



ANNOUNCEMENT

Date: October 4, 2012
To: Singapore Exchange Securities Trading Limited
Subject: Clarification of Media Commentary

The Board of Directors (the "Board") of Thai Beverage Public Company Limited (the "Company") refers to the Company's announcement of July 18, 2012 (the "Announcement") on the proposed investment (the "Investment") in an aggregate of 313,036,775 ordinary shares of Fraser and Neave Limited. ("F&N") (representing approximately 22% of the issued share capital of F&N), whereby it was announced that the Company had on July 18, 2012 entered into three sale and purchase agreements ("SPAs") with each of Oversea-Chinese Banking Corporation Limited, Great Eastern Holdings Limited and Lee Rubber Company (Pte) Limited (collectively the "Vendors") respectively.

The Board further refers to the Circular to Shareholders dated October 4, 2012 despatched to shareholders of the Company in relation to the Investment whereby an extraordinary general meeting will be convened on October 24, 2012 at 10.00 a.m. to seek shareholders' retroactive approval of the Investment.

The Announcement mentioned *inter alia* that a condition of completion under the SPAs was that no party thereof would be obliged to complete the sale and purchase under the SPAs unless the sale and purchase was completed simultaneously with the sale and purchase of shares in Asia Pacific Breweries Limited ("APB") under three SPAs also dated July 18, 2012, entered into by each of the Vendors with Kindest Place Groups Limited ("Kindest Place").

This announcement is released in response to media commentary on the increase in the share price of APB and the relatively static share price of F&N following the Announcement, and to correct any potential misconception that when the Company and Kindest Place had entered into their respective SPAs with the Vendors concurrently on July 18, 2012, Kindest Place had benefited from its purchase of the APB shares to the disadvantage of the Company.

The following is a table showing the relative premiums paid by the Company and Kindest Place respectively for the F&N shares and APB shares under their respective SPAs, as compared to the last closing price on July 16, 2012, being the date of the joint announcement by Oversea-Chinese Banking Corporation Limited and Great Eastern Holdings Limited of an offer to purchase their combined stakes in F&N and APB¹ ("Unaffected Date") and the one (1) month volume weighted average price ("VWAP"), three (3) month VWAP, six (6) month VWAP and 12 month VWAP prior and up to the Unaffected Date. The price paid by the Company under its SPAs with the Vendors was S\$8.88 per

¹ Given that this joint announcement of the potential offer was released after trading closed on July 16, 2012, the Company believes that presenting share price information with a reference date of July 16, 2012 is more reflective of the prices of F&N shares and APB shares that are not affected by the potential offer to purchase and would therefore provide a more meaningful basis for comparison.

F&N share and the price paid by Kindest Place under its SPAs with the Vendors was S\$45.00 per APB share.

	Reference Price per F&N share (S\$) ^{2,3}	Premium per F&N share (%)	Reference Price per APB share (S\$) ^{2,3}	Premium per APB share (%)
Last transacted price per share on July 16, 2012, being the Unaffected Date	7.90	12.4%	34.69	29.7%
VWAP per share for the one (1)-month period prior and up to the Unaffected Date	7.25	22.4%	34.51	30.4%
VWAP per share for the three (3)-month period prior and up to the Unaffected Date	6.88	29.0%	34.16	31.7%
VWAP per share for the six (6)-month period prior and up to the Unaffected Date	6.75	31.5%	32.27	39.4%
VWAP per share for the 12-month period prior and up to the Unaffected Date	6.29	41.1%	28.98	55.3%

From the table above, the premium paid by Kindest Place for the APB shares was higher than the premium paid by the Company for the F&N shares for all selected reference periods prior and up to the Unaffected Date, pursuant to their respective SPAs with the Vendors.

The Board believes that this addresses any potential erroneous perception that the Company overpaid for the F&N shares as compared to the price paid by Kindest Place for the APB shares.

APB has since announced on September 19, 2012 the sale by Kindest Place of its APB shares.

Please be informed accordingly.

Yours faithfully,

Thapana Sirivadhanabhakdi
President and CEO

² Based on data extracted from Bloomberg L.P.

³ Computed based on the share prices which were rounded to the nearest two (2) decimal places.