

Thai Beverage Public Company Limited

Financial Statements and Dividend Announcement for the Year Ended 31 December 2012.

Part I Information Required for Full Year Announcements.

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

Thai Beverage Public Company Limited and its Subsidiaries
 Statements of income
 For the years ended 31 December 2012 and 2011

	(Unit : Thousand Baht)		
	Consolidated		
	financial statements		
	For the year ended 31 December		
	(Restated)		
	2012	2011	+ / (-)
Revenues from sales and services			
Revenue from sale of goods and rendering of services	161,043,747	132,186,530	22%
Total revenues from sales and services	161,043,747	132,186,530	22%
Cost of sales and services			
Cost of sales of goods and rendering of services	115,621,965	97,453,289	19%
Total cost of sales and services	115,621,965	97,453,289	19%
Gross profit	45,421,782	34,733,241	31%
Selling expenses	12,231,705	8,276,586	48%
Administrative expenses	10,386,173	9,155,310	13%
Net loss on foreign exchange	1,945,523	-	
Loss from severe floodings in Thailand	-	160,277	(100%)
Finance costs	1,401,361	454,770	208%
Operating profit	19,457,020	16,686,298	17%
Interest income	73,992	37,554	97%
Other income	763,013	756,738	1%
Net operating profit	20,294,025	17,480,590	16%
Share of profit(loss) of associates, net of income tax	13,611,095	(196,639)	(7022%)
Earnings before income tax expense	33,905,120	17,283,951	96%
Income tax expense	5,145,582	5,317,352	(3%)
Profit for the year	28,759,538	11,966,599	140%
Profit attributable to:			
Owners of the Company	28,493,113	12,030,959	137%
Non-controlling interests	266,425	(64,360)	(514%)
Profit for the year	28,759,538	11,966,599	140%
Basic earnings per share (Baht)	1.13	0.48	135%
Diluted earnings per share (Baht)	1.13	0.48	135%

Thai Beverage Public Company Limited and its Subsidiaries
 Statements of comprehensive income
 For the years ended 31 December 2012 and 2011

	Consolidated financial statements For the year ended 31 December		
	2012	2011	
	<i>(in Thousand Baht)</i>		+/(<i>-</i>)
Profit for the year	28,759,538	11,966,599	140%
Other comprehensive income			
Foreign currency translation differences for foreign operations	155,649	291,897	(47%)
Revaluation of property	902,694	46,074	1859%
Defined benefit plan actuarial gains (losses)	(20,973)	(22,148)	(5%)
Share of other comprehensive income of associates	1,263,831	-	
Net change in fair value of available-for-sale investments	40,865	2,345	1643%
Income tax on other comprehensive income	(177,865)	343,950	(152%)
Other comprehensive income for the year, net of income tax	2,164,201	662,118	227%
Total comprehensive income for the year	30,923,739	12,628,717	145%
Total comprehensive income attributable to:			
Owners of the Company	30,651,462	12,672,093	142%
Non-controlling interests	272,277	(43,376)	(728%)
Total comprehensive income for the year	30,923,739	12,628,717	145%

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

NOTE :

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

	(Unit : Thousand Baht)		
	Consolidated		
	financial statements		
	For the year ended 31 December		
	2012	2011	+ / (-)
A Investment income	(13,617,230)	195,799	(7055%)
B Other income including interest income	(715,989)	(418,209)	71%
C Interest on borrowings	1,401,361	454,770	208%
D Depreciation and amortization	3,978,795	3,476,108	14%
E Allowance for doubtful debts and bad debts written off	(7,684)	16,364	(147%)
F Write-off for stock obsolescence	71,196	182,544	(61%)
G Impairment in value of investments	-	-	-
H Foreign exchange (gain) / loss	1,945,523	(83,586)	(2428%)
I Adjustments for under or overprovision of tax in respect of prior year	-	-	-
J (Profit) or loss on sale of investments, properties, and / or plant and equipment	(58,334)	109,211	153%
K Exceptional items	-	-	-
L Extraordinary items	-	-	-

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

Thai Beverage Public Company Limited and its Subsidiaries
 Statements of financial position
 As at 31 December 2012 and 2011

	Consolidated		(Unit : Thousand Baht)	
	financial statements		Separate financial statements	
	31 Dec 2012	31-Dec-2011	31 Dec 2012	31-Dec-2011
	(Audited)	(Restated)	(Audited)	(Audited)
Assets				
Current assets				
Cash and cash equivalents	4,544,966	3,442,423	28,230	11,188
Current investments	2,289	12,804	-	-
Trade accounts receivable	3,582,909	3,618,526	-	-
Other receivables	898,567	962,737	12,012	12,256
Current portion of long-term loans	27,557	-	578	-
Short-term loans to and other receivables from related parties	1,246,307	2,289,738	24,857,102	15,237,613
Inventories	32,972,438	30,552,267	-	-
Other current assets	3,874,071	4,297,832	37,996	17,672
Total current assets	47,149,104	45,176,327	24,935,918	15,278,729
Non-current assets				
Investments in associates	104,319,644	149,161	-	-
Investments in subsidiaries	-	-	80,352,046	80,189,702
Other long-term investments	319,788	233,838	-	-
Long-term loans to and other receivables from related parties	57,385	53,461	2,314,565	645,565
Other long-term loans	2,216	-	20	-
Investment properties	858,720	678,274	-	-
Property, plant and equipment	45,320,061	43,367,421	48,737	52,799
Goodwill	7,038,303	7,033,920	-	-
Other intangible assets	158,690	171,108	15,797	14,318
Leasehold rights	174,167	191,672	-	-
Deferred tax assets	397,383	341,088	29,506	30,840
Other non-current assets	1,890,333	1,965,367	296,187	305,918
Total non-current assets	160,536,690	54,185,310	83,056,858	81,239,142
Total assets	207,685,794	99,361,637	107,992,776	96,517,871

Thai Beverage Public Company Limited and its Subsidiaries
 Statements of financial position
 As at 31 December 2012 and 2011

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 Dec 2012	31-Dec-2011	31 Dec 2012	31-Dec-2011
	(Audited)	(Restated)	(Audited)	(Audited)
Liabilities and equity				
Current liabilities				
Bank overdrafts and short-term loans				
from financial institutions	11,334,945	5,226,897	8,370,341	3,500,000
Trade accounts payable	5,108,142	5,297,250	-	-
Other payables	4,213,194	3,685,932	165,962	153,597
Current portion of long-term loans				
from financial institutions	4,672,275	1,800,000	1,533,200	1,200,000
Short-term loans from and				
other payables to related parties	302,862	145,911	9,608,376	8,924,330
Income tax payable	2,814,991	2,925,761	118,744	50,791
Short-term provisions	39,043	44,958	-	-
Other current liabilities	2,107,487	2,112,481	61,021	62,458
Total current liabilities	30,592,939	21,239,190	19,857,644	13,891,176
Non-current liabilities				
Long-term loans from and				
other payables to related parties	105	449	13,874,900	10,528,000
Long-term loans from				
financial institutions	88,146,177	11,200,000	9,666,800	11,200,000
Deferred tax liabilities	1,374,053	1,252,186	-	-
Employee benefit obligations	2,437,451	2,340,532	134,088	139,313
Other non-current liabilities	163,681	126,919	-	-
Total non-current liabilities	92,121,467	14,920,086	23,675,788	21,867,313
Total liabilities	122,714,406	36,159,276	43,533,432	35,758,489
Equity				
Share capital:				
Authorised share capital	29,000,000	29,000,000	29,000,000	29,000,000
Issued and paid-up share capital	25,110,025	25,110,025	25,110,025	25,110,025
Difference arising from common				
control transactions	(19,718,440)	(19,732,321)	31,035	-
Premium on ordinary shares	17,215,737	17,215,737	17,215,737	17,215,737
Retained earnings:				
Appropriated - legal reserve	2,900,000	2,900,000	2,900,000	2,900,000
Unappropriated	52,399,129	32,956,589	19,157,349	15,533,620
Other components of equity	3,469,585	1,300,272	45,198	-
Equity attributable to owners				
 of the Company	81,376,036	59,750,302	64,459,344	60,759,382
Non-controlling interests	3,595,352	3,452,059	-	-
Total equity	84,971,388	63,202,361	64,459,344	60,759,382
Total liabilities and equity	207,685,794	99,361,637	107,992,776	96,517,871

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

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

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

As at 31 December 2012				As at 31 December 2011		
Letter of Comfort	Unsecured	Guaranteed	Unsecured with guarantee	Letter of Comfort	Unsecured	Guaranteed
11,564	11,744,573	1,112,008	3,139,075	307,649	6,383,355	335,893

(Unit : Thousand Baht)

(B) the amount repayable after one year;

As at 31 December 2012				As at 31 December 2011		
Secured	Unsecured	Guaranteed	Unsecured with guarantee	Secured	Unsecured	Guaranteed
-	9,666,800	-	78,479,377	-	11,200,000	-

(Unit : Thousand Baht)

(C) details of any collaterals.

N/A

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

Thai Beverage Public Company Limited and its Subsidiaries
 Statements of cash flows
 For the years ended 31 December 2012 and 2011

	Consolidated		(Unit : Thousand Baht)	
	financial statements		Separate	
	2012	2011	2012	2011
	(Audited)	(Restated)	(Audited)	(Audited)
Cash flows from operating activities				
Profit for the year	28,759,538	11,966,599	12,691,648	8,559,175
Adjustments for				
Depreciation and amortisation	3,928,795	3,426,108	23,803	24,024
Interest income	(73,992)	(37,554)	(981,610)	(373,120)
Finance costs	1,401,361	454,770	1,702,949	1,191,468
Unrealised loss on exchange	298,019	34,917	111,828	-
(Reversal of) bad and doubtful debts expense	(7,684)	16,364	-	-
Amortisation of advance payments to a specialist	50,000	50,000	9,375	9,375
Write-off (reversal of) allowance for obsolete inventories	(194,208)	288,022	-	-
Gain on sale of investment properties	-	(139,454)	-	-
(Gain) loss on disposal and write-off of property, plant and equipment and intangible assets	(15,574)	248,665	3,092	1,819
(Reversal of) impairment loss on plant and equipment	(197,055)	588,270	-	-
Gain on sale of investment	(42,760)	-	(32,975)	-
Dividends	(6,135)	(840)	(11,946,667)	(8,117,843)
Employee benefit	235,380	193,908	17,594	26,461
Share of (profit) loss of associates, net of income tax	(13,611,095)	196,639	-	-
Income tax expense	5,145,582	5,317,352	254,051	271,078
	25,670,172	22,603,766	1,853,088	1,592,437
Changes in operating assets and liabilities				
Trade accounts receivable	23,977	(570,848)	-	-
Other receivables from related parties	696,803	(1,535,293)	(4,848)	(42,609)
Inventories	(2,228,452)	(2,301,656)	-	-
Other current assets	485,967	(2,427,783)	(20,348)	(11,026)
Trade accounts payable	(182,953)	266,284	-	-
Other payables to related parties	100,744	(32,075)	158,766	123,940
Other current liabilities	435,689	579,886	38,250	4,072
Employee benefit paid	(138,888)	(103,143)	776	(18,280)
Other non-current liabilities	231,281	21,880	-	-
Cash generated from operating activities	25,094,340	16,501,018	2,025,684	1,648,534
Income tax paid	(5,368,595)	(4,353,917)	(188,985)	(348,952)
Net cash from operating activities	19,725,745	12,147,101	1,836,699	1,299,582

Thai Beverage Public Company Limited and its Subsidiaries
 Statements of cash flows
 For the years ended 31 December 2012 and 2011

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
	(Audited)	(Restated)	(Audited)	(Audited)
Cash flows from investing activities				
Interest received	73,789	37,377	867,636	317,799
Dividends received	6,135	840	11,946,667	8,117,843
Current investments	12,514	(8)	-	-
Loans to related parties	-	-	(13,570,095)	(13,107,900)
Repayment of loans to related parties	-	-	2,288,600	2,195,500
Other long-term loans	(29,833)	-	-	-
Investments in subsidiaries	39,576	-	287,915	(142,277)
Investments in associates	(90,111,990)	-	-	-
Other long-term investments	(47,068)	-	-	-
Purchase of investment properties	(161,129)	-	-	-
Sale of investment properties	-	273,217	-	-
Purchase of property, plant and equipment	(4,821,368)	(3,164,562)	(21,866)	(18,789)
Sale of property, plant and equipment	157,730	49,529	19	2,238
Purchase of intangible assets	(40,648)	(31,971)	(7,686)	(1,955)
Decrease in intangible assets	218	2,538	-	-
Increase in other non-current assets	24,977	(2,225)	25	(356)
Net cash outflow on acquisition of indirect subsidiary	-	(9,057,106)	(386,250)	-
Net cash from (used in) investing activities	(94,897,097)	(11,892,371)	1,404,965	(2,637,897)
Cash flows from financing activities				
Interest paid	(1,352,909)	(388,673)	(1,710,104)	(1,107,557)
Dividends paid to owners of the Company	(9,039,609)	(8,788,509)	(9,039,609)	(8,788,509)
Dividends paid to non-controlling interests	(117,556)	(64,734)	-	-
Bank overdrafts	751,421	(190,673)	-	-
Proceeds from short-term loans from financial institutions	128,090,116	39,482,237	42,473,225	20,600,000
Repayment of short-term loans from financial institutions	(122,733,217)	(40,326,910)	(37,602,884)	(22,100,000)
Proceeds from loans from related parties	-	-	8,282,350	8,173,420
Repayment of loans from related parties	-	-	(4,427,600)	(5,350,700)
Proceeds from long-term loans from financial institutions	81,618,453	12,400,000	-	12,400,000
Repayment of long-term loans from financial institutions	(1,800,000)	(2,500,000)	(1,200,000)	(2,500,000)
Net cash from (used in) financing activities	75,416,699	(377,262)	(3,224,622)	1,326,654
Net increase (decrease) in cash and cash equivalents	245,347	(122,532)	17,042	(11,661)
Cash and cash equivalents at 1 January	3,442,423	3,358,696	11,188	22,849
Effect of exchange rate changes on balances held in foreign currencies	857,196	206,259	-	-
Cash and cash equivalents at 31 December	4,544,966	3,442,423	28,230	11,188

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

Thai Beverage Public Company Limited and its Subsidiaries
Statements of changes in equity
For the years ended 31 December 2012 and 2011

(Unit : Thousand Baht)

	Consolidated financial statements											
	Issued and paid-up share capital	Difference arising from common control transactions	Ordinary share premium	Retained earnings		Other components of equity			Total other components of equity	Equity attributable to owners of the Company	Non-controlling interests	Total equity
Legal reserve				Unappropriated	Currency translation differences	Revaluation surplus	Fair value changes in available-for-sale investments					
Year ended 31 December 2011-restated												
Balance at 1 January 2011	25,110,025	(19,732,321)	17,215,737	2,900,000	29,741,225	(1,923,389)	2,555,518	-	632,129	55,866,795	282,607	56,149,402
Transactions with owners, recorded directly in equity												
Dividends to owners of the Company	-	-	-	-	(8,788,509)	-	-	-	-	(8,788,509)	(64,734)	(8,853,243)
Acquisition of non-controlling interests without a change in control	-	-	-	-	(77)	-	-	-	-	(77)	(30)	(107)
Acquisition of non-controlling interests with a change in control	-	-	-	-	-	-	-	-	-	-	3,277,592	3,277,592
Total transactions with owners, recorded directly in equity	-	-	-	-	(8,788,586)	-	-	-	-	(8,788,586)	3,212,828	(5,575,758)
Comprehensive income for the year												
Profit or loss	-	-	-	-	12,030,959	-	-	-	-	12,030,959	(64,360)	11,966,599
Other comprehensive income	-	-	-	-	(27,009)	291,897	375,033	1,213	668,143	641,134	20,984	662,118
Total comprehensive income for the year	-	-	-	-	12,003,950	291,897	375,033	1,213	668,143	12,672,093	(43,376)	12,628,717
Balance at 31 December 2011	25,110,025	(19,732,321)	17,215,737	2,900,000	32,956,589	(1,631,492)	2,930,551	1,213	1,300,272	59,750,302	3,452,059	63,202,361
Restatement of equity balance as at 31 December 2011												
Balance at 31 December 2011												
- as reported	25,110,025	(19,732,321)	17,215,737	2,900,000	33,203,551	(1,631,492)	2,930,551	1,798	1,300,857	59,997,849	3,519,090	63,516,939
Purchase price allocation adjustment	-	-	-	-	(246,962)	-	-	(585)	(585)	(247,547)	(67,031)	(314,578)
Restated balance as at 31 December 2011	25,110,025	(19,732,321)	17,215,737	2,900,000	32,956,589	(1,631,492)	2,930,551	1,213	1,300,272	59,750,302	3,452,059	63,202,361

Thai Beverage Public Company Limited and its Subsidiaries

Statements of changes in equity

For the years ended 31 December 2012 and 2011

(Unit : Thousand Baht)

	Consolidated financial statements												
	Retained earnings					Other components of equity							
	Issued and paid-up share capital	Difference arising from common control transactions	Ordinary share premium	Legal reserve	Unappropriated	Currency translation differences	Revaluation surplus	Fair value changes in available-for-sale investments	Share of other comprehensive income of associates	Total other components of equity	Equity attributable to owners of the Company	Non-controlling interests	Total equity
Year ended 31 December 2012													
Balance at 1 January 2012 - restated	25,110,025	(19,732,321)	17,215,737	2,900,000	32,956,589	(1,631,492)	2,930,551	1,213	-	1,300,272	59,750,302	3,452,059	63,202,361
Transactions with owners, recorded directly in equity													
Dividends to owners of the Company	-	-	-	-	(9,039,609)	-	-	-	-	-	(9,039,609)	(117,556)	(9,157,165)
Reversal of difference arising from common control transactions on the disposal of investments in a subsidiary	-	13,881	-	-	-	-	-	-	-	-	13,881	(11,428)	2,453
Total transactions with owners, recorded directly in equity	-	13,881	-	-	(9,039,609)	-	-	-	-	-	(9,025,728)	(128,984)	(9,154,712)
Comprehensive income for the year													
Profit	-	-	-	-	28,493,113	-	-	-	-	-	28,493,113	266,425	28,759,538
Other comprehensive income	-	-	-	-	(10,964)	155,727	728,617	21,138	1,263,831	2,169,313	2,158,349	5,852	2,164,201
Total comprehensive income for the year	-	-	-	-	28,482,149	155,727	728,617	21,138	1,263,831	2,169,313	30,651,462	272,277	30,923,739
Balance at 31 December 2012	25,110,025	(19,718,440)	17,215,737	2,900,000	52,399,129	(1,475,765)	3,659,168	22,351	1,263,831	3,469,585	81,376,036	3,595,352	84,971,388

Thai Beverage Public Company Limited and its Subsidiaries

Statements of changes in equity

For the years ended 31 December 2012 and 2011

(Unit : Thousand Baht)

	Separate financial statements				Total equity
	Issued and paid-up share capital	Ordinary share premium	Legal reserve	Retained earnings Unappropriated	
Year ended 31 December 2011					
Balance at 1 January 2011	25,110,025	17,215,737	2,900,000	15,734,644	60,960,406
Transactions with owners, recorded directly in equity					
Dividends to owners of the Company	-	-	-	(8,788,509)	(8,788,509)
Total transactions with owners, recorded directly in equity	-	-	-	(8,788,509)	(8,788,509)
Comprehensive income for the year					
Profit	-	-	-	8,559,175	8,559,175
Other comprehensive income	-	-	-	28,310	28,310
Total comprehensive income for the year	-	-	-	8,587,485	8,587,485
Balance at 31 December 2011	<u>25,110,025</u>	<u>17,215,737</u>	<u>2,900,000</u>	<u>15,533,620</u>	<u>60,759,382</u>

Thai Beverage Public Company Limited and its Subsidiaries

Statements of changes in equity

For the years ended 31 December 2012 and 2011

(Unit : Thousand Baht)

	Issued and paid-up share capital	Difference arising from common control transactions	Separate financial statements		Total equity
			Ordinary share premium	Retained earnings Legal reserve Unappropriated	
Year ended 31 December 2012					
Balance at 1 January 2012	25,110,025	-	17,215,737	2,900,000 15,533,620	60,759,382
Transactions with owners, recorded directly in equity					
Dividends to owners of the Company	-	-	-	-	(9,039,609)
Reversal of difference arising from common control transactions on the disposal of investments in a subsidiary	-	31,035	-	-	31,035
Total transactions with owners, recorded directly in equity	-	31,035	-	(9,039,609)	(9,008,574)
Comprehensive income for the year					
Profit	-	-	-	-	12,691,648
Other comprehensive income	-	-	-	-	16,888
Total comprehensive income for the year	-	-	-	12,708,536	12,708,536
Balance at 31 December 2012	25,110,025	31,035	17,215,737	2,900,000 19,202,547	64,459,344

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

N/A

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

	31 December 2012	31 December 2011
Total number of shares	25,110,025,000	25,110,025,000

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

Not applicable.

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

The figures have been audited by the company's auditor in accordance with Thai Financial Reporting Standards (TFRS); guidelines promulgated by the Federation of Accounting Professions ("FAP"); and applicable rules and regulations of the Thai Securities and Exchange Commission..

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

Please see page 1 to page 2 of the attached annual financial statements.

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

The accounting policies and methods of computation applied in these annual financial statements are consistent with those applied in the financial statements for the year ended 31 December 2011.

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

N/A

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

	(Unit : Baht)		
	Consolidated financial statements		
	For the year ended 31 December		
	2012	2011 Restated	Changes +/(-)
Earning per ordinary share of the group based on net profit attributable to shareholders:-			
(a) based on the weighted average number of ordinary shares on issue	1.13	0.48	135%
(b) On a fully diluted basis	1.13	0.48	135%

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

	(Unit : Baht)					
	Consolidated financial statements			Separate financial statements		
	31 December 2012	31 December 2011	Changes +/(-)	31 December 2012	31 December 2011	Changes +/(-)
Net asset value per ordinary share based on weighted average number of issued share capital	3.24	2.38	36.1%	2.57	2.42	6.2%

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

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

- (a) Any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) Any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Thai Beverage Public Company Limited

Management Discussion and Analysis

Performance for the year ended 31 December 2012

In the year 2011, Thai Beverage Logistics Co., Ltd.(TBL), a direct subsidiary wholly owned by the Company, acquired Sermasuk Public Company Limited (Sermasuk), a Thai company currently listed on the Stock Exchange of Thailand. The Company has included the assets and liabilities of Sermasuk in the consolidated statements of financial position since 30 September 2011 and the results of operations and cash flows in the consolidated statements of income and cash flows respectively since 1 October 2011. Sermasuk's operations were recognized under the non-alcoholic beverages business segment. The consolidated financial statements for the year ended 31 December 2011 was restated to reflect the fair values of Sermasuk as at the acquisition date in accordance with Thai Financial Reporting Standard no. 3 per independent appraisal report which was finalized in the third quarter of 2012. Goodwill from the acquisition per previously assessed and reported at Baht 4,100 million was restated to Baht 3,975 million. Details of the restatement were disclosed in the note 5(a) to the financial statements of this year.

For the year ended 31 December 2012, the standard corporate income tax in Thailand has been reduced from 30% to 23% in an effort to promote the competitiveness on the global market.

Starting from 1 April 2012, the 300-baht daily minimum wage was implemented in seven provinces of Thailand, Bangkok, Nonthaburi, Pathum Thani, Samut Prakarn, Samut Sakhon, Nakhon Pathom and Phuket. The wage increased between 35.7 to 39.5 percent. The minimum wages in other provinces went up between 39.5 to 40 percent but was still lower than Baht 300 and will be further increased to Baht 300 with effective on 1 January 2013. Total effects to the Company salary and wages in FY2012 were about Baht 100 million.

The Ministry of Finance declared an increase in the excise taxes of certain categories of alcoholic beverages with effect from 22 August 2012 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 120 to Baht 150 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 300 to Baht 350 per litre of pure alcohol and was higher than the ad valorem rate which did not change. For brandy, the ad valorem rate rose from 48% to 50% of ex-factory price and was higher than the specific rate which did not change. There were no changes of excise taxes to beer and other special spirits. The new excise taxes caused a rise in the Company's excise tax cost of white spirits, compounded spirits and brandy of about 25%, 16.7% and 4.2% respectively. However, the Company passed on the tax increase to its customers directly.

In the third quarter of 2012, International Beverage Holdings Limited (IBHL), a direct subsidiary wholly owned by the Company, acquired about 29% ordinary shares of Fraser and Neave, Limited (F&N), a Singapore company currently listed on the Singapore Exchange Securities Trading Limited. IBHL has transferred all shares of F&N to Interbev Investment Limited (IBIL), its wholly owned subsidiary, in the fourth quarter of 2012. The principal activities of F&N are: production and sale of soft drinks, dairy products, and beer; development of and investment in property; and printing and publishing which are carried out through subsidiary, joint venture and associated companies. The Company has recognized F&N operating results in the consolidated financial statements under the equity method by total instead of by business segments from the third quarter of 2012 onwards.

Group

For the year 2012, the Company has included Sermsuk and F&N operating results in the group.

	ThaiBev	Sermsuk	Eliminate	F&N	Total (Baht million)
12 months of 2012					
Sales	139,360	22,501	(817)	-	161,044
Gross profit	40,555	4,867	-	-	45,422
EBITDA	26,081	1,694	-	11,461	39,236
Net profit	17,460	605	-	10,695	28,760
12 months of 2011					
Sales	128,117	4,150	(81)	-	132,186
Gross profit	34,115	618	-	-	34,733
EBITDA (loss)	21,338	(173)	-	-	21,165
Net profit (loss)	12,386	(419)	-	-	11,967
% increase (decrease)					
Sales	8.8	442.2	(908.6)	-	21.8
Gross profit	18.9	687.5	-	-	30.8
EBITDA	22.2	1,079.2	-	-	85.4
Net profit	41.0	244.4	-	-	140.3

For the year 2012, total sales revenue of the Company was Baht 161,044 million, an increase of 21.8% or Baht 28,858 million, from Baht 132,186 million of last year, due to an increase of sales revenue from the spirits business of 9.9%, the beer business of 4.0%, the non-alcoholic beverages business of 167.0% and the food business of 28.9%. Sales revenue excluded Sermsuk was Baht 139,360 million, an increase of 8.8% or Baht 11,243 million.

Gross profit was Baht 45,422 million, an increase of Baht 10,689 million, or 30.8%, due to an increase of gross profit in the spirits business of 19.6%, the beer business of 12.4%, the non-alcoholic beverages business of 188.1% and the food business of 26.8%. Gross profit excluded Sermsuk was Baht 40,555 million, an increase of 18.9% or Baht 6,440 million.

Earnings before interest, tax, depreciation and amortization (EBITDA) was Baht 39,236 million, an increase of Baht 18,071 million, or 85.4%, due to an increase of EBITDA in the spirits business of 24.7%, the non-alcoholic beverages business of 1,536.1% and from F&N operating results although there was a decrease in the food business of 1.9% and an increase of EBITDA loss in the beer business of 277.5%. EBITDA excluded Sermsuk and F&N operating results was Baht 26,081 million, an increase of 22.2% or Baht 4,743 million. EBITDA excluding F&N operating results was Baht 27,775 million.

Net profit was Baht 28,760 million, an increase of Baht 16,793 million, or 140.3%, due to an increase of net profit in the spirits business of 40.4% ,the non-alcoholic beverages business of 189.9% and from F&N operating results although there was an increase of net loss in the beer business of 12.7% and a decrease of net profit in the food business of 38.3%. Net profit excluded Sermsuk and F&N operating results was Baht 17,460 million, an increase of 41.0% or Baht 5,074 million. Net profit excluding F&N operating results was Baht 18,065 million.

Unit :Million Baht

YTD 2012

	Spirits	% to Sales	Beer	% to Sales	Non-alcoholic beverages	% to Sales	Food	% to Sales	Eliminate	% to Sales	Total	% to Sales
Revenue from sales	93,122	100.0	34,153	100.0	28,997	100.0	5,319	100.0	(547)	100.0	161,044	100.0
Cost of sales	60,489	65.0	30,349	88.9	21,882	75.5	3,273	61.5	(371)	67.8	115,622	71.8
Gross profit	32,633	35.0	3,804	11.1	7,115	24.5	2,046	38.5	(176)	32.2	45,422	28.2
Selling expenses	3,416	3.7	3,481	10.2	4,912	16.9	582	10.9	(159)	29.1	12,232	7.6
Administrative expenses	5,064	5.4	1,817	5.3	2,175	7.5	1,376	25.9	(77)	14.1	10,355	6.4
Operating profit (loss)	24,153	25.9	(1,494)	(4.4)	28	0.1	88	1.7	60	(11.0)	22,835	14.2
Other income/												
Interest income	280	0.3	161	0.5	600	2.1	30	0.6	(60)	11.0	1,011	0.6
EBIT (loss)	24,433	26.2	(1,333)	(3.9)	628	2.2	118	2.2	-	-	23,846	14.8
Finance costs	253	0.3	121	0.4	253	0.9	8	0.2	-	-	635	0.4
Income tax	5,436	5.8	(292)	(0.9)	(42)	(0.1)	44	0.8	-	-	5,146	3.2
Net Profit (loss)exclude F&N	18,744	20.1	(1,162)	(3.4)	417	1.4	66	1.2	-	-	18,065	11.2
F&N operating results:												
Operating results											11,461	7.1
Finance costs											(766)	(0.5)
Net Profit (loss)	18,744	20.1	(1,162)	(3.4)	417	1.4	66	1.2	-	-	28,760	17.9
Depreciation &Amortization	1,471	1.6	797	2.3	1,368	4.7	293	5.5	-	-	3,929	2.4
EBITDA(loss) exclude F&N	25,904	27.8	(536)	(1.6)	1,996	6.9	411	7.7	-	-	27,775	17.2
F&N EBITDA											11,461	7.1
EBITDA(loss)											39,236	24.4

YTD_2011

	Spirits	% to Sales	Beer	% to Sales	Non-alcoholic beverages	% to Sales	Food	% to Sales	Eliminate	% to Sales	Total	% to Sales
Revenue from sales	84,764	100.0	32,855	100.0	10,862	100.0	4,126	100.0	(421)	100.0	132,186	100.0
Cost of sales	57,488	67.8	29,472	89.7	8,392	77.3	2,512	60.9	(411)	97.6	97,453	73.7
Gross profit	27,276	32.2	3,383	10.3	2,470	22.7	1,614	39.1	(10)	2.4	34,733	26.3
Selling expenses	3,089	3.6	2,870	8.7	1,929	17.8	428	10.4	(39)	9.3	8,277	6.3
Administrative expenses	5,225	6.2	1,921	5.8	1,177	10.8	1,015	24.6	(23)	5.5	9,315	7.0
Operating profit (loss)	18,962	22.4	(1,408)	(4.3)	(636)	(5.9)	171	4.1	52	(12.4)	17,141	13.0
Other income/												
Interest income	357	0.4	208	0.6	54	0.5	31	0.8	(52)	12.4	598	0.5
EBIT (loss)	19,319	22.8	(1,200)	(3.7)	(582)	(5.4)	202	4.9	-	-	17,739	13.4
Finance costs	228	0.3	115	0.4	105	1.0	7	0.2	-	-	455	0.3
Income tax	5,736	6.8	(284)	(0.9)	(223)	(2.1)	88	2.1	-	-	5,317	4.0
Net Profit (loss)exclude F&N	13,355	15.8	(1,031)	(3.1)	(464)	(4.3)	107	2.6	-	-	11,967	9.1
F&N operating results:												
Operating results											-	-
Finance costs											-	-
Net Profit (loss)	13,355	15.8	(1,031)	(3.1)	(464)	(4.3)	107	2.6	-	-	11,967	9.1
Depreciation &Amortization	1,447	1.7	1,058	3.2	704	6.5	217	5.3	-	-	3,426	2.6
EBITDA (loss)	20,766	24.5	(142)	(0.4)	122	1.1	419	10.2	-	-	21,165	16.0

Increase (Decrease)

	Spirits	%	Beer	%	Non-alcoholic beverages	%	Food	%	Eliminate	%	Total	%
Revenue from sales	8,358	9.9	1,298	4.0	18,135	167.0	1,193	28.9	(126)	(29.9)	28,858	21.8
Cost of sales	3,001	5.2	877	3.0	13,490	160.7	761	30.3	40	9.7	18,169	18.6
Gross profit	5,357	19.6	421	12.4	4,645	188.1	432	26.8	(166)	(1,660.0)	10,689	30.8
Selling expenses	327	10.6	611	21.3	2,983	154.6	154	36.0	(120)	(307.7)	3,955	47.8
Administrative expenses	(161)	(3.1)	(104)	(5.4)	998	84.8	361	35.6	(54)	(234.8)	1,040	11.2
Operating profit (loss)	5,191	27.4	(86)	(6.1)	664	104.4	(83)	(48.5)	8	15.4	5,694	33.2
Other income/												
Interest income	(77)	(21.6)	(47)	(22.6)	546	1,011.1	(1)	(3.2)	(8)	(15.4)	413	69.1
EBIT (loss)	5,114	26.5	(133)	(11.1)	1,210	207.9	(84)	(41.6)	-	-	6,107	34.4
Finance costs	25	11.0	6	5.2	148	141.0	1	14.3	-	-	180	39.6
Income tax	(300)	(5.2)	(8)	(2.8)	181	81.2	(44)	(50.0)	-	-	(171)	(3.2)
Net Profit (loss)exclude F&N	5,389	40.4	(131)	(12.7)	881	189.9	(41)	(38.3)	-	-	6,098	51.0
F&N operating results:												
Operating results											11,461	-
Finance costs											(766)	-
Net Profit (loss)	5,389	40.4	(131)	(12.7)	881	189.9	(41)	(38.3)	-	-	16,793	140.3
Depreciation &Amortization	24	1.7	(261)	(24.7)	664	94.3	76	35.0	-	-	503	14.7
EBITDA(loss) exclude F&N	5,138	24.7	(394)	(27.5)	1,874	1,536.1	(8)	(1.9)	-	-	6,610	31.2
F&N EBITDA											11,461	-
EBITDA(loss)											18,071	85.4

Spirits Business

For the year 2012, sales revenue was Baht 93,122 million, an increase by Baht 8,358 million, or 9.9%, mainly due to an increase of sales volume, price and product mix. Total sales volume of spirits was 570.2 million litres, an increase of 3.3%.

Gross profit was Baht 32,633 million, an increase by Baht 5,357 million or 19.6%, mainly due to the increase in sales and a decrease in raw material cost although there was an increase in labor costs.

Earnings before interest, tax, depreciation and amortization (EBITDA) was Baht 25,904 million, an increase of Baht 5,138 million, or 24.7%, mainly due to the increase in gross profit and a decrease in idle costs although there was an increase in staff costs.

Net profit was Baht 18,744 million, an increase by Baht 5,389 million or 40.4 %, mainly due to the increase in EBITDA and a decrease in income tax from the reduction of corporate income tax rate.

Beer Business

For the year 2012, sales revenue was Baht 34,153 million, an increase by Baht 1,298 million, or 4.0%, mainly due to an increase of sales volume. Total sales volume of beer was 643.1 million litres, an increase of 4.9%.

Gross profit was Baht 3,804 million, an increase by Baht 421 million, or 12.4%, mainly due to an increase in sales and a decrease in depreciation although there was an increase in raw material costs and labor costs.

EBITDA loss of Baht 536 million, an increase by Baht 394 million or 277.5%, mainly due to an increase in advertising and promotion expenses and staff costs.

Net loss was Baht 1,162 million, an increase by Baht 131 million, or 12.7%, mainly due to the increase in EBITDA loss although there was a decrease in depreciation.

Non-Alcoholic Beverages Business

For the year 2012, the Company has included Sermsuk operating results in the non-alcoholic beverages business segment.

	ThaiBev	Sermsuk	Eliminate	Total (Baht million)
12 months of 2012				
Sales	7,313	22,501	(817)	28,997
Gross profit	2,248	4,867	-	7,115
EBITDA	302	1,694	-	1,996
Net profit(loss)	(188)	605	-	417
12 months of 2011				
Sales	6,793	4,150	(81)	10,862
Gross profit	1,852	618	-	2,470
EBITDA	295	(173)	-	122
Net profit(loss)	(45)	(419)	-	(464)
% increase (decrease)				
Sales	7.7	442.2	(908.6)	167.0
Gross profit	21.4	687.5	-	188.1
EBITDA	2.4	1,079.2	-	1,536.1
Net profit(loss)	(317.8)	244.4	-	189.9

For the year 2012, sales revenue was Baht 28,997 million, an increase by Baht 18,135 million or 167.0%. Sales revenue excluding Sermsuk was Baht 7,313 million, an increase by Baht 520 million or 7.7%, mainly due to product mix. Total sales volume of Oishi beverages, which consist of green tea, black tea, and other non-alcoholic beverages, was 251.9 million litres, an increase of 8.7%. Energy drinks generated sales volume of 7.4 million litres, a decrease of 12.4%. Soda and drinking water generated sales volume of 31.1 million litres and 198.7 million litres respectively, a decrease of 11.3% and an increase 14.9% respectively.

Gross profit was Baht 7,115 million, an increase by Baht 4,645 million or 188.1%. Gross profit excluding Sermsuk was Baht 2,248 million, an increase by Baht 396 million or 21.4%, mainly due to an increase in net sales price although there was an increase in labor costs.

Earnings before interest, tax, depreciation and amortization (EBITDA) was Baht 1,996 million, an increase by Baht 1,874 million or 1,536.1%. EBITDA excluding Sermsuk was Baht 302 million, an increase by Baht 7 million or 2.4%, mainly due to the increase in gross profit although there was an increase in staff costs.

Net profit was Baht 417 million, an increase by Baht 881 million or 189.9%. Net profit excluding Sermsuk was Baht 188 million loss, an increase by Baht 143 million or 317.8%, mainly due to an increase in interest expenses from loans to support acquisition of Sermsuk.

Food Business

Since the second quarter of 2012, the Company has expanded food business to Japanese snack food market by introducing “ONORI” a Japanese styled fried seaweed snacks. To widen the awareness and acceptance of the brand and the product, marketing activities were launched nationwide for this new snack product.

For the year 2012, sales revenue was Baht 5,319 million, an increase by Baht 1,193 million or 28.9%. Sales revenue excluding snack was Baht 5,260 million, an increase by Baht 1,134 million or 27.5%, mainly due to an increase in number of branches and sales price.

Gross profit was Baht 2,046 million, an increase by Baht 432 million or 26.8%. Gross profit excluding snack was Baht 2,088 million, an increase by Baht 474 million or 29.4%, mainly due to higher sales although food costs increased in accordance with the variety of foods available and an increase in raw material costs and labor costs.

Earnings before interest, tax, depreciation and amortization (EBITDA) was Baht 411 million, a decrease by Baht 8 million or 1.9%. EBITDA excluding snack was Baht 543 million, an increase by Baht 124 million or 29.6%, mainly due to higher gross profit although there was an increase in staff costs.

Net profit was Baht 66 million, a decrease by Baht 41 million, or 38.3%. Net profit excluding snack was Baht 168 million, an increase by Baht 61 million or 57.0%, mainly due to the increase in EBITDA and a decrease in income tax from the reduction of corporate income tax rate.

Financial Position

Assets

Total assets as at the end of December 2012 was Baht 207,686 million, an increase by Baht 108,324 million, or 109.0%, compared with the end of 2011. Current assets increased by Baht 1,973 million, mainly due to an increase in inventories. Non-current assets increased by Baht 106,351 million, mainly due to an increase in investment in associate company and property, plant and equipment.

Liabilities

Total liabilities as at the end of December 2012 was Baht 122,714 million, an increase by Baht 86,555 million, or 239.4%, compared with the end of 2011. This was mainly due to an increase in loans from financial institutions to invest in an associate company.

The maturity of interest-bearing loans was as follows.

	Unit: Million Baht
Within Dec. 2013	16,007
Within Dec. 2014	10,373
During Jan. 2015 – Dec.2017	77,773
Total	104,153

Shareholders' Equity

Total equity as at the end of December 2012 was Baht 84,971 million, an increase of Baht 21,769 million, or 34.4% compared with the end of 2011. This was mainly due to an increase in net retained earning which comprised of profit for the period and dividend payment.

Liquidity

Cash and cash equivalents, as at December 31, 2012, was Baht 4,545 million. The net increase from the beginning of the period was Baht 1,103 million. Details of activities were as follows.

	Unit: Million Baht
Net cash from operating activities	19,726
Net cash used in investing activities	(94,897)
Net cash from financing activities	75,417
Increase in cash and cash equivalents in period	246
Adjustment from financial statement translation	857
Cash and cash equivalents at beginning of period	3,442
Cash and cash equivalents at end of period	4,545

Net cash from operating activities of Baht 19,726 million was mainly derived from net income of Baht 28,778 million plus non-cash items from depreciation and amortization of Baht 3,929 million and deduct sharing of profit from associates of Baht 13,611 and working capital and others increased of Baht 630 million.

Net cash used in investing activities of Baht 94,897 million was mainly due to investment in an associate company and purchase of property, plant and equipments.

Net cash from financing activities of Baht 75,417 million was mainly due to net increase of bank overdrafts and loans from financial institutions which offset with dividend payment.

Financial Ratios

	Dec.31, 12	Dec.31, 11 (Restated)
Current Ratio (times)	1.54	2.13
Debt to Equity Ratio (times)	1.44	0.57
Interest Bearing Debt to Equity Ratio (times)	1.23	0.29
Net asset value per share (Baht)	3.38	2.52
	Jan. - Dec.12	Jan. - Dec.11
Accounts Receivable Turnover (days)	8	7
Inventory Turnover (days)		
Spirits Business: finished goods (excl. legacy stocks)	58	48
Beer Business : finished goods	20	26

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

N/A

10. A commentary at the date of announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The economy of Thailand in the first quarter of 2012 saw recovery from the flood disaster, resulting in the improved manufacturing sector, consumption, and investments. However, in the middle of the year, the sovereign debt issues of countries in the EURO zone affected export and manufacturing sectors, while consumption and investment of private sector saw continuous expansion due to the rise of minimum wages and salary of civil officers. In the third quarter of 2012, the Thai economy continued to expand mainly due to domestic spending. Export remained affected from the EURO crisis and the slowdown of China's economy. Nevertheless, the last quarter of 2012 saw improved expansion of the Thai economy because of the increasing buying power and consumer confidence. The export sector still suffered the effect from the global economic slowdown; however, signals indicated certain stabilizing industries.

The domestic beverage business in the first quarter of 2012 saw recovery from the flood disaster. Facilities began to restore and resume the production process. During the first half of 2012, agents and stores were alarmed by the rumor on excise tax increase for alcohol beverages, resulting in the higher purchase orders for stocking purposes. Afterwards, when the government announced the excise tax increase in August, it was found that sales were impacted in the last quarter as consumers were adjusting to the increased price of the products.

Source:

1. Press Release on Economic and Monetary Conditions for January - December 2012 and the fourth quarter of 2012 by Bank of Thailand
2. Monthly Economic Report (January - December 2012) by the Fiscal Policy Office

Overall Business

In 2012, total sales revenue of the Company had satisfactory growth of 21.8% comparing YoY, attributable to the increase in sales revenue of all segments i.e. spirits, beer, non-alcohol beverage, and food. The group also saw strong growth in net profit of 140.3% from good performance in spirits and non-alcoholic business as well as F&N operating results.

Spirits Business

The spirits business of ThaiBev in 2012 has prepared for the excise tax increase by partly adjusting the product price in the first half of the year to reduce the impact. After the official announcement on excise tax increase in August, the Company made another price adjustment to cover such tax increase. This year, the Company maintained the leadership in the domestic spirits business. Sales of spirits business rose by 9.9 percent when compared to last year due to the selling price increase. Total sales volume of the spirits business increased by 3.3 percent from the growth of both white and brown spirits. Net profit of the spirits business in 2012 was Baht 18,744 million, an increase of 40.4 percent when compared YoY.

Beer Business

The beer business was rather flat although sales volume grew by 4.9 percent when compared to the previous year. However, the increase in costs of raw materials as well as advertisement and promotional spending resulted in the loss amount of Baht 1,162 million of the beer business in 2012.

Non-alcohol Business

The non-alcohol beverage business of ThaiBev encountered certain issues in early 2012 due to the flooded facilities in late 2011. Consequently, production of some products, especially those of Oishi, was interrupted and goods in certain packaging were not available in the market. The Company solved the issue by outsourcing production and relocated manufacturing to the production lines unaffected from the flood to relieve the product shortage. Consequently, production cost increased in the first half of 2012. However, the impacted production bases of Oishi resumed operations in the third quarter of 2012. Sales of non-alcohol beverage in 2012 mainly derived from Sermsuk and Oishi. Sermsuk launched its carbonated soft drink under "est" brand, the trademark of which was registered by Sermsuk. "est" offered cola and flavored carbonated soft drinks through the distribution network of Sermsuk. In

addition, the distribution network of Sermsuk was a key contributor to the expansion of Oishi green tea to the new market with its latest product i.e. “Returnable Bottle Oishi Green Tea”.

The non-alcohol business in 2012 saw sales of Baht 28,997 million, an increase of 167 percent YoY, mainly due to the integration of Sermsuk business after the acquisition of shares in October 2011. Sales volume of Oishi beverages and drinking water increased by 8.7 percent and 14.9 percent respectively, but sales volume of soda water decreased by 11.3 percent. Net profit of the non-alcohol business was Baht 417 million, or an increase of 189.9 percent when compared to the losses in 2011.

Food Business

The Company expanded its food segment as it entered the snack market via the launch of Japanese style fried seaweed under the brand “Onori” in April 2012. Investment was made in advertisement and promotional activities in the early period following the product launch to raise brand awareness.

Sales of the food business for the year 2012 were Baht 5,319 million, or an increase of 28.9 percent when compared to the previous year due to the expansion of food outlets and the increase in selling price. Oishi expanded a total of 44 outlets in 2012. Net profit of the food business was Baht 66 million, or a decrease of 38.3 percent due to the increase of raw material costs and the investment of “Onori” brand. In this regard, the performance of food business, exclusive of the new snack business, saw an increase in net profit of 57 percent.

International Business

In 2012, ThaiBev’s international business reported sales growth of 28%

The performance of business by geographic area:

- UK & Rest of the World - Sales revenue continued to grow 14% from Scotch whisky sales and other new products introduced into key markets
- Asia excludes China - Good performance was mainly driven by Chang Beer in ASEAN market, with an increase in sales value of 78%
- YLQ (Chinese spirits in China) - Sales and margin of Chinese spirits continued to improve from better mix of mid and high end products. Sales value grew by 8%
- USA - This region’s sales revenue continued to improve over last year by 15% mainly from the growth of Scotch whisky, other spirits & Chang Beer

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

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

Yes.

(b)

(i) Amount per share cents

The company board of director has consented dividend payment for the year 2012 at the meeting held on February 27, 2013 as follows:

	Per share Baht	Total Value Baht	pay out ratio	Book Closure	Payable date
Annual dividend for 2012	0.42	10,546,210,500	37.17%		
Less Interim dividend	0.14	3,515,403,500		26 Aug 12	8 Sep 12
Remaining Dividend	<u>0.28</u>	<u>7,030,807,000</u>		3 May 13	22 May 13

(ii) Previous corresponding period cents

The company board of director has consented dividend payment for the year 2011 at the meeting held on February 28, 2012 as follows:

	Per share Baht	Total Value Baht	pay out ratio	Book Closure	Payable date
Annual dividend for 2011	0.37	9,290,709,250	77.08%		
Less Interim dividend	0.15	3,766,503,750		26 Aug 11	8 Sep 11
Remaining Dividend	<u>0.22</u>	<u>5,524,205,500</u>		4 May 12	24 May 12

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

Dividend is before tax.

Tax rate 10%

Country where the dividend is derived . “ Thailand ”

(d) The date the dividend is payable.

The Company’s Board of Directors Meeting (“**BOD**”) which was held on February 27, 2013 proposed, subject to the approval of shareholders at the 2013 Annual General Meeting of Shareholders to be held on 25 April 2013, the dividend payment of Baht 0.42 per share, to be paid on 22 May 2013.

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

Registrable transfers received by the Company’s Registrar up to 5.00 p.m. (Singapore Time) on 2 May 2013 will be registered before entitlements to the dividend are determined.

Notice is hereby given that the share registers will be closed for the share transfer with respect to the entitlement to dividend payment on 3 May 2013.

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

Not Applicable

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

Thai Beverage Public Company Limited
For the year ended 31 December 2012

Interested persons transactions for the year ended 31 December 2012

	Aggregate value of all interested persons transactions during the year ended 31 December 2012 under review (excluding transactions less than S\$100,000* and transactions conducted under Shareholders' Mandate) Baht '000	Aggregate value of all interested persons transactions conducted under the mandate (excluding transactions less than S\$100,000*) Baht '000
A Revenue from sales and service income		
1 Terragro Fertilizer Co., Ltd.	8,446.50	-
2 Pisetkij Co., Ltd.	-	42,023.74
3 PS Recycle Co., Ltd.	-	94,443.05
4 Berli Jucker PCL	-	126,852.43
5 Thip Sugar Sukhothai Co., Ltd.	-	9,675.87
6 TCC Holding Co., Ltd.	-	6,014.72
7 TCC Hotel Collection Co., Ltd.	-	3,312.03
8 Terragro Bio-Tech Co., Ltd.	29,488.89	-
9 Thai Alcohol PCL	-	442,273.33
10 Eastern Chemical Co., Ltd.	142,621.30	-
B Other income		
1 Pisetkij Co., Ltd.	-	16,623.94
2 PS Recycle Co., Ltd.	-	3,394.80
3 Berli Jucker PCL	-	2,733.58
4 The Southeast Insurance PCL ***	-	53,957.58
5 Gaew Grung Thai Co., Ltd.	-	42,482.05
C Cost of sales		
1 PS Recycle Co., Ltd.	-	224,139.49
2 Thip Sugar Kamphaengphet Co., Ltd. **	-	31,907.07
3 The Suphanburi Sugar Industry Co., Ltd.	-	49,665.51
4 Southeast Capital Co., Ltd.	-	9,722.65
5 T.C.C. Technology Co., Ltd.	-	7,074.05
6 Thai Beverage Can Co., Ltd.	-	1,808,600.85
7 Berli Jucker PCL	-	1,486,124.52
8 The Southeast Insurance PCL ***	-	113,568.88
9 The Southeast Life Insurance PCL ***	-	6,893.71
10 Thip Sugar Sukhothai Co., Ltd.	-	98,724.70
11 Berli Jucker Foods Co., Ltd.	-	101,522.45
12 New Noble Property and Loan Fund	-	16,606.80
13 TCC Hotel Collection Co., Ltd.	-	3,027.69
14 Plantheon Trading Co., Ltd.	-	1,426,639.36
15 Thai Malaya Glass Co., Ltd.	138,143.51	3,012,208.77
16 Dhanasindhi Co., Ltd.	-	12,191.43
D Selling expenses		
1 Southeast Capital Co., Ltd.	-	11,357.90
2 Berli Jucker PCL	-	57,475.17
3 Plastic Agachon Co., Ltd.	3,168.00	-
4 The Southeast Insurance PCL ***	-	22,295.26
5 N.C.C. Management and Development Co., Ltd.	-	4,941.09
6 F&B International Co., Ltd.	-	3,361.98
7 Thippatana Arcade Co., Ltd.	-	3,605.91
8 AT Mediafront Co., Ltd.	-	6,346.15

Thai Beverage Public Company Limited
For the year ended 31 December 2012

Interested persons transactions for the year ended 31 December 2012

	Aggregate value of all interested persons transactions during the year ended 31 December 2012 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
E Administrative expenses		
1 Bang-Na Glass Co., Ltd.	-	4,868.80
2 Southeast Capital Co., Ltd.	-	139,439.44
3 T.C.C. Technology Co., Ltd.	-	55,492.60
4 Berli Jucker PCL	-	4,946.04
5 The Southeast Insurance PCL ***	-	60,092.31
6 The Southeast Life Insurance PCL ***	-	9,620.70
7 Plaza Athenee Hotel (Thailand) Co., Ltd.	-	48,352.77
8 North Park Golf And Sports Club Co., Ltd.	-	13,316.25
9 TCC Hotel Collection Co., Ltd.	8,668.89	8,880.33
10 Dynamic Assets Property and Loan Fund	5,510.33	-
11 Best Wishes Co., Ltd	5,795.73	-
12 Best Fortune Property and Loan Fund	37,494.35	-
13 Thippatana Arcade Co., Ltd.	2,753.71	3,294.98
14 InterContinental Singapore	2,994.38	-
15 Excellent Energy International Co., Ltd.	2,584.00	-
16 Eastern Chemical Co., Ltd.	6,885.00	-
17 Business Process Outsourcing Co., Ltd.	-	7,634.40
18 Lertrattakam Co., Ltd.	2,724.56	-
F Sale of assets		
1 The Southeast Insurance PCL ***	3,096.83	-
2 Terragro Bio-Tech Co., Ltd.	14,493.58	-
G Purchase of assets		
1 T.C.C. Technology Co., Ltd.	3,335.24	-
2 Berli Jucker PCL	13,364.28	-
3 The Southeast Life Insurance PCL ***	4,200.00	-
4 Siam Food Products PCL	530,436.69	-
5 Dhanasindhi Co.,Ltd.	214,253.81	-
H Sale of investment		
1 TCC Land Co., Ltd.	39,915.61	-

* Exchange rate Baht 25.28 per 1 SGD.

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

*** Changed from company limited to public company limited

Remark : 1 Previously Dhanasindhi Co., Ltd. was considered a direct subsidiary of Thai Beverage PLC.

Since we sold Dhanasindhi Co., Ltd on April 30, 2012, this company is no longer Thai Beverage PLC's direct subsidiary.

14. Negative confirmation pursuant to Rule 705(5). (Not required for announcement on full year results)

Not Applicable

Part II Additional Information Required for Full Year Announcement

15. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Business segment results

	Spirits		Beer		Non-alcoholic beverages		Food		Elimination		Total	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
	<i>(in million Baht)</i>											
Revenue from sale of goods	93,122	84,764	34,153	32,855	28,997	10,862	5,319	4,126	(547)	(421)	161,044	132,186
Interest income	30	23	8	8	34	6	2	1	-	-	74	38
Other income	250	334	153	200	566	48	28	30	(60)	(52)	937	560
Total allocated income	93,402	85,121	34,314	33,063	29,597	10,916	5,349	4,157	(607)	(473)	162,055	132,784
Cost of sale of goods	60,489	57,488	30,349	29,472	21,882	8,392	3,273	2,512	(371)	(411)	115,622	97,453
Selling expenses	3,416	3,089	3,481	2,870	4,912	1,929	582	428	(159)	(39)	12,232	8,277
Administrative expenses	5,064	5,225	1,817	1,921	2,175	1,177	1,376	1,015	(77)	(23)	10,355	9,315
Finance costs	253	228	121	115	253	105	8	7	-	-	635	455
Total allocated expenses	69,222	66,030	35,768	34,378	29,222	11,603	5,239	3,962	(607)	(473)	138,844	115,500
Profit (loss) before income tax expense	24,180	19,091	(1,454)	(1,315)	375	(687)	110	195	-	-	23,211	17,284
Income tax expense (income)	5,436	5,736	(292)	(284)	(42)	(223)	44	88	-	-	5,146	5,317
Allocated profit (loss) for the year	18,744	13,355	(1,162)	(1,031)	417	(464)	66	107	-	-	18,065	11,967
<i>Unallocated items:</i>												
- Share of profit of associates											13,437	-
- Net foreign exchange loss											(1,976)	-
- Finance costs											(766)	-
Profit (loss) for the year											28,760	11,967

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Already included in article No.8

17. A breakdown of sales as follows:—

	2012 Baht '000	2011 Baht '000	% increase / (decrease)
	Consolidated	Consolidated	Consolidated
(a) Sales Reported for the first half year	81,982,569	61,557,603	33.18%
(b) Operating profit/loss after tax before deducting minority interests reported of the first half year	9,765,208	6,107,623	59.89%
(c) Sales Reported for the second half year	79,061,178	70,628,927	11.94%
(d) Operating profit/loss after tax before deducting minority interests reported of the second half year	18,994,330	5,858,976	224.19%

18. A breakdown of the total annual dividend (in Baht value) for the issuer's latest full year and its previous full year as follows:—

- (a) Ordinary

Please see article No.11

- (b) Preference

N/A

- (c) Total

Please see article No.11

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family Relationship with any Director and/or Substantial Shareholder	Current position and duties, and the year position was held	Details of changes in duties and position held, if any, during the year
Mr. Thapana Sirivadhanabhakdi	38	<ul style="list-style-type: none"> • Son of Mr. Charoen Sirivadhanabhakdi (Chairman and Substantial Shareholder) and Khunying Wanna Sirivadhanabhakdi (Vice-Chairman and Substantial Shareholder) • Brother of Mr. Panote Sirivadhanabhakdi (Director) 	<p>President and Chief Executive Officer (CEO):</p> <ul style="list-style-type: none"> • Thai Beverage Public Company Limited since January 2008 <p>Director:</p> <ul style="list-style-type: none"> • Thai Beverage Public Company Limited since October 2003 	-Nil-
Mr. Panote Sirivadhanabhakdi	35	<ul style="list-style-type: none"> • Son of Mr. Charoen Sirivadhanabhakdi (Chairman and Substantial Shareholder) and Khunying Wanna Sirivadhanabhakdi (Vice-Chairman and Substantial Shareholder) • Brother of Mr. Thapana Sirivadhanabhakdi (Director, President and Chief Executive Officer (CEO)) 	<p>Director:</p> <ul style="list-style-type: none"> • Thai Beverage Public Company Limited since 2007 	-Nil-