



## ANNOUNCEMENT

**Date:** May 15, 2009  
**To:** Singapore Exchange Securities Trading Limited  
**Subject:** The Acquisition of Yunnan Yulinquan Liquor Co., Ltd. in China

We are pleased to announce that the Board of Directors of Thai Beverage Public Company Limited (“**THBEV**”) passed a resolution for International Beverage Holding Limited (“**IBHL**”), a wholly owned subsidiary of THBEV registered in Hong Kong, to acquire indirectly through International Beverage Holdings (China) Limited, a newly incorporated subsidiary in Hong Kong, all the equity interest in Yunnan Yulinquan Liquor Co., Ltd. (“**YLQ**”) (Previously named “Yunnan Yulinquan Wine Co., Ltd.”) from its current owner (“**Seller**”) who is not related to our directors or shareholders (“**Acquisition**”) at a total consideration of RMB 69 million. (See details of the incorporation of new subsidiary in our separate announcement dated May 15, 2009)

The Acquisition is part of the resolution that was passed in the Extraordinary General Shareholders’ Meeting of THBEV dated May 4, 2006, which approved the acquisition of Best Spirits China, a Hong Kong company owning YLQ and Ning Bo distillery in China. However, the Ning Bo facility was informed by the local government to relocate from its current, city-centre area to another location more suitable for the facility. As a result, THBEV decided not to purchase the Ning Bo facility and will only purchase the YLQ.

YLQ is a local white spirit distillery located in Eshan district, Yuxi town, in the South of Kunming (the capital of Yunnan province). YLQ is primarily engaged in producing Chinese white spirit products, covering the economy to premium market segments with Yulinquan as the leading brand. The key geographical markets for the products are Yuxi, Kunming and several cities in Yunnan province. YLQ has a production capacity of 5,000 tons/year at 50 degree for base spirit and 6,500 tons/year for finished products.

The acquisition of YLQ presents several key benefits to THBEV, for example, it would provide a gateway into alcoholic beverage business in China at a strategic location with high growth potential, an ownership in one of the oldest and widely recognized spirit brand, as well as a platform for expansion into other businesses in the future by leveraging on YLQ establishments and human resources.

The acquisition price is in line with the fair value indicated in the valuation report of YLQ business prepared by an independent financial advisor, Deloitte & Touche Financial Advisory Services Limited on March 16, 2009. The fair value indicated in the valuation report on YLQ business, based mainly on income approach and market approach, is RMB 70.5 million representing the value of the YLQ business in total including production and sales and distribution. The total consideration of RMB 69 million to be paid to the Seller will be satisfied in a one time cash payment. The payment is expected to be completed by August 31, 2009.

Thai Beverage Public Company Limited

14 Vibhavadi Rangsit Rd., Chomphon, Chatuchak, Bangkok. 10900 Thailand  
Tel. (662) 2722051-5; Fax. (662) 272-2296, [www.thaibev.com](http://www.thaibev.com)  
Registration No. 40854600035

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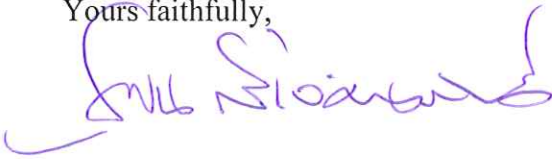
The aforesaid Acquisition will be funded through an increase in capital of IBHL from THBEV's internal fund. (See details of capital increase in our separate announcement dated May 15, 2009)

The above Acquisition is not expected to have any material impact on the earnings per share and net tangible assets of THBEV for the second quarter of the current financial year.

The relative figures computed on the applicable bases set out in Rule 1006 of the SGX-ST Listing Manual amount to less than 5%.

Please be informed accordingly.

Yours faithfully,



Thapana Sirivadhanabhakdi  
President and CEO