



Thai Beverage Public Company Limited

ANNOUNCEMENT

Date: 3 July 2024

To: Singapore Exchange Securities Trading Limited

Subject: Resolution of the Board of Directors on the Plan for the Tender Offer in order to Delist the Shares of Sermsook Public Company Limited from being Securities Listed on the Stock Exchange of Thailand

We, Thai Beverage Public Company Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”), would like to inform that on 3 July 2024, the Board of Directors of the Company has resolved to approve the plan for the Company's indirect wholly owned subsidiary, So Water Company Limited (“**So Water**”), to make the tender offer of all the remaining securities of Sermsook Public Company Limited (“**SSC**”), comprising all the remaining 93,945,680 ordinary shares of SSC, which represents approximately 35.33% of the total number of issued and paid-up shares in SSC (the “**Offer SSC Shares**”), *i.e.*, all of the issued and paid-up shares in SSC which are not already owned by So Water, for the purpose of delisting the shares of SSC from being securities listed on the Stock Exchange of Thailand (the “**SSC Delisting**” and the “**SET**” respectively). The tender offer price of THB 63.00 per SSC share was determined in compliance with the relevant regulations of the Thai Securities and Exchange Commission (the “**Thai SEC**”) and may be subject to further adjustment in accordance with the relevant regulations of the Thai SEC.

Information relating to SSC

Established in 1952, SSC has played a key role in developing Thailand’s carbonated soft drink market over the past six decades. SSC was listed on the SET in 1975 and the Company became its major shareholder in 2012.

SSC marked a significant milestone with the launch of est, and is proud that it is Thailand’s own homegrown carbonated soft drink brand. Beyond carbonated soft drinks, SSC also offers a variety of non-carbonated beverages, including Crystal drinking water, Oishi ready-to-drink green tea, and energy drinks.

SSC employs a diverse range of direct and indirect distribution channels to ensure its products are accessible to consumers – from small retail shops to large wholesale stores and food service restaurants and outlets. By leveraging the extensive logistics network of the Group, SSC is able to enhance the efficiency of its product transportation for rapid and widespread distribution. For the year ended 30 September 2023, SSC's net profit for the year was approximately THB 248 million.

As of 6 December 2023 (the latest record date of SSC’s shareholders), So Water holds 171,954,804 shares in SSC, which is equal to 64.67% of the total number of issued and paid-up shares in SSC.

Based on the latest reviewed consolidated financial statements of SSC for the six-month period ended 31 March 2024, the book value of the Offer SSC Shares is approximately THB 9,595.17 million and the net tangible asset value of the Offer SSC Shares is approximately THB 9,562.84 million.



Based on the volume weighted average price of the shares of SSC as at 2 July 2024 (being the last trading day immediately preceding the date of this announcement), the latest open market value of each SSC share is approximately THB 47.60.

The key reasons for the Group undertaking this transaction are as follows:

- (a) The SSC Delisting will help improve efficiency in the management and operation of SSC's business due to the fewer procedures that SSC will be required to be subjected to after the delisting, resulting in greater flexibility in its business management and decision-making. The Group is currently in the process of conducting a feasibility study into a potential restructuring of the operations of the group companies to enhance their management effectiveness and/or enhance business potential. Such potential restructuring may involve internal restructuring and business restructuring in various aspects (which may potentially be carried out by way of a purchase, sale, or transfer of assets or other rights, mergers and acquisitions, a transfer of rights under financing agreements, a change in business strategies or operation, a change in operational policies, lending and borrowing of money, and fund-raising of various types), and may include transaction(s) between SSC and/or other entity(s) within the Group. The SSC Delisting could therefore, help increase flexibility for SSC's business management and facilitate the said restructuring plan. However, the potential restructuring as described above is not definitive or exhaustive, and may be subject to further changes as may be considered appropriate by the Company in the future.
- (b) As it appears that at present, there has not been as much trading volume of the shares in SSC, the tender offer for the Offer SSC Shares for the purpose of the SSC Delisting will provide an alternative and opportunity for SSC's shareholders to sell their SSC shares, and likewise, an opportunity for So Water to acquire additional SSC shares at an appropriate price.
- (c) As SSC shall no longer be listed on the SET following the SSC Delisting, this will help reduce the burden, expenses, fees and obligations of SSC which would have been incurred in connection with the maintenance of its status as a publicly listed entity on the SET.

In any case, after the SSC Delisting, SSC will retain its status as a public limited company and will continue to comply with the applicable laws and regulations, as well as good corporate governance.

Conditions for Tender Offer to Proceed

In accordance with the requirements of Thai law and regulations, So Water will proceed with the tender offer for the Offer SSC Shares and the SSC Delisting after the following conditions are satisfied:

- (1) The shareholders' meeting of SSC has resolved to approve the SSC Delisting with the affirmative votes not less than three-fourths of the total issued and paid-up shares of SSC, and there are no objections from shareholders holding shares in an aggregate amount exceeding 10 percent of the total issued and paid-up shares of SSC, in accordance with the SET regulations on delisting of securities; and

- (2) The SSC Delisting must be approved and/or waived by the relevant authorities, including the SET, financial institutions, and other contractual parties in the related agreements (if necessary).

For the avoidance of doubt, the SSC Delisting, if duly approved as described in (1) and (2) above, will be able to proceed even if not all of the other SSC shareholders tender their SSC shares to So Water in the tender offer, and consequently, there is a possibility that So Water will not obtain 100% shareholding of SSC at the completion of the tender offer.

The tender offer has been communicated to the Board of Directors of SSC on 3 July 2024, and the board of directors of SSC has resolved to summon an extraordinary general meeting of SSC's shareholders so that the SSC Delisting can be proposed to the shareholders of SSC for their consideration and approval.

Financing and Financial Effects

The tender offer will be funded through internally generated and/or externally sourced funds as may be appropriate and is not expected to have any material impact on the earnings per share and net tangible assets of the Company for this current financial year.

In accordance with the relevant laws and regulations, the Company will announce material updates in respect of the foregoing transaction where appropriate.

Please be informed accordingly.

Yours faithfully,

Nantika Ninvoraskul
Company Secretary