading of alcoholic beverages	Common	USD 1.00	1,000	1,000	100.00%	(15)
79. <b>Blairmhor Limited*</b> Moffat Distillery, Airdrie, ML6 8PL, Scotland	Holding company	Common	£9,009,407.00	900,940,700	900,940,700	100.00%	
80. <b>Inver House Distillers Limited</b> Moffat Distillery, Airdrie, ML6 8PL, Scotland	Production and distribution of spirits	Common	£10,000,000.00	10,000,000	10,000,000	100.00%	
81. <b>InterBev Trading (China) Limited</b> Room 01-03 Level 1, No. 63 Kunluo Road Shuangjiang Zheng, Ershan County Yuxi Yunnan, China  (Incorporated on August 21, 2009)	Trading of alcoholic beverages	-	RMB 10,000,000.00	-	-	100.00%	(16)
82. <b>Yunnan Yulinquan Liquor Co., Ltd.</b> Yunlin Village, Shuangjiang Town Eshan County, Yuxi City, Yunnan, China	Spirits distillery	-	RMB 120,000,000.00	-	-	100.00%	(17)
83. <b>Blairmhor Distillers Limited*</b> Moffat Distillery, Airdrie, ML6 8PL, Scotland	Dormant	Common	£200.00	2,000	2,000	100.00%	
84. <b>Wee Beastie Limited*</b> Moffat Distillery, Airdrie, ML6 8PL, Scotland	Dormant	Common	£100.00	100	100	100.00%	
85. <b>Moffat &amp; Towers Limited*</b> Moffat Distillery, Airdrie, ML6 8PL, Scotland	Dormant	Common	£1.00	1	1	100.00%	
86. <b>Glen Calder Blenders Limited*</b> Moffat Distillery, Airdrie, ML6 8PL, Scotland	Dormant	Common	£100.00	100	100	100.00%	
87. <b>Hankey Bannister &amp; Company Limited*</b> Moffat Distillery, Airdrie, ML6 8PL, Scotland	Dormant	Common	£100.00	100	100	100.00%	
88. <b>R Carmichael &amp; Sons Limited*</b> Moffat Distillery, Airdrie, ML6 8PL, Scotland	Dormant	Common	£30,000.00	30,000	30,000	100.00%	
89. <b>J MacArthur Jr &amp; Company Limited*</b> Moffat Distillery, Airdrie, ML6 8PL, Scotland	Dormant	Common	£100.00	100	100	100.00%	
90. <b>Mason &amp; Summers Limited*</b> 10 Foster Lane, London, EC2V 6HH, England	Dormant	Common	£10,030.00	10,030	10,030	100.00%	
91. <b>James Catto &amp; Company Limited*</b> Moffat Distillery, Airdrie, ML6 8PL, Scotland	Dormant	Common	£50,000.00	50,000	50,000	100.00%	
92. <b>The Knockdhu Distillery Company Limited*</b> Moffat Distillery, Airdrie, ML6 8PL, Scotland	Dormant	Common	£100.00	100	100	100.00%	
93. <b>Speyburn-Glenlivet Distillery Company Limited*</b> Moffat Distillery, Airdrie, ML6 8PL, Scotland	Dormant	Common	£100.00	100	100	100.00%	
94. <b>The Pulteney Distillery Company Limited*</b> Moffat Distillery, Airdrie, ML6 8PL, Scotland	Dormant	Common	£2.00	2	2	100.00%	

Company / Location	Type of Business	Type of Share	Paid-up Capital (Baht)	Shares Issued	No. of Shares Held (Direct and Indirect)	% of Share-holding	Remark
95. The Balblair Distillery Company Limited* Moffat Distillery, Airdrie, ML6 8PL, Scotland	Dormant	Common	£2.00	2	2	100.00%	
96. Liquorland Limited 8 Westbank Road, Belfast, BT3 9JL Northern Ireland	Off licences	Common	£495,000.00	495,000	245,000	49.49%	
97. Inver House Polska Limited ul. Obodryców 34 A/1, 81-812 Sopot, Poland	Trading of alcoholic beverages	Common	PLN 700,000.00	700,000	308,000	44.00%	
98. Inver House Distribution SA* Avenue des Tilleuls, 62140 Marconne, France	Dormant	Common	EUR 24,930.00	2,493	1,247	50.02%	

**Remarks : \*These are currently non-trading companies**

- (1) On June 22, 2009 this company registered the increase of capital from Baht 500 million to Baht 1,000 million by issuing the newly issued shares of 5,000,000 shares, totalling 10,000,000 shares, with the par value of Baht 100 each. Currently, the company's paid up capital is fully made.
- (2) On June 9, 2009 this company registered the increase of capital from Baht 2 million to Baht 10 million by issuing the newly issued shares of 80,000 shares, totalling 100,000 shares, with the par value of Baht 100 each. Currently, the company's paid up capital is fully made.
- (3) On June 9, 2009 this company registered the increase of capital from Baht 3,810,000 million to Baht 10 million by issuing the newly issued shares of 61,900 shares, totalling 100,000 shares, with the par value of Baht 100 each. Currently, the company's paid up capital is fully made.
- (4) On July 13, 2009 this company received the payment of the remaining 20% of the registered capital. Currently, the company's paid-up capital is fully made.
- (5) On July 31, 2009 and August 24, 2009 this company received the payment of the remaining 30% and 45% of the registered capital, respectively. Currently, the company's paid up capital is fully paid.
- (6) On August 14, 2009 this company registered the increase of paid-up capital from HKD 1,490 million to HKD 1,522 million; on September 11, 2009 registered the increase of paid-up capital from HKD 1,522 million to HKD 1,647 million; on December 23, 2009 registered the increase of paid-up capital from HKD 1,647 million to HKD 1,655.6 million and HKD 1,655.6 million to HKD 1,724.1 million.
- (7) On October 13, 2009 this company registered the increase of capital from Baht 600 million to Baht 1,000 million by issuing the newly issued shares of 4,000,000 shares, totalling 10,000,000 shares, with the par value of Baht 100 each. Currently, the company's paid up capital is fully made.
- (8) On January 21, 2009 this company received the payment of the remaining 50% of the registered capital. Currently, the company's paid-up capital is fully made.
- (9) On August 14, 2009 this company registered the increase of capital from £68.5 million to £71 million; and on December 23, 2009 registered the increase of capital from £71 million to £71.67 million.
- (10) On December 23, 2009 this company registered the increase of paid-up capital from HKD 125 million to HKD 193.5 million.
- (11) On February 2, 2009 Beer Chang Co., Ltd. and other companies in Beer Chang group acquired entire shares of this company.
- (12) On February 2, 2009 Sura Bangyikhan Co., Ltd. and other companies in Sura Bangyikhan group acquired entire shares of this company.
- (13) On November 17, 2009 this company received the payment of the remaining 75% of the registered capital. Currently, the company's paid-up capital is fully made.
- (14) On November 17, 2009 this company received the payment of the remaining 75% of the registered capital. Currently, the company's paid-up capital is fully made.
- (15) On August 14, 2009 this company registered the increase of capital from USD 5.1 million to USD 9.2 million; and on December 23, 2009 this company registered the increase of capital from USD 9.2 million to USD 10.3 million.
- (16) Please note that this company was incorporated with the type of investment as equity interest, therefore, there is no shares to be issued.
- (17) On November 16, 2009 International Beverage Holdings (China) Limited acquired 100% equity interest of this company. On December 30, 2009 this company registered the increase of paid-up capital from RMB 60 million to RMB 120 million. Please note that this company was incorporated with the type of investment as equity interest, therefore, there is no shares to be issued.

**Updated (January 1 - February 28, 2010):**

- (a) Thai Beverage Training Co., Ltd. was incorporated on January 26, 2010. Its registered capital is Baht 10,000,000 consisting of 1,000,000 issued common shares. Thai Beverage Public Company Limited directly and indirectly holds 1,000,000 shares in Thai Beverage Training Co., Ltd. representing 100% of the registered capital. Currently, Thai Beverage Training Co., Ltd.'s issued shares had not been fully paid. Its paid up capital is Baht 2,500,000.

## List of Direct and Deemed Interests of Each Director

### As at January 21, 2010

Name of directors	Direct Interests	Number of Shares	Percentage of Shareholding	Increase (decrease) during the accounting period <sup>(1)</sup>	Deemed Interests	Number of Shares	Percentage of Shareholding
1. Mr. Charoen Sirivadhanabhakdi	Thai Beverage Public Company Limited	-	-	(3,156,500,000)	-	-	-
	Siriwana Co., Ltd. <sup>(2)</sup>	369,750,000	25.50		Shiny Treasure Holdings Limited	710,500,000	49
	Maxtop Management Corp. <sup>(3)</sup>	-	-		MM Group Limited	50,000	100
	Risen Mark Enterprise Ltd. <sup>(4)</sup>	-	-		MM Group Limited	50,000	100
	Golden Capital (Singapore) Limited <sup>(5)</sup>	-	-		MM Group Limited	10,000,000	100
	Shiny Treasure Holdings Limited	25,000	50		-	-	-
	MM Group Limited	25,000	50		-	-	-
2. Khunying Wanna Sirivadhanabhakdi	Thai Beverage Public Company Limited	-	-	(3,156,500,000)	-	-	-
	Siriwana Co., Ltd. <sup>(2)</sup>	369,750,000	25.50		Shiny Treasure Holdings Limited	710,500,000	49
	Maxtop Management Corp. <sup>(3)</sup>	-	-		MM Group Limited	50,000	100
	Risen Mark Enterprise Ltd. <sup>(4)</sup>	-	-		MM Group Limited	50,000	100
	Golden Capital (Singapore) Limited <sup>(5)</sup>	-	-		MM Group Limited	10,000,000	100
	Shiny Treasure Holdings Limited	25,000	50		-	-	-
	MM Group Limited	25,000	50		-	-	-
3. Mr. Narong Srisa-an	Thai Beverage Public Company Limited	1	0.00	-	-	-	-
4. Mr. Komen Tantiwiwatthanaphan	Thai Beverage Public Company Limited	34,068,668	0.14	-	-	-	-
5. Mr. Puchchong Chandhanakij	Thai Beverage Public Company Limited	1	0.00	-	-	-	-
6. Mr. Staporn Kavitanon	-	-	-	-	-	-	-
7. Prof. Kanung Luchai	-	-	-	-	-	-	-
8. Mr. Manu Leopairote	-	-	-	-	-	-	-
9. Mr. Ng Tat Pun	-	-	-	-	-	-	-
10. Mr. Michael Lau Hwai Keong	-	-	-	-	-	-	-
11. Prof. Pornchai Matangkasombut	-	-	-	-	-	-	-
12. Gen. Dr. Choo-Chat Kambhu Na Ayudhya	-	-	-	-	-	-	-
13. Mr. Sakthip Krairiksh	-	-	-	-	-	-	-
14. Mr. Vivat Tejapaibul	Thai Beverage Public Company Limited	241,541,500	0.96	(50,000,000)	Ms. Chompoonuch Tejapaibul <sup>(6)</sup>	-	-
15. Mr. Panote Sirivadhanabhakdi	Thai Beverage Public Company Limited	107,000,000	0.43	-	-	-	-
16. Mr. Thapana Sirivadhanabhakdi	Thai Beverage Public Company Limited	107,000,000	0.43	-	-	-	-
17. Ms. Kanoknart Rangsihienchai	Thai Beverage Public Company Limited	1	0.00	-	-	-	-
18. Mr. Sithichai Chaikriangkrai	Thai Beverage Public Company Limited	1	0.00	-	-	-	-
19. Mr. Ueychai Tantha-Obhas	-	-	-	-	-	-	-
20. Dr. Pisanu Vichiensanth	-	-	-	-	-	-	-
21. Mr. Chukiet Tangpongprush	Thai Beverage Public Company Limited	1	0.00	-	-	-	-

#### Remarks:

- (1) This is to comply with the requirement of Public Limited Company Act B.E. 2535 (as amended) that the director holds shares or debentures of the company or an affiliate company held directly by a Board member under his name, and shall indicate the total number of shares increasing or decreasing during a fiscal year (if any). No director holds shares in the Company's affiliate companies. The company does not have any outstanding debentures.
- (2) Siriwana Co., Ltd. holds 11,368,060,000 shares in Thai Beverage Public Company Limited. (According to the report of change of interests of Siriwana Company Limited which was submitted and announced via Singapore Exchange website on December 15, 2009)
- (3) Maxtop Management Corp. holds 3,955,924,000 shares in Thai Beverage Public Company Limited. (According to the report of change of interests of Maxtop Management Corp. which was submitted and announced via Singapore Exchange website on December 11, 2009)
- (4) Risen Mark Enterprise Ltd. holds 833,335,000 shares in Thai Beverage Public Company Limited.
- (5) Golden Capital (Singapore) Limited holds 16,250,000 shares in Thai Beverage Public Company Limited. (According to the report of change of interests of Golden Capital (Singapore) Limited which was submitted and announced via Singapore Exchange website on January 21, 2009)
- (6) Ms. Chompoonuch Tejapaibul holds 50,000,000 shares in Thai Beverage Public Company Limited.

## Statistics of Shareholders

As at March 10, 2010

### INFORMATION ON SHARE CAPITAL

Authorised share capital	Baht 29,000,000,000
Issued and fully paid-up capital	Baht 25,110,025,000
Class of shares	Common shares with a par value of Baht 1
Number of shares issued	25,110,025,000 shares
Voting rights	One vote per one share

### Analysis of Shareholders by Size of Shareholdings

Size of Shareholdings	Number of Shareholders	%	Number of Shares	%
1 - 999	10	8.93	1,008	0.00
1,000 - 10,000	N/A	N/A	N/A	N/A
10,001 - 1,000,000	32	28.57	10,808,925	0.04
1,000,001 and above	70	62.50	25,099,215,067	99.96
<b>Total</b>	<b>112</b>	<b>100.00</b>	<b>25,110,025,000</b>	<b>100.00</b>

The 22.26 % the Company's shares are held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Listing Manual of the SGX-ST.

### TOP TWENTY SHAREHOLDERS

No.	Name of shareholders	Number of Shares	%
1.	Siriwana Co., Ltd.	11,368,060,000	45.27
2.	The Central Depository (Pte) Limited	6,909,365,002	27.52
3.	Maxtop Management Corp.	3,694,675,000	14.71
4.	Sparkle View Development Limited	1,042,543,572	4.15
5.	Trinity Fortune Investment Ltd.	524,000,000	2.08
6.	Citibank Nominees Singapore Pte Ltd	110,236,750	0.44
7.	Mrs. Atinant Bijananda	107,000,000	0.43
8.	Mr. Thapana Sirivadhanabhakdi	107,000,000	0.43
9.	Mrs. Thapanee Techajareonvikul	107,000,000	0.43
10.	Mr. Panote Sirivadhanabhakdi	107,000,000	0.43
11.	Mrs. Wallapa Traisorat	107,000,000	0.43
12.	Mrs. Varang Srethbhakdi	65,650,500	0.26
13.	Mr. Winyou Chaiyawan	65,641,500	0.26
14.	Mr. Vanich Chaiyawan	64,863,500	0.26
15.	Mr. Veeravet Chaiyawan	61,600,000	0.24
16.	Miss Somruedee Siravongprasert	55,000,000	0.22
17.	Mrs. Chompoonuch Tejapaibul	50,000,000	0.20
18.	Miss Weena Chaiyawan	50,000,000	0.20
19.	Mrs. Nontana Chaiyawan	48,000,000	0.19
20.	Mr. Vivat Tejapaibul	41,541,500	0.16
<b>Total</b>		<b>24,686,177,324</b>	<b>98.31</b>

### Statistics of Shareholders under the Central Depository (PTE) Limited

Size of Shareholdings	Number of Shareholders	%	Number of Shares	%
1 - 999	10	0.10	2,410	0.00
1,000 - 10,000	7,273	71.18	31,740,204	0.46
10,001 - 1,000,000	2,908	28.46	171,517,583	2.48
1,000,001 and above	27	0.26	6,706,104,805	97.06
<b>Total</b>	<b>10,218</b>	<b>100.00</b>	<b>9,909,365,002</b>	<b>100.00</b>

### Twenty Largest Shareholders under the Central Depository (PTE) Limited

No.	Name of shareholders	Number of Shares	%
1.	Citibank Nominees Singapore Pte Ltd	2,431,741,424	35.19
2.	DBS Nominees Pte Ltd	1,696,660,493	24.56
3.	Risen Mark Enterprise Limited	833,335,000	12.06
4.	HSBC (Singapore) Nominees Pte Ltd	647,895,540	9.38
5.	UOB Kay Hian Pte Ltd	502,122,000	7.27
6.	Vivat Tejapaibul	200,000,000	2.89
7.	DBSN Services Pte Ltd	165,178,233	2.39
8.	United Overseas Bank Nominees Pte Ltd	100,211,295	1.45
9.	Morgan Stanley Asia (S'pore) Securities Pte Ltd	53,580,000	0.78
10.	Raffles Nominees Pte Ltd	16,811,906	0.24
11.	DB Nominees (S) Pte Ltd	11,400,552	0.17
12.	Merrill Lynch (Singapore) Pte Ltd	10,128,671	0.15
13.	BNP Paribas Securities Services S'pore	8,516,691	0.12
14.	Nomura Singapore Limited	4,817,000	0.07
15.	DBS Vickers Securities (S) Pte Ltd	3,875,000	0.06
16.	Kim Eng Securities Pte. Ltd.	2,952,000	0.04
17.	CIMB-GK Securities Pte. Ltd.	2,421,000	0.04
18.	OCBC Securities Private Ltd	1,964,000	0.03
19.	Lee Heng Tin	1,750,000	0.03
20.	Hoe Juan Jok	1,652,000	0.02
<b>Total</b>		<b>6,697,012,805</b>	<b>96.94</b>

**Particular of Material Contracts with the Interested Persons for the year 2009 consist of:**

Glass bottle purchase and sale agreement dated December 23, 2009, Thai Beverage Recycle Co., Ltd., the Company's subsidiary, entered into the glass bottle purchase and sale agreement with Berli Jucker Public Company Limited, a related company, to purchase new glass bottles in order to sell to other subsidiaries within the Group for a period of three years, effective from January 1, 2010 to December 31, 2012, under the prices and conditions stated in the agreement.

**Net book value of the company freehold land and building as at December 31, 2009 were as follows:**

	(million Baht)
Land	7,852
Surplus on land revaluation	4,263
Land improvement	731
Building and improvements	10,093
Total	22,939

The company leases various premises, primarily for the branch offices and warehouses. All of these leases are operating leases and not financial leases.

As at December 31, 2009, the amount of freehold land held for planned future business operations amounted to Baht 1,222 million which was 8.1% of profit before income tax.

Board of Directors



# Board of Directors

- 1. **Mr. Charoen Sirivadhanabhakdi**  
Chairman
- 2. **Khunying Wanna Sirivadhanabhakdi**  
Vice Chairman
- 3. **Mr. Narong Srisa-an**  
Vice Chairman
- 4. **Mr. Komen Tantiwiwatthanaphan**  
Vice Chairman
- 5. **Mr. Puchchong Chandhanakij**  
Director
- 6. **Mr. Staporn Kavitanon**  
Independent Director and  
Audit Committee Chairman
- 7. **Prof. Kanung Luchai**  
Independent Director and  
Audit Committee Member
- 8. **Mr. Manu Leopairote**  
Independent Director and  
Audit Committee Member





**9. Mr. Ng Tat Pun**

Independent Director and  
Audit Committee Member

**10. Mr. Michael Lau Hwai Keong**

Independent Director

**11. Prof. Pornchai Matangkasombut**

Independent Director

**12. Mr. Sakthip Krairiksh**

Independent Director

**13. Gen. Dr. Choo-Chat  
Kambhu Na Ayudhya**

Independent Director

**14. Mr. Vivat Tejapaibul**

Director

**15. Mr. Panote Sirivadhanabhakdi**

Director

**16. Mr. Thapana Sirivadhanabhakdi**

President and CEO

**17. Ms. Kanoknart Rangsithienchai**

Director and Executive Vice President

**18. Mr. Sithichai Chaikriangkrai**

Director and Senior Vice President

**19. Mr. Ueychai Tantha-Obhas**

Director and Senior Vice President

**20. Dr. Pisanu Vichiensanth**

Director and Senior Vice President

**21. Mr. Chukiet Tangpongprush**

Director and Senior Vice President

**Ms. Vaewmanee Soponpinij**  
Company Secretary / Secretary to the Board

**Mr. Thidi Suwanarat**  
Assistant Secretary to the Board

Executive Committee



Executive Committee



- |   |   |
|---|---|
| <ol style="list-style-type: none"> <li>1. <b>Mr. Charoen Sirivadhanabhakdi</b><br/>Executive Chairman</li> <li>2. <b>Khunying Wanna Sirivadhanabhakdi</b><br/>1<sup>st</sup> Executive Vice Chairman</li> <li>3. <b>Mr. Narong Srisa-an</b><br/>2<sup>nd</sup> Executive Vice Chairman</li> </ol> | <ol style="list-style-type: none"> <li>4. <b>Mr. Komen Tantiwattthanaphan</b><br/>3<sup>rd</sup> Executive Vice Chairman</li> <li>5. <b>Mr. Puchchong Chandhanakij</b><br/>4<sup>th</sup> Executive Vice Chairman</li> <li>6. <b>Mr. Thapana Sirivadhanabhakdi</b><br/>President and CEO</li> </ol> |
|---|---|

Management Committee

1. **Mr. Thapana Sirivadhanabhakdi**  
President and CEO  
*Marketing*
2. **Ms. Kanoknart Rangsitienchai**  
Director and Executive Vice President  
*Corporate Services*
3. **Mr. Sithichai Chaikriangkrai**  
Director and Senior Vice President  
*Finance*



- 7. **Ms. Kanoknart Rangsihienchai**  
Director and Executive Vice President
- 8. **Mr. Sithichai Chaikriangkrai**  
Director and Senior Vice President
- 9. **Mr. Ueychai Tantha-Obhas**  
Director and Senior Vice President

- 10. **Dr. Pisanu Vichiensanth**  
Director and Senior Vice President
- 11. **Mr. Chukiet Tangpongprush**  
Director and Senior Vice President
- 12. **Mr. Sawat Sopa**  
Executive Vice President

- 13. **Mr. Jean Lebreton**  
Senior Vice President
- 14. **Mr. Vichai Chaiyavarunak**  
Senior Vice President
- 15. **Mr. Somchai Suthikulpanich**  
Senior Vice President
- 16. **Mr. Matthew Kichodhan**  
Senior Vice President

- 4. **Mr. Ueychai Tantha-Obhas**  
Director and Senior Vice President  
*Sales*
- 5. **Dr. Pisanu Vichiensanth**  
Director and Senior Vice President  
*Beer Production*
- 6. **Mr. Chukiet Tangpongprush**  
Director and Senior Vice President  
*General Affairs*

- 7. **Mr. Sawat Sopa**  
Executive Vice President  
*Spirit Production*
- 8. **Mr. Jean Lebreton**  
Senior Vice President  
*Strategy*
- 9. **Mr. Vichai Chaiyavarunak**  
Senior Vice President  
*Business Development*

- 10. **Mr. Somchai Suthikulpanich**  
Senior Vice President  
*Non-Alcohol Production*
- 11. **Mr. Matthew Kichodhan**  
Senior Vice President  
*Overseas Business*

## Director Profile



**Mr. Charoen Sirivadhanabhakdi**

Chairman  
Executive Chairman

Mr. Charoen Sirivadhanabhakdi was appointed Chairman of the Board of Directors of Thai Beverage Public Company Limited in 2003. He has been the Chairman of Beer Thai (1991) Public Company Limited and the Red Bull Distillery Group of Companies since 2004, the Chairman of TCC Land Co., Ltd. since 2002, the Chairman of Berli Jucker Public Company Limited since 2001 and the Chairman of South East Group Co., Ltd. since 1997. In addition, he has been the Chairman of TCC Holding Co., Ltd. since 1987.

Mr. Charoen holds an Honorary Doctoral Degree in Agricultural Business Administration from Maejo Institute of Agricultural Technology, an Honorary Doctoral Degree in Industrial Technology from Chandrakasem Rajabhat University, an Honorary Doctoral Degree in Management from Huachiew Chalermprakiet University, an Honorary Doctoral Degree in Business Administration from Eastern Asia University and an Honorary Doctoral of Philosophy Degree in Business Administration from Mae Fah Luang University. Mr. Charoen has received many honors and Royal decorations, including the Knight Grand Cordon (Special Class) of the Most Exalted Order of the White Elephant, Knight Grand Cordon (Special Class) of the Most Noble Order of the Crown of Thailand, the Knight Grand Cross (First Class) of the Most Admirable Order of the Diredgunabhorn and Knight Grand Commander (Second Class, Higher Grade) of the Most Illustrious Order of Chula Chom Klao.



**Khunying Wanna Sirivadhanabhakdi**

Vice Chairman  
1<sup>st</sup> Executive Vice Chairman

Khunying Wanna Sirivadhanabhakdi was appointed Vice Chairperson of the Board of Directors in 2003. She has been the Chairperson of Beer Thip Brewery (1991) Co, Ltd. and the Sangsom Group of Companies since 2004. She has also been the Vice Chairperson of TCC Capital Land Limited since 2003, the Vice Chairperson of Berli Jucker Public Company Limited since 2001 and the Vice Chairperson of the Executive Board of T.C.C. Group since 1972.

Khunying Wanna holds an Honorary Doctoral Degree in Bio-technology from Ramkhamhaeng University, an Honorary Doctoral Degree in Business Administration from Maejo Institute of Agricultural Technology, an Honorary Doctoral Degree in Business Administration from Chiang Mai University and an Honorary Doctoral of Philosophy Degree in Social Sciences from Mae Fah Luang University.

On the social activity side, she is the Vice Chairperson of the Bhumirajanagarindra Kidney Institute Foundation, a Director of the Siriraj Foundation, a Director of Ramathibodi Foundation, a Director of the Crown Prince Hospital Foundation, a Director of the Kidney Foundation of Thailand, a Director of the Elephant Reintroduction Foundation, a Director of the Committee for Recruitment and Promotion of Voluntary Blood Donors of the Thai Red Cross Society, and a Director of the Sala Chalermkrung Foundation.

Khunying Wanna received numerous Royal Thai decorations, such as the Knight Grand Cordon (Special Class) of the Most Exalted Order of the White Elephant (Ladies), the Knight Grand Cordon (First Class) of the Most Noble Order of the Crown of Thailand (Ladies), the Knight Commander (Second Class, Lower Grade) of the Most Illustrious Order of Chula Chom Klao and the Knight Grand Cross (First Class) of the Most Admirable Order of the Diredgunabhorn.




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**Mr. Narong Srisa-an**


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Vice Chairman  
2<sup>nd</sup> Executive Vice Chairman

Mr. Narong Srisa-an was appointed Vice Chairman of the Board of Directors in 2003. He has 44 years' experience in the banking industry, having served in Kasikorn Bank Public Company Limited from 1954 to 1998 as its Executive Vice Chairman. He also holds directorships in several public companies in Thailand, including Chairman and Executive Chairman of Oishi Group Public Company Limited, Chairman of Advance Agro Public Company Limited and Independent Director of True Corporation Public Company Limited. He holds an Honorary Master of Economics from Thammasart University.




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**Mr. Komen Tantiwattthanaphan**


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Vice Chairman  
3<sup>rd</sup> Executive Vice Chairman

Mr. Komen Tantiwattthanaphan was appointed Vice Chairman of the Board of Directors in 2003. He has had over 40 years' experience in managing companies in the distilling industry. He has served as President of Sahasan (2529) Co., Ltd. since 1986, and as Director and Senior Vice President of Suramaharas Public Company Limited from 1986 to 1999. He holds a High School Certificate from China.




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**Mr. Puchchong Chandhanakij**


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Director  
4<sup>th</sup> Executive Vice Chairman

Mr. Puchchong Chandhanakij was appointed a Director and Executive Vice Chairman in 2003. Before joining Thai Beverage

Public Company Limited, he was Managing Director of LSPV Co., Ltd. from 1988 to 2003. He was Executive Director (Finance) of the T.C.C. Group of Companies from 1983 to 1988, Director of Robina Credit Ltd. from 1980 to 1982 and Vice President of Asia Credit Ltd. from 1975 to 1979. He also holds the position of independent director of Krisdamahanakorn Public Company Limited.

He holds a Bachelor of Business Administration and a Master of Science in Accounting from California State University, Long Beach, USA.




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**Mr. Staporn Kavitanon**


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Independent Director and  
Audit Committee Chairman

Mr. Staporn Kavitanon was appointed a Director in 2004. He has extensive experiences in the management of companies with directorship and membership of Committees at various companies, such as Bangkok Bank Berhad, Siam Food Public Company Limited and Berli Jucker Public Company Limited. From 1994 to 1999, he was the Vice Chairman of Bangkok Bank Public Company Limited.

He holds a Bachelor of Arts in Economics from Thammasart University and a Master of Arts in Economics from Vanderbilt University, USA.




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**Prof. Kanung Luchai**


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Independent Director and  
Audit Committee Member

Prof. Kanung Luchai was appointed an Independent Director in 2004. He has wide-ranging experiences in the public sector and legal business, having worked as Junior and Senior Public Prosecutor in the Department of Public

Prosecution from 1946 to 1973 and Director-General of the Policy and Planning Office of the Ministry of Interior from 1973 to 1975. He served as the Deputy Under-Secretary of State for the Ministry of Interior from 1975 to 1976 and as the Deputy Minister of Interior from 1976 to 1977. He practiced law at Bangkok International Law Offices Co., Ltd., from 1976 to 1985, and at Kanung-Prok Law Office Co., Ltd., from 1986 to 1992. He is currently a Director of Kanung & Partners Law Offices Company Limited and a Director of Kanung & Partners International Consultancy Company Limited. He is also a Director of Thailand Iron Works Public Company Limited and Bangkok Bank Public Company Limited.

In 2001, he received the Prof. Sanya Thammasak Award for being an Outstanding Lawyer from the Private Sector. He holds a Bachelor of Laws from Thammasart University, a B.A. Hons., LL.B. Cambridge University, United Kingdom, an Honorary Doctorate Degree of Law from Chulalongkorn University and Thammasart University, and an Honorary Doctorate Degree of Management Technology from Suranaree University of Technology. He is also a member of the Thai Bar Association.




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**Mr. Manu Leopairote**

Independent Director and  
Audit Committee Member

Mr. Manu Leopairote was appointed an Independent Director in 2004. He has extensive experiences in the public sector, having served as a Director, Secretary General, Inspector-General and Director-General from 1968 to 1999, and as the Permanent Secretary at the Ministry of Industry from 1999 to 2004. He was also the Chairman of the PTT Public Company Limited from 1999 to 2004. From 1994 to 2008, he was the Chairman of Technonet Asia, and from 1995 to 1996, the Chairman of the International Sugar Organization Council of England. He was also part-time lecturer at the Faculty of Economics, Thammasart University, Assumption University, and Bangkok University. He was the President of the Thammasart University Association from 2003 to 2004 and was the President of the Thammasart University Economics Association from 2000 to 2006.

He holds a Bachelor of Science in Economics (Honors) from Thammasart University, a Master of Science in Economics from the University of Kentucky, the National Defense College of Thailand Class 34, and an Honorary Doctoral Degree in Business Administration from Thammasart University. He won the Asian Productivity Organization Award in 2005.




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**Mr. Ng Tat Pun**

Independent Director and  
Audit Committee Member

Mr. Ng Tat Pun was appointed as an Independent Director in 2006. He has extensive experience in the banking and finance industry. He started his banking career with Citibank in 1971. Since then, he has served in various senior positions with local and international financial institutions. From 1988 to 1997, he was the Executive Vice President of OCBC Bank, Singapore, in charge of its International Banking and Financial Institutions business. In 1998, he was appointed the Executive Director and Chief Executive Officer of OCBC Bank, Malaysia. He was a Managing Director at JP Morgan Chase from 1999 to 2002, a Managing Director and subsequently a Senior Advisor at UBS AG. from 2003 to 2008. He is also an Independent Director, Chairman of the Audit Committee and Member of the Nomination Committee of Engro Corporation Ltd., Singapore.

Mr. Ng holds a Bachelor of Arts degree (Economics and History) from the University of Singapore.




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**Mr. Michael Lau Hwai Keong**

Independent Director

Mr. Michael Lau Hwai Keong was appointed as an Independent Director in 2006. He is a Managing Director, Advisory Services of Octagon Advisors Pte. Ltd. From June 2000 to September 2004, he served as the Executive Vice President, International of United Overseas

Bank Ltd., where he was responsible for the administration and governance of the bank's international operations. He was an Advisor to Asia Pulp and Paper Ltd. from February 1999 to May 2000. He has held various positions at the Monetary Authority of Singapore (MAS) from February 1985 to July 1989 and from April 1991 to August 1997. His last position at the MAS was Senior Deputy Director (Development and Domestic Institutions). From August 1989 to March 1991, he was a Senior Manager (Institutional Sales) at J M Sassoon & Company, a stock broking company. He was also the Executive Vice President of the Central Depository (Pte.) Limited (CDP) from November 1997 to February 1999.

He holds a Bachelor of Business Administration (First Class Honors) from the National University of Singapore and the Chartered Financial Analyst (CFA) from Institute of Chartered Financial Analysis.



**Prof. Pornchai Matangkasombut**

Independent Director

Prof. Pornchai Matangkasombut was appointed as an Independent Director in 2006. He was the President of the Mahidol University from 1999 to 2007 and, before his appointment in 1999, Dean of Sciences from 1991 to 1999 and has been a professor at the University. He has been a member of the International Union of Immunological Societies since 1971 and a Member of the Executive Board of the International Union of Microbiological Societies from 1986 to 1990. He has won the highest level of Royal Decorations (Knight Grand Cordon of White Elephant, Special Class and Knight Grand Cordon of the Crown of Thailand, Special Class) and the Royal Thai Award of Chula Chom Klao Order (Special Third Class) and the Palmes Academiques (Commandeur) from the Government of France, the Borden Research Award in Medicine. He was also an Honorary Research Associate at Harvard University and a Visiting Professor at Osaka University and the University of Saigon.

He holds a Bachelor of Arts (B.A) Degree, Doctor of Medicine (M.D.) and Doctor of Philosophy (Ph.D.) from the University of Wisconsin.



**Mr. Sakthip Krairiksh**

Independent Director

Mr. Sakthip Krairiksh was appointed an Independent Director in 2005. He has extensive experience in the public sector, having worked in Thai ministries. He began his career as a civil servant in 1971 at the Ministry of Interior. From 1979 to 2004, he served as a Diplomat in the Ministry of Foreign Affairs, where he held various positions, including Secretary to the Minister, Deputy Chief of Mission of the Embassy in Washington, USA, Director-General, Protocol Department, Director-General, Information Department, Spokesman of the Foreign Ministry, and Ambassador to the Kingdom of Cambodia, Japan and the United States. He was an Advisor to the Prime Minister in 2004 and from 2004 to September 2007 the Permanent Secretary, Ministry of Tourism and Sports.

He holds a Bachelor of Political Science from Boston University, USA and has attended the National Defense College. He also holds an Honorary Doctorate Degree from Soka University, Japan. He has received various Royal Thai and foreign decorations, such as the Knight Grand Cordon (Special Class) of the Most Noble Order of the Crown of Thailand, the Knight Grand Cordon (Special Class) of the Most Exalted Order of the White Elephant, the Grand Companion (Second Class, lower grade) of the Most Illustrious Order of Chula Chom Klao, the Order of the Sacred Treasure, Gold and Silver Star and the Grand Cordon of the Order of the Rising Sun.

He is currently a Chairman of the University Council at the Rajamangala University Technology Krungthep.



**Gen. Dr. Choo-Chat Kambhu Na Ayudhya**

Independent Director

Gen. Dr. Choo-Chat Kambhu Na Ayudhya was appointed Independent Director in 2006. He served the Royal Thai

Army from 1973 to 1987 as Surgeon of Phramongkutklao Hospital. From 1987 to 1991, he was Chairman of the Department of Anatomy of the Phra Mongkut Klao College of Medicine. From 1991 to 1994, he was a Deputy Commander of Sena Rak School of the Royal Thai Army Medical Department. From 1994 to 2004, he held various positions in the Royal Thai Army Medical Department, including the Director-General of the Armed Forces Research Institute of Medical Sciences, an Assistant Surgeon-General, Deputy Surgeon-General, Director-General of the Phra Mongkut Klao Medical Center, Surgeon-General, and General Special Army Expert and Consultant. He is a senior surgeon and physician at the Medical Bureau to the Royal Court of Thailand.

He received his Diploma in Medicine from Westf. Wilhelms Universitat zu Munster, and Doctorate in Medicine from the Georg-August Universitat zu Goettingen. He also has a Diploma from the National Defense College of Thailand (WorRorPorOr 399), a Certificate of Proficiency in General Surgery from the Royal College of Surgeons of Thailand and a Diploma from the Army War College (34). He is a permanent member of the Royal College of Surgeons of Thailand and the Medical Association of Thailand. As for Royal decorations, he has won the Knight Grand Commander (Special Class, Higher Grade) of the Most Illustrious Order of Chula Chom Klao and Knight Grand Cordon (Special Class) of the Most Exalted Order of the White Elephant.



**Mr. Vivat Tejapaibul**

Director

Mr. Vivat Tejapaibul was appointed a Director in 2003. He has over 18 years' experiences in the banking industry, having served in Bangkok Metropolitan Bank Public Company Limited in various positions from 1979 to 1998, including Secretary to the Managing Director, Deputy Director of the Trading Department, Director of Branch Administrative and Vice President. He holds a Bachelor of Laws from Thammasart University and a Master's Degree from Fairleigh Dickinson University, USA.



**Mr. Panote Sirivadhanabhakdi**

Director

Mr. Panote Sirivadhanabhakdi was appointed Director in February 2007. He has been Director of Beer Thai (1991) Public Company Limited from 2000 to 2004 and Director of Beer Thip Brewery (1991) Co., Ltd. since 2004 and Director of Sura Bangyikhan Group since 2002. He holds a Bachelor of Science in Manufacturing Engineering from Boston University, USA, a Master of Science in Analysis, Design and Management of Information System from the London School of Economics and Political Science, England and Industrial Engineering and Economics from Massachusetts University, USA.



**Mr. Thapana Sirivadhanabhakdi**

President and CEO

Mr. Thapana Sirivadhanabhakdi was appointed the President and CEO of the Company in January 2008. Prior to this appointment, he was the director and Executive Vice President of the Company from 2003 to January 2008. In addition, he has also held several executive positions in many leading companies such as Vice Chairman of Red Bull Distillery Group of companies since 2004, Executive Director of Berli Jucker Public Company Limited since 2001, Executive Director of Beer Thai (1991) Public Company Limited and Vice Chairman of Dhospaak Co., Ltd. since 2004, Vice Chairman of the Oishi Group of companies since 2006, Director and Chairman of the Executive Committee of Univentures Public Company Limited and Vice Chairman of Siam Food Products Public Company Limited since 2007, and Vice Chairman of the South East Group of Companies since 2008. He has also acted as a Director of several Thai Beverage subsidiary companies.

He holds a Bachelor of Business Administration (Finance) and a Master of Science Administration in Financial Economics from Boston University, USA.

In 2009, he received Asia's Best Companies 2009, Thailand: Best CEO award from FinanceAsia Magazine.



**Ms. Kanoknart Rangsitthienchai**

Director and Executive Vice President

Ms. Kanoknart Rangsitthienchai was appointed as a Director and Executive Vice President in 2003. She has extensive experience in finance and accounting. Before joining the Company, she had been the Executive Vice President of the Sangsom Group of Companies from 2000 to 2003, and the Vice President of the Office of Controller, Surathip Group of Companies from 1983 to 1999. From 1975 to 1982, she served as the Accounting Manager of the T.C.C. Group of Companies and as an accountant at J&JHO Co., Ltd., from 1970 to 1975.

She holds a Bachelor of Accounting from Thammasart University and has completed the Director Accreditation Program with the Thai Institute of Directors.



**Mr. Sithichai Chaikriangkrai**

Director and Senior Vice President

Mr. Sithichai Chaikriangkrai was appointed a Director and Senior Vice President in 2003. He joined the T.C.C. Group in year 1990. He has over 23 years' experience in financial positions, including the Finance and Accounting Manager of Asia Voyages & Pansea Hotel from 1983 to 1990, as a Financial Analyst of Goodyear (Thailand) Co., Ltd. from 1980 to 1983, and as an External Auditor in Coopers & Lybrand from 1977 to 1980.

He holds a Bachelor of Accountancy (First Class Honors) from Thammasart University, and has a Diploma in Computer Management from Chulalongkorn University and completed the Director Certification Program with the Thai Institute of Directors. He also has a Certificate of the Mini MBA Leadership Management from Kasetsart University.

In 2009, he received Asia's Best Companies 2009, Thailand: Best CFO awards from FinanceAsia Magazine.



**Mr. Ueychai Tantha-Obhas**

Director and Senior Vice President

Mr. Ueychai Tantha-Obhas has been a Director since July 2005. Before joining Thai Beverage Public Company Limited, he was the Chief Executive Officer from July 1995 to December 2002, and Managing Director of Riche Monde (Bangkok) Ltd. from January 1988 to February 1994, the Managing Director of Sarin Property Co., Ltd. from March 1994 to June 1995, and the Group Product Manager of Colgate Palmolive Co., Ltd. from September 1979 to June 1983. From May 1973 to August 1979, he held various sales and marketing positions in Karnasuta General Assembly Co., Ltd.

He holds a Bachelor of Science in Accounting from St. Louis University, Missouri, U.S.A., a Master of Business Administration from Thammasart University and has completed the Advance Management Program from INSEAD, France.



**Dr. Pisanu Vichiensanth**

Director and Senior Vice President

Dr. Pisanu Vichiensanth has been a Director and Senior Vice President since February 2004. He has held several positions in Thai Beverage Public Company Limited, including Executive Vice President from 2000 to 2003 and Senior Vice Executive President from 2003 to 2004, at subsidiary Beer Thai (1991) Public Company Limited. He is currently the President of Beer Thai (1991) Public Company Limited. Before joining Thai Beverage Public Company Limited, he had been the Vice President of Engineering and Development (1997-2000) and Assistant Plant Executive (1994-1996) of Carlsberg Brewery (Thailand) Co., Ltd. He was a consultant at Pan Engineering

Consultant Co., Ltd. from 1992 to 1994. From 1977 to 1993, he held several teaching positions, including Head of Food Science and Technology at Thammasart University and Head of Food Technology at Khon Kaen University from 1992 to 1993, and from 1989 to 1992, respectively. He lectured in food technology at Khon Kaen University from 1977 to 1990.

He holds a Ph.D. in Engineering from Technical University, Berlin, Germany, a Master of Technology (Second Class Honors) in Biotechnology from Massey University, a Master Brewer from the Scandinavian School of Brewing, Denmark and a Bachelor of Science (Food Science) from Kasetsart University.



**Mr. Chukiet Tangpongprush**

Director and Senior Vice President

Mr. Chukiet Tangpongprush was appointed as a Director and Senior Vice President of Thai Beverage Public Company Limited in 2003. Before joining, he was a lawyer from 1963 to 1983. From 1983 to 1986, he served first as Manager of law firm and later as Executive Director of Surathip Sansukko Co., Ltd. From 1987 to 1999, he served first as Executive Director and later as the head of the General Affairs Department of Suramaharas Public Company Limited. He joined Sura Bangyikhan Co., Ltd. in 2000 as the head of the Human Administration and General Affairs.

He holds a Bachelor of Laws from Thammasart University and the Thai Barrister at Law from the Institute of Legal Education Barrister at Law, and has completed the Director Accreditation Program with the Thai Institute of Directors. He is also a member of the Thai Bar and of the Lawyers Council of Thailand.



**Mr. Sawat Sopa**

Executive Vice President

Mr. Sawat Sopa was appointed Executive Vice President in 2004, responsible for liquor production and technique. He was the Managing Director of Beer Thai (1991) Co., Ltd., and Executive Vice Chairman of Red Bull Distillery (1988) Co., Ltd., from 1992 to 1995 and from 1995 to present, respectively. From 1980 to 1992, he served as an Executive Director of the 43 Group of Companies and Assistant Chief Executive Director, responsible for liquor and alcohol production. From 1964 to 1975, he served first as an engineer and later as the Chief Engineer of Siam Chem Co., Ltd. From 1963 to 1964, he served as an engineer in Bangchak Oil Refinery. Mr. Sawat sits on the boards of directors of various organizations including the Thab Neelaniti Foundation, Chulalongkorn University Association, The Petroleum & Petrochemical College, Chulalongkorn University and President of Gymnastics Association of Thailand. He has also been appointed as Special Commissioner of the Secretariat of the House of Representatives to consider draft bills on workmen's protection, the securities and stock market and excise tax, a specialist to the Committee of the House Standing Committee on Natural Resources and Environment, and a member of the Financial Committee and Subcommittee of the Ethanol Investment Project under the Royal Ethanol Project Bureau, Ministry of Science, Technology and Environment.

He holds a Bachelor degree of Science in Chemical Engineering from Chulalongkorn University, a Master Degree of Industrial Management, Kensai Kasu Center, Japan, a Master Degree Dynamic Management International Executive, Syracuse University, USA and has completed the Director Accreditation Program with the Thai Institute of Directors. He is a Member (Fifth Class) of the Most Exalted Order of the White Elephant and a Companion (Fourth Class) of the Most Noble Order of the Crown of Thailand.



**Mr. Jean Lebreton**

Senior Vice President

Mr. Jean Lebreton was appointed Senior Vice President in February 2008. At Thai Beverage Public Company Limited, Mr. Lebreton works with other senior executives to develop and implement strategy and facilitate the integration of future acquisitions.

He worked for the Boston Consulting Group (BCG) from 1989 to 2005. After working for BCG in France for five years, he moved to Thailand in 1994 to open the Bangkok office of BCG. He became a partner in the company in 1995. After leaving BCG in 2005, Mr. Lebreton worked independently for several years before joining Thai Beverage Public Company Limited.

Mr. Lebreton has extensive experience in Asia, including several years in Shanghai, China. He has worked in many industry sectors as a consultant, including consumer goods, banking, and energy, covering topics such as market development, consumer research, re-engineering, and value management.

Mr. Lebreton has an MBA from Wharton School of the University of Pennsylvania.



**Mr. Vichai Chaiyavarunurak**

Senior Vice President

Mr. Vichai Chaiyavarunurak was appointed a Senior Vice President on August 1, 2008. Prior to the appointment, he held many executive positions in Thai Beverage Group of Companies, including the director of Thai Beverage Logistics Co., Ltd., the director of Thai Beverage Marketing Co., Ltd., and Accounting & Finance President (Marketing Group) Thai Beverage Public Company Limited.

He holds a Bachelor of Business Administration in Finance and Banking, Thammasart University.



**Mr. Somchai Suthikulpanich**

Senior Vice President

Mr. Somchai Suthikulpanich was appointed a Senior Vice President on October 1, 2008 and also holds the position of Executive Vice President, Thai Beverage Marketing Co., Ltd. He has held many top executive positions, beginning with the Managing Director of Beer Chang International Co., Ltd. in 2002. He joined Thai Beverage Public Company Limited in 2003 as the Director and Deputy Managing Director, Group of Industrial and Commerce and in 2004 as the Director and Deputy Managing Director, Thai Beverage Marketing Co., Ltd.

He holds a Bachelor of Arts (Banking and Finance/Marketing), Marshall University, USA.



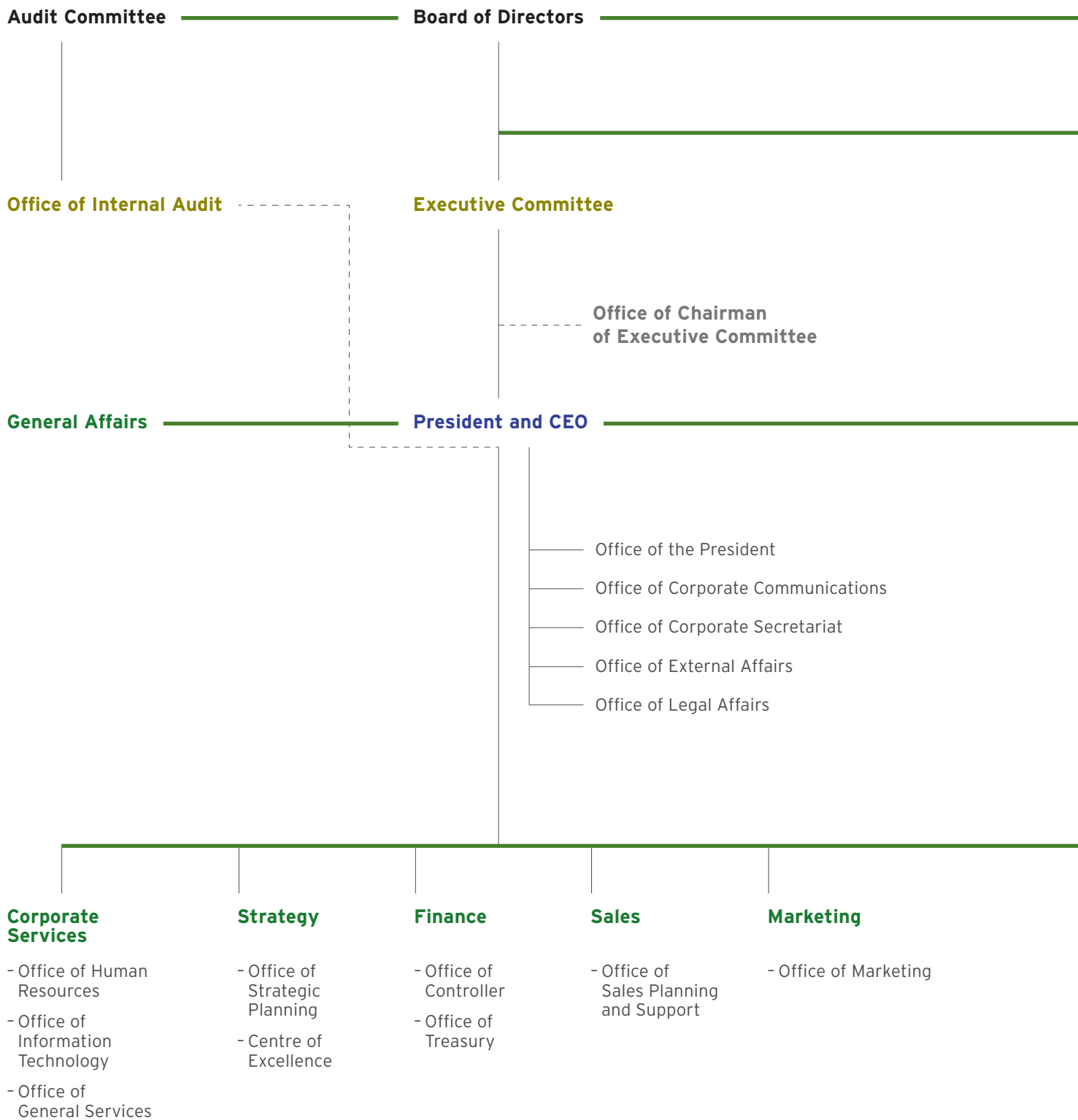
**Mr. Matthew Kichodhan**

Senior Vice President

Mr. Matthew Kichodhan was appointed as Senior Vice President on September 9, 2009. He has extensive experiences in the management, in Thailand and International markets. From 1995 to 2004, he has held various positions with PepsiCo Inc. in Asia Pacific and International markets. The last position when he left PepsiCo Inc. was the Brand Marketing Director, Asia Pacific for PepsiCo Inc. From 2004 to 2006, he was Vice President, Business Management, Asia Pacific for Gillette Asia Pacific Group, Singapore, and from 2006 to 2009, he was the Director and Chief Operating Officer of Minor Corporation Public Company Limited. He also holds directorships at various companies, such as Director of Wave Entertainment Public Company Limited, Director of BEC World Public Company Limited, and Independent Director of Ocean Glass Public Company Limited.

He holds a Bachelor of Commerce from University of Toronto, Canada and a Master of Science, Management from Imperial College (Management School), University of London, England.

# Organization Structure



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**Risk Management Committee**

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**Nomination Committee**

**Remuneration Committee**

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**International Businesses**

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**Business Development**

- Office of Business Development

**Non-Alcohol Production**

- Office of Non-Alcohol Production

**Beer Production**

- Office of Beer Production

**Spirit Production**

- Office of Liquor Production
- Office of Technical Service and Environment
- Office of Engineer
- Office of Natural Essences Production

## Responsibilities and Authorization of Each Office

### **Office of the Chairman of the Executive Board**

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Co-ordinates and scrutinizes documentation work for presentation to the Chairman of the Executive Board and is responsible for the related secretarial tasks.

### **Office of the President**

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Manages secretarial tasks for the President. Provides essential back-up in both administrative and strategic tasks. Coordinates with all internal units as well as external organizations both domestically and internationally. Arranges meetings of each ad hoc committee as assigned.

### **Office of Internal Audit**

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Assists the Board in promoting good corporate governance; reports to the Audit Committee significant issues of risk management, internal controls and governance; provides advisory services and the resolution of issues concerning internal controls; and promotes risk management to all units' operations.

### **Office of Liquor Production**

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Manages and oversees operations of the three liquor groups in compliance with the goals and policies of the Company, including the promotion of the development of production and personnel skills for the sustainable benefit of the Company.

### **Office of Technical Service & Environment**

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Formulates liquor production processes and controls liquor production at 17 distilleries to meet the requirements of each type as well as the standards of the Thai Industrial Standards Institute. This includes the formulation of environmental management systems and controlling water treatment systems.

### **Office of Engineer**

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Oversees the engineering section to support the distilleries and the Company's affiliates to align with goals for the utmost benefit to the Group.

### **Office of Natural Essences Production**

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Oversees the process of natural essences production to meet the quality set forth by the Company.

### **Office of Beer Production**

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Manages and oversees the production of the three beer companies in compliance with the goals and policies of the Company, including the promotion of the development of production and personnel skills for the sustainable benefit of the Group.

### **Office of Non-Alcohol Production**

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Manages and oversees operations of the non-alcoholic beverages in compliance with the goals and policies of the Company, including the promotion of the development of production and personnel skills for the sustainable benefit of the Company.

### **Office of Business Development**

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Supervises and oversees the operation of all related businesses under the responsibility of the Office of Business Development in compliance with the Company's policies including giving advice and strategic planning to develop the businesses in charge to gain a maximize value added to the Company.

### **Office of Marketing**

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Creates marketing, sales, advertising, public relations, product development and merchandise distribution plans in support of Group activities. Manages budgets, arranges and controls the total product distribution in compliance with goals. Analyzes and formulates marketing strategies in line with market competition.

### **Office of Sales Planning and Supporting**

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Supervises and oversees support on the sale activities by coordinating with production and logistics units in order to ensure that the sale activities are performed according to the strategic plan.

### Office of Controller

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Supervises and oversees the corporate functions of accounting and budgeting to ensure the compliance with generally accepted accounting principles in Thailand to present the complete, accurate and timely financial informations as well as compliance with the procedures set forth by the Board of Directors.

### Office of Treasury

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Supervises and oversees support for treasury affairs to ensure technical and legal compliance of operations, as well as compliance with the procedures set forth by the Board of Directors.

### Office of Strategic Planning

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Oversees and coordinates the Company's transformation program through the Project Management Office (PMO), centralizes all M&A activities in close coordination with the finance Office, with a focus on strategic evaluation and Post Merger Integration, and leads key projects as required to define and implement the group's strategy.

### Centre of Excellence

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Manages the budgeting and reporting processes, oversees the investor relation department, and identifies and disseminates best practices.

### Office of Human Resources

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Institutes international-standard human resources procedures that are capable of coordinating between the headquarters and regional offices - taking into account the value of human resources, commitment to ethics, and compliance with laws.

### Office of Information Technology

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Responsible for information technology (IT) services, including development of advanced IT systems so that business units can access information and tools to enhance the Company's competitiveness.

### Office of General Services

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Oversees administrative works for both the Company and its affiliates, such as cleaning services and maintenance of office buildings, supply of office equipment and stationery, security systems and insurance for the assets. Ensures that the work complies with Company policies and regulations to efficiently support the major business and activities of the Group.

### **Office of Corporate Communications**

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Supervises and is responsible for all aspects of corporate communications functions, namely advertising and public relations, internal and external communications, electronic communications as well as investor relations, to garner the utmost benefits for the Company, particularly in regards to corporate image and the fostering of relationship to efficiently support the Company's businesses and activities.

### **Office of Corporate Secretariat**

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Arranges all Board and shareholders meetings of the Company and its group of companies as well as other sub-committee meetings; oversees the compliance in according to the Public Company Limited Law, Civil and Commercial Code in relation to Partnership and Company Limited, Securities Laws and the Listing Manual of the Singapore Exchange which relevant to the Company and/or subsidiaries; analyzes Securities Laws relating to the Company's business; prepares and keeps documents pursuant to Public Limited Company, Private Limited Company and Securities Laws as applicable; controls disclosure of material information to ensure compliance with laws, regulations and the Listing Manual, as well as the Company policy; provides appropriate advice to all directors and key executives in relation to the compliance with rules and regulations of the Securities Laws including the resolutions of shareholders, the resolutions of Board of Directors of the Company; oversees the share registration of the Company and its group of companies; coordinates with related parties on the company secretary and share registrar works; and organizes the preparation of the annual report.

### **Office of External Affairs**

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Oversees external affairs. Directly and indirectly creates positive relationships with business partners, leading to commercial opportunities and supporting negotiations and business connections over the short and long terms. In addition, build relations with government and social aspects organizations as well as planning and running corporate community programmes.

### **Office of Legal Affairs**

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Analyzes and advises all units of the Company on legal issues to ensure full compliance with the law and for the best interests of the Company as well as being responsible for litigation matters, juristic acts/contracts matters, registration matters relating to partnerships/companies, and intellectual property.

## Product Portfolio

### Brown Spirits

- Mungskorn Thong
- Hong Thong
- Crown 99
- Blend 285
- SangSom
- SangSom Premium
- SangSom Superior
- SangSom Similan



### White Spirits

- Ruang Khao 28 Degrees
- Ruang Khao 30 Degrees
- Ruang Khao 35 Degrees
- Ruang Khao 40 Degrees
  
- Paitong 30 Degrees
- Paitong 35 Degrees
  
- White Tiger 28 Degrees
- White Tiger 30 Degrees
- White Tiger 35 Degrees
- White Tiger 40 Degrees



### White Spirits

- Chaiya
- Chao Praya
- Hanuman
- Mae Wang
- Nagaraj
- Phaya Seur

### Chinese Herb Spirits

- Sua Dum
- Chiang-Chun
- Choo Sip Niw

### Others

- Shinobu





**Brown Spirits**

Mekhong  
 Mekhong Superior  
 New Mekhong  
 New Mekhong (Flask)  
 Drummer

**Brandy**  
 Meridian



**White Spirits**

Niyomthai 28 Degrees  
 Niyomthai 30 Degrees  
 Niyomthai 35 Degrees  
 Niyomthai 40 Degrees

White Bear 30 Degrees  
 White Bear 35 Degrees  
 White Bear 40 Degrees

Tajeen 30 Degrees  
 Tajeen 35 Degrees  
 Tajeen 40 Degrees



**Beer**

Archa  
 Chang Draught  
 Chang Classic  
 Chang Light  
 Federbräu

Non Alcohol Beverage

Chang Soda Water

Chang Water

Wrangyer  
(Energy Drink)

Black Up Coffee



Oishi Beverage

Oishi Green Tea

Oishi Black Tea



Oishi Beverage

Matcha Mineral Greentea

Matcha Milktea

Amino Plus

Amino Plus Shot





Non Alcohol Beverage

Fruitnette  
(100% Fruit Juice)

Power Plus  
(Electrolyte Beverage)



Oishi Beverage

Oishi Green Tea

Oishi Black Tea



Oishi Beverage

Coffio Coffee

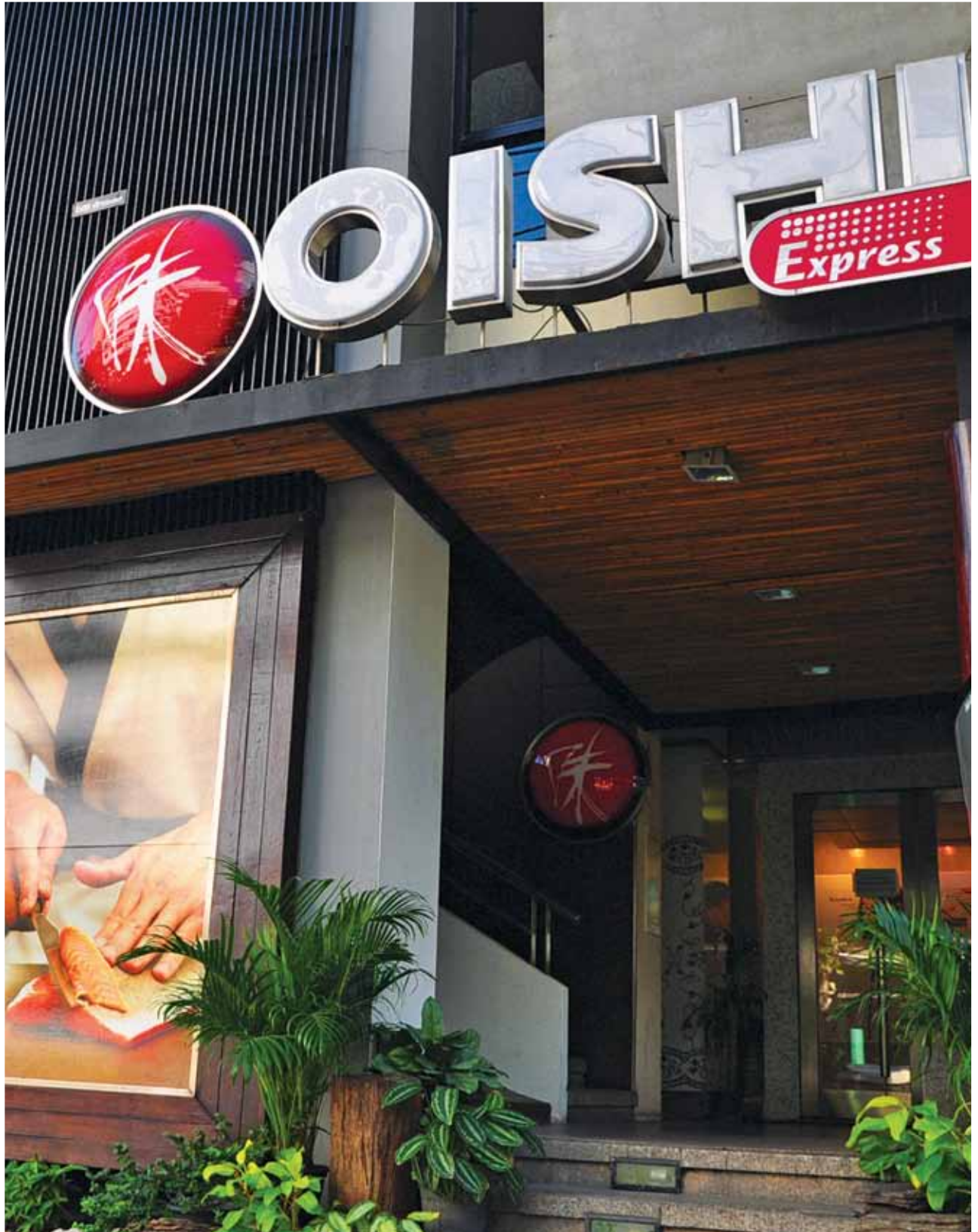
Japanese Restaurants/  
Kiosks



Oishi Chilled &  
Frozen Foods

- Gyoza
- Sandwiches
- Alaska Kani
- Kani





## Success is a choice we make

Our business is all about patience. We wait patiently in every process for the best quality product.

But the only thing we have no patience for is "Success". We pay attention, seek out information, approach every opportunity and move forward to make it happen. The world must be acknowledged on our knowledge, experience and expertise because what we mean to make it happen is "Success".



# Operating and Financial Review

## Overview

Thailand's largest and best-known, and among Southeast Asia's largest alcohol beverage producers, Thai Beverage Public Company Limited (ThaiBev) was incorporated in Thailand in October 2003 to consolidate Thailand's leading beer and spirits businesses under a single holding company. It was listed on the Singapore Exchange (SGX) on May 30, 2006, as one of the largest listing events there in 10 years, raising approximately S\$1.57 billion or Baht 38 billion, which was used to pay off short-term debts.

Our vision is to become a leading global beverage company focusing on commercial excellence, continued premiumisation of our products, and professionalism. Our mission is to seek "partnerships" among our key stakeholders through six guiding values:

- offer quality products for every customer segment
- satisfy distributors' needs by offering professional services
- provide first-quartile returns to our shareholders with consistently high revenue growth and profitability
- become a role model for professionalism, transparency, and good corporate governance
- trust, empower, and reward our staff to make them accountable, and
- contribute to local communities.

## Strategies

ThaiBev has constantly developed its products and positioned them at the premium level with the right prices into the right markets and with a more international look and feel. Take the repackaging of Chang Beer in the fourth quarter of 2009 as a case in point. To cater to urbanites and new generations, Chang Beer now resembles the exported grade, which has received great response abroad. The revamped, attractive packaging of Mekhong, now catering to the up-market, has been launched toward the end of the year in Suvarnabhumi Airport's dutyfree shop, after its overseas launch. On the other hand, the new Meridian, with a price tag of Baht 450, appeals to brandy admirers.

Upgrading of our brands and constant development of higher margin products undoubtedly led to business growth and profits. This effort not only strengthened our products' competitiveness, but also added product lines to meet the demand across the board. When the economy recovers and people regain purchasing power, the sales of our products will be ready to grow.

For better margins, ThaiBev expanded its business toward non-alcoholic beverages. Its acquisition of Oishi with its constant growth and the newly-launched energy drink - Power Plus - which came out in 2009, is a classic case that minimizes the risk we face from periodically rising excise taxes on alcoholic drinks.

A marketing-led approach to manage our marketing and investment in brand strengthening and recognition is our key strategy for becoming a top-of-mind brand for our customers. Instances of this are the repositioning and repackaging of Archa Beer in early 2009, and the above-mentioned relaunch of Chang Beer at the end of the year. We will also revisit the positioning of Chang Classic, Chang Draught, and Chang Light.

Sales development, including new sales strategies and an upgraded distribution network, is another key to maintaining our market share. Internationalizing our retail shops, together with new technologies, is meant to add efficiency to our distribution network.

As generally known, the heart and soul of our success is our distribution network. ThaiBev networks have been built for over 30 years through our spirits and beer businesses, including the good relationships we have with our distributors. Yet, we have always been committed to distribution network enhancement through the restructuring of the distribution system and logistic investment to minimize distribution costs. In 2009, ThaiBev strating building distribution centers, the first of which will start business within the first quarter of 2010.

By forming the right business models for each country, our seasoned international teams will continue to enlarge our foreign investment portfolio. ThaiBev will then enter the international market arena with our aspiration to build a strong foundation for our products, particularly the search for the right distribution network.

Finally, at ThaiBev, human resources are vital to our achievement. We constantly support people development

programs through training. We routinely revisit our organization structure to ensure that ours can cope with the fluctuating economy. A performance appraisal management system has been introduced to ensure efficient management.

### **The Thai Economy**

Clearly, Thailand's economic downturn of 2009 affected local consumption. With rising unemployment, consumers' confidence fell and they started to spend more cautiously - that is, less dining out and fewer functions, notably after the rise of the political conflict and the April unrest in Bangkok, which deflated the Thai tourism environment as well as the sales of alcoholic drinks.

According to the National Economic and Social Development Board, the Thai economy of 2009 was down by 3% from that of 2008, with inflation hovering around -0.9 %. By all accounts, the latter half of the year saw signs of improvement as world economy picked up. This was helped by the economy stimulus package, which spurred consumer consumption and the investment of private sector locally. Meanwhile, the political situation made some improvement. All these had a positive impact on the export, tourism, and household spending in line with the increasing revenue and the rising employment rate<sup>1</sup>.

The Consumer Price Index (CPI) was on a steady rise. In December 2009, it rose by 3.5% to 105.7 from a year earlier. The Consumption Index in November 2009<sup>2</sup> likewise climbed from the beginning of the year to 132.5, above the average rate of 123.3 of the first quarter. It was 4% up from the same month of 2008. In addition, the Consumer Confidence Index (CCI) of December 2009 rose from 10.2 in 2008 to 19.9 with the improving tourism business and a rise in agricultural produce prices<sup>3</sup>.



As for 2010, the Thai economy is expected to grow by 3.0 - 4.0 % in line with the world economy. Supporting the growth are the continued and effective economy stimulus supported by the government; the confidence gain for the economic system; the solution to private-sector investment; and the inflation rate remaining at 2.5 - 3.51%.

### Excise Tax

On May 6, 2009, the Ministry of Finance issued ministerial regulations to adjust excise tax rates for certain alcoholic beverages. There are two methods used by the government to levy the tax: either according to the amount of alcohol per liter, called a specific rate, or based on a determined ex-factory price, called the ad valorem rate. The Excise Department may use either the specific or ad valorem rates, depending on which one provides higher revenue for the government. The adjustment of this excise tax rate was amended as follows:

#### Beer

Valorem rate is adjusted from 55% to 60%.

#### White Spirits

Specific rate is adjusted from Baht 110 to Baht 120 per liter of pure alcohol.

#### Other spirits

Specific rate is adjusted from Baht 280 to Baht 300 per liter of pure alcohol.

#### Brandy

Valorem rate is adjusted from 45% to 48%.

This excise tax adjustment had a direct impact on the cost of beer, white spirits, and other spirits and resulted in the cost increases of 26.7%, 8.4%, and 7.1% respectively. ThaiBev has already revised its retail prices in accordance with the above increase.

<sup>1</sup> Report on Economic Situation, Bureau of Strategies and Macro-economic Planning, Office of the National Economic and Social Development Board

<sup>2</sup> Consumption Index, Bank of Thailand

<sup>3</sup> Ministry of Commerce news release: General consumer price index and basic consumer price index, December 2009 and the year 2009



## Experience... Explore

We never get attached to traditional way of working and never feel too familiar with our long-term success.

Therefore, we keep searching for new opportunities that will lead us to a newfound land where true accomplishments will be achieved.

## Domestic Business

As previously mentioned, in 2009 the Thai economy suffered from the downturn in the world economy toward the end of 2008, with export sales plummeting. What was worse, the change in government accompanied high political uncertainty, with a direct impact on the tourism industry and consumers' confidence.

The month of April, with traditional Thai New Year festivities and typically an exceptional month for sales, in 2009 instead saw political turmoil and the H1N1 epidemic yield a negative impact across the board - particularly for the tourism industry, including restaurants and entertainment businesses. Inevitably, alcoholic beverages also suffered, beer and high-end spirits from abroad in particular, as their main outlets were restaurants and entertainment attractions.

Besides the economy and political impacts, the alcoholic business, particularly beer, suffered from the excise tax levy announced in May 2009.

The tax levy on alcoholic beverages during a slow economy certainly had a huge impact on consumer consumption and changed the consumers' consumption behavior. Fortunately, we were not suffering as much from this because when most consumers traded down, it brought up our sales in the low-end market.





## Beer Business

In 2009, the domestic beer market suffered a huge blow from the economic downturn and the latest rise in excise tax rates. Restaurants and entertainment venues, where beer is the main drink, were directly hurt by the prevailing state of the economy.

During the year, the sales of Chang Beer tumbled because of less beer consumption, the market situation itself, the overstock from the beginning of the year, and the stock-minimizing plan to fade out Classic Chang and launch a new image in the fourth quarter of 2009.

The new look of Chang Beer was introduced to the market through different media for clearly-defined product positioning. Consumers would be able to perceive the differences in taste and target groups. New packaging for Chang Classic, Chang Draught, and Chang Light was upgraded to meet the taste of new generations. For the marketing plan and media, we came up with the theme "The single-hearted Thais" (*Kon Thai Hua Jai Deo Gun*). This campaign went out on TVC, radio, print ads, posters and banners provided as sales kits. We also increased the number of Chang sales supporters throughout the country.

In addition, the reimagining of Chang Beer, in 2009 ThaiBev underwent retail management restructuring to achieve an international standard. Handheld computers were introduced to help retailers work more efficiently and accurately, bringing satisfaction to them - this was a key success. To be highly successful in the beer business, one has to be able to set up a distribution system that can reach the last point before the beer gets into the hands of customers. This is different from spirits, which

have a long shelf-life, especially white spirits, consumed in homes.

Likewise, ThaiBev had Archa Beer repackaged with a more modern look. We created more marketing activities together with the marketing mix to go in line with the changing market. This change resulted in better sales toward the end of 2009.

As for the premium beer business, notably Federbräu, a decline in purchasing power had a negative impact. Its sales were lower than what had been expected earlier in the year.

## Spirits Business

On the other hand, 2009 was a healthy year for ThaiBev's spirits business, with growth in total revenue and profits alike. Our sales revenue rose by 18% and our sales volume by 12% from the previous year, partly because of rising product prices in line with rising taxes. This resulted from the spirits excise tax rises in May 2009 for white spirits and blended spirits – our main products.



As mentioned earlier, one noticed a typical change, including the spirits market: With a drop in purchasing power, consumers turned to cheaper products. This was evident in the lower sales volume of imported spirits, against the rising sales of brown domestic spirits, including Hong Thong and Blend 285.

Therefore, ThaiBev's brown spirits posted healthy

growth, which is expected to continue further, though at a lower rate than in 2009, which had a lower base. To prepare for changes in the economy and in the spirits market itself, ThaiBev continued to promote Drummer Scotch Whisky, continuing from its launch in 2008 and supplemented by Meridian Brandy to sustain customers' future need for superior products once the economy starts picking up.





## A real player in a new game

A great management is to manage the best latency of the people under all circumstances. Our long-term expertise, our strategic vision together with our accumulating capability will lead us to a great new step of the non-alcoholic market.

## Non-Alcoholic Beverage Business

Consumers today have shifted their interest toward healthier food or drinks, and so have their daily activities, now more health-conscious. It is therefore very likely that non-alcoholic and healthy drinks will continue to post continual growth.

We are considering stepping into this market and investing in developing new products if there is a sustained need for this market in the future. We have high hopes that this market segment of ours can serve the needs of consumers. It is indeed another channel for business growth, since we can rely on and leverage the current distribution channel for the utmost benefit.

The economic slowdown in 2009 had only a minor impact on this segment of our business - commodity products like water and soda are still in need. The trend on non-alcoholic drinks still lingers. We are studying the trend and looking for further development to launch new products in the market. This is considered a value-adding gain to our revenue and profits by using the same know-how of our personnel and technology available in ThaiBev.

Non-alcoholic drinks are an attractive market, as they have no such regulations or tax constraints. Also, the products can be easily and explicitly communicated through advertising strategy.

Thanks to our strong "Chang" brand, the substantial sales growth of water and soda business led to the establishment of Thai Drink Company to manage and develop these products in particular. The service teams were value-adding resources to our success. Successful sales came from the prompt service our teams provided to the mushrooming restaurant sector and also came from our home and office delivery customers who found this service very convenient.

Besides, we continued to develop other products in non-alcoholic beverages like Fruitnette, now re-labeled with packaging change to meet customers' needs - typically hotels, restaurants, pubs, and bars. We changed the label as well as modernizing the look and feel of our energy drink "Wrangyer" and created a new brand "Ranger", designed for export - which in 2009 included Myanmar, Laos, Malaysia, and Singapore.

As for the business plan of non-alcoholic drinks in 2009, ThaiBev launched an electrolyte beverage called "Power Plus", targeting athletes and sports people and relying on the expertise when we produced an energy drink for a world-renowned company.

### The Oishi Drinks

After the acquisition of Oishi Group Public Company Limited (Oishi) toward the end of 2008, Oishi drinks were distributed through our distribution channels. Distribution of Oishi drinks through ThaiBev's traditional trade is a proven way of expanding the customer base.

In 2009 the sales volume of Oishi beverages went up by 25.5% from the same period last year due to its marketing activities and the "Just Yourself & the Gang" ("*Pai Tae Tua, Tour Yok Gang*") lucky draw that gave Oishi market shares. Today we account for 72% of the local green-tea market share.

ThaiBev constantly launched new products to meet the changing demand of customers. In 2008, Oishi had revamped its functional drink "Amino OK" and relaunched "Amino Plus", a new brand with a more modern look and a clearer target group. As for the growing green-tea market, Oishi launched two new products, namely Matcha Mineral Greentea and Matcha Milktea, which targeted high-end green-tea consumers.

### Food Business

Our food business started with the acquisition of Oishi, which operated food products under the Oishi group. As of December 2009, Oishi had 106 food outlets and 21 kiosks in Thailand, famous for its Japanese-buffet style that has been in operation for over 10 years. Today, Shabushi restaurants are the key driver of sales growth, with profits sharply rising. Oishi continued with its business and brand development by introducing two new brands of franchise restaurants - one opened in 2008 called "Maido Ookini Shokudo", and another opened in 2009 called "Kazokutei", a new soba and udon noodle franchise. We opened additional outlets to drive sales and profits in 2009; currently, we have 22 outlets and target 20 more in 2010.

Sales growth continued unabated from the opening of the new outlets. Different marketing campaigns came out seasonally, including *Celebration of Nature* - the seasonal buffet, the 10<sup>th</sup> anniversary celebration of Oishi with a gold giveaway campaign worth Baht 100 in weight, and the launch of new products like Gyoza, with a new flavor.

Fortunately, the economic downturn of 2009 and the lingering H1N1 Flu concerns had less impact on our food business and our sales than we initially anticipated. Customers kept pouring in, and the 2009 sales jumped 25.1% from the same period last year.

With an improved economy and consumers' greater confidence, consumption should be on the rise again. Especially since Japanese dishes are among Thais' favorites, plus the promotions and new menus we provide, Oishi should do very well by the end of 2010.

However, please note that, due to the cost allocation by business sector, the food-business performance of ThaiBev differs from Oishi Company's revenue and profit when consolidating the financial results of the whole group.



## International Business

Since listing, ThaiBev has pursued a strategy to expand overseas. Our wholly-owned subsidiary, International Beverage Holdings Limited (IBHL) is charged with this task.

In 2009, IBHL had offices in seven countries, with the latest being in China following the acquisition of Yunnan Yulinquan Liquor Co., Ltd. ("YLQ"). IBHL distributes to over 80 countries, selling whiskies from the Inver House portfolio, and ThaiBev's flagship brands; Chang Beer, Mekhong, and SangSom.

Our international production centers include five distilleries in Scotland, and IBHL's newest distillery in Yunnan province, China.

### Strategy

Identifying and establishing an appropriate route to market is one of IBHL's key strategies, whether wholly owned or third party is subject to the market conditions, and our goals for that specific market.

IBHL continues to build on the three building blocks i.e. premiumization of its product portfolio; professionalization of the organization; and internationalizing its products across the world markets.

Initially, IBHL is focusing on its flagship brands - Chang beer, Mekhong (branded overseas as "the Spirit of Thailand"), its single malt whiskies, Balblair, Old Pulteney, Speyburn and anCnoc and blended scotch whiskies such as Hankey Bannister - plus a new super-premium gin brand



Caorunn, to be produced in the UK. IBHL has identified key focus markets for each brand and is directing its efforts and resources at these 'brand market units' (BMU's). IBHL intends to be a global player with a comprehensive portfolio of products across the international markets.

Local partners and management are a critical part of the strategy as IBHL moves into new markets. In additions, our key international executives are internationally



sourced, and reflect long experiences in the beer and spirits businesses. We are also assembling a strong talent pool in the areas of Sales and Marketing from candidates with wide-ranging experience across both beer and spirits as well as other industries.

### **Development in 2009**

#### **Overall performance of international business**

ThaiBev's International operations performed well

despite the global economic downturn with overall sales growth driven by our two key focus regions of USA and ASEAN markets, and a dramatic increase in profit, compared to previous year. ThaiBev's international business in 2009 contributed 3% of sale revenue to the group. Currently Chang Beer has been exported to over 30 countries around the world through the distribution network of Inver House.

**Acquisition of Yunnan Yulinquan Liquor Co., Ltd.**

In November, 2009, ThaiBev completed the acquisition of Yunnan Yulinquan Liquor Co., Ltd. (YLQ) in China. This aligns with the Company's strategy of expansion to new markets abroad. YLQ is a local white spirit distillery located in Eshan district, Yuxi town, in the South of Kunming. YLQ is primarily engaged in producing Chinese white spirit products, covering from the economy to premium segments under the Yulinquan brand, one of the oldest and widely recognized spirits brands in Yunnan. The Yulinquan brand is recognized as one of the top quality brands in the Yunnan province, and has won numerous quality awards for its products. The key markets for YLQ's products are currently in Yuxi, Kunming and several cities in Yunnan province.

The acquisition of YLQ will provide ThaiBev a gateway into alcoholic beverage business in China at a strategic location with high growth potential. Also, this will be a platform for expansion into other business in the future by leveraging YLQ sales distribution network for IBHL's product portfolio.

**Development in Chang Beer export**

Chang Beer sales continue to grow in many regions especially in Asia and US, with total Chang Beer sales up 38% compared with last year. In the USA, Chang beer is a relatively new entrant and distribution is continuing to grow so that while imported beers as a whole were down, Chang beer shipments were up. The brand is now making significant inroads both on- and off-premise on both the East and West coast of the US beyond the Thai channels, and into mainstream channels such as regional supermarket chains.

**Development in Mekhong export**

Mekhong sales have started to pick up in 2009, but still relatively small. However, Mekhong is expected to

continue to do well in up-market cocktail bars and Thai restaurants. In-market tests in New York City have yielded positive results to leverage future marketing campaigns as the brand gains increase distribution in the US and rest of the world markets.

**Development in Inver House products**

Inver House's single malt portfolio continues to grow with strong performances in a number of key markets including the important travel retail channel, and more recently with the launch of anCnoc in Sweden, and Old Pulteney into the Malaysian market. InterBev USA now has regulatory approval to sell Inver House Malts in almost all states in the US.

International Beverage has recently launched a new super premium gin, under the trademark, Caorunn. The gin is distilled at the Group's Balmenach Distillery situated in the heart of the Speyside region of Scotland. The launch of Caorunn Gin continues to build on the strategy of premiumization and further develops the Group's portfolio of luxury spirits brands.

Overall, 2009 has been a big year for IBHL with its USA operations now in full control of distribution across all product categories, the acquisition of YLQ as the first step into China, the growth across all product categories led by Chang Beer and Inver House portfolio of whiskies, and the development of a new brand (Caorunn) into the other premium spirits categories, all begin to lay the foundation for the international markets to play an increasingly larger role within ThaiBev.



## Milestones

### October

Thai Beverage Public Company Limited was established as a holding company for the alcohol beverage business

2003

### May

ThaiBev successfully listed in the Singapore Exchange main board



### October

Acquisition of Pacific Spirits UK (PSUK), owner of Inver House Distillers in Scotland and acquisition of Best Spirits Company Limited

2006



### September

Acquisition of 43.9% of Oishi Group Public Company Limited and disposal of 100% of Thai Alcohol Public Company Limited



### September

ThaiBev turned a new chapter in the history of "Beer Chang" under one umbrella concept of "Kon Thai Hua Jai Deaw Gun"

2008

2009

### November

Acquisition of Yunnan Yulinquan Liquor Co., Ltd., Chinese white spirit distillery in China



### December

ThaiBev extended spirits product portfolio by launching Thailand's newest premium brandy, "Meridian V.S.O.P."

2009

# Management Discussion and Analysis

Performance for the year ended December 31, 2009

The Company disposed of its entire shares holding in Thai Alcohol Public Company Limited on September 30, 2008. Accordingly, the operation of the industrial alcohol business segment was not shown in 2009 but still shown in 2008.

The Company acquired Oishi Group Public Company Limited (Oishi) on September 30, 2008 and accounted for the business combination in a manner similar to a pooling of interests. Oishi operation was shown in the non-alcoholic beverages business segment and the food business segment in both 2009 and 2008.

The Ministry of Finance declared an increase in the excise taxes of certain categories of alcoholic beverages with effect from May 7, 2009 onwards. The excise tax is imposed by one of two methods, whichever is higher: an ad valorem rate or a specific rate. The ad valorem rate is a percentage of the ex-factory price. The specific rate is an amount in Baht on every one litre of pure alcohol of the product. For white spirits, the specific rate rose from Baht 110 to Baht 120 per litre of pure alcohol and was higher than the ad valorem rate which did not change. For compounded spirits, the specific rate rose from Baht 280 to Baht 300 per litre of pure alcohol and was higher than the ad valorem rate which did not change. For beer, the ad valorem rate rose from 55% to 60% of ex-factory price and was higher than the specific rate which did not change. The new excise taxes caused a rise in the Company's excise tax cost of white spirits, compounded spirits and beer of 8.4%, 7.1% and 26.7% respectively. However, the Company passed on the tax increase to its customers directly.

The Company acquired Yunnan Yulinquan Liquor Co., Ltd., a white spirits distillery in People's Republic of China, in the fourth quarter of 2009 through an indirect subsidiary in Hong Kong at a total consideration of RMB 69 million.

The operation of this company was included in the spirits business segment since the fourth quarter ended December 31, 2009 onwards.

## Group

For the year 2009, total sales revenue of the Company was Baht 107,969 million, an increase of 2.4% or Baht 2,517 million, from Baht 105,452 million of last year, due to an increase of sales revenue from the spirits business of 16.6%, the non-alcoholic beverages business of 24.4% and the food business of 25.1%. There was a decrease in sales revenue from the beer business of 21.5%. There was no sales revenue from the industrial alcohol business in the year 2009 due to the disposal of shares holding in Thai Alcohol Public Company Limited per above mentioned.

Gross profit was Baht 31,360 million, an increase of Baht 1,234 million, or 4.1%, due to higher gross profit in the spirits business of 17.5%, the non-alcoholic beverages business of 76.0% and the food business of 13.5%. There was a lower gross profit in the beer business of 41.7% and no gross profit from the industrial alcohol business in this year.

Earnings before interest, tax, depreciation and amortization (EBITDA) was Baht 19,910 million, a decrease of Baht 697 million, or 3.4% which reflected a decrease from normal operation of Baht 171 million and a decrease from a specific item operation of Baht 526 million. The decrease in the EBITDA from normal operation was 0.9% due to a decrease in the beer business of 113.8% although there were increases in the spirits business of 17.3% and the non-alcoholic beverages business of 61.1% and the food business of 15.2%. The decrease from the specific item operation was incurred from a capital gain from the divestment of Thai Alcohol Public Company Limited amounting to Baht 526 million in the last year while there was no such transaction in this year.

Net profit was Baht 10,643 million, reflected an increase from normal operation of Baht 405 million but a decrease from specific item of Baht 368 million. The increase in the net profit from normal operation was 4.0% due to higher net profit in the spirits business of 20.5%, the non-alcoholic beverages business of 197.6% and the food business of 11.0% although there was a lower net profit in the beer business of 582.8%. The decrease from the specific item was incurred from the abovementioned capital gain after tax amounting to Baht 368 million which caused total net profit to increase Baht 37 million, or 0.3%.

Unit: Million Baht

YTD_2009	Beer	% to Sales	Spirits	% to Sales	Non-alcoholic beverages	% to Sales	Food	% to Sales	Alcohol	% to Sales	Eliminate	% to Sales	Total	% to Sales
Revenue from sales	30,196	100.0	69,733	100.0	4,916	100.0	3,298	100.0	-	-	(174)	100.0	107,969	100.0
Cost of sales	25,930	85.9	45,540	65.3	3,130	63.7	2,054	62.3	-	-	(45)	25.9	76,609	71.0
Gross profit	4,266	14.1	24,193	34.7	1,786	36.3	1,244	37.7	-	-	(129)	74.1	31,360	29.0
Selling and administrative expenses	6,587	21.8	7,611	10.9	1,210	24.6	1,093	33.1	-	-	(406)	233.3	16,095	14.9
Operating profit (loss)	(2,321)	(7.7)	16,582	23.8	576	11.7	151	4.6	-	-	277	(159.2)	15,265	14.1
Other income / Interest income	327	1.1	188	0.3	32	0.7	19	0.6	-	-	(277)	159.2	289	0.3
Capital gain from Thai Alcoholic divestment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EBIT (loss)	(1,994)	(6.6)	16,770	24.0	608	12.4	170	5.2	-	-	-	-	15,554	14.4
Finance costs	206	0.7	301	0.4	32	0.7	10	0.3	-	-	-	-	549	0.5
Income tax	(568)	(1.9)	4,833	6.9	88	1.8	9	0.3	-	-	-	-	4,362	4.0
Net profit (loss)	(1,632)	(5.4)	11,636	16.7	488	9.9	151	4.6	-	-	-	-	10,643	9.9
Depreciation & Amortization	1,591	5.3	2,253	3.2	357	7.3	155	4.7	-	-	-	-	4,356	4.0
EBITDA (loss)	(403)	(1.3)	19,023	27.3	965	19.6	325	9.9	-	-	-	-	19,910	18.4
EBITDA from normal operation (loss)	(403)	(1.3)	19,023	27.3	965	19.6	325	9.9	-	-	-	-	19,910	18.4
Net profit from normal operation (loss)	(1,632)	(5.4)	11,636	16.7	488	9.9	151	4.6	-	-	-	-	10,643	9.9

Unit: Million Baht

YTD_2008	Beer	% to Sales	Spirits	% to Sales	Non-alcoholic beverages	% to Sales	Food	% to Sales	Alcohol	% to Sales	Eliminate	% to Sales	Total	% to Sales
Revenue from sales	38,458	100.0	59,781	100.0	3,953	100.0	2,636	100.0	893	100.0	(269)	100.0	105,452	100.0
Cost of sales	31,143	81.0	39,191	65.6	2,938	74.3	1,540	58.4	806	90.3	(292)	108.6	75,326	71.4
Gross profit	7,315	19.0	20,590	34.4	1,015	25.7	1,096	41.6	87	9.7	23	(8.6)	30,126	28.6
Selling and administrative expenses	6,475	16.8	6,893	11.5	838	21.2	968	36.7	138	15.5	2	(0.7)	15,314	14.5
Operating profit (loss)	840	2.2	13,697	22.9	177	4.5	128	4.9	(51)	(5.7)	21	(7.8)	14,812	14.0
Other income / Interest income	73	0.2	183	0.3	17	0.4	24	0.9	3	0.3	(52)	19.3	248	0.2
Capital gain from Thai Alcoholic divestment	-	-	-	-	-	-	-	-	526	58.9	-	-	526	0.5
EBIT (loss)	913	2.4	13,880	23.2	194	4.9	152	5.8	478	53.5	(31)	11.5	15,586	14.8
Finance costs	226	0.6	400	0.7	66	1.7	10	0.4	9	1.0	(30)	11.2	681	0.6
Income tax	349	0.9	3,821	6.4	(36)	(0.9)	6	0.2	159	17.8	-	-	4,299	4.1
Net profit (loss)	338	0.9	9,659	16.2	164	4.1	136	5.2	310	34.7	(1)	0.4	10,606	10.1
Depreciation & Amortization	2,010	5.2	2,335	3.9	405	10.2	130	4.9	141	15.8	-	-	5,021	4.8
EBITDA (loss)	2,923	7.6	16,215	27.1	599	15.2	282	10.7	619	69.3	(31)	11.5	20,607	19.5
EBITDA from normal operation (loss)	2,923	7.6	16,215	27.1	599	15.2	282	10.7	93	10.4	(31)	11.5	20,081	19.0
Net profit from normal operation (loss)	338	0.9	9,659	16.2	164	4.1	136	5.2	(58)	(6.5)	(1)	0.4	10,238	9.7

Unit: Million Baht

Increase (Decrease)	Beer		Spirits		Non-alcoholic beverages		Food		Alcohol		Eliminate		Total	
		%		%		%		%		%		%		%
Revenue from sales	(8,262)	(21.5)	9,952	16.6	963	24.4	662	25.1	(893)	(100.0)	95	35.3	2,517	2.4
Cost of sales	(5,213)	(16.7)	6,349	16.2	192	6.5	514	33.4	(806)	(100.0)	247	84.6	1,283	1.7
Gross profit	(3,049)	(41.7)	3,603	17.5	771	76.0	148	13.5	(87)	(100.0)	(152)	(660.9)	1,234	4.1
Selling and administrative expenses	112	1.7	718	10.4	372	44.4	125	12.9	(138)	(100.0)	(408)	(20,400.0)	781	5.1
Operating profit (loss)	(3,161)	(376.3)	2,885	21.1	399	225.4	23	18.0	51	100.0	256	1,219.0	453	3.1
Other income / Interest income	254	347.9	5	2.7	15	88.2	(5)	(20.8)	(3)	(100.0)	(225)	(432.7)	41	16.5
Capital gain from Thai Alcoholic divestment	-	-	-	-	-	-	-	-	(526)	(100.0)	-	-	(526)	(100.0)
EBIT (loss)	(2,907)	(318.4)	2,890	20.8	414	213.4	18	11.8	(478)	(100.0)	31	100.0	(32)	(0.2)
Finance costs	(20)	(8.8)	(99)	(24.8)	(34)	(51.5)	-	-	(9)	(100.0)	30	100.0	(132)	(19.4)
Income tax	(917)	(262.8)	1,012	26.5	124	344.4	3	50.0	(159)	(100.0)	-	-	63	1.5
Net profit (loss)	(1,970)	(582.8)	1,977	20.5	324	197.6	15	11.0	(310)	(100.0)	1	100.0	37	0.3
Depreciation & Amortization	(419)	(20.8)	(82)	(3.5)	(48)	(11.9)	25	19.2	(141)	(100.0)	-	-	(665)	(13.2)
EBITDA (loss)	(3,326)	(113.8)	2,808	17.3	366	61.1	43	15.2	(619)	(100.0)	31	100.0	(697)	(3.4)
EBITDA from normal operation (loss)	(3,326)	(113.8)	2,808	17.3	366	61.1	43	15.2	(93)	(100.0)	31	100.0	(171)	(0.9)
Net profit from normal operation (loss)	(1,970)	(582.8)	1,977	20.5	324	197.6	15	11.0	58	100.0	1	100.0	405	4.0

### Beer Business

For the year 2009, sales revenue was Baht 30,196 million, a decrease of Baht 8,262 million, or 21.5%, mainly due to a decrease of beer sales volume, although there was an increase of the sales price to cover the excise tax rise. Total sales volume of beer was 571.3 million litres, a decrease of 26.1%.

Gross profit of Baht 4,266 million decreased by Baht 3,049 million or 41.7%, mainly due to the decrease of sales volume and the higher cost of raw materials and packaging.

EBITDA showed a loss of Baht 403 million compared with a Baht 2,923 million gain in 2008, which changed by Baht 3,326 million or 113.8%, mainly due to the decrease of gross profit and an increase of idle costs.

Net loss of Baht 1,632 million changed by Baht 1,970 million or 582.8 % from last year's net profit of Baht 338 million, mainly due to the decrease of sales, the higher cost of raw materials and packaging and the increase of idle costs although there was a decrease of interest expenses.

### Spirits Business

For the year 2009, sales revenue was Baht 69,733 million, an increase of Baht 9,952 million, or 16.6%, mainly due to an increase of sales volume and an increase of sales price to cover the excise tax rise. Total sales volume of spirits was 487.0 million litres, an increase of 11.5%.

Gross profit of Baht 24,193 million increased by Baht 3,603 million, or 17.5%, mainly due to the increases in sales.

EBITDA of Baht 19,023 million increased by Baht 2,808 million, or 17.3%, mainly due to the increase in gross profit.

Net profit of Baht 11,636 million increased by Baht 1,977 million, or 20.5%, mainly due to the increase in EBITDA and the decrease in interest expenses.

### Non-Alcoholic Beverages Business

For the year 2009, sales revenue of Baht 4,916 million increased by Baht 963 million or 24.4%, mainly due to the increase of Oishi's beverages sales. Total sales volume of Oishi beverages, which consist of green tea, black tea, and

other non-alcoholic beverages, was 162.6 million litres, an increase of 25.5%. Other major products, such as energy drinks, soda and drinking water, generated sales volume of 8.7 million litres, 13.5 million litres and 51.5 million litres respectively, with increases of 11.5%, 29.5% and 10.8% respectively. Energy drink sales volumes have commenced only since March 2008.

Gross profit of Baht 1,786 million increased by Baht 771 million or 76.0%, mainly due to the increase of Oishi beverages and energy drink sales. The higher margin was gained by replacing a third-party distributor with ThaiBev's own direct-sales force.

EBITDA of Baht 965 million increased by Baht 366 million or 61.1%, mainly due to the increase in gross profit although there were increases in staff costs and marketing expenses.

Net profit of Baht 488 million increased by Baht 324 million or 197.6%, mainly due to the increase in EBITDA and the decrease in interest expenses.

### Food Business

For the year 2009, sales revenue was Baht 3,298 million, an increase of Baht 662 million or 25.1%, mainly due to the increase in the number of branches and sales promotions.

Gross profit of Baht 1,244 million increased by Baht 148 million or 13.5%, mainly due to higher sales although there was an increase of food costs due to a larger variety of foods available.

EBITDA of Baht 325 million increased by Baht 43 million or 15.2%, mainly due to the increase in gross profit although there were increases in branch rental fees and advertising costs.

Net profit of Baht 151 million increased by Baht 15 million, or 11.0% mainly due to the increase in EBITDA.

## Financial Position

### Assets

Total assets as at the end of December 2009 was Baht 77,150 million, a decrease of Baht 2,910 million, or 3.6%, compared with the end of 2008. Current assets decreased by Baht 1,454 million, mainly due to a decrease in inventories. Non-current assets decreased by Baht 1,455 million, mainly due to depreciation of property, plant and equipment.

### Liabilities

Total liabilities as at the end of December 2009 was Baht 20,706 million, a decrease of Baht 5,352 million, or 20.5%, compared with the end of 2008. This was mainly due to repayment of loans. The maturity of interest-bearing loans were as follows:

	Unit: Million Baht
Within December 2010	9,483
Within January - May 2011	2,500
Total	11,983

### Shareholders' Equity

Total shareholders' equity as at the end of December 2009 was Baht 56,444 million, an increase of Baht 2,442 million, or 4.5% compared with the end of 2008. This was mainly due to an increase in net retained earnings; annual profit deducted by dividend payment.

### Liquidity

Cash and cash equivalents, as at December 31, 2009, was Baht 2,590 million. The net increase from the beginning of the period was Baht 669 million. Details of activities were as follows:

	Unit: Million Baht
Net cash provided by operating activities	17,615
Net cash used in investing activities	(2,874)
Net cash used in financing activities	(14,244)
Net increase in cash and cash equivalents in period	497
Adjustment from financial statement translation	172
Cash and cash equivalents at beginning of period	1,921
Cash and cash equivalents at end of period	2,590

Net cash provided by operating activities of Baht 17,615 million was mainly derived from net income of Baht 10,643 million and non-cash items from depreciation and amortization of Baht 4,356 million and working capital and others by Baht 2,616 million.

Net cash used in investing activities of Baht 2,874 million was mainly due to purchase of property, plant and equipments.

Net cash used in financing activities of Baht 14,244 million was mainly due to dividend paid and repayment of loans.

### Financial Ratios

	Dec.31, 09	Dec.31, 08
Current Ratio (times)	1.85	1.54
Total Debt to Equity Ratio (times)	0.37	0.48
Net asset value per share (Baht)	2.24	2.14
	Jan. - Dec. 09	Jan. - Dec. 08
Accounts Receivable Turnover (days)	6	6
Inventory Turnover (days)		
Beer Business		
Finished Goods	40	32
Spirits Business		
Finished Goods (Excl. Legacy Stocks)	59	68

### Shareholder Returns

#### Dividends

The current policy of the Board of Directors is to recommend to our shareholders a dividend of not less than 50% of net profits after deduction of all specified reserve, subject to investments plan and as the Board of Directors deems appropriate.

For the financial year ended December 31, 2009, the Board of Directors has recommended total dividend of Baht 8,286.31 million.

	Year 2009	Year 2008
Dividend for the year (Million Baht)	8,286.31	7,533.01
Number of shares issued (Million shares)	25,110	25,110
Interim dividend per share (Baht)	0.15	0.12
Final dividend per share (Baht)	0.18	0.18
Total dividend per share (Baht)	0.33	0.30
Dividend payout ratio (%)	78.57	73.17
<b>Return on Equity</b>		
Return on Average Equity (%)	19.27	19.09
<b>Earnings Per Share</b>		
Earnings per weighted average ordinary shares (Baht)	0.42	0.41
Weighted average number of ordinary shares for the year (million shares)	25,110	25,110

# Risk Management Strategies

## Market Competition Risk

The lingering economic downturn and the excise tax rises for beer and spirit in Thailand deprived the alcoholic beverages of growth. There was even strong competition in the market as a result, and the Company has had to reduce this risk which might harm its performance.

In 2009, to respond to the strong competition in the beer market, the Company refined the image of Chang Beer, its flagship in the beer segment, by advertising it through various media and presenting a clearer mental image to customers, including repackaging of the product to be more in line with the demand of the new generation. This marketing activity is designed to protect the Company from losing its market share while increasing its future market share.

In the spirit segment, the Company's various products for each price level effectively serve the demand of consumers, who seek lower-price, quality products during this phase of economic downturn, thus increasing its market share in the spirit segment.

ThaiBev's veteran Sales Team and Marketing Team have paid close attention to the economic trends, competitors and the change in consumer demand to be able to respond to dynamic market changes.

## Regulatory and Tax Risk

Alcoholic beverages are strictly government-controlled products, including their sales, advertising, public relations and taxes. As a good operator, ThaiBev abides by all regulations.

In the alcoholic beverage business, tax rises are only to be expected. Its impact on the prices and consumption is inevitable, yet the Company can handle this situation because its experienced executives do appreciate this fact well enough to cope with tax rises.

To cope with dynamic tax changes, ThaiBev raises work performance, especially that of Sales and Marketing, such as launching new products to replace those that face tax rises and effectively to serve the demand of various consumer groups. The Company also diversifies regulatory and tax risks by extending its business lines to non-alcoholic drinks, which faces fewer regulatory rules and no excise tax.

## Production Cost Risk

Some raw materials like malt, hops and molasses are natural products employed to produce beverages. Since the prices of these vary with the weather, demand and supply in the market, ThaiBev's risk management policies prompt purchases from several sellers, including entering into forward contracts to control production costs and entering into long-term agreements with major producers to obtain the required quantities and quality goods.

### **Finance and Investment Risk**

As generally known, the Company's business operation and expansion are capital-intensive, risky and filled with uncertainty.

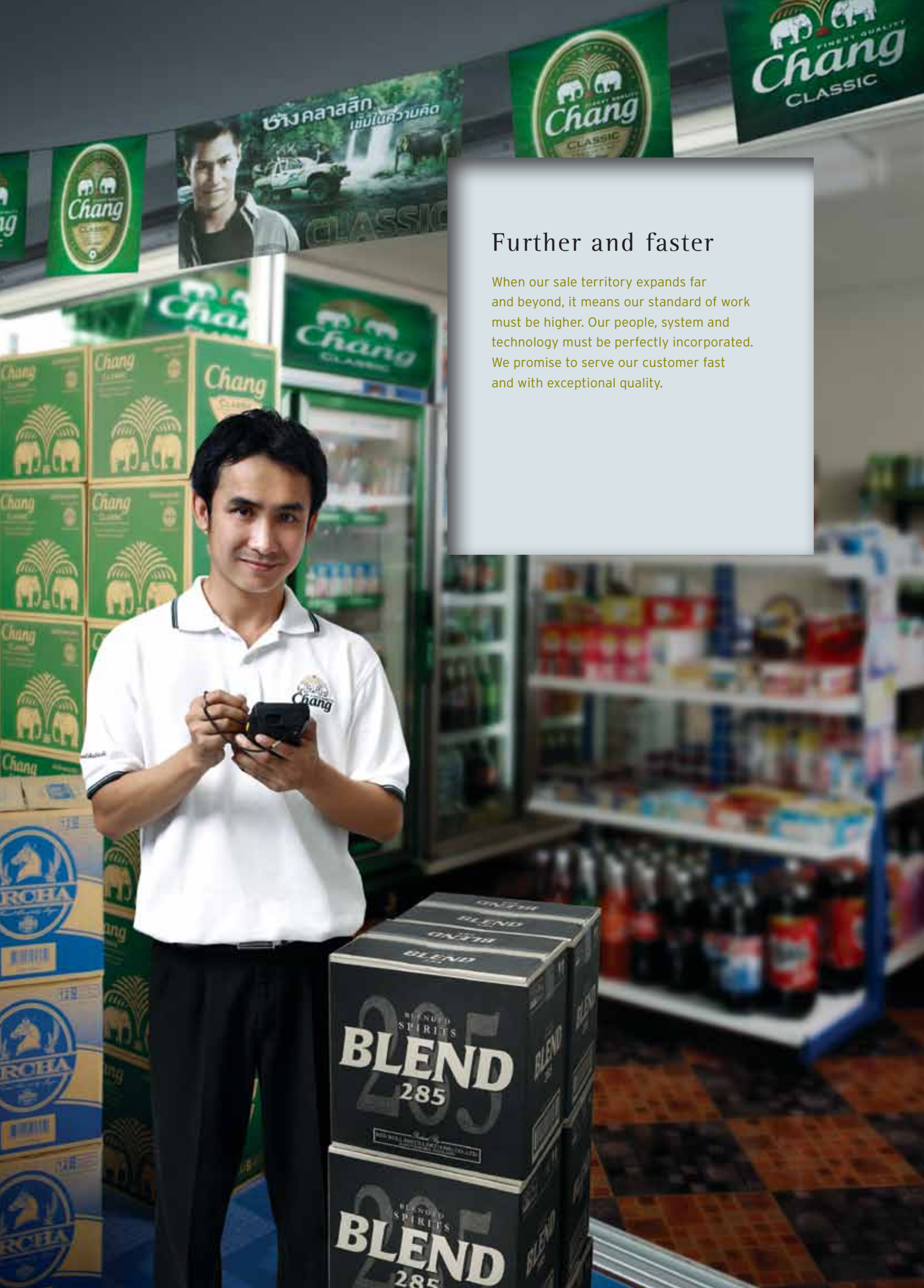
The business itself is capital-intensive. In addition, new product invention, new factory construction and maintenance all call for continual investment. Besides, the Company incurs expenses in monitoring the market development of domestic and Southeast Asian beverages.

The investment in the past came from external loan sources, from recapitalization, and from ThaiBev's internal cash flow. The Company expects to extend the business in the future and maintain breweries and distilleries through additional borrowing and internal cash flow. It has taken steps to secure additional credit lines from financial institutions, including O/D (overdrawing) credit lines, promissory notes credit line and issuance of bills of exchange. ThaiBev currently commands financial liquidity of 3.8 times of the total average sales of one month. If it somehow cannot secure commercially-acceptable funds, it may then raise funds through recapitalization, which would reduce shareholders' proportion. Further, if it cannot secure the necessary funds to maintain or extend plants, this may harm its financial status, performance and business opportunities. Such risk management is always managed by the Office of the Controller, which is in attendance at planning meetings to share information for use in preparing the appropriate financial structure.

### **HR Risk: Preparing human resources for stability and business growth**

The Company viewed the management of human resources in 2009 as a key issue that continued its significance from 2008, which focused on the recruitment of high-potential persons to join and fulfill the performances of assorted lines of businesses and support ThaiBev's growth. A dedicated panel was in charge of this task, with efficient test tools, along with the development of employees' knowledge and competence in the knowledge of management, techniques and scopes of relevant work. The Company trained internal trainers from various offices in skills and techniques to train officers techniques and impart their skills. Thus, all employees are guaranteed of planned development.

Apart from the recruitment and development of personnel, ThaiBev strives to retain them, especially those high-potential ones chosen by the Company as successors to prominent positions to replace retired officers and serve business expansion and the Company's growth. We create officers' opportunities to grow in their careers together with the continued and steady growth of ThaiBev.



## Further and faster

When our sale territory expands far and beyond, it means our standard of work must be higher. Our people, system and technology must be perfectly incorporated. We promise to serve our customer fast and with exceptional quality.

## Van Sales Automation Project

Due to the competitive beverage industry market, and also because ThaiBev has now entered the non-alcohol beverage market, the Company needs to manage the interaction of the distribution channel with the consumer market. Truly understanding consumer and retailer are vital to providing up-selling and cross-selling with existing consumer and extend direct retailer channel.

Sales Process improvement with automation technology is applied to enhance retailer service. Besides that information from retailer must be collected and analyzed to surpass business competitors.

From above vision, in 2009, ThaiBev has improved retail sales process allowing all retail sales units to work together systematically and develop specific retailer visit plan for each retail sales unit on daily basis. To support retail sales process automation, ThaiBev has invested more than 35 million Baht in Van Sales Automation Project. Personal Data Assistant (PDA) equipments have been assigned to 1,055 sales teams. Application in PDA equipment would support retail sale unit to follow retail sales process strictly, better control and generate meaningful report to improve customer service.

By implementing the Van Sales Automation System, organization will benefit from; better control sales activities to follow retailer visit plan strictly and sequentially, better customer service by accurately estimating product to sales in each round trip using sales history information, less time consumption per retailer which leads to more time to service and extend direct retailer channel. Sales and customer information would be collected and synchronized at centralized CRM database to retain existing customer satisfaction and activate new customer. Sales analytic report could be

generated and analyzed to improve quality of product and provide professional and personalized service, discover distribution channel and deliver promotional items and activities to the right customer via the right channel correctly and effectively. Moreover; billing control and reconciliation would be more precise and faster. This improvement would extremely benefit Beer and Non-alcohol beverages, because these products require notably care for quality control from production to consumer.



## Thai Beverage Logistics

Fierce competition in today's business world due to the free trade market opens the door for international players to operate in Thailand. With them come advanced technologies used in the logistics management. Thai Beverage Logistics Company Limited ("ThaiBev Logistics") is well aware of the situation and constantly pushes for further development and modernizes the organization to stay ahead in the competitive environment.

The vision of ThaiBev Logistics is to be the domestic and international leader in logistics industry, to maximize and sustain its ability to compete in the industry and to provide support to Thai Beverage Public Company Limited in becoming the leader in beverage industry, both locally and internationally.

ThaiBev Logistics principally engages in logistics planning and warehouses and inventory management in a multimodal nature and serving the requirements of customers with advanced logistics technologies and know-how that meet international standards and optimize the logistics system. These factors play an important role in enhancing competitiveness and cost-saving, fulfilling clients' expectations and at the same time, assisting on energy-saving for the country.

Improving the Management method of ThaiBev Logistics is the beginning of the modernization of its organization and distribution system to the current ones that meet international standards. This has enhanced efficiency of the business in 3 ways i.e. distribution, cost control and asset management.

ThaiBev Logistics focuses on 3 aspects of logistics management; 1) development of large distribution centers in strategic locations in each region such as

Nakhon Ratchasima, Surat Thani, Chonburi, Khonkaen, Lampang, including Bangkok and vicinity; 2) investment in palletized large vehicles and; 3) management of supply chain using world-class IT technology. The budget for the 3-year logistics project is amounting to Baht 2,598 million.

Currently, ThaiBev Logistics is implementing phases as per the investment plan. The project is divided into 2 phases, first of which is the construction of the first 3 distribution centers in Nakhon Ratchasima, Surat Thani and Chonburi and the investment in palletized transport vehicles and IT for management purposes, all of which are to be completed in 2010. The distribution center in Nakhon Ratchasima province will begin its operation in January 2010 while those in Surat Thani and Chonburi provinces will open for business in April 2010. The 2<sup>nd</sup> phase consists of investment in distribution centers in other locations and the rest of transport vehicles as planned. The 2<sup>nd</sup> phase is expected to finish in the mid 2011.

The development of the logistics project will shape the logistics management to be in alignment with ThaiBev's strategy as well as to ensure right quantity on time delivery and efficiency of inventory management system as well as to optimize asset utilization and cost-saving.



## Introduction to Thai Drinks

Thai Drinks Co., Ltd. (“Thai Drinks”) was incorporated in 2008 with the main purpose to manage the sales and distributions of the non-alcoholic beverages of Thai Beverage Group. This is because the management team has foreseen the importance of expanding the product portfolio to include the non-alcoholic beverages. The goals include entering into a market that has high growth potential, expanding its customer base, diversifying its business risk, and at the same time, maintaining its core business of ThaiBev alcoholic products.

The core strategy of Thai Drinks is to create a strong and sustainable growth by creating excellent customer service through a direct distribution channel, modern distribution channel, and traditional distribution channels to its targeted customers, such as shops, restaurants, business entities, sport arenas, fitness centers and individual households. With continued professional supports from the customer relation team, the professional sales team, and the investments in assets, the company continues to lay the important groundwork for developing strong potential of continuous service.

Thai Drinks’s headquarter locates at No. 14 Sangsom Building, Vibhavadi Rangsit Road, Chomphon Sub-District, Chatuchak District, Bangkok. The company has four distribution centers located at strategic locations around Bangkok (Ratchadapisek, Rangsit, Bangna and Rama II) to serve its customers quickly, efficiently and effectively as possible. Combined with the readiness and effectiveness of the sales team which composed of more than 300 professionals and a supporting team of more than 10 customer relation officers, the main focus is serving its customers and, at the same time, expanding the sales of all types in the Bangkok Metropolitan and surrounding areas. Furthermore, the plan includes expansion of services to cover all areas nationwide in the near future.

With the products which are recognized by its consumers and received certifications from leading institutions, both domestic and international, coupled with the excellent quality of service, Thai Drinks has won the trust of major customers such as Plaza Athenee Bangkok, A Royal

Meridien Hotel, Royal Orchid Sheraton Hotel, Rajpruek Club, Toyota Motor Thailand Co., Ltd., Thai Honda Manufacturing Co., Ltd, Tri Petch Isuzu Sales Co., Ltd, and Hino Motor Sales (Thailand) Co., Ltd.

### Thai Drinks Product Portfolio

#### Chang Brand Drinking Water and Soda Water

Chang Drinking Water markets aggressively in 2009 to meet the rapid growth of bottled drinking water market. With all types of packaging including PET bottles, glass bottles and PC bottles, Chang Drinking Water provides total drinking water solution in every opportunity when the consumers require clean drinking water. Chang Drinking Water is produced by the state of the art production facilities which have received certifications from the leading institutions, both domestic and international. This is to ensure that consumers have confidence in the cleanliness and high quality of Chang Drinking Water.

Chang Soda Water is manufactured in the world class factories of ThaiBev facilities. It comes in two varieties, the returnable glass bottles and one-way glass bottles, to meet the needs of consumers both at home and on premises. Chang Soda Water is also a leader in product design for one way compact bottle to add convenience to consumers.

#### Wrangyer (Ranger) Energy Drink

Wrangyer (Ranger) is an energy drink. The logo is the design of leaping tiger on red and yellow background.



Wrangyer is the first product of its kind to add value to the energy drink by adding Vitamin C. Its taste combines both sweetness and sourness, creating a balanced combination of flavors. It has a unique aroma and smoothness to sooth the throat. Wrangyer is suitable for workers who need to refresh and replenish energy in a course of a day's hard work. Wrangyer supports everyone to have energy and motivation to leap over obstacles, which is in line with its motto of "Infinite inspiration." Toward the end of 2009, Wrangyer has refreshed its packaging to enhance competition in the energy drink market.

#### **Black Up Ready to Drink Coffee**

Black Up is a ready-to-drink coffee in an aluminum can to keep its delicate flavor and fragrant of the premium Arabica coffee. It has an affordable price tag suitable to consumers who enjoy the work of many roles tirelessly and need instant refreshment. The Black Up way is to encourage diligent people to work hard and create opportunity for himself.

#### **Power Plus Electrolyte Beverage**

Power Plus electrolyte beverage is a new sport drink from ThaiBev. The product was launched in November 2009 to meet current lifestyle of the city dwellers that become more health conscious. The exercise has become a part of everyday life. Power Plus becomes the electrolyte beverage of choice which reflects modish and stylish. It is suitable for consumers who have energetic lifestyle who love to play sport and exercise. Power Plus comes in both glass bottles and PET bottles.

#### **Fruitnette Fruit Juice**

With the current lifestyle for consumers of all ages turn to a more health conscious and choose more intelligently, Fruitnette has evolved to reflect the quality and the image to become 100% pasteurized fruit juice in glass bottles to retain the freshness and vitamins until it reaches the hands of consumers. Fruitnette's packaging has changed to be more sophisticated and become the best choice to meet the needs of health conscious people.

## Our People... Our Success

We realize the importance of human resource that has on the organization's success and excellence. We therefore emphasize on the human resource management as the essential factor and support the increased investment on improving human resource management every year. This begins by selecting the people with right competency and consciousness to work together in developing the potential of personnel continuously and managing the optimal and satisfied returns to our employees.



Nevertheless, we understand that the set targets of success and excellence cannot be achieved if they lack of continuity in organization and human capital development. Thus, to advance towards the desirable targets, we determine to continue all the previous Human Capital Transformation Program and to make the additional investments to further improving these projects in order to maximize the benefits.

Furthermore, we are giving opportunities to our people,

as one of the important members, to be parts of company's development by setting the personal targets which harmonize with the company's expectation that has been agreed upon. As a result, both personnel and the company work as a team towards the same established objectives.

### **Organization Development**

Due to the current economic situations, our organization's growth leads us to improve the more suitable organization structure to keep up with the intensified competition.

During the effort of changing the structure, which has begun since 2009, we are able to reduce the complexities in management. The aggregation of supportive functions from the different companies in the organization results in better working dynamics, co-operations, and efficiency. At the same time, the change in organization structure also reduces the cost of management to the reasonable level in terms of momentary investment and time. This is able to facilitate us in increasing the investment of human capital development and using management's innovation such as logistics and supply chain performance management.

After we apply Performance Management System with the improvement of information system in data collection, performance evaluation, and reporting the results back to our employees, this permits the employees to acknowledge the strengths and weaknesses in their performances. In turn, this allows them to improve their capabilities further with the systematical supports from the organization. The use of Performance Management System encourages our people to set creative goals that match the organization's agreed expectations. In addition, this motivates our employees to perform tasks with great determination to attain each self-objective. This is the indication to show the power of creativity and unity of ThaiBev's people.

### **Quality of Recruitment**

Personnel recruitment is one of the basic elements in creating the assurance of the organization's excellence. In recruitment process, we carefully select people with good social, corporate and professional responsibilities. We strongly believe that the employees, who have the right attitude, can develop their existing potentials better than those who have not. For this reason, we decide to create the personality and psychological tests and use these answers to judge candidate's maturity, consciousness and mental health. This information is then used to consider the appropriate positions and job levels with multiple evaluation methods and multiple level evaluations. The results of skill and competency tests combining with evaluation outcome of psychological tests

and interviews from HR's Recruitment, who is considered to have the expertise in recruiting, is used to evaluate together with line managers.


### **Human Resource Development**

People, who pass the selection process and join our company, would receive the continuous development to enhance their working competencies and capabilities.

In terms of personnel development, to build the confidence that we are able to achieve the set targets and to fulfill the organization's missions in creating personnel on professional level for excellent services to every level of internal and external customers, we have studied and established Thai Beverage Training. This is to continue developing our people from the previous executed programs and to expand these projects further to create the most valuable benefits.

With the supportive role in human resource development for every company at every level, Thai Beverage Training has put the structural strategies in place by using course structure as the core curriculum management. This is to equip our people with the necessary skills to enable them to perform their tasks effectively and consistent with the standardized working processes in each position and level. Furthermore, we have arranged for Thai Beverage Training to develop course curriculum to suit each function's needs. This creates an opportunity to develop training courses to reflect the changes from the out-of-the-box mindset.

To let our people at every level received the highest benefit from human resource development program, we have arranged to have training and course curriculum evaluations. These training evaluation results would be used in the skills development, which is necessary to obtain in the working environment as they progress forward on their career paths. Additionally, these results are used by their managers as part of merit and bonus increases each year. The course curriculum evaluations are used to keep the curriculum updated and linked to the changes in business world at all times.

A man in a grey suit and white shirt is looking at a bottle on a shelf in a store. The shelves are filled with various bottles, and the background is blurred, showing a brightly lit store environment.

## Credit Rating Announcement

On March 4, 2010, the annual review announcement, TRIS Rating Co., Ltd. ("**TRIS**") upgraded the company rating of Thai Beverage Public Company Limited ("**ThaiBev**") to "AA" with a "Stable" outlook from "AA-" with a "Stable" outlook.

To gain an international credit rating in order to establish Company's overseas credit flexibility in the financial markets, the Company engaged Standard and Poor's ("**S&P**") and Moody's Investors Service Pty Limited ("**Moody's**"), both well-recognized globally in their field. S&P affirmed the ThaiBev rating at "BBB" rating with a "Stable" outlook (as Ratings Direct by S&P announced September 4, 2009), and Moody's affirmed the ThaiBev rating at Baa2 with a Stable outlook (as Global Credit Research Credit Opinion by Moody's announced on April 30, 2009).

**(Note:** The Thailand Country Rating from TRIS is "AAA", "BBB+" from S&P and "Baa1" by Moody's.)

The rating, if assigned, will be subjected to revision or withdrawal by each of the Rating Companies, TRIS, S&P or Moody's when there has been material change to the rating and/or annual review and/or review on opinion of each of the Rating Companies.



# Awards

Best IR in the Singapore Market by a Thai Company

2006  
2007  
2008

2006 Merit Award for Transparency among newly-listed Companies (New Issue) on the Singapore Exchange

2006

Acclaim for "Capital Markets Deal of the Year 2006"

2006

Certificate of Excellence by IR Magazine 2008

2008



“When anyone takes the time to vote for the company’s management, its products, investor relations or governance, they are telling us whether we are serving them as they wish to be served. I happen to believe their opinion is important.”

Thapana Sirivadhanabhakdi, President and CEO

ThaiBev continued to strive towards serving its customers and other stakeholders to the best of its ability in 2009. Perhaps one of the most significant honours received this year was the acknowledgement of the investment community of the strides forward taken by our senior management during a period of great economic upheaval

globally. The recognition of ThaiBev’s President and CEO, Mr. Thapana Sirivadhanabhakdi and Director and Senior Vice President for Finance and Accounting, Mr. Sithichai Chaikriangkrai, as Thailand’s Best CEO and Best CFO respectively in the 2009 Finance Asia Poll of “Asia’s Best Managed Companies” is recognition of the effort to safeguard the investment of the Company’s shareholders in a conservative and judicious manner.

We do acknowledge that stakeholders include minority shareholders, and moreover, retail shareholders who deserve fair and equal access to management and material information. For this reason, the Company provides accurate and timely information to the market for the benefit of all investors.

In Singapore, where we have many retail shareholders, senior management takes time out twice a year to hold

<p>Asiamoney Poll 2008</p> <p>2008</p>	<p>Asia's Best Companies 2009, Thailand: Best CEO by FinanceAsia Magazine</p> <p>2009</p>	<p>Asia's Best Companies 2009, Thailand: Best CFO by FinanceAsia Magazine</p> <p>2009</p>	<p>SIAS Investors Choice Award for Most Transparent Company 2009</p> <p>2009</p>
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investor briefings where all are welcome. From small investors to institutions and the media, senior management face stakeholders to answer every question about its performance over the previous six months and to take back to Bangkok the thoughts and opinions of everyone in attendance. We also attend investment fairs in the city-state where our investor relations team meets with thousands of retail investors to answer their questions as openly and honestly as possible.

We would like to believe that is why Singapore investors recognised the Company by awarding us the SIAS Investors Choice Award for Most Transparent Company 2009 in the Foreign Listing category.

Besides the intangible aspects of our governance, ThaiBev likes to think that it can have a more substantial effect on the environment by using modern technological advances

to minimize its impact on the areas surrounding its factories. Two of our breweries, Beer Thai (1991) Public Company Limited and Beer Thip Brewery (1991) Co., Ltd. received two awards at the "Thailand Energy Awards 2009" for 'Excellence' and an 'Honourable Mention' in the category of energy recycling off-grid from biogas resulting from a waste water treatment project and biogas from a waste water treatment project with an anaerobic system to be used as fuel for a steam generator to replace bunk oil. This was a form of recognition by the state through the Ministry of Energy, the Department of Alternative Energy Development and Efficiency, that ThaiBev was leading the way in environmental conservation at its plants.

Further supporting the efforts to ensure a clean environment near its factories, Beer Thai (1991) Public Company Limited, was recognized for power management,

Prime Minister's Industry Awards

2009



Thailand Energy Awards 2009 - Gold

2009



Thailand Energy Awards 2009 - Silver

2009



World Selection of Quality by Monde Selection Bruxelles

2008  
2009



winning the coveted Prime Minister's Industry Award 2009.

By good management of the business and its production facilities, ThaiBev has aimed for product quality and consistency. One of the only industry awards that recognizes the quality of a beer's ingredients as well as the brewing techniques used to create it is the Monde Selection. Having won a gold medal in 2008, we were honoured to be awarded another gold medal in the Bruxelles World Selection of Quality 2009 by Monde Selection. At the same award event, Hankey Bannister won Grand Gold award, Drummer won Gold award and Mekhong won Silver award. Moreover, Chang Beer Export won a gold medal in Best Lager category from the 2009 Beer Festival of the South by Beer Industry of Florida Inc. in Florida, USA, and was judged superior by the American Masters of Taste in California. As for whisky

side, anCnoc was awarded "Best in Category" for Brown Spirits in this year's prestigious Drinks International Cocktail Challenge. The cocktail, Blackhill Breakfast, impressed the judges at the live finals of the competition. Many of other Inver House's products, such as Old Pulteney, Balblair, anCnoc, Speyburn and Hankey Bannister, received international recognition including IWSC - International Wine & Spirit Competition, World Spirits Competition, San Francisco, International Spirits Challenge (Drinks International), the Scotch Whisky Masters 2008 (The Drinks Business). These products won many Gold awards and Best in Class. For more details on Inver House's award-winning products, please check award portfolio in [www.inverhouse.com/portfolio-awards.php](http://www.inverhouse.com/portfolio-awards.php).

# Corporate Governance Report

It is a commitment of THBEV to adhere to good corporate governance principle and to conduct our business in compliance with all laws and regulations applied to us. As a consequence of this, THBEV as the Thai company listed on the Singapore Exchange (“SGX”) received “Most Transparent Company Award 2009” from Securities Investors Association (Singapore) (SIAS).

## The Board's Conduct of Affairs

### Principle 1

Our Board of Directors oversees the Company's business and affairs with shareholder approval in accordance with the applicable laws. The Board must exercise good business judgement and act in good faith for the best interests of the Company.

In this year, the Board met four times, and the following table shows the details regarding the attendance to the meeting of each director up to December 31, 2009:

Names	Positions	Number of Attendances / Total of Meetings
1. Mr. Charoen Sirivadhanabhakdi	Chairman	3/4
2. Khunying Wanna Sirivadhanabhakdi	Vice Chairman	3/4
3. Mr. Narong Srisa-an	Vice Chairman	4/4
4. Mr. Komen Tantiwiwatthanaphan	Vice Chairman	4/4
5. Mr. Puchchong Chandhanakij	Director	3/4
6. Mr. Staporn Kavitanon	Independent Director and Audit Committee Chairman	4/4
7. Prof. Kanung Luchai	Independent Director and Audit Committee Member	4/4
8. Mr. Manu Leopairote	Independent Director and Audit Committee Member	3/4
9. Mr. Ng Tat Pun	Independent Director and Audit Committee Member	4/4
10. Mr. Michael Lau Hwai Keong	Independent Director	4/4
11. Prof. Pornchai Matangkasombut	Independent Director	4/4
12. Mr. Sakthip Krairiksh	Independent Director	4/4
13. Gen. Dr. Choo-Chat Kambhu Na Ayudhya	Independent Director	4/4
14. Mr. Vivat Tejapaibul	Director	4/4
15. Mr. Panote Sirivadhanabhakdi	Director	4/4
16. Mr. Thapana Sirivadhanabhakdi	President and CEO	4/4
17. Ms. Kanoknart Rangsihienchai	Director	4/4
18. Mr. Sithichai Chaikriangkrai	Director	4/4
19. Mr. Ueychai Tantha-Obhas	Director	4/4
20. Dr. Pisanu Vichiensanth	Director	4/4
21. Mr. Chukiet Tangpongprush	Director	4/4

**Matters Requiring Board Approval**

Our Board recognizes their utmost duties to administer business and oversee the Company's operations. This includes the administration of the subsidiary companies to be in line with the Company's core business plans to ensure that it complies with the shareholders' resolutions in good faith and under the law and its Articles of Association. In addition, our Board ensures that the Company and its subsidiary companies comply with the SGX Listing Manual. Our Board is also responsible for the determination of visions and business strategies of the Company and the oversight of management performance of their duties according to the Company's policies and report the financial statements and general information to investors and shareholders with accuracy and sufficiency.

According to the Law, the Board is required to meet not less than four times in each year. In 2009, the Board met such requirement.

**Training**

All Directors have passed the Director Accreditation Program (DAP) of the Thai Institute of Directors. Some also accredited the Director Certification Program (DCP) of the same institution. We also encourage and support directors to understand Singapore Law and the Listing Manual applicable to our Company through training and information updating.

All Directors received a clear explanation of their roles and responsibilities at the time of their proposed appointment to the Board.

**Board Composition and Guidance****Principle 2****Board of Directors**

Our Board consists of twenty one directors, including eight independent directors which are more than one-third of the total number of the Board members. All directors have long-term experience in business or attained honorary position.

**Executive Committee**

The Board appointed an Executive Committee which consists of sixteen members, they either are the Board members or top executive officers of the Company. To enhance Company business operation, the Board granted them the authority to perform their duties. In this regard, some of the Executive Committee member are assigned to oversee business units under the supervision of the President and CEO. The Executive Committee may appoint other sub-committees to support the Executive Committee and the Board in order to ensure the good corporate governance of the Company.

The Executive Committee meets once a month to discuss on the Company's business administration, except for the case of emergency the meeting will be held as appropriate.

Apart from the oversight of the administration of THBEV, the Board also appoints Executive Committee members to hold directorship in both domestic and overseas subsidiary companies to monitor and control the business administration at maximum efficiency according to of the Company's policy and for the best interest of the Company.

The Executive Committee's responsibilities are as follows:

- Prepare and propose business plans, targets, operational plans, business strategies and annual budgets of the Company and its subsidiary companies to the Board of Directors of the Company;
- Determine and propose business plans, budgets and management roles and responsibilities of the Company and its subsidiary companies to the Board of Directors of the Company for approval;
- Monitor the operations of the Company and its subsidiary companies to be in line with business policy, targets, operational plans, business strategies, budgets and management roles and responsibilities as approved by the Board of Directors of the Company for the efficiency of and to facilitate business conditions;
- Approve payments for investments or operations, borrowing or requesting for any facility from a financial institution, lending, including being a guarantor with respect to the normal business of the Company and its subsidiary companies as stipulated by the Board of Directors;

In this regard, the Executive Committee has the authority to approve and enter into the business transaction of the Company and its subsidiary companies according to the Board of Directors' approval and determination.

- Approve the annual budget for annual increase or adjustment of salary and bonus payment for employees of the Company and its subsidiary companies;
- Approve payments as determined by Board of Directors of the Company;

- Propose the efficient organization and management structure of the Company and its subsidiary companies to the Board of Directors of the Company;
- Recruit, employ, terminate employment, promote, impose disciplinary penalty, transfer, adjust salary level, increase salary, adjust salary rate, and determine bonus, welfare and other benefits as well as consider all other remunerations for all levels of employees of the Company. The Executive Committee also has the authority to appoint the president or any appointee of the Company to be the authorized representative of the Company to sign related employment contracts within the budget approved by the Board of Directors of the Company;
- Approve the appointment of the Company's representatives to the Board of Directors and/or the sub-committee of its subsidiary companies in order to supervise all administrative matters as approved by the Company for the efficiency and best interest;
- Supervise and approve matters relating to the operation of the Company. It may appoint or authorize any one or more persons to engage in any act on behalf of the Executive Committee as it deems appropriate such as appointment of the sub-committee to consider salary increase and bonus of executive leveled employees ranking from Vice President to Executive Vice President, appointment of any of the sub-committees that have particular knowledge and expertise to manage and monitor before proposing to the Executive Committee, provided that the Executive Committee is entitled to repeal, change or modify the scope of the authorization; and
- Perform any other act as delegated by the Board of Directors of the Company.

However, the abovementioned approval shall not grant power that cause the Executive Committee or the authorized representative being able to approve any transaction in which the Executive Committee or authorized representative, or any related person has interest or may have any conflict of interest with the Company or its subsidiary companies

(as defined in the Notification of the Securities and Exchange Commission). Such approval must be proposed to the meeting of the Board of Directors of the Company and/or the meeting of shareholders, as the case may be, for the approval, as stipulated in the Articles of Association of the Company or its subsidiary companies, or any applicable laws.

In 2009, the Executive Committee met twelve times, and the following table shows the details regarding the attendance to the meeting of each member up to December 31, 2009:

Names	Positions	Number of Attendances / Total of Meetings
1. Mr. Charoen Sirivadhanabhakdi	Chairman of Executive Committee	12/12
2. Khunying Wanna Sirivadhanabhakdi	First Executive Vice Chairman	10/12
3. Mr. Narong Srisa-an	Second Executive Vice Chairman	12/12
4. Mr. Komen Tantiwiwatthanaphan	Third Executive Vice Chairman	11/12
5. Mr. Puchchong Chandhanakij	Fourth Executive Vice Chairman	11/12
6. Mr. Thapana Sirivadhanabhakdi	President and CEO	11/12
7. Ms. Kanoknart Rangsithienchai	Director and Executive Vice President	12/12
8. Mr. Sithichai Chaikriangkrai	Director and Senior Vice President	12/12
9. Mr. Ueychai Tantha-Obhas	Director and Senior Vice President	10/12
10. Dr. Pisanu Vichiensanth	Director and Senior Vice President	12/12
11. Mr. Chukiet Tangpongprush	Director and Senior Vice President	10/12
12. Mr. Sawat Sopa	Executive Vice President	11/12
13. Mr. Jean Lebreton	Senior Vice President	11/12
14. Mr. Vichai Chaiyavarannurak	Senior Vice President	10/12
15. Mr. Somchai Suthikulpanich	Senior Vice President	11/12
16. Mr. Matthew Kichodhan <sup>(1)</sup>	Senior Vice President	1/12

Remarks: <sup>(1)</sup> Mr. Matthew Kichodhan joined the Company on September 9, 2009 and was appointed to be the Executive Committee member by the Board of Directors' Meeting No. 4/2009 on November 11, 2009.

### Management Committee

The Board of Directors approved the set up of the Management Committee (MC) and authorized the President and CEO to be in charge of all MC activities. The MC was formed in January 2008 and consists of the top executives of business units. Up to present, the members have been changed due to the additional appointment and change of the top executives responsibility.

As at December 31, 2009, the MC consists of eleven members namely, Mr. Thapana Sirivadhanabhakdi, Ms. Kanoknart Rangsithienchai, Mr. Sithichai Chaikriangkrai, Mr. Ueychai Tantha-Obhas, Dr. Pisanu Vichiensanth, Mr. Chukiet Tangpongprush, Mr. Sawat Sopa, Mr. Jean Lebreton, Mr. Vichai Chaiyavarannurak, Mr. Somchai Suthikulpanich, and Mr. Matthew Kichodhan.

The Chairman of the MC is Mr. Thapana Sirivadhanabhakdi, the President and CEO.

**Investment Committee**

The Company is very careful and will cautiously proceed in the investment for our business expansion. In this regard, the Executive Committee appointed the Investment Committee (IC) which consists of nine members from various units. Mr. Narong Srisa-an is the Chairman of the IC and Mr. Thapana Sirivadhanabhakdi and Mr. Sithichai Chaikriangkrai are the Vice Chairman of the IC. The IC is responsible for consideration and advice the Executive Committee on the acquisition/disposal of businesses, assets, including the merger of businesses of Thai Beverage Public Company Limited group of companies both domestic and overseas.

**Audit Committee**

The Board of Directors appointed the Audit Committee which consists of 4 members, namely, Mr. Staporn Kavitanon, Prof. Kanung Luchai, Mr. Manu Leopairote, and Mr. Ng Tat Pun. Mr. Staporn Kavitanon is the Chairman of the Audit Committee and Mr. Somsak Sae-Kuay, Vice President of the Office of Internal Audit, is the secretary to the Committee.

In this regard, Mr. Ng Tat Pun was appointed by the Board of Directors to be the leader of the Audit Committee with respect to the interested person transactions undertaken by our Group.

The Audit Committee meets at least once in each quarter or more, in case of emergency. Please refer to the Audit Committee Report.

**Risk Management Committee**

The Board of Directors appointed the Risk Management Committee which consists of fourteen members who are either directors or executives. The Directors are Mr. Narong Srisa-an, Mr. Puchchong Chandhanakij, Ms. Kanoknart Rangsihienchai, Mr. Chukiet Tangpongprush, Mr. Thapana Sirivadhanabhakdi, Mr. Sithichai Chaikriangkrai, Mr. Ueychai Tantha-Obhas, Dr. Pisanu Vichiensanth. The executives are Mr. Sawat Sopa, Mr. Vichai Chaiyavarunurak,

Mr. Jean Lebreton, Mr. Somchai Suthikulpanich, Mr. Chalerm Pornrutchakit and Mr. Mahin Kraivixien. The Chairman of the Risk Management Committee is Mr. Narong Srisa-an, Vice Chairman of the Board. Mr. Somsak Sae-Kuay, Vice President of the Office of Internal Audit, is the Secretary to the Risk Management Committee.

Among others responsibilities, the Risk Management Committee ensures the analysis of both internal and external risks, determines the acceptable level of risks for the Company and its subsidiary companies, and determines and reviews criteria of risk management as well as evaluates an emergency plan of each office to ensure that it is practical. They also consider and review; overall policies, guidelines of risk management of the Company and its subsidiary companies, risks in the operation of the Company and its subsidiary companies, including the preparation of the risk management report, warning system and preventive measures for operational risks. This includes the risk assessment of the Company and its subsidiary companies with timely review of the criteria of risk management.

**Nomination Committee**

The Board of Directors appointed the Nomination Committee which consists of Mr. Staporn Kavitanon, Mr. Manu Leopairote, and Khunying Wanna Sirivadhanabhakdi. The Chairman of the Nomination Committee is Mr. Staporn Kavitanon. Mr. Thidi Suwanarat is the Secretary to the Nomination Committee. In this regards, the majority of NC members including the NC Chairman are independent directors.

The Nomination Committee is responsible for the selection of the suitable person to be appointed as director and/or President & CEO, and setting the procedures and the guidelines for selection.

**Remuneration Committee**

The Board of Directors appointed the Remuneration Committee which consists of Mr. Staporn Kavitanon,

Mr. Manu Leopaiprote, and Prof. Kanung Luchai. The Chairman of the Remuneration Committee is Mr. Staporn Kavitanon. Mr. Thidi Suwanarat is the Secretary to the Remuneration Committee. In this regards, all RC members are independent directors.

The Remuneration Committee is responsible for setting the policies and the guidelines in the determination of remunerations of any kind including to consider and review the remuneration of the key executives.

### **Chairman and CEO**

#### **Principle 3**

Our Chairman encourages constructive relations among the Board, Executive Committee and Management Committee. The Chairman approves the agenda to be considered at the Board meetings and the Executive Committee meetings as he is the Chairman of the Executive Committee. He also supervises the disclosure of adequate and appropriate information to the management and to the Board at the appropriate time.

The Chairman and the President & CEO are responsible for their roles in the overseeing the business operation and administration in accordance with the policy of the Board of Directors set for the new structure of the organization of the Company.

### **Board Membership**

#### **Principle 4**

In order to assure a transparent process for the appointment of the directors to the Board, the Nomination Committee (NC) would review and assess qualities of candidates for directorships (including executive directorships) before making recommendations to our Board. The NC also reviews the retirement and re-election of directors for proposing the election to the Annual General Meeting of Shareholders of the Company to comply with our Articles of Association.

The Remuneration Committee (RC) also determines remuneration policies and guidelines to set fair and reasonable remunerations of any kind to directors and executive committee members, as well as, reviews, revises, amends, or revokes such policies and guidelines to be proposed to the annual general meeting of shareholders of the Company for approval. The Committee is also in charge of the consideration and review of the remuneration of key executives and proposes to the Board of Directors of the Company.

In performing their roles, our NC and RC adhere to the law and the Listing Manual of the Singapore Exchange applicable to our Company. The NC and RC also adopted a charter and proposed it to the Board for approval.

### **Board Performance**

#### **Principle 5**

In conducting the business of the Company, the Board perform their duties in good faith and due care according to the laws, shareholders' resolutions and to preserve the interests of the Company. Our Board will do the self-assessment of their performances and responsibilities.

### **Access to Information**

#### **Principle 6**

We are committed to providing our Board members with adequate, complete, continuous and timely information before Board meetings. The Board members have separate and independent access to the Company Secretary. The Company Secretary, in consultation and cooperation with the Office of Legal Affairs, is responsible for advising the Board, through the Chairman, on the regulatory matters. In this respect, we set up a Compliance Unit, having a Compliance Manager responsible for this Unit under supervision of the Company Secretary. This is to ensure compliance with the legal and regulatory requirements. The Board approves the appointment and the removal of the Company Secretary. In 2009, the

Company Secretary attended all Board meetings and Executive Committee meetings.

### Procedure for Developing Remuneration Policies

#### Principle 7

The Remuneration Committee (RC) is authorized by the Board to determine the remuneration of directors and/or executives in consultation with the Chairman to propose for the approval of the shareholders' meetings.

If a member of the RC has an interest in a matter deliberated by the Committee, he will abstain from participating in the review and approval process for that matter.

### Level and Mix of Remuneration

#### Principle 8

The determination of level and band of remuneration of the Directors, Executive Directors, and top executives of the Company were based on the corporate and individual performance. The approval of the remuneration for the directors is proceeded with clarity and transparency to comply with laws and the Code of Corporate Governance 2005 (including the amendment). The Remuneration Committee will consider and endorse the remuneration structure prior to propose to the shareholders for approval.

The level of remuneration reflects their experience and dedication. The remuneration bands rank from A to C as follows.

#### Remuneration bands:

"A" refers to remuneration below the equivalent of S\$250,000.

"B" refers to remuneration between the equivalent of S\$250,000 and S\$499,999.

"C" refers to remuneration from the equivalent of S\$500,000 and above.

The Company entered into a long-term employment agreement with Dr. Pisanu Vichiensanth, who is the director in the Company, the Managing Director of Beer Thai (1991) Public Company Limited and the Managing Director of Cosmos Brewery (Thailand) Co., Ltd., and a Senior Master Brewer.

### Disclosure of Remuneration

#### Principle 9

As at December 31, 2009, Directors and five top executives received the following remuneration

#### 9.1 Directors

(Remark: 1 S\$ = Baht 24)

Names of Directors	Remuneration Band
1. Mr. Charoen Sirivadhanabhakdi	C
2. Khunying Wanna Sirivadhanabhakdi	B
3. Mr. Narong Srisa-an	C
4. Mr. Komen Tantiwiwatthanaphan	B
5. Mr. Puchchong Chandhanakij	B
6. Mr. Staporn Kavitanon	A
7. Prof. Kanung Luchai	A
8. Mr. Manu Leopairote	A
9. Mr. Ng Tat Pun	A
10. Mr. Michael Lau Hwai Keong	A
11. Prof. Pornchai Matangkasombut	A
12. Mr. Sakthip Krairiksh	A
13. Gen. Dr. Choo-Chat Kambhu Na Ayudhya	A
14. Mr. Vivat Tejapaibul	A
15. Mr. Panote Sirivadhanabhakdi	A
16. Mr. Thapana Sirivadhanabhakdi	C
17. Ms. Kanoknart Rangsihienchai	C
18. Mr. Sithichai Chaikriangkrai	C
19. Mr. Ueychai Tantha-Obhas	C
20. Dr. Pisanu Vichiensanth	C
21. Mr. Chukiet Tangpongprush	B

## 9.2 Top Executives

(Remark: 1 S\$ = Baht 24)

Name of Executives	Remuneration Band
1. Mr. Sawat Sopa	B
2. Mr. Jean Lebreton	C
3. Mr. Vichai Chaiyavarunurak	B
4. Mr. Somchai Suthikulpanich	A
5. Mr. Matthew Kichodhan <sup>(1)</sup>	A

Remarks: <sup>(1)</sup> Mr. Matthew Kichodhan joined the Company on September 9, 2009 and was appointed to be the Executive Committee member by the Board of Directors' Meeting No. 4/2009 on November 11, 2009.

## Accountability

### Principle 10

The Board is responsible for providing a balanced and understandable assessment of the Company's performance, and for providing shareholders with quarterly and annual financial reports. The financial statements for the first three quarters are released to shareholders within 45 days of the end of each quarter. The annual result is released within 60 days of the end of each financial year. In addition, after the financial disclosure, our top management also participates in quarter results briefing and telephone conference from time to time. This is to ensure the timely update to our investors.

## Audit Committee

### Principle 11

The Board appointed the Audit Committee (AC), which consists of four independent directors: three Thais and one Singaporean. The AC responsibilities are clearly set forth in the Audit Committee Charter for instance, assessing the adequacy and effectiveness of the internal controls of the Company and its subsidiary companies, ensuring the correctness and reliability of the preparation process and information disclosures of the Company and

its subsidiary companies, and reviewing the Company and its subsidiary companies to comply with the applicable laws, regulations and rules of the Stock Exchange of Thailand and the Singapore Exchange. This includes the internal controls and consideration of Interested Persons Transactions to prevent an occurrence of conflict of interests.

## Internal Controls

### Principle 12

Our Board values a sound management internal control system. To safeguard shareholders' investments and the Company's assets, it appointed an Executive Committee, each member of which oversees different departments and business units to ensure the adequacy of financial, operational and compliance controls, including risk management policies.

In support of this, the Board also assigned the Office of the Corporate Secretariat to oversee the compliance with the laws concerning the private company, public company limited and the Securities Laws, which are applicable to the Company.

In addition to the relevant laws and regulations, the Board of Directors also announce the Business Ethics and indicated that all directors, management and employees be complied.

Based on the information provided to it, the Audit Committee believes that the system of internal controls and risk management of the Company is adequate.

## Internal Audit

### Principle 13

The Company established the Office of Internal Audit to assist the Board through Audit Committee (AC) in promoting sound risk management and good corporate governance by assessing the adequacy and effectiveness

of the internal controls for key businesses and operations in areas described in the audit plan. In this respect, the AC appointed the Vice President, Office of Internal Audit, as the Secretary to the AC. Annual audit was prepared to ensure that the performance of internal audit is accurate.

The AC will propose its opinions on the appointment of the auditors of the Company and its subsidiary companies including their remuneration to the Board of Directors in order to propose to the Shareholders' Meeting for approval. The 2009 Annual General Meeting of Shareholders held on April 29, 2009, resolved with the majority of votes to approve the appointment of Ms. Nittaya Chetchotiros, Certified Public Accountant No. 4439 or Ms. Bongkot Amsageam, Certified Public Accountant No. 3684, or Mr. Santi Pongjareanpit, Certified Public Accountant No. 4623 of KPMG Phoomchai Audit Ltd. to be the auditor of the Company. This appointment is also complied with Rule 713(1) of the Listing Manual of Singapore Exchange (Listing Manual).

InverBev (Singapore) Limited, our Singapore-incorporated subsidiary, engages KPMG, Singapore which is the accounting firm in the same group as the auditor of our Company and our Thailand-incorporated subsidiaries, in compliance with Rule 716 of the Listing Manual.

According to the financial statements ended December 31, 2009, there was no payment made by the Company for the Non-Audit Fee to the auditor.

## **Communication with Shareholders**

### **Principle 14**

Not only we make various announcements via SGX-NET to communicate with our shareholders, but our Investor Relations Unit also works closely with our top management to ensure timely disclosure. The unit arranges quarterly briefings following the disclosure of interim and full year results, so that investors may query management about financial, marketing or strategic issues. Between

reporting periods, the Investor Relations team regularly meets with investors to communicate the policies and strategies of the Company so that investors have a good understanding of the Company operation. Investor Relations provides timely detailed information via the corporate website.

The unit also reports to management about investors' comments and concerns. Contact information for the Investor Relations Unit appears in this annual report or on the investor relations section of the corporate website <http://www.thaibev.com/ir.html>.

## Corporate Social Responsibility (CSR) Report

### To Give and To Share: ThaiBev's Highly Cherished Core Value



The two-millionth blanket donated in the 10th consecutive year of the “ThaiBev...Unites to Fight the Cold” project marks a historical milestone of ThaiBev’s mission to give back to the community. Giving away blankets for villagers who live in remote areas as a relief for them to live through a harsh winter is only one among many CSR activities all companies under ThaiBev’s umbrella partake on the continual basis, with an aim to give something back to the community.

ThaiBev regards corporate social responsibility (CSR) as one of its corporate governance. Apart from being an organization regarded as highly transparent and professional, ThaiBev carries out all the CSR projects with no wish for returns but with the objective to continuously enhance the quality of life of local people in every part of Thailand.

In 2009, ThaiBev moves forward with the next steps of its CSR programs in order to facilitate public and private sectors to progress with social, religious, educational, public health, sports and cultural developments.

Collaboration with alliances has also seen ThaiBev active in support to a number of new CSR projects that range from raising awareness to helping and supporting community development. We focus in different dimensions of the CSR activities. Highlights include “ThaiBev...Unites to Fight the Cold”, a project that has been carried out for the ten consecutive years, “For the Benefits and Happiness”, a project that integrated advertising and public relation campaigns aiming to encourage people to do good deeds, the activities to encourage local people living nearby the company’s facilities to learn about the new professions and to earn more income for them to have a better life, the support for the construction of Buddhist chapel or ubosot and, the construction of a medical center for kidney-disease patients.

ThaiBev believes that CSR activity is a sustainable way of giving. Each project we support is to yield stability of life of all stakeholders: from our employees at all levels to our business partners, consumers and the general public. Examples include sports activities for youth i.e. “ThaiBev Football Academy”, established for 6-18 year-old youth who live in Bangkok and are interested in soccer. These children will have a chance to practice their soccer skills with professional trainers every weekend at free of charge and more importantly, they are given an opportunity to a bright future and quality adulthood. Moreover, the company provides financial support to the “Community Water Resources Management under the Royal Initiative” project, a project to increase agricultural fertility that leads to sustainable prosperity of the community. “The Executive Build”, a project to build habitats for underprivileged people, which forms part of the “Improve Village to Eliminate Poverty” and the funds granted to the “Jimmy-Rosalynn Carter Work Project”, which concentrates on building houses along the Mekong River in 2009 are also projects which ThaiBev considers to bring about the sustainable benefits to the society. ThaiBev management and employees have been carrying out these projects with dedication and determination and we have received sound collaboration from public and private alliances, resulting in long-standing successful activities. They are divided into 5 categories as follows:-

### **Education - for the brighter future of the nation**

ThaiBev believes that education is the key to a strong foundation of the Thai society in a long run. The company therefore provides supports to several projects nationwide, both on the community and national levels. Various supports range from financial aids for building construction, educational and teaching materials and the lunch project at many schools to scholarship programs for students with academic excellence. These activities cover different dimensions but of equal importance and a wide range of youths from pre-schoolers to high school students. Among many projects are “For Children from ThaiBev” project that provides financial aid for school buildings construction, provision of school books and sports gears to schools in remote regions, funds for the “Grow vegetables for Students’ lunch” project as well as scholarships to students from medicine to sports science, financial sponsorships on equipment and hardware for students of the Faculty of Dentistry of Chulalongkorn University.

### **Sports - nurturing the human spirit**

At ThaiBev, we recognize the value of sports, which leads to body and mind development. Furthermore, sports help reducing the social problems, since it takes youth away from drugs while instilling the team spirit and sportsmanship



onto their pure minds. Sports also open windows of opportunity for skillful youngsters to realize their full potential, both as professionals and individuals.

Therefore, ThaiBev, in an earnest and continuous fashion, provides sports sponsorship to many sports associations such as the Volleyball Association of Thailand (VAT), the Billiard Sports Association of Thailand (BSAT), the Lawn Tennis Association of Thailand (LTAT), and the Football Association of Thailand (FAT). Regarding the highly popular game of football, ThaiBev has initiated two widely recognized programs, the “Chang Thai to Everton” program and the “ThaiBev Football Academy” (TBFA) that grant an opportunity of a lifetime to promising Thai footballers to pursue their dreams of playing in the world-class football league. The programs offer practice centers that provide professional football training courses and techniques for junior Thai footballers and coaches with an aim to elevate the standard of Thai football to be equal to international standards.

### **Healthiness - key to a successful society**

ThaiBev deeply cares about the healthiness of Thais, particularly those living in poverty in remote rural part of the kingdom. One of our priorities is to promote healthiness to the society. Hence, we provide constant support in terms of funds and other necessary elements to projects which are related to public health—those we consider development of the quality of life and aid to reduce the public health spending of the country. Public health also has impact on the overall development of the country, both directly and indirectly. Many of these projects are formed through collaboration between ThaiBev, bodies of the medical professionals and the government agencies, all of which are willing to devote their time to travel and help ill people throughout the country. In the “Chang Clinic” project in Kampangetch province, ThaiBev provides support in terms of equipment and facilities for the indigent people to receive well care from a team of nationally-accepted specialist doctors at no costs.

ThaiBev’s contributions also include donations of resuscitation medical equipment for newborns, provision of ambulances to hospitals, provision of mobile dental-vehicles for the Princess Mother’s Medical Volunteer Foundation, financial support for construction of a

building for kidney-disease patients, financial aid for the mobile prosthetic-limb units of Mahavachiralongkorn Foundation and many more.

Our help has been extended to animals, especially wildlife and injured pets and animals, through the donation of funds to help those injured in accidents. Among the activities is the provision of vehicles for the wildlife rescue unit of the Department of Forestry.

### **Thailand’s cultural heritage – To preserve our national identity**

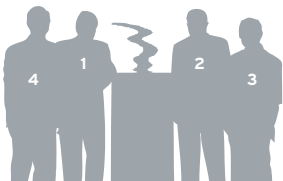
The Thai cultural heritage and longstanding traditions that form our unique national identity are highly valued by ThaiBev. We are therefore committed to provide support to talented artists and performers in all areas in order to help them to thrive in their field. This is because we are well aware that music, art and traditions can cultivate the society’s cultural growth.

In this context, ThaiBev provides support to cultural activities at all levels namely, University Symphony Orchestra, international performances, scholarships for music students and national performances and exhibitions. Furthermore, we partake in art activities such as art performances, exhibitions and traditions, both in metropolitan and other regions.

It has been ThaiBev’s resolution to cherish religions. The company provides support to a wide range of activities from merit-making events to the preservation of valuable artworks at temples. ThaiBev provided sponsorship to complete the construction the ubosot of Wat Traimit Wittayaram (Temple of the Golden Buddha), which is one among important temples of Thailand.

The CSR efforts of ThaiBev reflect our commitments to the society and our belief that being a good corporate citizen who maintains good corporate governance means to create a true quality living for the society from our ability to contribute to the society. With that comes happiness and healthy minds of the people, which lead our society to prosperity and positive development. **Furthermore, our CSR activities exemplify the Thai spirit and generosity and they are solid proofs that Thai people have unity and harmony, just like one of our slogans “Kon Thai Hai Gun Dai.”**

## Audit Committee



1. **Mr. Staporn Kavitanon**  
Audit Committee Chairman
2. **Mr. Kanung Luchai**  
Audit Committee Member

3. **Mr. Manu Leopairote**  
Audit Committee Member
4. **Mr. Ng Tat Pun**  
Audit Committee Member

## Audit Committee Report

The Audit Committee of Thai Beverage Public Company Limited is comprised of four independent directors named below.

- |                   |            |                                 |
|-------------------|------------|---------------------------------|
| 1. Mr. Staporn    | Kavitanon  | Chairman of the Audit Committee |
| 2. Mr. Kanung     | Luchai     | Member of the Audit Committee   |
| 3. Mr. Manu       | Leopairote | Member of the Audit Committee   |
| 4. Mr. Ng Tat Pun |            | Member of the Audit Committee   |

In 2009, the Audit Committee conducted 4 meetings with the Executive Management, Head of Internal Audit Office and the external auditors of the Company in relation to the meeting agenda as appropriate. The major tasks undertaken by the Audit Committee were as follows:

1. Reviewed the quarterly and annual financial statements of the Company for the fiscal year 2009 before submitting to the Board of Directors for approval to ensure their accuracy, reliability, complete and adequate disclosure of significant information and in accordance with generally accepted accounting standards.
2. Reviewed the connected transactions and the transactions that may lead to conflicts of interests to ensure their compliance with the Company's policy and corporate governance principles with the proper transparency and disclosure.
3. Assessed the adequacy and appropriateness of the internal control system through the oversight and audits of the Internal Audit Office.
4. Approved the 2009 audit plan of the Internal Audit Office, supervised the internal audit function through the acknowledgement of its audit results and provided guidelines to the Office of Internal Audit.

The Audit Committee regularly reported the outcome of each meeting to the Board of Directors. The Audit Committee is of the view that the Company's internal control has been both adequate and appropriate to its business and found no material discrepancy. The Company's financial statements have been prepared in accordance with generally accepted accounting standards.

For the year 2010, the Audit Committee has nominated the designated auditors of KPMG Phoomchai Audit Limited as the Company's external auditors for the year 2010 and the audit remuneration to the Board of Directors for approval of the shareholders at the Annual General Meeting.



Staporn Kavitanon  
Chairman of the Audit Committee  
February 25, 2010

# Audit report of Certified Public Accountant

To the Shareholders of Thai Beverage Public Company Limited

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

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

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

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



(Nittaya Chetchotiros)  
Certified Public Accountant  
Registration No. 4439

KPMG Phoomchai Audit Ltd.  
Bangkok  
26 February 2010

## Balance sheets

As at 31 December 2009 and 2008

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

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

## Balance sheets

As at 31 December 2009 and 2008

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

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

## Balance sheets

As at 31 December 2009 and 2008

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

## Statements of income

For the years ended 31 December 2009 and 2008

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

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

# Statements of changes in equity

For the years ended 31 December 2009 and 2008

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

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

# Statements of changes in equity

For the years ended 31 December 2009 and 2008

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

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

# Statements of changes in equity

For the years ended 31 December 2009 and 2008

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

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

## Statements of cash flows

For the years ended 31 December 2009 and 2008

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

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

## Statements of cash flows

For the years ended 31 December 2009 and 2008

Note	Consolidated financial statements		Separate financial statements	
	2009	2008 (Restated) (in Baht)	2009	2008
<b>Cash flows from investing activities</b>				
Interest received	15,599,523	36,734,310	355,677,681	540,001,954
Dividends received	-	-	8,237,578,932	5,345,108,398
Current investments	5,378,615	105,062,233	-	-
Loans to and other receivables from related parties	5,989,368	296,767,769	2,816,196,822	4,041,066,340
Investments in subsidiaries	-	-	(2,886,205,850)	(812,669,068)
Investment in associates	(4,955,029)	39,465,954	-	-
Long-term investments	9,998	(4,884,746)	-	-
Purchase of property, plant and equipment	(2,287,993,168)	(2,514,262,039)	(33,340,747)	(7,023,112)
Decrease in property, plant and equipment	80,615,706	447,714,228	4,805,491	1,893,458
Purchase of intangible assets	(25,564,866)	(44,683,527)	(4,601,515)	(25,087,589)
(Increase) decrease in intangible assets	(6,385,839)	50,352,369	-	-
Leasehold rights	4,302,016	294,800	-	-
(Increase) decrease in other non-current assets	(203,008,977)	13,304,217	-	(2,000)
Purchase of investments	(458,041,032)	(6,334,248,277)	(43,379,133)	(6,253,195,840)
Proceeds from disposal of subsidiaries	-	1,590,953,318	-	1,590,953,318
<b>NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>	<b>(2,874,053,685)</b>	<b>(6,317,429,391)</b>	<b>8,446,731,681</b>	<b>4,421,045,859</b>

## Statements of cash flows

For the years ended 31 December 2009 and 2008

	Note	Consolidated financial statements		Separate financial statements	
		2009	2008 (Restated) (in Baht)	2009	2008
<b>Cash flows from financing activities</b>					
Interest paid		(566,484,489)	(730,951,892)	(1,113,177,092)	(1,106,570,730)
Dividends paid to equity holders of the Company		(8,286,308,250)	(7,281,907,250)	(8,286,308,250)	(7,281,907,250)
Dividends paid to minority interests		(78,317,450)	(220,784)	-	-
Dividends paid by subsidiary before business restructuring		-	(375,000,000)	-	-
Bank overdrafts and short-term loans from financial institutions		(2,982,885,370)	2,703,127,927	(2,146,160,794)	448,476,273
Repayment of long-term guaranteed bonds		-	(3,000,000,000)	-	(3,000,000,000)
Loans from related parties		-	-	4,473,900,000	3,948,200,000
Proceeds from long-term loans from financial institutions		3,000,000,000	3,190,000,000	3,000,000,000	3,190,000,000
Repayment of short-term loans from other party		(4,800,000)	-	-	-
Repayment of long-term loans from financial institutions		(5,325,000,000)	(1,755,000,000)	(5,325,000,000)	(1,755,000,000)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>(14,243,795,559)</b>	<b>(7,249,951,999)</b>	<b>(9,396,746,136)</b>	<b>(5,556,801,707)</b>
Net increase (decrease) in cash and cash equivalents		497,609,401	627,659,938	124,698,747	(5,203,752)
Cash and cash equivalents at beginning of year		1,920,971,995	2,588,260,801	3,964,488	9,168,240
Effect of exchange rate changes on balances held in foreign currencies		171,632,043	(1,294,948,744)	-	-
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>6</b>	<b>2,590,213,439</b>	<b>1,920,971,995</b>	<b>128,663,235</b>	<b>3,964,488</b>

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

## Notes to the financial statements

For the years ended 31 December 2009 and 2008

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These notes form an integral part of the financial statements.

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

## 1. General information

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

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

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

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			2009	2008
<b>Direct subsidiaries</b>				
1. Beer Thai (1991) PCL.	Beer brewery and production of drinking water and soda water	Thailand	100.00	100.00
2. Beer Thip Brewery (1991) Co., Ltd.	Beer brewery and production of drinking water and soda water	Thailand	100.00	100.00
3. Sangsom Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
4. Fuengfuanant Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
5. Mongkolsamai Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
6. Thanapakdi Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
7. Kanchanasingkorn Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
8. Sura Bangyikhan Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
9. Athimart Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
10. S.S. Karnsura Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
11. Kankwan Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
12. Theparunothai Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
13. Red Bull Distillery (1988) Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
14. United Winery and Distillery Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
15. Simathurakij Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
16. Nateechai Co., Ltd.	Spirits distillery	Thailand	100.00	100.00

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			2009	2008
<b>Direct subsidiaries (continued)</b>				
17. Luckchai Liquor Trading Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
18. Sura Piset Thipparat Co., Ltd.	Spirits distillery	Thailand	100.00	100.00
19. Pomthip Co., Ltd.	Beer distributor	Thailand	100.00	100.00
20. Pomkit Co., Ltd.	Beer distributor	Thailand	100.00	100.00
21. Pomkung Co., Ltd.	Beer distributor	Thailand	100.00	100.00
22. Pomchok Co., Ltd.	Beer distributor	Thailand	100.00	100.00
23. Pomcharoen Co., Ltd.	Beer distributor	Thailand	100.00	100.00
24. Pomburapa Co., Ltd.	Beer distributor	Thailand	100.00	100.00
25. Pompalang Co., Ltd.	Beer distributor	Thailand	100.00	-
26. Pomnakorn Co., Ltd.	Beer distributor	Thailand	100.00	-
27. Num Yuk Co., Ltd.	Spirits distributor	Thailand	100.00	100.00
28. Num Kijjakarn Co., Ltd.	Spirits distributor	Thailand	100.00	100.00
29. Num Palang Co., Ltd.	Spirits distributor	Thailand	100.00	100.00
30. Num Muang Co., Ltd.	Spirits distributor	Thailand	100.00	100.00
31. Num Nakorn Co., Ltd.	Spirits distributor	Thailand	100.00	100.00
32. Num Thurakij Co., Ltd.	Spirits distributor	Thailand	100.00	100.00
33. Numrungrad Co., Ltd. ## (Formerly: Pan Alcohol Co., Ltd.)	Spirits distributor	Thailand	100.00	100.00
34. Numthip Co., Ltd. ## (Formerly: Muangkij Co., Ltd.)	Spirits distributor	Thailand	100.00	100.00
35. Thipchalothorn Co., Ltd.	Beer and spirits agency	Thailand	100.00	100.00
36. Krittayabun Co., Ltd.	Beer and spirits agency	Thailand	100.00	100.00
37. Surathip Co., Ltd.	Beer and spirits agency	Thailand	100.00	100.00
38. Sunthronpirom Co., Ltd.	Spirits agency	Thailand	100.00	100.00
39. Piromsurang Co., Ltd.	Spirits agency	Thailand	100.00	100.00
40. Thai Beverage Energy Co., Ltd.	Trading of fertilizer, biogas and distribution of spirits	Thailand	100.00	100.00
41. Wrangyer Beverage (2008) Co., Ltd.	Production and distribution of energy drink	Thailand	100.00	100.00
42. Thai Molasses Co., Ltd.	Trading of molasses	Thailand	99.72	99.72
43. Feed Addition Co., Ltd.	Trading of feeds and fertilizer	Thailand	100.00	100.00
44. Pan International (Thailand) Co., Ltd.	Trading of supplies and procurement	Thailand	100.00	100.00
45. Charun Business 52 Co., Ltd.	Brick producer and distribution of spirits	Thailand	100.00	100.00

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			2009	2008
<b>Direct subsidiaries (continued)</b>				
46. Thai Cooperage Co., Ltd.	Oak barrel producer	Thailand	100.00	100.00
47. Thai Beverage Recycle Co., Ltd.	Trading of bottles	Thailand	100.00	100.00
48. Thai Beverage Logistics Co., Ltd.	Transportation and distribution	Thailand	100.00	100.00
49. Thai Beverage Marketing Co., Ltd.	Import and export spirits for trading/ international marketing and non-alcoholic beverages agency	Thailand	100.00	100.00
50. Dhanasindhi Co., Ltd.	Construction	Thailand	100.00	100.00
51. Dhospaak Co., Ltd.	Advertising agency	Thailand	100.00	100.00
52. International Beverage Holdings Limited	Holding company	Hong Kong	100.00	100.00
53. Cosmos Brewery (Thailand) Co., Ltd.	Beer brewery and production of drinking water and soda water	Thailand	100.00	100.00
54. Thai Beverage Brands Co., Ltd.	Trademark holding	Thailand	100.00	100.00
55. Beer Chang Co., Ltd.	Trademark holding and production of concentrate materials	Thailand	100.00	100.00
56. Archa Beer Co., Ltd.	Trademark holding and production of concentrate materials	Thailand	100.00	100.00
57. Sura Piset Phatra Lanna Co., Ltd.	Holding company	Thailand	100.00	100.00
58. Thai Drinks Co., Ltd.	Production and distribution of drinking water	Thailand	100.00	100.00
59. Oishi Group PCL.	Japanese restaurants, bakery shops and production and distribution of food and beverage	Thailand	89.93	89.93
<b>Indirect subsidiaries</b>				
60. Thai Thum Distillery Co., Ltd. #	Production and distribution of spirits	Thailand	99.90	99.90
61. Sura Piset Sahasan Co., Ltd. #	Trading of spirits	Thailand	100.00	100.00
62. Sura Piset Sampan Co., Ltd. #	Trading of spirits	Thailand	100.00	100.00
63. Vitayathan Co., Ltd.	Environmental public relations	Thailand	100.00	100.00
64. InterBev (Singapore) Limited	Trading of alcoholic beverages	Singapore	100.00	100.00
65. InterBev (Cambodia) Co., Ltd.	Trading of alcoholic beverages	Cambodia	100.00	100.00

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			2009	2008
<b>Indirect subsidiaries (continued)</b>				
66. InterBev Malaysia Sdn. Bhd.	Trading of alcoholic beverages	Malaysia	100.00	100.00
67. Best Spirits Company Limited	Trading of alcoholic beverages	Hong Kong	100.00	100.00
68. International Beverage Holdings (UK) Limited	Holding company	United Kingdom	100.00	100.00
69. International Beverage Holdings (China) Limited	Holding company	Hong Kong	100.00	-
70. United Products Co., Ltd.	Production and distribution of spirits	Thailand	99.55	97.98
71. S P M Foods & Beverages Co., Ltd.	Production and distribution of drinking water and energy drinks and spirits agency	Thailand	99.83	99.83
72. Oishi Trading Co., Ltd.	Production and distribution of food and beverage	Thailand	89.93	89.93
73. Oishi Ramen Co., Ltd.	Japanese ramen restaurants	Thailand	89.93	89.93
74. Chang Beer International Co., Ltd. #	Dormant	Thailand	100.00	-
75. Maekhong Distillery Limited	Consultancy service	Thailand	100.00	-
76. Chang International Co., Ltd. #	Dormant	Thailand	100.00	-
77. Chang Corp Co., Ltd. #	Dormant	Thailand	100.00	-
<b>Subsidiaries of indirect subsidiaries</b>				
78. International Beverage Holdings Limited USA, Inc. *	Trading of alcoholic beverages	United States of America	100.00	100.00
79. Blairmhor Limited *#	Holding Company	United Kingdom	100.00	100.00
80. Inver House Distillers Limited *	Production and distribution of spirits	United Kingdom	100.00	100.00
81. InterBev Trading (China) Limited **	Trading of alcoholic beverages	People's Republic of China	100.00	-
82. Yunnan Yulinquan Liquor Co., Ltd.**	Spirits distillery	People's Republic of China	100.00	-
83. Blairmhor Distillers Limited *#	Dormant	United Kingdom	100.00	100.00
84. Wee Beastie Limited *#	Dormant	United Kingdom	100.00	100.00
85. Moffat & Towers Limited *#	Dormant	United Kingdom	100.00	100.00
86. Glen Calder Blenders Limited *#	Dormant	United Kingdom	100.00	100.00
87. Hankey Bannister & Company Limited *#	Dormant	United Kingdom	100.00	100.00
88. R. Carmichael & Sons Limited *#	Dormant	United Kingdom	100.00	100.00

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			2009	2008
<b>Subsidiaries of indirect subsidiaries (continued)</b>				
89. J MacArthur Junior & Company Limited *#	Dormant	United Kingdom	100.00	100.00
90. Mason & Summers Limited *#	Dormant	United Kingdom	100.00	100.00
91. James Catto & Company Limited *#	Dormant	United Kingdom	100.00	100.00
92. The Knockdhu Distillery Co., Ltd. *#	Dormant	United Kingdom	100.00	100.00
93. Speyburn-Glenlivet Distillery Co., Ltd. *#	Dormant	United Kingdom	100.00	100.00
94. The Pulteney Distillery Co., Ltd. *#	Dormant	United Kingdom	100.00	100.00
95. The Balblair Distillery Co., Ltd. *#	Dormant	United Kingdom	100.00	100.00

**Associates of indirect subsidiaries \*\*\***

96. Liquorland Limited	Off licences	United Kingdom	49.49	49.49
97. Inver House Polska Limited	Trading of alcoholic beverages	Poland	44.00	44.00
98. Inver House Distribution SA #	Dormant	France	50.02	50.02

\* Subsidiaries of International Beverage Holdings (UK) Limited

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

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

# These are currently non-trading.

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

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

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

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

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

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

## 2. Basis of preparation of the financial statements

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

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

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

The Group has adopted the following revised TAS and accounting guidance which were issued by the FAP during 2008 and 2009 and effective for annual accounting periods beginning on or after 1 January 2009:

TAS 36 (revised 2007) Impairment of Assets

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

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

Accounting Guidance about Business Combination under Common Control

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

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

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

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

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

### 3. Significant accounting policies

#### (a) Basis of consolidation

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

##### *Business combinations*

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

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

##### *Subsidiaries*

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

##### *Associates*

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

##### *Transactions eliminated on consolidation*

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

**(b) Foreign currencies***Foreign currency transactions*

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the dates of the transactions.

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

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

*Foreign entities*

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

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

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

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

**(c) Derivative financial instruments**

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

**(d) Cash and cash equivalents**

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

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

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

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

**(f) Inventories**

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

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

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

**(g) Investments***Investments in subsidiaries and associates*

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

*Investments in other equity securities*

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

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

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

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

*Disposal of investments*

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

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

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

*Leased assets*

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

*Revalued assets*

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

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

*Depreciation*

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

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

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

**(i) Intangible assets***Goodwill*

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

*Acquisitions prior to 1 January 2008*

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

*Acquisitions on or after 1 January 2008*

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

*Other intangible assets*

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

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

**(j) Leasehold rights**

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

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

**(k) Impairment**

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill, the recoverable amount is estimated at each reporting date, and as and when indicators of impairment are identified.

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

*Calculation of recoverable amount*

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

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

*Reversals of impairment*

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

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

**(l) Interest-bearing liabilities**

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

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

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

**(n) Provisions**

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

**(o) Difference arising from common control transactions**

Difference arising from common control transactions relates to the restructuring of businesses under the common control of the ultimate majority equity holder of the Company and arises from the difference between the cost of the combination and the carrying amounts of net identifiable assets at the date of combination (except for businesses

acquired that are not under common control, net identifiable assets are measured at the fair value). The Company recognises the difference arising from common control transactions under equity until disposal of the investment.

#### **(p) Revenue**

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

##### *Sale of goods and services rendered*

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

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

##### *Construction contracts*

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

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

##### *Rental income*

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

##### *Interest and dividend income*

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

#### **(q) Expenses**

##### *Operating leases*

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

*Finance costs*

Interest expenses and similar costs are charged to the statement of income for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale. The interest component of finance lease payments is recognised in the statement of income using the effective interest rate method.

*Research and development*

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

Other income and expenses are recognised on an accrual basis.

**(r) Income tax**

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

**4. Common control transactions and acquisitions***Common control transactions*

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

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

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

### Restatement

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

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

### Acquisitions

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

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

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

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

## 5. Related party transactions and balances

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

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

Name of the entity	Country of incorporation/ nationality	Nature of relationships
1. Beer Thai (1991) PCL.	Thailand	Direct subsidiary, 100% shareholding
2. Beer Thip Brewery (1991) Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
3. Sangsom Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
4. Fuengfuanant Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding

Name of the entity	Country of incorporation/ nationality	Nature of relationships
5. Mongkolsamai Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
6. Thanapakdi Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
7. Kanchanasingkorn Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
8. Sura Bangyikhan Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
9. Athimart Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
10. S.S. Karnsura Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
11. Kankwan Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
12. Theparunothai Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
13. Red Bull Distillery (1988) Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
14. United Winery and Distillery Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
15. Simathurakij Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
16. Nateechai Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
17. Luckchai Liquor Trading Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
18. Sura Piset Thipparat Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
19. Pomthip Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
20. Pomkit Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
21. Pomkung Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
22. Pomchok Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
23. Pomcharoen Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
24. Pomburapa Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
25. Pompalang Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
26. Pomnakorn Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
27. Num Yuk Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
28. Num Kijjakarn Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
29. Num Palang Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
30. Num Muang Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
31. Num Nakorn Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
32. Num Thurakij Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
33. Numrungrud Co., Ltd. (Formerly: Pan Alcohol Co., Ltd.)	Thailand	Direct subsidiary, 100% shareholding
34. Numthip Co., Ltd. (Formerly: Muangkit Co., Ltd.)	Thailand	Direct subsidiary, 100% shareholding
35. Thipchalothorn Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
36. Krittayabun Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
37. Surathip Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
38. Sunthronpirom Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding

Name of the entity	Country of incorporation/ nationality	Nature of relationships
39. Piromsurang Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
40. Thai Beverage Energy Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
41. Wrangyer Beverage (2008) Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
42. Thai Molasses Co., Ltd.	Thailand	Direct subsidiary, 99.72% shareholding
43. Feed Addition Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
44. Pan International (Thailand) Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
45. Charun Business 52 Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
46. Thai Cooperage Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
47. Thai Beverage Recycle Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
48. Thai Beverage Logistics Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
49. Thai Beverage Marketing Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
50. Dhanasindhi Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
51. Dhospaak Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
52. International Beverage Holdings Limited	Hong Kong	Direct subsidiary, 100% shareholding
53. Cosmos Brewery (Thailand) Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
54. Thai Beverage Brands Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
55. Beer Chang Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
56. Archa Beer Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
57. Sura Piset Phatra Lanna Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
58. Thai Drinks Co., Ltd.	Thailand	Direct subsidiary, 100% shareholding
59. Oishi Group PCL.	Thailand	Direct subsidiary, 89.93% shareholding
60. Thai Thum Distillery Co., Ltd.	Thailand	Indirect subsidiary, 99.90% shareholding
61. Sura Piset Sahasan Co., Ltd.	Thailand	Indirect subsidiary, 100% shareholding
62. Sura Piset Sampan Co., Ltd.	Thailand	Indirect subsidiary, 100% shareholding
63. Vitayathan Co., Ltd.	Thailand	Indirect subsidiary, 100% shareholding
64. InterBev (Singapore) Limited	Singapore	Indirect subsidiary, 100% shareholding
65. InterBev (Cambodia) Co., Ltd.	Cambodia	Indirect subsidiary, 100% shareholding
66. InterBev Malaysia Sdn. Bhd.	Malaysia	Indirect subsidiary, 100% shareholding
67. Best Spirits Company Limited	Hong Kong	Indirect subsidiary, 100% shareholding
68. International Beverage Holdings (UK) Limited	United Kingdom	Indirect subsidiary, 100% shareholding
69. International Beverage Holdings (China) Limited	Hong Kong	Indirect subsidiary, 100% shareholding
70. United Products Co., Ltd.	Thailand	Indirect subsidiary, 99.55% shareholding
71. S P M Foods & Beverages Co., Ltd.	Thailand	Indirect subsidiary, 99.83% shareholding
72. Oishi Trading Co., Ltd.	Thailand	Indirect subsidiary, 89.93% shareholding
73. Oishi Ramen Co., Ltd.	Thailand	Indirect subsidiary, 89.93% shareholding

Name of the entity	Country of incorporation/ nationality	Nature of relationships
74. Chang Beer International Co., Ltd.	Thailand	Indirect subsidiary, 100% shareholding
75. Maekhong Distillery Limited	Thailand	Indirect subsidiary, 100% shareholding
76. Chang International Co., Ltd.	Thailand	Indirect subsidiary, 100% shareholding
77. Chang Corp Co., Ltd.	Thailand	Indirect subsidiary, 100% shareholding
78. International Beverage Holdings Limited USA, Inc.	United States of America	Subsidiary of indirect subsidiary, 100% shareholding
79. Blairmhor Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
80. Inver House Distillers Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
81. InterBev Trading (China) Limited	People's Republic of China	Subsidiary of indirect subsidiary, 100% shareholding
82. Yunnan Yulinquan Liquor Co., Ltd.	People's Republic of China	Subsidiary of indirect subsidiary, 100% shareholding
83. Blairmhor Distillers Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
84. Wee Beastie Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
85. Moffat & Towers Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
86. Glen Calder Blenders Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
87. Hankey Bannister & Company Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
88. R. Carmichael & Sons Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
89. J MacArthur Junior & Company Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
90. Mason & Summers Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
91. James Catto & Company Limited	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
92. The Knockdhu Distillery Co., Ltd.	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
93. Speyburn-Glenlivet Distillery Co., Ltd.	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding

Name of the entity	Country of incorporation/ nationality	Nature of relationships
94. The Pulteney Distillery Co., Ltd.	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
95. The Balblair Distillery Co., Ltd.	United Kingdom	Subsidiary of indirect subsidiary, 100% shareholding
96. Liquorland Limited	United Kingdom	Associates of indirect subsidiary, 49.90% shareholding
97. Inver House Polska Limited	Poland	Associates of indirect subsidiary, 44% shareholding
98. Inver House Distribution SA	France	Associates of indirect subsidiary, 50.02% shareholding
99. Thai Alcohol PCL.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
100. Sint Ek Panich Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
101. Banglen Agriculture Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
102. Pisetkij Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
103. The Maewang Sugar Industry Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
104. The Chonburi Sugar Corp. Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
105. The Utaradit Sugar Industry Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
106. The Suphanburi Sugar Industry Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
107. The Southeast Insurance Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
108. The Southeast Life Insurance Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
109. Southeast Capital Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
110. T.C.C. Technology Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
111. Thai Glass Industries PCL.	Thailand	Directors and controlling equity holders hold substantial shares indirectly

Name of the entity	Country of incorporation/ nationality	Nature of relationships
112. Bang-Na Glass Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
113. TCC Hotel Collection Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
114. Terragro Fertilizer Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
115. Dhipaya Sugar (1999) Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
116. BJC Industrial and Trading Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
117. North Park Real Estate Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
118. TCC PD 11 Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
119. Thippatana Arcade Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
120. Siam Food Products PCL.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
121. BJC Healthcare Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
122. Wattanapat Trading Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
123. Silvercord Capital (Singapore) Limited	Singapore	Directors and controlling equity holders hold substantial shares indirectly
124. Plantheon Trading Co., Ltd.	Thailand	Directors and controlling equity holders hold substantial shares indirectly
125. New Noble Property And Loan Fund	Thailand	Directors and controlling equity holders are the principal unit holder of this real estate investment fund
126. Dynamic Assets Property and Loan Fund	Thailand	Directors and controlling equity holders are the principal unit holder of this real estate investment fund
127. Best Fortune Property and Loan Fund	Thailand	Directors and controlling equity holders are the principal unit holder of this real estate investment fund

Name of the entity	Country of incorporation/ nationality	Nature of relationships
128. Regent Gold Property Fund	Thailand	Directors and controlling equity holders are the principal unit holder of this real estate investment fund
129. Plaza Athenee Hotel (Thailand) Co., Ltd.	Thailand	Directors and controlling equity holders are the directors and hold substantial shares indirectly
130. North Park Golf And Sports Club Co., Ltd.	Thailand	Directors and controlling equity holders are the directors and hold substantial shares indirectly
131. Berli Jucker PCL.	Thailand	Directors and controlling equity holders are the directors and hold substantial shares indirectly
132. Thai Beverage Can Co., Ltd.	Thailand	Directors and controlling equity holders hold 50% shares
133. O.G.T. Co., Ltd.	Thailand	Director of subsidiary is relative of Director of O.G.T. Co., Ltd.
134. PS Recycle Co., Ltd.	Thailand	Directors and controlling equity holders are relatives of controlling person
135. T.C.C. International Limited	Hong Kong	Controlling equity holders hold substantial shares indirectly
136. Best wishes Co., Ltd.	Hong Kong	Controlling equity holders hold substantial shares indirectly

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

#### Transactions

#### Pricing policies

Sale of goods	Agreed prices which approximate market prices
Rendering of services	Contractual prices
Purchase of goods/raw materials	Agreed prices which approximate market prices
Receiving of services	Contractual prices
Purchase and sale of property, plant and equipment	Contractual prices
Purchase and sale of investments	Contractual prices
Interest income and interest expense	Rate as mutually agreed by equity holders with reference interest rates quoted by financial institutions

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

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	(in million Baht)			
<b>Subsidiaries</b>				
Management fees	-	-	2,595	2,523
Cost of rendering of services	-	-	125	99
Interest income	-	-	347	506
Interest expense	-	-	704	549
Dividends	-	-	8,237	5,345
Other income	-	-	3	4
Administrative expenses	-	-	2	2
Purchase of investments	-	-	43	-
Increase in share capital in subsidiaries	-	-	2,886	899
Recovery of investments	-	-	-	86
<b>Associates</b>				
Share of profit of associates, net of income tax	11	27	-	-
<b>Other related parties</b>				
Sale of goods	1,198	799	-	-
Purchases of raw materials and packaging	4,863	5,386	-	-
Overhead costs	187	170	-	-
Rendering of services	13	13	-	-
Cost of rendering of services	-	-	113	79
Other income	39	487	6	217
Administrative expenses	432	421	2	2
Sale of equipment	6	5	-	-
Purchase of plant and equipment	8	3	1	-
Sale of investment	-	1,591	-	1,591
Directors' remuneration	283	292	266	275

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

*Trade accounts receivable from related parties*

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

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



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

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

*Summary of loans to related parties*

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

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

*Loans to related parties*

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

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

*Trade accounts payable - related parties*

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





Short-term loans from and other payables to related parties	Consolidated financial statements				Separate financial statements				
	2009		2008		2009		2008		
	Short-term loans from	Other payables	Total	Short-term loans from	Other payables	Total	Short-term loans from	Other payables	Total
	(in million Baht)								
<b>Related companies</b>									
Thai Alcohol PCL.	-	83	83	-	53	53	-	-	-
Plaza Athenee Hotel (Thailand) Co., Ltd.	-	16	16	-	15	15	-	3	-
Southeast Capital Co., Ltd.	-	14	14	-	12	12	-	2	2
T.C.C. Technology Co., Ltd.	-	11	11	-	13	13	-	10	12
Berli Jucker PCL.	-	4	4	-	7	7	-	-	-
Others	-	26	26	-	26	26	-	3	1
<b>Total related companies</b>	-	<b>154</b>	<b>154</b>	-	<b>126</b>	<b>126</b>	-	<b>18</b>	<b>15</b>
<b>Total</b>	-	<b>154</b>	<b>154</b>	-	<b>126</b>	<b>126</b>	<b>7,259</b>	<b>3,803</b>	<b>3,932</b>

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

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

**Subsidiaries**

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

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

*Summary of loans from related parties*

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

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

*Loans from related parties*

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

**Significant agreements with related parties***Supporting service agreements*

The Company entered into supporting service agreements with subsidiaries for supporting service such as human resource, administration, accounting, finance, public relations, public co-ordination, technology, law, secretary and share register and internal audit for the period of one year from 1 January 2004 to 31 December 2004. Unless there are notifications to terminate the agreement within 30 days before the expiry date, this agreement continues to be in effect for the successive one year term. The subsidiaries are committed to pay a service fee at the rate of 0.5% of

their principal revenue.

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

*Application service provisioning agreement*

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

*Procurement agreement*

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

*Molasses purchase agreements*

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

*Glass bottle purchase and sale agreement*

Thai Beverage Recycle Co., Ltd., the Company's subsidiary, entered into the glass bottle purchase and sale agreement with Berli Jucker PCL., a related party, to purchase various types of new glass bottles in order to sell to other subsidiaries within the Group for a period of two years and eight months, effective from 1 May 2007 to 31 December 2009, under the prices and conditions stated in the contract.

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

*License agreements*

- Three subsidiaries entered into license agreements with Beer Chang Co., Ltd., Archa Beer Co., Ltd., and Thai Beverage Brands Co., Ltd., the Company's subsidiaries, for rights and obligations for the sale of drinking water, soda water, beer, draft beer and lager beer under the trade names of "CHANG", "ARCHA" and "FEDERBRAU". The subsidiaries are committed to pay fees at a rate of 2% based on net sales at price, ex factory, excluding VAT and after deducting excise tax and contributions to the health promotion fund.

- Sura Bangyikhan Co., Ltd., the Company's subsidiary, entered into license agreements with 12 subsidiaries for the rights to use trademarks for white spirits and Chiang - Chun blended spirits as stipulated in the agreement. The trademark fee is from Baht 0.50 - 1.50 per bottle, based on the contents and size of the bottle.

#### *Sales Distributor Agreements*

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

#### *Biogas purchase and sale agreement*

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

#### *Commitments with related parties*

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

## 6. Cash and cash equivalents

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

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

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

## 7. Other investments

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

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

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

## 8. Trade accounts receivable

		Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
(in million Baht)					
Related parties	5	144	116	-	-
Other parties		2,089	1,565	-	-
		2,233	1,681	-	-
Less allowance for doubtful accounts		(183)	(167)	-	-
<b>Total</b>		<b>2,050</b>	<b>1,514</b>	<b>-</b>	<b>-</b>

Bad and doubtful debts expense for the year		41	29	-	-
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Aging analyses for trade accounts receivable were as follows:

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

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

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

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

## 9. Inventories

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

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

## 10. Other current assets

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

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

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

## 11. Investments in subsidiaries

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

Investments in subsidiaries as at 31 December 2009 and 2008, and dividend income from those investments for the years then ended were as follows:

	Separate financial statements							
	Ownership interest		Paid-up capital		Cost method		Dividend income	
	2009	2008	2009	2008	2009	2008	2009	2008
	(%)		(in million Baht)					
<b>Subsidiaries</b>								
Beer Thai (1991) PCL.	100.00	100.00	5,550	5,550	12,500	12,500	-	117
Beer Thip Brewery (1991) Co., Ltd.	100.00	100.00	6,600	6,600	12,500	12,500	541	858
Sangsom Co., Ltd.	100.00	100.00	7,500	7,500	7,500	7,500	-	-
Fuengfuanant Co., Ltd.	100.00	100.00	900	900	900	900	62	59
Mongkolsamai Co., Ltd.	100.00	100.00	700	700	691	691	-	12
Thanapakdi Co., Ltd.	100.00	100.00	700	700	697	697	-	22
Kanchanasingkorn Co., Ltd.	100.00	100.00	700	700	700	700	57	39
Sura Bangyikhan Co., Ltd.	100.00	100.00	4,000	4,000	4,000	4,000	764	492
Athimart Co., Ltd.	100.00	100.00	900	900	900	900	121	94
S.S. Karnsura Co., Ltd.	100.00	100.00	800	800	800	800	102	132
Kankwan Co., Ltd.	100.00	100.00	800	800	800	800	166	102
Theparunothai Co., Ltd.	100.00	100.00	700	700	700	700	106	108
Red Bull Distillery (1988) Co., Ltd.	100.00	100.00	5,000	5,000	5,000	5,000	215	230
United Winery and Distillery Co., Ltd.	100.00	100.00	1,800	1,800	1,800	1,800	76	52
Simathurakij Co., Ltd.	100.00	100.00	900	900	888	888	49	99
Nateechai Co., Ltd.	100.00	100.00	800	800	800	800	72	42
Luckchai Liquor Trading Co., Ltd.	100.00	100.00	800	800	766	766	57	-
Sura Piset Thipparat Co., Ltd.	100.00	100.00	1,000	500	1,010	510	-	-
Pomthip Co., Ltd.	100.00	100.00	10	10	10	10	104	101
Pomkit Co., Ltd.	100.00	100.00	10	10	10	10	-	126
Pomkung Co., Ltd.	100.00	100.00	10	10	10	10	122	105
Pomchok Co., Ltd.	100.00	100.00	10	10	10	10	177	161
Pomcharoen Co., Ltd.	100.00	100.00	10	10	10	10	21	33
Pomburapa Co., Ltd.	100.00	100.00	10	10	10	10	119	103
Pompalang Co., Ltd.	100.00	-	10	-	10	-	-	-
Pomnakorn Co., Ltd.	100.00	-	10	-	10	-	-	-
Num Yuk Co., Ltd.	100.00	100.00	10	10	10	10	369	233
Num Kijjakarn Co., Ltd.	100.00	100.00	10	10	10	10	1,046	333
Num Palang Co., Ltd.	100.00	100.00	10	10	10	10	302	138
Num Muang Co., Ltd.	100.00	100.00	10	10	10	10	430	215
Num Nakorn Co., Ltd.	100.00	100.00	10	10	10	10	244	131

	Separate financial statements									
	Ownership interest		Paid-up capital		Cost method		Dividend income			
	2009	2008	2009	2008	2009	2008	2009	2008		
	(%)		(in million Baht)							
<b>Subsidiaries (continued)</b>										
Num Thurakij Co., Ltd.	100.00	100.00	10	10	10	10	341	173		
Numrungrud Co., Ltd. (Formerly: Pan Alcohol Co., Ltd.)	100.00	-	10	-	10	-	-	-		
Numthip Co., Ltd. (Formerly: Muangkit Co., Ltd.)	100.00	-	10	-	10	-	-	-		
Thipchalothorn Co., Ltd.	100.00	100.00	1	1	3	3	609	137		
Krittayabun Co., Ltd.	100.00	100.00	5	5	27	27	406	128		
Surathip Co., Ltd.	100.00	100.00	1	1	7	7	221	103		
Sunthronpirom Co., Ltd.	100.00	100.00	5	5	25	25	140	102		
Piromsurang Co., Ltd.	100.00	100.00	5	5	24	24	89	53		
Thai Beverage Energy Co., Ltd.	100.00	100.00	860	690	864	694	-	-		
Wrangyer Beverage (2008) Co., Ltd.	100.00	100.00	200	200	200	200	-	-		
Thai Molasses Co., Ltd.	99.72	99.72	40	40	35	35	41	26		
Feed Addition Co., Ltd.	100.00	100.00	1	1	32	32	54	32		
Pan International (Thailand) Co., Ltd.	100.00	100.00	1	1	34	34	19	20		
Charun Business 52 Co., Ltd.	100.00	100.00	122	122	84	84	-	-		
Thai Cooperage Co., Ltd.	100.00	100.00	300	300	296	296	-	-		
Thai Beverage Recycle Co., Ltd.	100.00	100.00	123	123	134	134	54	7		
Thai Beverage Logistics Co., Ltd.	100.00	100.00	1,012	262	1,012	262	-	-		
Thai Beverage Marketing Co., Ltd.	100.00	100.00	300	300	300	300	34	107		
Dhanasindhi Co., Ltd.	100.00	100.00	20	20	24	24	52	6		
Dhospaak Co., Ltd.	100.00	100.00	25	25	61	61	12	14		
International Beverage Holdings Limited	100.00	100.00	7,863	6,841	7,863	6,841	-	-		
Cosmos Brewery (Thailand) Co., Ltd.	100.00	100.00	1,667	1,667	4,139	4,139	-	135		
Thai Beverage Brands Co., Ltd.	100.00	100.00	5	5	39	39	-	-		
Beer Chang Co., Ltd.	100.00	100.00	1	1	4,318	4,301	124	114		
Archa beer Co., Ltd.	100.00	100.00	1	1	130	130	22	51		
Sura Piset Phatra Lanna Co., Ltd.	100.00	100.00	1,000	600	1,015	615	-	-		
Oishi Group PCL.	89.93	89.93	375	375	6,253	6,253	698	-		
Thai Drinks Co., Ltd.	100.00	100.00	60	30	60	30	-	-		
<b>Total</b>			<b>54,303</b>	<b>51,391</b>	<b>80,091</b>	<b>77,162</b>	<b>8,238</b>	<b>5,345</b>		

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

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

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

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

## 12. Investments in associates

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

Investments in associates as at 31 December 2009 and 2008, and dividend income from those investments for the years then ended were as follows:

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

## 13. Property, plant and equipment

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

## Consolidated financial statements

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

The gross amount of the Group's fully depreciated plant and equipment that was still in use as at 31 December 2009 amounted to Baht 10,521 million (2008: Baht 10,276 million). The carrying amount of idle land which is held for planned future business operations as at 31 December 2009 amounted to Baht 1,222 million (2008: Baht 1,202 million).

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

## 14. Intangible assets

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

Separate  
financial statements  
Computer software  
(in million Baht)

<b>Cost</b>	
At 1 January 2008	25
Additions	25
Transfer	1
<b>At 31 December 2008 and 1 January 2009</b>	<b>51</b>
Additions	4
<b>At 31 December 2009</b>	<b>55</b>
<b>Accumulated amortisation</b>	
At 1 January 2008	9
Amortisation charge for the year	6
<b>At 31 December 2008 and 1 January 2009</b>	<b>15</b>
Amortisation charge for the year	9
<b>At 31 December 2009</b>	<b>24</b>
<b>Net book value</b>	
<b>At 31 December 2008</b>	<b>36</b>
<b>At 31 December 2009</b>	<b>31</b>

### 15. Leasehold rights

Consolidated  
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(in million Baht)

<b>Cost</b>	
At 1 January 2008	158
Additions	-
<b>At 31 December 2008 and 1 January 2009</b>	<b>158</b>
Additions	104
Translation differences on consolidation	(4)
<b>At 31 December 2009</b>	<b>258</b>

Consolidated  
financial statements  
(in million Baht)

<b>Accumulated amortisation</b>	
At 1 January 2008	36
Amortisation charge for the year	10
<b>At 31 December 2008 and 1 January 2009</b>	<b>46</b>
Amortisation charge for the year	10
<b>At 31 December 2009</b>	<b>56</b>

**Net book value**

<b>At 31 December 2008</b>	<b>112</b>
<b>At 31 December 2009</b>	<b>202</b>

**16. Other non-current assets**

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

**17. Interest-bearing liabilities**

	Note	Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
(in million Baht)					
<i>Current</i>					
Bank overdrafts					
Secured		655	594	-	-
Unsecured		-	166	-	13

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

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

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

The principal features of the borrowings were as follows:

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

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

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

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

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

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

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

**18. Trade accounts payable**

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

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

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

**19. Other current liabilities**

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
(in million Baht)				
Accrued expenses	865	681	95	76
Value added tax payable	835	726	36	18
Accrued promotion expense	363	472	-	-
Assets payable	350	325	9	5

	Consolidated financial statements		Separate financial statements	
	2009	2008	2009	2008
	(in million Baht)			
Advanced payments from customers for purchase of goods	204	389	-	-
Outstanding cheque paid for excise tax	171	79	-	-
Withholding tax payable	110	70	17	17
Others	191	241	2	21
<b>Total</b>	<b>3,089</b>	<b>2,983</b>	<b>159</b>	<b>137</b>

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

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

## 20. Additional paid-in capital and reserves

### *Share premium*

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

### *Fair value changes and revaluation surpluses*

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

### *Currency translation changes*

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

*Legal reserve*

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

**21. Segment information**

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

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

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

*Business segments*

The Group comprises the following main business segments:

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

*Geographical segments*

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

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

## Business segment results

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

(in million Baht)

## Business segment financial position

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

*Geographic segments*

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

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

**22. Other income**

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

**23. Selling expenses**

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

**24. Administrative expenses**

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

**25. Employee benefit expenses**

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

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 2% to 3% of their basic salaries and by the Group at rates ranging from 2% to 3% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

## 26. Finance costs

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

## 27. Income tax expense

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

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

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

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

## 28. Promotional privileges

### *Promotional privileges from the Board of Investment*

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

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

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

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

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

#### *Privileges granted to business operator in Free Zone*

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

## 29. Earnings per share

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

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

## 30. Dividends

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

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

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

### 31. Financial instruments

#### *Financial risk management policies*

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

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create and acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

#### *Interest rate risk*

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because loan interest rates are mainly fixed. The Group is primarily exposed to interest rate risk from its borrowings (Note 17). The Group mitigates this risk by ensuring that the majority of its borrowings are at fixed interest rates.

The effective interest rates of loans receivable as at 31 December and the periods in which the loans receivable mature or re-price were as follows:

	Effective interest rate (% per annum)	Separate financial statements		Total
		Within 1 year (in million Baht)	After 1 year but within 5 years	
<b>2009</b>				
<b>Current</b>				
Loans receivable - Related parties	5.00	2,642	-	2,642
<b>Non-current</b>				
Loans receivable - Related parties	5.00	-	3,455	3,455
<b>Total</b>		<b>2,642</b>	<b>3,455</b>	<b>6,097</b>
<b>2008</b>				
<b>Current</b>				
Loans receivable - Related parties	5.00	3,336	-	3,336
<b>Non-current</b>				
Loans receivable - Related parties	5.00	-	5,578	5,578
<b>Total</b>		<b>3,336</b>	<b>5,578</b>	<b>8,914</b>

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

	Consolidated financial statements			
	Effective interest rate (% per annum)	Within 1 year (in million Baht)	After 1 year but within 5 years	Total
<b>2009</b>				
<b>Current</b>				
Bank overdrafts	2.50	655	-	655
Loans payable - Financial institutions	1.70	5,063	-	5,063
Current portion of long-term loans	4.59	3,765	-	3,765
<b>Non-current</b>				
Loans payable - Financial institutions	2.11	-	2,500	2,500
<b>Total</b>		<b>9,483</b>	<b>2,500</b>	<b>11,983</b>
<b>2008</b>				
<b>Current</b>				
Bank overdrafts	4.52	760	-	760
Loans payable - Financial institutions	4.48	7,941	-	7,941
Current portion of long-term loans	4.63	5,325	-	5,325
<b>Non-current</b>				
Loans payable - Financial institutions	4.97	-	3,265	3,265
<b>Total</b>		<b>14,026</b>	<b>3,265</b>	<b>17,291</b>

	Separate financial statements			
	Effective interest rate (% per annum)	Within 1 year (in million Baht)	After 1 year but within 5 years	Total
<b>2009</b>				
<b>Current</b>				
Loans payable - Financial institutions	1.71	3,100	-	3,100
Current portion of long-term loans	4.59	3,765	-	3,765
Loans payable - Related parties	5.00	7,259	-	7,259

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

#### Foreign currency risk

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

At 31 December, the Group and the Company were exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

	Note	Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
(in million Baht)					
<i>United States Dollars</i>					
Cash and cash equivalents	6	69	146	-	-
Trade accounts receivable	8	1	13	-	-
Other current assets		2	-	-	-

	Note	Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
(in million Baht)					
Trade accounts payable	18	(7)	(248)	-	-
Other current liabilities		(18)	(18)	-	(1)
<b>Gross balance sheet exposure</b>		<b>47</b>	<b>(107)</b>	-	<b>(1)</b>
Estimated forecast purchase of assets		(6)	(14)	-	-
Estimated forecast purchase of goods		(899)	(1,741)	-	-
Estimated forecast other liabilities		(3)	(2)	-	-
<b>Gross exposure</b>		<b>(861)</b>	<b>(1,864)</b>	-	<b>(1)</b>
Currency forwards		769	1,811	-	-
<b>Net exposure</b>		<b>(92)</b>	<b>(53)</b>	-	<b>(1)</b>
<i>Euro</i>					
Other current assets		-	5	-	-
Trade accounts payable	18	(109)	(226)	-	-
Other current liabilities		(5)	(1)	-	-
<b>Gross balance sheet exposure</b>		<b>(114)</b>	<b>(222)</b>	-	-
Estimated forecast purchase of goods		(773)	(880)	-	-
Estimated forecast purchase of assets		(65)	(22)	-	-
<b>Gross exposure</b>		<b>(952)</b>	<b>(1,124)</b>	-	-
Forwards to buy foreign currency		778	858	-	-
<b>Net exposure</b>		<b>(174)</b>	<b>(266)</b>	-	-
<i>Great Britain Pound</i>					
Cash and cash equivalents		1	1	-	-
Trade accounts payable		(47)	(20)	-	-
<b>Gross balance sheet exposure</b>		<b>(46)</b>	<b>(19)</b>	-	-
Estimated forecast purchases Goods		(51)	(8)	-	-
Estimated forecast purchase of Advertising		(67)	(64)	-	-
<b>Gross exposure</b>		<b>(164)</b>	<b>(91)</b>	-	-
Forwards to buy foreign currency		152	74	-	-
<b>Net exposure</b>		<b>(12)</b>	<b>(17)</b>	-	-
<i>Australia Dollars</i>					
Trade accounts payable	18	(122)	-	-	-
Estimated forecast purchases Goods		(495)	-	-	-
<b>Gross exposure</b>		<b>(617)</b>	-	-	-

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

*Credit risk*

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

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

*Liquidity risk*

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

*Determination of fair values*

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

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

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

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

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

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

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

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

*Capital management*

Management's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management monitors the return on capital which the Group defines as result from operating activities divided by total equity attributable to equity holders of the Company and also monitors the level of dividends to ordinary shareholders.

**32. Commitments with non-related parties**

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

*Significant capital commitments*

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

**Significant other commitments***Specialist agreements*

In 2004, the Company and four subsidiaries entered into production and blending control agreements with a specialist for a period of 40 years from 1 August 2004 to 1 August 2044. Under the agreements, the Company and its subsidiaries are obliged to pay monthly service fees of Baht 4.3 million which are to be annually increased by 5% for the first 20 years from 1 August 2004 to 1 August 2024. Afterwards, the Company and its subsidiaries have to pay monthly service fees of Baht 0.25 million until the expiration of the agreements. Service fee under the agreements totaled Baht 1,766.2 million. Subsequently, the addendums were made on 5 January 2006, under which the Company and its subsidiaries have to pay additional amount to this specialist amounting to Baht 2,000 million. Therefore, the total service fees under the agreements both outstanding and already paid by the Company and its subsidiaries amounted to Baht 3,766.2 million.

As at 31 December 2009 the remaining commitments to be paid, relating to these agreements, amounted to Baht 1,453.6 million.

*Sponsorship agreement*

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

*Distributor agreement*

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

*Hot-fill PET bottle trading agreement*

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

*Material and package trading agreement*

In 2007, a subsidiary and an indirect subsidiary entered into a material and package trading agreement with a local company for distribution of products to the Group's shops and for materials and packaging management. The two

subsidiaries committed to pay the service charge at the rate specified in the agreement for a period of three years from 1 April 2007 to 31 March 2010 with the renewal option for another three years.

*Transportation agreement*

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

*License agreement*

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

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

*UHT packing machine lease agreement*

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

*Natural gas trading agreement*

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

*Waste disposal service agreement*

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

### 33. Events after the reporting period

(a) On 26 January 2010, Thai Beverage Training Co., Ltd. the Company's subsidiary, was incorporated with authorised share capital of Baht 10 million by issuing 1 million ordinary shares with a Baht 10 par value. The initial called up capital was Baht 2.5 per share.

(b) At the Board of Directors' meeting held on 26 February 2010, the directors agreed to propose a dividend payment for the year of Baht 0.33 per share, totalling Baht 8,286 million. The interim dividend paid was Baht 0.15 per share, totalling Baht 3,767 million. The remaining dividend payment is Baht 0.18 per share, totalling Baht 4,519 million.

### 34. Thai Accounting Standards (TAS) not yet adopted

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

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

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

### 35. Reclassification of accounts

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

	2008					
	Consolidated financial statements			Separate financial statements		
	Before reclass	Reclass	After Reclass	Before Reclass	Reclass	After Reclass
	(in million Baht)					
<i>Balance sheet</i>						
Investments in subsidiaries and associates	112	(112)	-	77,162	(77,162)	-
Investments in subsidiaries	-	-	-	-	77,162	77,162

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

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

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

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

(a) Deferred tax

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

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

(b) Employee benefits

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

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

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

(c) Financial instruments

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

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

(d) Investment property

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

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

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

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

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

(e) Business combination (Goodwill)

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

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

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

	Consolidated net profit	
	2009	2008
	(in million Baht)	
As reported in these consolidated financial statements under TAS	10,643	10,606
Add (less): TAS/IFRS differences (net of tax effect)		
(a) Deferred tax	19	(31)
(b) Employee benefits	(67)	(53)
(c) Financial instruments	(88)	18
<b>Under IFRS</b>	<b>10,507</b>	<b>10,540</b>

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

## Interested persons transactions

Audited results for year ended December 31, 2009

	Aggregate value of all interested persons transactions during the year ended December 31, 2009 under review (excluding transactions less than S\$100,000* and transactions conducted under Shareholders' Mandate)	Aggregate value of all interested persons transactions conducted under the mandate (excluding transactions less than S\$100,000*)
	Baht '000	Baht '000
<b>A Revenue from sales and service income</b>		
1 Terragro Fertilizer Co., Ltd.	4,125.70	-
2 Pisetkij Co., Ltd.	-	25,065.83
3 PS Recycle Co., Ltd.	-	91,175.92
4 TCC Hotel Collection Co., Ltd.	3,650.17	-
5 Thai Alcohol Public Company Limited	505,964.34	-
<b>B Other income</b>		
1 Pisetkij Co., Ltd.	-	5,572.88
2 T.C.C. Technology Co., Ltd.	-	2,446.25
3 The Southeast Insurance Co., Ltd.	-	2,976.38
4 Thai Alcohol Public Company Limited	23,698.99	-
<b>C Cost of sales</b>		
1 PS Recycle Co., Ltd.	-	334,442.65
2 The Maewang Sugar Industry Co., Ltd.	-	27,940.13
3 The Suphanburi Sugar Industry Co., Ltd.	-	49,249.34
4 Dhipaya Sugar (1999) Co., Ltd.	-	26,117.43
5 Southeast Capital Co., Ltd.	-	9,363.98
6 T.C.C. Technology Co., Ltd.	-	6,864.12
7 Thai Beverage Can Co., Ltd.	-	871,492.92
8 Berli Jucker Public Company Limited	-	3,348,026.80
9 The Southeast Insurance Co., Ltd.	-	125,650.34
10 The Southeast Life Insurance Co., Ltd.	-	5,385.83
11 The Utaradit Sugar Industry Co., Ltd.	-	35,760.95
12 New Noble Property and Loan Fund	-	14,345.40
13 Thai Alcohol Public Company Limited	140,225.95	-
14 Excellent Energy International Co., Ltd.	7,600.00	-
15 Plantheon Trading Co., Ltd.	40,149.46	-

	Aggregate value of all interested persons transactions during the year ended December 31, 2009 under review (excluding transactions less than S\$100,000* and transactions conducted under Shareholders' Mandate) Baht '000	Aggregate value of all interested persons transactions conducted under the mandate (excluding transactions less than S\$100,000*) Baht '000	
<b>D Other expenses</b>			
1	Bang-Na Glass Co., Ltd.	-	17,444.60
2	Southeast Capital Co., Ltd.	-	119,582.32
3	T.C.C. Technology Co., Ltd.	-	64,332.45
4	Berli Jucker Public Company Limited	-	22,137.52
5	Chatchavalruamtun Co., Ltd.	3,000.00	-
6	The Southeast Insurance Co., Ltd.	-	34,552.57
7	The Southeast Life Insurance Co., Ltd.	-	6,729.37
8	Plaza Athenee Hotel (Thailand) Co., Ltd.	-	38,200.81
9	Regent Gold Property Fund	-	2,481.21
10	North Park Golf And Sports Club Co., Ltd.	-	16,905.84
11	TCC Hotel Collection Co., Ltd.	19,490.40	-
12	Dynamic Assets Property and Loan Fund	4,301.25	-
13	Best Wishes Co., Ltd.	4,192.39	-
14	Best Fortune Property and Loan Fund	32,447.79	-
15	Thippatana Arcade Co., Ltd.	6,715.47	-
16	TCC PD 11 Co., Ltd.	11,018.68	-
17	AT Mediafront Co., Ltd.	3,414.52	-
<b>E Sale of assets</b>			
1	Silvercord Capital (Singapore) Limited	3,054.41	-
2	Thai Alcohol Public Company Limited	2,688.00	-
<b>F Purchase of assets</b>			
1	Berli Jucker Public Company Limited	5,672.04	-
<b>G Purchase of investment</b>			
1	Wattanapat Trading Co., Ltd.	3,899.77	-

\* Exchange rate Baht 23.95 per 1 SGD.

*This Appendix of Renewal and Amendment to the Shareholders' Mandate for Interested Person Transactions (Shareholders' Mandate) will be proposed to the 2010 Annual General Meeting of Shareholders for consideration and approval.*

## APPENDIX

### **Proposed Renewal and Amendment of Shareholders' Mandate for Interested Person Transactions**

If you are in any doubt as to the action that you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

#### **1. Background**

The Board of Directors of Thai Beverage Public Company Limited (the "**Company**") refer to (a) the Notice of Annual General Meeting of the Company dated April 9, 2010 (the "**Notice**"), accompanying the Annual Report 2009, convening the Annual General Meeting ("**AGM**") of the Company to be held on April 29, 2010, and (b) Resolution No. 9 under the heading "Special Business" set out in the Notice.

#### **2. Shareholders' Mandate**

Pursuant to the Company's Prospectus dated May 19, 2006 (the "**Prospectus**"), approval of the Shareholders was deemed obtained for a shareholders' mandate to enable the Company and its subsidiaries which are considered to be "entities at risk" within the meaning of Rule 904(2) of the listing manual (the "**Listing Manual**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), in their ordinary course of businesses, to enter into categories of transactions with specified classes of the Company's interested persons (the "**Interested Person Transactions**"), provided that such transactions are entered into on an arm's length basis and on normal commercial terms. The details of the Interested Person Transactions and shareholders' mandate were disclosed in pages 124 to 148 of the Prospectus. The said shareholders' mandate was updated at the AGM held on April 20, 2007, April 28, 2008, and April 29, 2009 in the manner set out on pages 180 to 188, pages 201 to 212, and pages 209 to 220 of the Company's annual reports for the financial year ended December 31, 2006, 2007, and 2008, respectively (the existing shareholders' mandate as amended, the "**Shareholders' Mandate**").

#### **3. Proposed Renewal and Amendment of the Shareholders' Mandate**

The Shareholders' Mandate was expressed to take effect until the conclusion of the subsequent AGM. Accordingly, the Directors propose that the Shareholders' Mandate be renewed at the forthcoming AGM on April 29, 2010, subject to the amendments thereto as set out in paragraph 4 below, to take effect until the next AGM of the Company.

#### **4. Rationale for the Amendment of Shareholders' Mandate**

The Company is proposing to amend and extend the Shareholders' Mandate in the following manner (the "**Amended Shareholders' Mandate**"):

(a) Extension of the types of transactions covered under the Shareholders' Mandate

Molasses is a by-product of the manufacture of sugar from sugar cane and is one of the main raw materials used in our production of spirits. From time to time, the Company purchases molasses from third party suppliers as well as from some of the Mandated Interested Persons listed in Schedule 2 to this Appendix. The Company may also require such Mandated Interested Persons to provide procurement services to the Company in respect of the purchase of molasses. In addition, the Company may also sell molasses to Mandated Interested Persons, details of which are set out in sub-paragraph 4(b) below.

The Company is proposing to extend the Shareholders' Mandate to include in the list of Mandated Transactions in Schedule 1 to this Appendix (i) the sale of molasses to Mandated Interested Persons (in particular Thai Alcohol Public Company Limited as described below) and (ii) the provision by Mandated Interested Persons (in particular Plantheon Trading Co., Ltd. as described below) of molasses procurement services to the Company, provided that the terms of such sale are undertaken on an arm's length basis and on normal commercial terms consistent with the usual business practices and pricing policies of the Company and its subsidiaries ("**Group**") and in accordance with the Amended Shareholders' Mandate.

The aforesaid sale of molasses and the provision of molasses procurement services to the Company do not fall within the ambit of the Shareholders' Mandate and accordingly, the Directors propose to amend the Shareholders' Mandate such that it applies to such sale of molasses and the provision of molasses procurement services to the Company, as the Company expects that it will in its ordinary course of business continue to enter into such sales transactions from time to time and the aggregate value thereof may increase such that such transactions require our Shareholders' approval pursuant to Chapter 9 of the Listing Manual.

(b) Alteration of the list of Mandated Interested Persons

(1) The Company also wishes to extend the list of Mandated Interested Persons in Schedule 2 to this Appendix to include the following entities which are owned and/or controlled by the Sirivadhanabhakdi family, our controlling shareholders:

(1.1) Plantheon Trading Co., Ltd. ("**Plantheon**")

(1.2) Thai Alcohol Public Company Limited ("**Thai Alcohol**")

Plantheon is engaged in the business of trading of sugar, sugar products, and agriculture products. Thai Alcohol is engaged in the business of the production of ethanol. Mr. Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi are ultimate shareholders of the aforesaid companies.

The Company purchases molasses from and obtains the procurement service of molasses from Plantheon (purchase of molasses is an existing Mandated Transaction under item (a) of the list of Mandated Transactions set out in Schedule 1 to this Appendix). As Plantheon is in the business of sugar trading and purchases its molasses in large quantities, the Company is able to enjoy more competitive pricings of molasses supplied by Plantheon due to economies of scale. In return for a procurement service fee, Plantheon could also assist the Company to purchase the molasses directly from the sugar plants (which sell molasses) which Plantheon has existing dealings

with. By way of such procurement services, the Company may have the opportunity to directly deal with such end suppliers procured by Plantheon to secure the Company's purchase of molasses in the future. For FY2009 the value of all purchases of molasses from Plantheon (which was the only transaction with Plantheon) was as follow:

Nature of Transactions with Plantheon	Value at risk	
	Baht	Singapore Dollars <sup>1</sup>
Purchase of Molasses	40,149,464.80	1,676,240.16

The Company purchases and/or sells molasses to Thai Alcohol (purchase of molasses is an existing Mandated Transaction under item (a) and of the list of Mandated Transactions set out in Schedule 1 to this Appendix). Thai Alcohol produces ethanol from molasses as part of its production processes. Both the Company and Thai Alcohol require molasses as raw material in their respective production processes, although their purposes for the use of molasses are different. The Company uses molasses in its production of spirits, while Thai Alcohol uses molasses in its production of ethanol. However, on occasions when Thai Alcohol has an existing business relationship with a sugar plant (which sells molasses) and which is located near the Company's distilleries and the Company has no dealings with such sugar plant, the Company may purchase molasses from Thai Alcohol who would obtain its molasses supply from such sugar plant. By doing so, the Company will be able to save on the logistic costs associated with the purchase of such molasses. Similarly and on the basis of reciprocity, when the Company has an existing business relationship with the sugar plant (which sells molasses) and which is located near Thai Alcohol's plant and Thai Alcohol has no business dealings with such sugar plant, Thai Alcohol may purchase molasses from the Company to save on the associated logistic costs. For FY2009 the value of such sales of molasses to and other interested person transactions between the Group with Thai Alcohol were as follow:

Nature of Transactions with Thai Alcohol	Value at risk	
	Baht	Singapore Dollars <sup>1</sup>
Sales of Molasses	500,286,023.00	20,886,941.46
Purchase of Molasses	140,000,000.00	5,845,000.00
Provision of procurement services	2,197.00	91.72
Provision of construction services	5,676,121.52	236,978.07
Utilities expenses paid and reimbursed (at cost) to Thai Alcohol	225,945.00	9,433.20
Provision of IT consultation services	3,845,580.00	160,552.97
Sale of unused ferment tanks	4,893,592.20	204,307.47
Labour charges for delivery of molasses reimbursed (at cost) by Thai Alcohol	9,727.93	406.14
Provision of molasses transportation services	14,950,088.28	624,166.19

<sup>1</sup> In this Appendix, unless otherwise stated, conversions of Baht into Singapore Dollars are based on the following exchange rate applied by the Group in connection with the preparation of the financial statements of the Group: Baht 1 = S\$0.04175

The exchange rate above is for reference only. No representation is made by the Company that any amounts in Baht have been, could have been or could be converted at the above rate or at any other rates or at all.

For the rationale and reasons set out above, the Company considers both Plantheon and Thai Alcohol as strategic partners in respect of the mutual sourcing and supply of molasses.

(2) The following Mandated Interested Persons included in the Shareholders' Mandate in 2007 which were renewed at the subsequent AGM held on April 20, 2007, April 28, 2008, and April 29, 2009 were no longer Mandated Interested Persons, because one is in the process of being dissolved and the other is no longer considered an interested person:

(2.1) Plastic Agachon Co., Ltd. (which is in the process of being wound up - winding up procedures commenced in December 2006 - and as such the Company will no longer enter into any dealings with them); and

(2.2) Thai Charoen Insurance Public Company Limited (no longer an interested person as Mr. Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi have divested their interests therein and are no longer ultimate shareholders of this entity since August 2006).

Accordingly, both Plastic Agachon Co., Ltd. and Thai Charoen Insurance Public Company Limited will be removed from the list of Mandated Interested Persons listed in Schedule 2 to this Appendix.

Further details of the Amended Shareholders' Mandate, including the rationale for, and the benefits to, the Company, the review procedures for determining transaction prices with interested persons and other general information relating to Chapter 9 of the Listing Manual, are set out in Schedule 1 to this Appendix.

## 5. Independent Financial Adviser's Opinion

(a) SAC Capital Private Limited has been appointed as the Independent Financial Adviser to the Independent Directors (as defined below) in relation to the proposed renewal and amendment of the Shareholders' Mandate.

(b) Having reviewed the terms of the proposed renewal and amendment of the Shareholders' Mandate and the review procedures thereto, the Independent Financial Adviser is of the opinion that the review procedures of the Company as described in Schedule 1 to this Appendix, for determining the transaction prices under the Amended Shareholders' Mandate are, if applied strictly, sufficient to ensure that the Interested Person Transactions would be transacted on normal commercial terms and would not be prejudicial to the interests of the Company and its minority Shareholders.

(c) The Independent Financial Adviser's letter to the Independent Directors dated February 22, 2010 is reproduced in Schedule 3 to this Appendix.

## 6. Audit Committee Statement

The Audit Committee has reviewed the terms of the Shareholders' Mandate as extended and pursuant to Rule 920(1)(c) of the Listing Manual confirms that:-

(a) the review procedures for determining the transaction prices under the Shareholders' Mandate have not changed since shareholders approved the Shareholders' Mandate at the AGM held on April 29, 2009; and

- (b) the review procedures referred to in Schedule 1 to this Appendix are sufficient to ensure that the transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

If, during the periodic reviews by the Audit Committee, it is of the view that the established review procedures referred to in Schedule 1 to this Appendix are no longer appropriate or adequate to ensure that the Interested Person Transactions will be transacted on normal commercial terms and will not be prejudicial to the interests of the Company and minority Shareholders, the Company will seek a fresh mandate from Shareholders based on new review procedures.

#### **7. Directors' and Substantial Shareholders' Interests**

The interests of the directors and substantial shareholders of the Company in the issued shares in the capital of the Company as at January 21, 2010 and March 10, 2010 respectively can be found in the Annual Report in respect of the financial year ended December 31, 2009 to be, or which has been, distributed to shareholders.

#### **8. Abstention from Voting**

Mr. Charoen Sirivadhanabhakdi, Khunying Wanna Sirivadhanabhakdi, Mr. Thapana Sirivadhanabhakdi and Mr. Panote Sirivadhanabhakdi, who are Directors of the Company, have interests in the shares of the Interested Persons (as described in Schedule 1 to this Appendix), and also hold directorships and/or executive positions in them. They and their respective associates will abstain from voting on Resolution No. 9 being the Ordinary Resolution relating to the proposed renewal of the Shareholders' Mandate in respect of their shareholdings in the Company, if any, at the forthcoming AGM.

#### **9. Independent Directors' Recommendation**

The Directors who are considered independent for the purposes of the proposed renewal of the Shareholders' Mandate are Mr. Komen Tantiwiwatthanaphan, Mr. Narong Srisa-an, Ms. Kanoknart Rangsithienchai, Mr. Chukiet Tangpongprush, Mr. Ueychai Tantha-Obhas, Mr. Sithichai Chaikriangkrai, Dr. Pisanu Vichiensanth, Mr. Vivat Tejapaibul, Mr. Puchchong Chandhanankij, Gen. Dr. Choo-Chat Kambhu Na Ayudhya, Prof. Pornchai Matangkasombut, Mr. Michael Lau Hwai Keong, Mr. Sakthip Krairiksh, Mr. Staporn Kavitanon, Prof. Kanung Luchai, Mr. Manu Leopairote and Mr. Ng Tat Pun (the "**Independent Directors**"). The Independent Directors are of the opinion that the entry into the Mandated Transactions described in Schedule 1 to this Appendix and with the Interested Persons (as described in Schedule 1 to this Appendix) is in the ordinary course of its business will enhance the efficiency of the Group and are in the best interests of the Company.

For the reasons set out in Schedule 1 to this Appendix, the Independent Directors recommend that Shareholders vote in favour of Resolution No. 9, being the Ordinary Resolution relating to the proposed renewal of the Shareholders' Mandate subject to the amendments thereto as set out in paragraph 4 above at the forthcoming AGM.

#### **10. Directors' Responsibility Statement**

The Directors collectively and individually accept responsibility for the accuracy of the information given herein and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated and the opinions expressed herein are fair and accurate and that there are no material facts the omission of which would make any statement herein misleading.

**11. Action to Be Taken By Shareholders**

Shareholders other than those who hold their shares in the Company through the CDP who are unable to attend the 2010 AGM and wish to appoint a proxy to attend and vote at the 2010 AGM on their behalf, will find, attached to the invitation to the 2010 AGM, a Proxy Form which they are requested to complete, sign and return in accordance with the instructions printed thereon as soon as possible and, in any event, (i) so as to arrive at the registered office of the Company at Sangsom Building, 14 Vibhavadi Rangsit Road, Chomphon Sub-district, Chatuchak District, Bangkok 10900, Thailand, for the attention of the Company Secretary, not later than 24 hours before the time fixed for the 2010 AGM or (ii) at the venue of the 2010 AGM before the AGM commences. The sending of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the AGM if he finds that he is able to do so.

Shareholders with securities accounts maintained with CDP will find, attached to the Invitation to the 2010 AGM, a Voting Instructions Form which they are requested to complete, sign and return in accordance with the instructions printed thereon as soon as possible and, in any event so as to arrive at CDP within 7 days before the time fixed for the 2010 AGM.

**12. Consent of the Independent Financial Adviser**

The Independent Financial Adviser has given and has not withdrawn its written consent to the issue of this Appendix with the inclusion of its name and its letter dated February 22, 2010 relating to its advice to the Independent Directors in respect of the proposed renewal and amendment of the Shareholders' Mandate and references thereto, in the form and context in which they appear in this Appendix (the "Letter of Consent").

**13. SGX-ST**

The SGX-ST takes no responsibility for the accuracy of any statements or opinions made in this Appendix.

**14. Documents available for inspection**

The following documents are available for inspection at the registered office of the Company at Sangsom Building, 14 Vibhavadi Rangsit Road, Chomphon Sub-district, Chatuchak District, Bangkok 10900, for the attention of the Company Secretary, during normal business hours for a period of three (3) months from the date of this Appendix:

- (a) Independent Financial Adviser's letter to the Independent Directors dated February 22, 2010; and
- (b) the Letter of Consent of the Independent Financial Adviser.

**SCHEDULE 1 TO THE APPENDIX****General Mandate for Interested Person Transactions**

We anticipate that we would, in the ordinary course of business, continue to enter into certain transactions with our interested persons, including but not limited to those categories of transactions described below. In view of the time-sensitive nature of commercial transactions, it would be advantageous for us to obtain a shareholders' mandate to enter into certain interested persons transactions in our ordinary course of business, provided that all such transactions are carried out on normal commercial terms and are not prejudicial to the interests of our Company and our minority Shareholders.

Chapter 9 of the Listing Manual allows a listed company to obtain a mandate from its shareholders for recurrent interested person transactions which are of a revenue or trading nature or for those necessary for its day-to-day operations. These transactions may not include the purchase or sale of assets, undertakings or businesses which are not part of our day-to-day operations.

Pursuant to Rule 920(1) of the Listing Manual, a general mandate is subject to annual renewal. The information required by Rule 920(1)(b) is as follows:

- (a) the class of interested persons with which the Entity At Risk (as defined below) will be transacting;
- (b) the nature of the transactions contemplated under the mandate;
- (c) the rationale and benefit to the Entity At Risk;
- (d) the methods or procedures for determining transaction prices;
- (e) the independent financial adviser's opinion on whether the methods or procedures in (d) above are sufficient to ensure that the transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of our Company and our minority Shareholders (where applicable);
- (f) an opinion from our Audit Committee if it takes a different view to the independent financial adviser (where applicable);
- (g) a statement from us that we will obtain a new mandate from our Shareholders if the methods or procedures in (d) above become inappropriate; and
- (h) a statement that the interested person will abstain, and has undertaken to ensure that its associates will abstain, from voting on the resolution approving the transaction.

The Amended Shareholders' Mandate, if renewed, will be effective until the next annual general meeting.

### Entities At Risk

For the purposes of the Amended Shareholders' Mandate, an "Entity At Risk" means:

- our Company;
- a subsidiary of our Company that is not listed on the SGX-ST or an approved exchange; or
- an associated company of our Company that is not listed on the SGX-ST or an approved exchange, provided that the Group or the Group and interested persons has control over the associated company.

### Classes of Mandated Interested Persons

The Amended Shareholders' Mandate will apply to our Group's transactions with the list of interested persons as set out in the Schedule 2 to the Appendix - List of Our Interested Persons and Mandated Interested Persons (the "**Mandated Interested Persons**" and each a "**Mandated Interested Person**").

Transactions with Mandated Interested Persons which do not fall within the ambit of the Amended Shareholders' Mandate shall be subject to the relevant provisions of Chapter 9 of the Listing Manual.

### Mandated Transactions

The transactions with interested persons which will be covered by the Amended Shareholders' Mandate ("**Mandated Transactions**") relating to the provision to, or obtaining from, interested persons of products and services in the ordinary course of business of our Group or which are necessary for the day-to-day operations of our Group (but not in respect of the purchase or sale of assets, undertakings or businesses which are not part of our day-to-day operations) are as follows:

- (a) purchases from interested persons of raw materials and packaging materials including new and used glass bottles, aluminium cans, molasses, herbs for the production of beer concentrate, cartons and caps;
- (b) obtaining from interested persons of insurance and insurance-related services;
- (c) purchases from interested persons of all kinds of consumer products, office and storage supplies including tissue paper and sugar for office use, scrap steel, malt bags and wooden pallets;
- (d) obtaining from interested persons of services, including **procurement services**, services relating to provision of accommodation, vehicles and facilities for the directors of the Company and/or subsidiaries, staff training, telecommunications and software licensing, marketing and advertising and management services and services for the manufacturing and distributorship of products;
- (e) obtaining from interested persons of leases or subleases of office space, warehouses, passenger cars and land;
- (f) provision to interested persons of services including procurement services, property improvement services, advertising and sales services and manufacturing services;
- (g) lease or sub-lease to interested persons of office space, warehouses, passenger cars and land;
- (h) sale to interested persons of **molasses** and by-products including fertilizer, used bottles, and factory remnants such as aluminium and glass remnants and scrap paper;
- (i) sale to interested persons of our beer, spirits, water, soda and other products; and
- (j) provision or the obtaining of such other products and/or services which are incidental to or in connection with the provision or obtaining of products and/or services in sub-paragraphs (a) to (i) above.

### Rationale for and Benefits of the Amended Shareholders' Mandate

The transactions with the Mandated Interested Persons are entered into or to be entered into by our Group in its ordinary course of business. They are recurring transactions that are likely to occur with some degree of frequency and arise at any time and from time to time. Our Directors are of the view that it will be beneficial to our Group to transact or continue to transact with the Mandated Interested Persons.

Our Directors believe that our Group will be able to benefit from its transactions with the Mandated Interested Persons. The Amended Shareholders' Mandate and the renewal of the Amended Shareholders' Mandate on an annual basis will eliminate the need to convene separate general meetings from time to time to seek Shareholders' approval as and when potential interested persons transactions with the Mandated Interested Persons arise, thereby reducing substantially the administrative time and expenses in convening general meetings, without compromising the corporate objectives or adversely affecting the business opportunities available to us.

The Amended Shareholders' Mandate is intended to facilitate transactions in our ordinary course of business which are transacted from time to time with the Mandated Interested Persons, provided that they are carried out on normal commercial terms and are not prejudicial to the interests of our Company and our minority Shareholders.

Disclosure will be made in the format required by the Listing Manual, and to the extent required by the SGX-ST, of the aggregate value of interested person transactions conducted pursuant to the Amended Shareholders' Mandate during the current financial year, and in the annual reports for the subsequent financial years during which the Amended Shareholders' Mandate is in force.

### Review Procedures for Interested Person Transactions

Our Audit Committee has oversight of all Interested Person Transactions undertaken by our Group including, the review and where required, approval of such transactions. For this purpose, our Board of Directors has appointed Mr. Ng Tat Pun, an independent non-executive Director and member of the Audit Committee, to lead the Audit Committee in its role in respect of Interested Person Transactions undertaken by our Group (the "**Lead Independent Director for IPTs**"). We have also established the following procedures to ensure that the Interested Person Transactions are undertaken on an arm's length basis and on normal commercial terms.

### Review Procedures and Threshold Limits

In general, there are procedures established by our Group to ensure that Interested Person Transactions, including the Mandated Transactions with the Mandated Interested Persons, are undertaken on an arm's length basis and on normal commercial terms consistent with our Group's usual business practices and policies, and on terms which are generally no more favorable to the interested persons than those extended to or obtained from unrelated third parties.

In particular, the following review procedures have been implemented:

(1) *Procurement and purchase of goods and obtaining services*

- (a) All procurement and purchases made by our Group of a recurring nature which are in the ordinary course of business of our Group or which are necessary for the day-to-day operations of our Group, including procurement and purchases which are Mandated Transactions with Mandated Interested Persons (such as the

transactions referred to in paragraphs (a), (b), (c), (d) and (j) above under “General Mandate for Interested Person Transactions – Mandated Transactions”) will be governed by internal control procedures, which detail matters such as the constitution of internal approving authorities, their approval limits, the number of vendors (minimum of two) who provide us quotes, and the review procedures. The guiding principle is to objectively obtain the best goods and/or services on the best terms through competitive quotations, if appropriate. In determining whether the price and terms offered by interested persons are fair and reasonable, factors such as, but not limited to, delivery schedules, specification compliance, track record, experience and expertise, preferential rates, discounts or rebates offered for bulk purchases, will be taken into consideration. In addition, each interested person transaction entered into by our Group will be monitored as an individual transaction and based on the value of the transaction, will require the prior approval of the corresponding approving authority who is a Director or management employee of the Group (not being an interested person or his associate) and who does not have any interests, whether direct or indirect, in relation to the transactions (the “**Relevant Approving Authority**”) as follows:

<b>Approval Limits</b>	<b>Relevant Approving Authority</b>
Interested person transaction not exceeding Baht 500,000 in value	A deputy managing director or officer of equivalent rank
Interested person transaction above Baht 500,000 but not exceeding Baht 5 million in value	A managing director or officer of equivalent rank
Interested person transaction above Baht 5 million but not exceeding Baht 10 million in value	A vice-chairman or officer of equivalent rank
Interested person transaction above Baht 10 million but not exceeding Baht 20 million in value	A chairman
Interested person transaction above Baht 20 million but not exceeding 3% of the latest audited net tangible assets of the Group in value	Any two vice-chairmen and/or chairmen or officers of equivalent rank
Interested person transaction above 3% of the latest audited net tangible assets of the Group in value	Any two Audit Committee members, one of whom must be the Lead Independent Director for IPTs

In relation to paragraph (j) above under “General Mandate for Interested Person Transactions – Mandated Transactions”, the Relevant Approving Authority (as determined by the value of the transaction) will also assess and approve that the proposed transaction is one which is incidental to or in connection with the provision or obtaining of products and/or services in sub-paragraphs (a), (b), (c) and (d) above under “General Mandate for Interested Person Transactions – Mandated Transactions.”

- (b) In the event that we cannot obtain competitive quotations (for instance, if there are no unrelated third party vendors of similar products and services (taking into account quantum, specifications and delivery schedules among others), or if the product is proprietary in nature), based on the value of the proposed interested person transaction, the corresponding Relevant Approving Authority as set out above (not being an interested person or his associate) and who does not have any interests, direct or indirect, in relation to the transaction, will determine whether the price and terms offered by the interested person are fair and reasonable.

- (c) Purchases under the prevailing terms of the Glass Bottle Purchase Agreement dated December 23, 2009 entered into between Thai Beverage Recycle Co., Ltd. (former name was Bang-Na Logistic Co., Ltd.) and Berli Jucker Public Company Limited (the "**Glass Bottle Purchase Agreement**") will be covered under the Amended Shareholders' Mandate, provided that any amendment to the material provisions of the Glass Bottle Purchase Agreement, including any adjustment authorized by the agreement to the purchase price for glass bottles pursuant to and any renewal or extension of tenure of the Glass Bottle Purchase Agreement, requires the approval of our Board of Directors and the Audit Committee.

*(2) Other Interested Person Transactions of a recurring nature*

- (a) We intend to conduct other interested person transactions not covered by paragraph (1) above which are of a recurring nature and that occur in the ordinary course of business of our Group. These transactions are necessary for the day-to-day operations of our Group and include the sale of products and provisions of services to interested persons and lease or sub-lease of property to or from interested persons and the Mandated Transactions with Mandated Interested Persons referred to in paragraphs (e), (f), (g), (h), (i) and (j) under "General Mandate for Interested Person Transactions – Mandated Transactions" above. We intend to conduct these transactions at the prevailing market rates or prices of the product or service to be provided, and at prevailing market rentals for leases and sub-leases of property, on terms no more favorable to the interested person than the usual commercial terms extended to or, where applicable, by unrelated third parties (including, where applicable, preferential rates, discounts to favored customers or for bulk purchases) or otherwise in accordance with applicable industry norms, provided that:
  - (i) in relation to the sale of products and provision of services which are not contemporaneously in time as the proposed interested person transaction being sold or provided to an unrelated third party, quotes from at least two other suppliers who are unrelated third parties not being the relevant interested person or his associates of similar products or services will be obtained; and
  - (ii) in relation to the lease or sub-lease of property, we are required to obtain enquiries with at least two landlords and/or tenants who are unrelated third parties not being the relevant interested person or his associates of similarly sized and located properties put to similar use.

In addition, each Interested Person Transaction entered into by our Group will be monitored as an individual transaction and based on the value of the transaction, will require the prior approval of the corresponding Relevant Approving Authority who is a Director or management employee of the Group (not being an interested person or his associate) and who does not have any interests, whether direct or indirect, in relation to the transactions as follows:

<b>Approval Limits</b>	<b>Relevant Approving Authority</b>
Interested person transaction not exceeding Baht 200,000 in value	A deputy managing director or officer of equivalent rank
Interested person transaction above Baht 200,000 but not exceeding Baht 500,000 in value	A managing director or officer of equivalent rank
Interested person transaction above Baht 500,000 but not exceeding Baht 5 million in value	A vice chairman or officer of equivalent rank
Interested person transaction above Baht 5 million but not exceeding 3% of the latest audited net tangible assets of the Group in value	A chairman
Interested person transaction above 3% of the latest audited net tangible assets of the Group in value	Any two Audit Committee members, one of whom must be the Lead Independent Director for IPTs

In relation to paragraph (j) above under “General Mandate for Interested Person Transactions – Mandated Transactions”, the Relevant Approving Authority (as determined by the value of the transaction) will also assess and approve that the proposed transaction is one which is incidental to or in connection with the provision or obtaining of products and/or services in sub-paragraphs (e), (f), (g), (h) and (i) above under “General Mandate for Interested Person Transactions – Mandated Transactions.”

- (b) Where the prevailing market rates or prices are not available, whether due to the nature of products to be sold or services to be provided, the unavailability or impracticality of obtaining quotes from third party sources or otherwise, our Group’s pricing for these products and services will be determined in accordance with the Group’s usual business practices and pricing policies, consistent with the usual margin our Group will obtain for the same or substantially similar type of transaction with unrelated third parties. In determining the transaction price payable by Mandated Interested Persons for these products or services, factors such as, but not limited to, quantity, volume, consumption, customer requirements, specifications, duration of contract and strategic purposes of the transaction will be taken into account. In relation to leases and sub-leases of property, where prevailing market rentals are not available, whether due to the unavailability or impracticality of obtaining rental comparisons or otherwise, rental will be determined according to the Group’s usual business practices and policies. In addition, based on the value of the proposed interested person transaction, the corresponding Relevant Approving Authority as set out in paragraph (a) above (not being an interested person or his associate) and who does not have any interests, direct or indirect, in relation to the transaction, will determine whether the price and terms offered by the interested person are fair and reasonable.

(3) *Non-recurring interested person transactions*

We may from time to time also conduct interested person transactions not covered by paragraphs (1) and (2) above and which do not form part of the Amended Shareholders’ Mandate. These transactions are not of a recurring nature or occur outside the ordinary course of business of our Group or which may not be necessary for the day-to-day operations of our Group and include the purchase or sale of assets, undertakings or businesses

which are not part of our day-to-day operations. We intend to conduct such transactions in accordance with the SGX-ST Listing Manual, including the threshold, approval and other requirements under paragraphs 905 and 906 of the SGX-ST Listing Manual. In addition, we will monitor each transaction on an individual basis, and each transaction will require the prior approval of the corresponding Relevant Approving Authority below who is a Director or management employee of the Group (not being an interested person or his associate) and who does not have any interests, whether direct or indirect, in relation to the transaction. The Relevant Approving Authority will also review the transaction to ensure that they are carried out on normal commercial terms and not prejudicial to the interests of our Company and minority Shareholders:

<b>Approval Limits</b>	<b>Relevant Approving Authority</b>
Interested person transaction not exceeding Baht 200,000 in value	A deputy managing director or officer of equivalent rank
Interested person transaction above Baht 200,000 but not exceeding Baht 500,000 in value	A managing director or officer of equivalent rank
Interested person transaction above Baht 500,000 but not exceeding Baht 5 million in value	A vice chairman or officer of equivalent rank
Interested person transaction above Baht 5 million but not exceeding 3% of the latest audited net tangible assets of the Group in value	A chairman
Interested person transaction above 3% of the latest audited net tangible assets of the Group in value	Any two Audit Committee members, one of whom must be the Lead Independent Director for IPTs

In the event that these interested person transactions require the approval of our Shareholders, additional information may be required to be presented to Shareholders and an independent financial adviser may be appointed for an opinion.

#### **Other Review Procedures**

Our Audit Committee led by the Lead Independent Director for IPTs will also review all interested person transactions including, Mandated Transactions to ensure that the prevailing rules and regulations of the SGX-ST (in particular, Chapter 9 of the Listing Manual) are complied with.

Our Group has also implemented the following procedures for the identification of interested person transactions (including Mandated Transactions) and interested persons (including Mandated Interested Persons) and the recording of all our interested person transactions:

- (a) our Group Chief Financial Officer will maintain a register of all transactions carried out with interested persons, including the Mandated Interested Persons (and the basis, including the quotations obtained to support such basis, on which these transactions are entered into), whether mandated or non-mandated; and

(b) on a quarterly basis, our Group Chief Financial Officer will submit a report to our Audit Committee of all recorded interested person transactions, and the basis of all recorded interested person transactions, entered into by our Group. Our Company's annual internal audit plan will incorporate a review of all interested person transactions, including the established review procedures for the monitoring of the interested person transactions including Mandated Transactions, entered into or existing interested person transactions that are renewed or revised during the current financial year, pursuant to the Amended Shareholders' Mandate.

In addition, our Audit Committee led by the Lead Independent Director for IPTs will review, on a quarterly basis, internal controls and review procedures for interested person transactions to determine if they are adequate and/or commercially practicable in ensuring that the transactions between our Group and interested persons are conducted on normal commercial terms and are not prejudicial to the interests of our Company and our minority Shareholders. In conjunction with this review, our Audit Committee will also ascertain whether we have complied with the established review procedures. Further, if during these periodic reviews by our Audit Committee, our Audit Committee is of the view that the internal controls and review procedures for interested person transactions are inappropriate or not sufficient to ensure that the interested person transactions will be on normal commercial terms and not prejudicial to the interests of our Company and our minority Shareholders, our Audit Committee will (pursuant to Rule 920(1)(b)(iv) and (vii) of the Listing Manual) revert to our Shareholders for a new Amended Shareholders' Mandate based on new internal controls and review procedures for transactions with the Mandated Interested Persons. During the period prior to obtaining a new mandate from Shareholders, all transactions with interested persons will be subject to prior review and approval by the Audit Committee.

For the purposes of the above review of the internal controls and review procedures, any member of our Audit Committee who is not considered independent will abstain from participating in the Audit Committee's review of the internal controls and review procedures.

Our Audit Committee will have overall responsibility for determining the review procedures with the authority to delegate to individuals or committees within our Group as they deem appropriate.

**SCHEDULE 2 TO THE APPENDIX****List of our Mandated Interested Persons**

1. TCC Holding Co., Ltd.
2. Bang-Na Glass Co., Ltd.
3. Berli Jucker Cellox Co., Ltd.
4. BJC Industrial and Trading Company Limited <sup>(1)</sup>
5. Berli Jucker Foods Co., Ltd.
6. Berli Jucker Logistics Co., Ltd.
7. Berli Jucker Public Company Limited
8. Berli Jucker Specialties Co., Ltd.
9. BJC Marketing Co., Ltd.
10. BJC Healthcare Co., Ltd. <sup>(2)</sup>
11. Chalitlarp Co., Ltd.
12. Dhipaya Sugar (1999) Co., Ltd.
13. Golden Wealth Co., Ltd.
14. Indara Insurance Public Company Limited
15. Lake View Golf and Yacht Club Co., Ltd.
16. Lake View Land Co., Ltd.
17. Mae Ping Hotel (1988) Co., Ltd.
18. N.C.C. Management and Development Co., Ltd.
19. New Noble Property and Loan Fund
20. Nongkhai Country Golf Club Co., Ltd.
21. North Park Golf and Sports Club Co., Ltd.
22. P.S. Recycle Co., Ltd.
23. Pisetkij Co., Ltd.
24. Plaza Athenee Hotel (Thailand) Co., Ltd.
25. Queen's Park Hotel Co., Ltd.
26. Regent Gold Property Fund
27. Siam Realty Co., Ltd.
28. Southeast Capital Co., Ltd.
29. The Southeast Insurance Co., Ltd. <sup>(3)</sup>
30. The Southeast Life Insurance Co., Ltd.
31. The Suphanburi Sugar Industry Co., Ltd.
32. T.C.C. Service Apartment Co., Ltd. <sup>(4)</sup>
33. Terragro Co., Ltd. <sup>(5)</sup>
34. T.C.C. Capital Co., Ltd.
35. T.C.C. Commercial Property Management Co., Ltd.
36. T.C.C. Technology Co., Ltd.
37. Thai Beverage Can Co., Ltd.
38. The Chonburi Sugar Corporation Limited
39. Thai Glass Industries Public Company Limited
40. The Maewang Sugar Industry Co., Ltd.
41. The New Imperial Hotel Public Company Limited
42. The Utaradit Sugar Industry Co., Ltd.
43. Plantheon Trading Co., Ltd.
44. Thai Alcohol Public Company Limited

## Note

- (1) Its former name was BJC Engineering Co., Ltd.
- (2) Its former name was BJC Trading Co., Ltd.
- (3) Its former name was The Southeast Insurance (2000) Co., Ltd.
- (4) Its former name was Tara Hotel Co., Ltd.
- (5) Its former name was T.C.C. Agro Co., Ltd.

## Announcements to SGX in 2009

### Compliance with Singapore Exchange Regulations and Best Practices

The Company recognizes the importance of the transparency of information disclosure. In 2009, the Company made **145 announcements** via SGX-NET categorized as follows:

1. **4 announcements** of quarterly financial statements and dividend declaration.
2. **90 notices** of substantial shareholders' and directors' interests and changes in interest. When the Company Secretary was informed of the changes in interest of any director(s), the Company Secretary also reported such information to other directors.
3. **4 announcements/reports** involving with occupying the positions of Directors and Executives of Thai Beverage Public Company Limited:
  - 3.1 Report of persons occupying a managerial position who are related to a director, CEO, or substantial shareholder.
  - 3.2 Re-appointment of Audit Committee Members who retire by rotation, for another three years term in February 2009, namely:
    - (1) Mr. Staporn Kavitanon                      Audit Committee Chairman
    - (2) Prof. Kanung Luchai
    - (3) Mr. Manu Leopairote
    - (4) Mr. Ng Tat Pun                              Lead Independent Director for Interested Persons Transactions
  - 3.3 Appointment of Mr. Matthew Kichodhan, Senior Vice President and Chief of International Businesses in September 2009.
  - 3.4 Resignation of Mr. Barrie Mason Jackson from a position of President of International Beverage Holdings Limited and appointment as advisor to the board of International Beverage Holdings Limited in October 2009.
4. **12 announcements** of acquisitions and realizations of assets of other companies resulting from acquisitions by Company's subsidiaries; which are, Mekhong Distillery Limited and Chang Beer International Co., Ltd. in Thailand and Yunnan Yulinquan Liquor Co., Ltd. in China, including the cancellation of Memorandum of Understanding for Acquisition of Energy Drink Business; Carabao and Red Carabao as well as from the incorporation of wholly owned subsidiaries which are Chang Corp Co., Ltd., Chang International Co., Ltd., Pomnakorn Co., Ltd. and Pompalang Co., Ltd. in Thailand, International Beverage Holdings (China) Limited in Hong Kong, China and InterBev Trading (China) Limited in China.
5. **35 miscellaneous announcements** to either conform with the regulations of the SGX or to give information to investors, involving the details of internal group restructure of shareholding, the capital increases of the Company's subsidiaries, the change of the name of Company's subsidiaries, a summary of business performance results for each quarter for investors, clarifications of news about the Company, increasing of the issuance and offering of short term bills of exchange with tenor of not more than 270 days from Baht 5,000 million to Baht 10,000 million, and disclosure of connected transactions among interested persons.

## General Information

(Based on the Organization Structure)

Company Name	Address	Telephone	Fax	Remark
Thai Beverage Public Company Limited	14 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 272 2328	
<b>Brewery Group</b>				
1. Beer Thai (1991) Public Company Limited	15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900  349 Moo 2, Tambon Mae Lad Amphoe Klong Klung Kamphaeng Phet 62120	(02) 127 5555  (055) 728 400-15	(02) 272 2584  (055) 728 416	Factory
2. Beer Thip Brewery (1991) Co., Ltd.	15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900  68 Moo 2, Tambon Namtoa Amphoe Bangban, Ayutthaya 13250	(02) 127 5555  (035) 289 333-45	(02) 272 2584  (035) 289 371	Factory
3. Cosmos Brewery (Thailand) Co., Ltd.	15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900  77 Moo 1, Phaholyothin Road, KM. 54 Tambon Lamsai, Amphoe Wangnoi Ayutthaya 13170	(02) 127 5555  (035) 362 175-8	(02) 272 2584  (035) 362 179	Factory
<b>Distillery Group</b>				
1. Sangsom Co., Ltd.	14 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900  49 Moo 4, Tambon Hormkret Amphoe Sampran Nakhon Pathom 73110  37/3 Moo 7, Tambon Wangkhanai Amphoe Thamuang, Kanchanaburi 71110	(02) 127 5384  (034) 321 778-9  (034) 611 053	(02) 272 2330  (034) 321 777  (034) 611 778	Factory 1  Factory 2
2. Kanchanasingkorn Co., Ltd.	14 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900  50 Moo 7, Tambon Wangkhanai Amphoe Thamuang, Kanchanaburi 71110	(02) 127 5383  (034) 611 783-5	(02) 272 2330  (034) 611 786	Factory
3. Thanapakdi Co., Ltd.	315 Moo 4, Tambon Mae Faek Amphoe San Sai, Chiangmai 50290	(053) 849 550-4	(053) 849 555	Factory
4. Fuengfuanant Co., Ltd.	333 Moo 1, Tambon Tha Toom Amphoe Si Maha Phot Prachin Buri 25140	(037) 285 016-20	(037) 285 237	Factory
5. Mongkolsamai Co., Ltd.	14 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900  149 Moo 5, Wangseesoob- Ngew-Ngam Road, Tambon Phajuk Amphoe Muang, Uttaradit 53000	(02) 127 5382  (055) 449 126-30	(02) 272 2330  (055) 449 131	Factory

Company Name	Address	Telephone	Fax	Remark
6. Sura Piset Thipharat Co., Ltd.	14 Sangsom Building, Soi Yasoob 1 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900  488 Moo 1, Tambon Wangdong Amphoe Muang, Kanchanaburi 71190	(02) 127 5386  (034) 527 100	(02) 272 2330  (034) 527 111	Factory
7. Sura Bangyikhan Co., Ltd.	82 Moo 3, Tambon Bang Ku Wat Amphoe Muang, Pathum Thani 12000	(02) 598 2850-9	(02) 598 2858	Factory
8. Kankwan Co., Ltd.	14 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900  309 Moo 6, Nampong-Kranuan Road Tambon Nampong, Amphoe Nampong Khon Kaen 40310	(02) 127 5555  (043) 441 013-5	(02) 272 2321 (02) 272 2295  (043) 441 017 (043) 441 438	Factory
9. Theparunothai Co., Ltd.	99 Moo 4, Tambon Hat Kham Amphoe Muang, Nong Khai 43000	(042) 462 657 (042) 012 525 (042) 012 521	(042) 012 524	Factory
10. Athimart Co., Ltd.	170 Moo 11, Tambon Nikhom Amphoe Satuek, Buri Rum 31150	(044) 627 200-3 (044) 681 011-2	(044) 681 223	Factory
11. S.S. Karnsura Co., Ltd.	101 Moo 8, Tambon Kaeng Dom Amphoe Sawang Wirawong Ubon Ratchathani 34190	(045) 426 532-5 (045) 442 006-8	(045) 426 537	Factory
12. Red Bull Distillery (1988) Co., Ltd.	15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900  8 Moo 5, Setthakit 1 Road Tambon Nadee, Amphoe Muang Samut Sakhon 74000	(02) 127 5555  (034) 830 213-6	(02) 272 2330  (034) 830 213-6	Factory
13. Nateechai Co., Ltd.	14 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900  1 Moo 2, Highway No. 41 Road Tambon Tharongchang Amphoe Punpin, Surat Thani 84130	(02) 127 5555  (077) 357 170-3	(02) 272 2330  (077) 357 174	Factory
14. United Winery and Distillery Co., Ltd.	14 Sangsom Building, Soi Yasoob 1 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900  54 Moo 2, Sukhaphiban Road Tambon Nakhonchaisri Amphoe Nakhonchaisri Nakhon Pathom 73120	(02) 127 5555  (034) 331 954 (034) 227 754-7	(02) 272 2321 (02) 272 2334  (034) 331 955	Factory
15. Simathurakij Co., Ltd.	1 Moo 6, Tambon Ban Daen Amphoe Banphot Phisai Nakhon Sawan 60180	(056) 279 088-9	(056) 350 660	Factory
16. Luckchai Liquor Trading Co., Ltd.	46 Moo 1, Tambon Nong Klang Na Amphoe Muang, Ratchaburi 70000	(032) 741 761-2	(032) 741 763	Factory
17. Sura Piset Pattharalanna Co., Ltd.	14 Sangsom Building, Soi Yasoob 1 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 272 2584 # 1722	
18. United Products Company Limited	56 Sukhaphiban Road Tambon Nakhonchaisri Amphoe Nakhonchaisri Nakhon Pathom 73120	(034) 331 157	(034) 331 787	Factory

Company Name	Address	Telephone	Fax	Remark
<b>Sole Agent Group</b>				
1. Krittayabun Co., Ltd.	14 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 272 2584	
2. Thipchalothorn Co., Ltd.	15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 272 2584	
3. Piromsurang Co., Ltd.	14 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 272 2584	
4. Sunthornpirom Co., Ltd.	14 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 272 2584	
5. Surathip Co., Ltd.	14 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 272 2584	
<b>Sales Group</b>				
<b>Liquor Marketing Group</b>				
1. Num Yuk Co., Ltd.	40/53 Moo 3 Talad Bangkhen Sub-District Laksi District, Bangkok 10210	(02) 521 8395-7	(02) 973 4658	
2. Num Thurakij Co., Ltd.	51/40-41 Moo 3, Sukhumvit Road Tambon Ban Suan, Amphoe Muang Chon Buri 20000	(038) 287 268-9	(038) 272 525	
3. Num Muang Co., Ltd.	16/2 Moo 1, U Thong Road Tambon Tha Wasukri Amphoe Phra Nakhon Si Ayutthaya Ayutthaya 13000	(035) 242 691	(035) 241 032	
4. Num Nakorn Co., Ltd.	149/3 Chulachomkiao Road Tambon Tha Kham, Amphoe Phun Phin Surat Thani 84130	(077) 224 771-4	(077) 224 775	
5. Num Kijjakarn Co., Ltd.	1, 3, 5 Trok Wat Muang, Suranaree Road Tambon Nai Muang, Amphoe Muang Nakhon Ratchasima 30000	(044) 242 496	(044) 241 747	
6. Num Palang Co., Ltd.	22/1 Soi 2 (Paprao), Paprao Road Tambon Padad, Amphoe Muang Chiangmai 50100	(053) 275 211	(053) 275 211 Ext. 212	
7. Numthip Co., Ltd. *	85/33, 85/34 Petchakasem Road Tambon Na-Muang, Amphoe Muang Ratchaburi 70000	(032) 312 772-4	(032) 312 770-1	
8. Numrunrod Co., Ltd. **	439 Moo 11, Tambon Muang Kao Amphoe Muang, Khon Kaen 40000	(043) 224 222-4	(043) 220 222	
* Registered the change of the company's name from "Muangkij Co., Ltd." to "Numthip Co., Ltd." on April 30, 2009.				
** Registered the change of the company's name from "Pan Alcohol Co., Ltd." to "Numrunrod Co., Ltd." on May 7, 2009.				
<b>Beer Group</b>				
1. Pomkit Co., Ltd.	48, 50, 52 Suranaree Road Tambon Nai Muang, Amphoe Muang Nakhon Ratchasima 30000	(044) 242 496	(044) 241 747	
2. Pomklung Co., Ltd.	22/1 Soi 2 (Paprao), Paprao Road Tambon Padad, Amphoe Muang Chiangmai 50100	(053) 275 211	(053) 275 211 Ext. 212	

Company Name	Address	Telephone	Fax	Remark
3. Pomthip Co., Ltd.	40/53 Moo 3 Talad Bangkhen Sub-District Laksi District, Bangkok 10210	(02) 521 8395-7	(02) 973 4658	
4. Pomcharoen Co., Ltd.	135/3 Moo 4, Kanchanavithi Road Tambon Bang Kung, Amphoe Muang Surat Thani 84000	(077) 224 771-3	(077) 224 774-5	
5. Pomchok Co., Ltd.	16/1 Moo 1, U Thong Road Tambon Tha Wasukri Amphoe Phra Nakhon Si Ayutthaya Ayutthaya 13000	(035) 241 678	(035) 241 313	
6. Pomburapa Co., Ltd.	51/42 Moo 3, Sukhumvit Road Tambon Ban Suan, Amphoe Muang Chon Buri 20000	(038) 287 268	(038) 272 525	
7. Pomnakorn Co., Ltd. *	85/35, 85/36 Petchakasem Road Tambon Na-Muang, Amphoe Muang Ratchaburi 70000	(032) 312 772-4	(032) 312 770-1	
8. Pompalang Co., Ltd. **	439 Moo 11, Tambon Muang Kao Amphoe Muang, Khon Kaen 40000	(043) 224 222-4	(043) 340 438	

\* Incorporated on May 26, 2009.

\*\* Incorporated on June 2, 2009.

<b>Marketing Group</b>				
1. Thai Beverage Marketing Co., Ltd.	15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 127 5925	
2. Chang Corp. Co., Ltd. *	15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 127 5925	Dormant
3. Chang International Co., Ltd. **	15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 127 5925	Dormant
4. Dhospaak Co., Ltd.	1 East Water Building, 20th Floor Soi Vibhavadi-Rangsit 5 Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 127 5980	

\* Incorporated on March 6, 2009.

\*\* Incorporated on March 6, 2009.

<b>Business Development Group (Supply Chain Group)</b>				
1. Thai Beverage Logistics Co., Ltd.	1 East Water Building Soi Vibhavadi-Rangsit 5 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 127 5975	
2. Thai Beverage Energy Co., Ltd.	15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 272 3038	
3. Dhanasindhi Co., Ltd.	14 Soi Yasoop 1, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5869-79	(02) 127 5926	
4. Charun Business 52 Co., Ltd.	15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5745-9	(02) 127 5927	

Company Name	Address	Telephone	Fax	Remark
5. Thai Cooperage Co., Ltd.	15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 272 2584	
6. Thai Molasses Co., Ltd.	14 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 272 2441	
7. Pan International (Thailand) Co., Ltd.	15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 617 9685	
8. Feed Addition Co., Ltd.	15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 617 9647	
9. Thai Beverage Recycle Co., Ltd.	15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 617 9549	
<b>Non-Alcohol Beverage Business Group</b>				
1. Wrangyer Beverage (2008) Co., Ltd.	14 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 127 5882	
2. SPM Foods and Beverages Company Limited	79 Moo 3, Tambon Lumlookbua Amphoe Dontoom Nakhon Pathom 73150	(034) 993 355	(034) 993 354	Factory
3. Thai Drinks Co., Ltd.	14 Sangsom Building Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 127 5892	
4. Oishi Trading Co., Ltd.	9 Ramkhamhaeng Road Suanluang Sub-District Suanluang District, Bangkok 10250	(02) 717 4773 - 4	(02) 717 4775	
<b>Food Business Group</b>				
1. Oishi Group Public Company Limited.	9 UM Tower Building, 20 <sup>th</sup> Floor Ramkhamhaeng Road Suanluang Sub-District Suanluang District, Bangkok 10250	(02) 717 2244	(02) 717 3920	
2. Oishi Ramen Co., Ltd.	444 1 <sup>st</sup> Floor, Room No. 1 A 08-09 Phaya Thai Road, Wangmai Sub-District Pathumwan District, Bangkok 10330	(02) 611 8143-4		
<b>Others *</b>				
1. Vidhayathan Co., Ltd.	15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 272 2584	
2. Thai Thum Distillery Co., Ltd.	14 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 272 2330	Dormant
3. Sura Piset Sahasan Co., Ltd.	14 Sangsom Building, Soi Yasoob 1 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 272 2330	Dormant
4. Sura Piset Samphan Co., Ltd.	14 Sangsom Building, Soi Yasoob 1 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 272 2330	Dormant

\* Thai Beverage Training Co., Ltd. was incorporated on January 26, 2010. Thai Beverage Training Co., Ltd. is located at 14 Vibhavadi Rangsit Road, Chomphon Sub-District, Chatuchak District, Bangkok 10900, Telephone No.: (02) 127 5555, Fax No.: (02) 127 2330.

Company Name	Address	Telephone	Fax	Remark
<b>Trademark Group</b>				
1. Thai Beverage Brands Co., Ltd.	15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 272 2584	
2. Beer Chang Co., Ltd.	15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 272 2584	
3. Archa Beer Co., Ltd.	14 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 272 2584	
4. Chang Beer International Co., Ltd. *	15 Moo 14, Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 272 2584	Dormant
5. Mekhong Distillery Limited **	14 Vibhavadi Rangsit Road Chomphon Sub-District Chatuchak District, Bangkok 10900	(02) 127 5555	(02) 272 2584	
* Beer Chang Co., Ltd. and other companies in Beer Chang group acquired entire shares of this company on February 2, 2009.				
** Sura Bangyikhan Co., Ltd. and other companies in Sura Bangyikhan group acquired entire shares of this company on February 2, 2009 and filing the amendment of the company's name in English from "Maekhong Distillery Limited" to "Mekhong Distillery Limited" on April 17, 2009.				
<b>Overseas Group</b>				
1. International Beverage Holdings Limited	Room 901-2, Silvercord Tower 1 30 Canton Road, Tsim Sha Tsui Kowloon, Hong Kong	(852) 2375 6648	(852) 2375 6188	
2. InterBev (Singapore) Limited	No. 138 Cecil Street # 05-02 Cecil Court Singapore 069538	(65) 6435 2880	(65) 6536 9930	
3. InterBev (Cambodia) Co., Ltd.	No. 35, Street 322 Sangkat Boeung Keng Kang 1 Khan Chamkamon, Phnom Penh Cambodia	(855) (23) 727 424	(855) (23) 727 424	
4. InterBev Malaysia Sdn. Bhd.	No. 9-1, Jalan USJ 1/1B Regalia Business Centre 47620 Subang Jaya, Selangor, Malaysia	(603) 8023-4923	(603) 8023-5923	
5. Best Spirits Company Limited	Room 901-2, Silvercord Tower 1 30 Canton Road, Tsim Sha Tsui Kowloon, Hong Kong	(852) 2375 6648	(852) 2375 6188	
6. International Beverage Holdings (UK) Limited	Moffat Distillery, Airdrie, ML6 8PL Scotland	(44) 1236 769377	(44) 1236 779001	
7. International Beverage Holdings (China) Limited *	Room 901-2, Silvercord Tower 1 30 Canton Road, Tsim Sha Tsui Kowloon, Hong Kong	(852) 2375 6648	(852) 2375 6188	
8. International Beverage Holdings Limited USA, Inc.	275 Madison Avenue, Suite 1718 New York, NY 10016	(1) 646 896 3800	(1) 646 896 3801	
9. Blairmhor Limited	Moffat Distillery, Airdrie, ML6 8PL Scotland	(44) 1236 769377	(44) 1236 769781	Non- Trading
10. Inver House Distillers Limited	Moffat Distillery, Airdrie, ML6 8PL Scotland	(44) 1236 769377	(44) 1236 769781	
11. InterBev Trading (China) Limited **	Room 01-03 Level 1, No. 63 Kunluo Road Shuangjiang Zheng, Ershan County Yuxi, Yunnan, China 650011	(89) 8774 010319	(86) 8774 010319	
12. Yunnan Yulinquan Liquor Co., Ltd. ***	Yunlin Village, Shuangjiang Town Eshan County, Yuxi City, Yunnan, China	(86) 8774 022068	(86) 8774 022199	

Company Name	Address	Telephone	Fax	Remark
13. Blairmhor Distillers Limited	Moffat Distillery, Airdrie, ML6 8PL Scotland	(44) 1236 769377	(44) 1236 769781	Dormant
14. Wee Beastie Limited	Moffat Distillery, Airdrie, ML6 8PL Scotland	(44) 1236 769377	(44) 1236 769781	Dormant
15. Moffat & Towers Limited	Moffat Distillery, Airdrie, ML6 8PL Scotland	(44) 1236 769377	(44) 1236 769781	Dormant
16. Glen Calder Blenders Limited	Moffat Distillery, Airdrie, ML6 8PL Scotland	(44) 1236 769377	(44) 1236 769781	Dormant
17. Hankey Bannister & Company Limited	Moffat Distillery, Airdrie, ML6 8PL Scotland	(44) 1236 769377	(44) 1236 769781	Dormant
18. R Carmichael & Sons Limited	Moffat Distillery, Airdrie, ML6 8PL Scotland	(44) 1236 769377	(44) 1236 769781	Dormant
19. J MacArthur Jr & Company Limited	Moffat Distillery, Airdrie, ML6 8PL Scotland	(44) 1236 769377	(44) 1236 769781	Dormant
20. Mason & Summers Limited	10 Foster Lane, London, EC2V 6HH England	(44) 1236 769377	(44) 1236 769781	Dormant
21. James Catto & Company Limited	Moffat Distillery, Airdrie, ML6 8PL Scotland	(44) 1236 769377	(44) 1236 769781	Dormant
22. The Knockdhu Distillery Company Limited	Moffat Distillery, Airdrie, ML6 8PL Scotland	(44) 1236 769377	(44) 1236 769781	Dormant
23. Speyburn-Glenlivet Distillery Company Limited	Moffat Distillery, Airdrie, ML6 8PL Scotland	(44) 1236 769377	(44) 1236 769781	Dormant
24. The Pulteney Distillery Company Limited	Moffat Distillery, Airdrie, ML6 8PL Scotland	(44) 1236 769377	(44) 1236 769781	Dormant
25. The Balblair Distillery Company Limited	Moffat Distillery, Airdrie, ML6 8PL Scotland	(44) 1236 769377	(44) 1236 769781	Dormant
26. Liquorland Limited	8 Westbank Road, Belfast, BT3 9JL Northern Ireland	(44) 289 077 3990	(44) 289 037 0566	
27. Inver House Polska Limited	ul. Obodrzyców 34 A/1, 81-812 Sopot Poland	(48) 585 502 111	(48) 585 502 111	
28. Inver House Distribution SA	Avenue des Tilleuls, 62140 Marconne France	(33) 2 181 6170	(33) 2 181 1321	Dormant

\* Incorporated in Hong Kong on June 8, 2009.

\*\* Incorporated in China on August 21, 2009.

\*\*\* International Beverage Holdings (China) Limited acquired the entire equity of this company on November 16, 2009.

**Legal Advisor**

Weerawong, Chinnavat & Peangpanor Ltd.  
22nd floor, Mercury Tower  
540 Ploenchit Road  
Lumpini, Pathumwan  
Bangkok 10330

**Compliance Advisor**

Allen & Overy LLP  
24 Raffles Place  
#22-00 Clifford Centre  
Singapore 048621

**Certified Public Accountant**

Ms. Nittaya Chetchotiros (CPA No. 4439)  
or Ms. Bongkot Amsageam (CPA No. 3684)  
or Mr. Santi Pongjareanpit (CPA No. 4623)  
of KPMG Phoomchai Audit Ltd.  
has been appointed as Company Auditor  
on April 29, 2009.





**Thai Beverage Public Company Limited**