



ANNOUNCEMENT

Date: September 9, 2011
To: Singapore Exchange Securities Trading Limited
Subject: Approval for the Acquisition of Shares (“Acquisition”) in Serm Suk Public Company Limited (“SSC”) by Thai Beverage Logistics Co., Ltd. (“TBL”), a direct wholly-owned subsidiary of Thai Beverage Public Company Limited

THBEV would like to announce that our Board of Directors has given its approval for TBL to undertake the Acquisition of SSC.

This is to enable THBEV to expand the non-alcoholic product portfolio and broaden logistic network to traditional trade, and to attain the efficient returnable bottle system.

Details of the Acquisition are as follows:

1. TBL will acquire 265,900,484 ordinary shares of SSC (“**SSC Shares**”) representing 100% of the issued and sold ordinary shares of SSC at Baht 58 per share, or Baht 15,422,228,072 in aggregate (“**Consideration**”), from all existing shareholders of SSC under the Thai law voluntary tender offer (“**VTO**”) according to the Securities and Exchange Act B.E. 2535 of Thailand, as amended, modified or supplements from time to time (“**SEC Act**”).
2. The Consideration for the Acquisition was determined by the share selling price offered by principal shareholder of SSC to be sold under VTO.

TBL expects to fund the Acquisition with cash, from debt financing.
3. SSC is a Thai company currently listed on the Stock Exchange of Thailand (“**SET**”). The SSC group of companies (“**SSC Group**”) principally engages in the beverage business, both as a manufacturer and distributor. SSC Group manufactures and distributes carbonated soft drink, iced tea drink, isotonic drink, and fruit juice. SSC Group also distributes energy drink and our Oishi Green Tea products which are the products of THBEV subsidiary.

SSC has a registered and fully paid-up capital of Baht 265,900,484 consisting of 265,900,484 ordinary shares with the par value of Baht 1.

For the financial year ended December 31, 2010, the SSC Group generated revenue of Baht 22,125 million, and net profit after tax of Baht 468 million. The SSC Group’s net tangible assets as at December 31, 2010, were Baht 9,960 million. The closing trading price for SSC on the SET on September 8, 2011, was Baht 61.75 per share.

Thai Beverage Public Company Limited

14 Vibhavadi Rangsit Rd., Chomphon, Chatuchak, Bangkok. 10900 Thailand
Tel. (662) 7855555 Fax. (662) 7855882, www.thaibev.com
Registration No. 0107546000342

4. TBL, a direct wholly-owned subsidiary of THBEV, is a Thailand-based company established as a private limited company on January 23, 1987. It currently has Baht 1,020 million fully paid-up registered capital with the par value of Baht 10 per share. TBL primarily engages in the transportation and distribution in Thailand. It is one of the largest distribution networks in Thailand.

TBL currently does not hold any SSC shares.

5. In view of the VTO requirements under the SEC Act, TBL will make the tender offer for all issued and sold shares of SSC. TBL is required to submit Tender Offer for the Securities in Form 247-4 to the Thai Securities and Exchange Commission (“**Thai SEC**”) within 3 business days. Thus, TBL expects to submit the Form 247-4 within September 14, 2011, and make the tender offer by September 15, 2011. The tender offer period must be no less than 25 business days, but no longer than 45 business days.
6. For the purpose of Rule 1006 of Chapter 10 of the SGX-ST Listing Manual:

Assuming that pursuant to the Acquisition by VTO, the Company acquires 100% of SSC Shares at Baht 58 per share, applying Chapter 10 of the SGX-ST Listing Manual, the relative figures computed on the basis set out in Rule 1006 of the Listing Manual (calculated by reference to the latest announced audited consolidated financial statements of THBEV for the financial year ended December 31, 2010), are as follows:

- (a) Assets Test: The NAV of the assets to be disposed of, compared with the company group’s NAV (Rule 1006(a)).

The Assets Test is not applicable to the proposed Acquisition.

- (b) Profit Test: The net profits attributable to the assets acquired compared with the company group’s net profits (Rule 1006(b)).

The Net profits attributable to the 100% of SSC Shares to be acquired by TBL compared with THBEV group’s net profits, based on the latest announced audited consolidated financial statements of THBEV is 4.4%.

- (c) Market Capitalisation Test: The aggregate value of the consideration received compared with the company’s market capitalisation (Rule 1006 (c)).

The aggregate value of the Consideration to be paid for acquiring a 100% of SSC Shares, compared with THBEV’s market capitalisation based on the total number of issued shares excluding treasury shares, is 9.3%.

* Computed based on closing market price of S\$ 0.27 per share on September 8, 2011. (Note: Exchange rate S\$1 = Baht 24.5849)

- (d) Equity Securities Test: The number of equity securities issued by the company as consideration for an acquisition, compared with the number of equity securities previously in issue (Rule 1006(d)).

The Equity Securities Test is not applicable as the Consideration for the proposed Acquisition will be satisfied in the form of a cash payment and financed through the Consideration from debt financing.

In view of the foregoing, if 100% of SSC Shares are acquired pursuant to the Acquisition, the Acquisition would be considered a discloseable transaction (the transaction exceed 5% but less than 20%) under Part VI of Chapter 10 of the SGX-ST Listing Manual and is subject to the reporting and announcement requirements, but is exempt from shareholders' approval requirement under the SGX-ST Listing Manual.

7. For illustrative purposes, the financial effects of the Acquisition by VTO on THBEV (assuming 100% of SSC Shares are acquired at Baht 58 per share) as set out below were prepared based on the audited consolidated financial statements of THBEV for the financial year ended December 31, 2010 and subject to the following key assumptions:

- (a) The effect of the Acquisition by VTO on the earnings per share (“EPS”) of THBEV was based on the assumption that the Acquisition by VTO had been effected at the beginning of the financial year ended December 31, 2010;
- (b) The effect of the Acquisition by VTO on the net tangible assets (“NTA”) per share of THBEV was based on the assumption that the Acquisition by VTO had been effected at the end of the financial year ended December 31, 2010; and
- (c) The effect of the Acquisition by VTO on the gearing ratio of THBEV was based on the assumption that the Acquisition by VTO had been completed at the end of the financial year ended December 31, 2010.

The financial effects as set out below are theoretical in nature and are therefore not necessarily indicative of the future financial position and earnings of THBEV.

(i) EPS

Based on the foregoing, the EPS of THBEV would have increased from Baht 0.42 to Baht 0.44.

(ii) NTA per share

Based on the foregoing, the NTA of THBEV per share would have increased from Baht 2.18 to Baht 2.58.

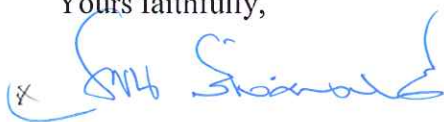
(iii) Gearing ratio

Based on the foregoing, the gearing ratio of THBEV would have increased from 0.33 times to 0.65 times

8. To the best knowledge of the directors of THBEV (the “**Directors**”), none of the Directors or substantial shareholders of THBEV has any interest, direct or indirect (other than through their respective shareholdings in THBEV), in the above proposed Acquisition by VTO.

We will provide further material updates to our shareholders as and when necessary at appropriate time.

Yours faithfully,



Thapana Sirivadhanabhakdi
President and CEO

