



## Thai Beverage Public Company Limited

### ANNOUNCEMENT

**Date:** 18 July 2024

**To:** Singapore Exchange Securities Trading Limited

**Subject:** Conditional Share Swap Agreement between InterBev Investment Limited and TCC Assets Limited

#### 1. INTRODUCTION

1.1 We, Thai Beverage Public Company Limited (the "**Company**", or "**ThaiBev**" and together with our subsidiaries, the "**Group**"), would like to announce that InterBev Investment Limited ("**IBIL**"), an indirect wholly-owned subsidiary of the Company, has, on 17 July 2024 entered into a conditional share swap agreement (the "**Share Swap Agreement**") with TCC Assets Limited ("**TCCAL**"), pursuant to which:

- (a) IBIL shall transfer to TCCAL and/or TCCAL's nominees 1,130,041,272 ordinary shares in the share capital of Frasers Property Limited ("**FPL**", such shares, the "**FPL Transfer Shares**", and ordinary shares in the share capital of FPL referred to as "**FPL Shares**") (which represents approximately 28.78% of the total number of FPL's issued shares (excluding treasury shares) as at the date of the Share Swap Agreement) (the "**Disposal**"); and
- (b) TCCAL shall transfer or procure the transfer to IBIL and/or IBIL's nominees 601,627,606 ordinary shares in the share capital of Fraser and Neave, Limited ("**F&N**", such shares, the "**F&N Transfer Shares**", and ordinary shares in the share capital of F&N referred to as "**F&N Shares**") (which represents approximately 41.30% of the total number of F&N's issued shares (excluding treasury shares) as at the date of the Share Swap Agreement) (the "**Acquisition**"),

(the Acquisition and the Disposal, collectively, the "**Proposed Share Swap**").

1.2 IBIL and TCCAL have agreed that the Proposed Share Swap should be based on the mutually agreed negotiated prices of S\$3.55 for each F&N Share and S\$1.89 for each FPL Share. Accordingly, IBIL will transfer approximately 1.88 FPL Shares to TCCAL in exchange for each F&N Share that it expects to receive from TCCAL pursuant to the Proposed Share Swap (the "**Swap Ratio**"). Further details on the factors that were taken into account in arriving at the Swap Ratio are set out in paragraph 4 of this announcement ("**Announcement**").

1.3 Following the completion of the Proposed Share Swap, it is expected that:

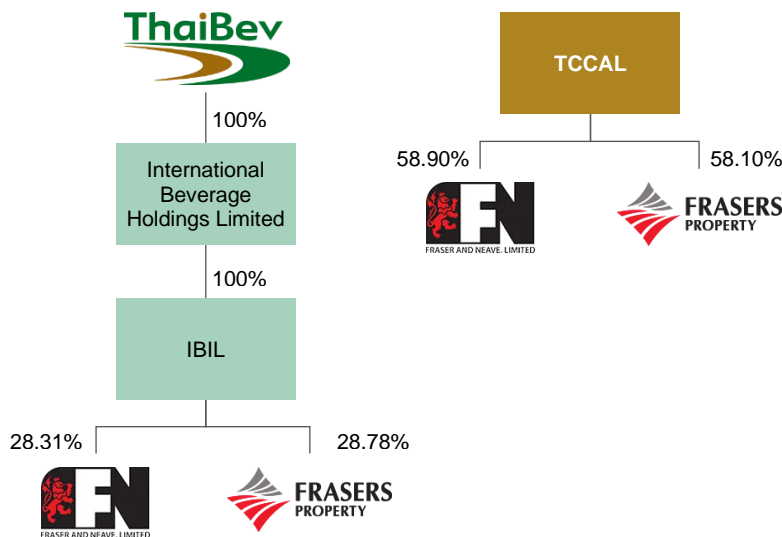
- (a) the Company's percentage interest (through its subsidiary, IBIL) in F&N Shares will increase from approximately 28.31% to approximately 69.61% (based on the total number of issued shares of F&N (excluding treasury shares) as at the date of the Share Swap Agreement);



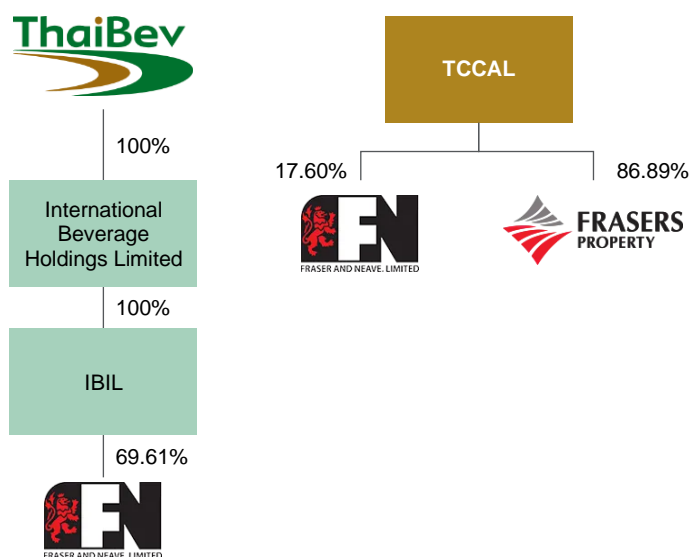
- (b) IBIL will cease to hold any FPL Shares, and accordingly, the Company will cease to have any interest in FPL Shares;
- (c) TCCAL's percentage interest in FPL Shares will increase from approximately 58.10% to approximately 86.89% (based on the total number of issued shares of FPL (excluding treasury shares) as at the date of the Share Swap Agreement); and
- (d) TCCAL's percentage interest in F&N Shares will decrease from approximately 58.90% to approximately 17.60% (based on the total number of issued shares of F&N (excluding treasury shares) as at the date of the Share Swap Agreement).

Accordingly, following the completion of the Proposed Share Swap, the Company (through IBIL) will become the holding company of F&N (and its subsidiaries), while TCCAL will remain the holding company of FPL (and its subsidiaries). The Company and IBIL will not retain any interest in FPL and FPL will no longer be an associated company of the Company. TCCAL will retain a strategic minority stake in F&N. Please refer to **Figures A and B** below for diagrams reflecting the Company's shareholding in F&N and FPL before and immediately after completion of the Proposed Share Swap.

**Figure A: Illustration of Company's shareholding in F&N and FPL (as at the date of this Announcement) before the completion of the Proposed Share Swap**



**Figure B: Illustration of Company's shareholding in F&N and FPL immediately after the completion of the Proposed Share Swap**



1.4 The Proposed Share Swap constitutes both an "interested person transaction" for the purposes of Chapter 9 of the listing manual (the "**Listing Manual**") of Singapore Exchange Securities Trading Limited ("**SGX-ST**") and a "major transaction" for the purposes of Chapter 10 of the Listing Manual (as elaborated on in paragraphs 7 and 8 of this Announcement, respectively). Accordingly, the completion of the Proposed Share Swap is subject to the approval of the shareholders of the Company (the "**Shareholders**") in a general meeting, in addition to the conditions precedent as described in paragraph 6.3 of this Announcement. Subject to the satisfaction or waiver of such conditions precedent, the Parties are working towards completing the Proposed Share Swap by 30 September 2024<sup>1</sup>.

**2. INFORMATION ON TCCAL**

TCCAL is an investment holding company incorporated in the British Virgin Islands. TCCAL's shareholders are Mr. Charoen Sirivadhanabhakdi (who is also a director of the Company ("**Director**")) and the estate of the late Khunying Wanna Sirivadhanabhakdi. Each of Mr. Charoen Sirivadhanabhakdi and the estate of the late Khunying Wanna Sirivadhanabhakdi owns 50% of the issued and paid-up capital of TCCAL.

**3. INFORMATION ON F&N AND FPL**

3.1 F&N and FPL are public companies incorporated in Singapore, with their shares listed on the Mainboard of the SGX-ST. As at the date of this Announcement, F&N and FPL are associated companies of the Company.

3.2 FPL was previously a wholly owned subsidiary of F&N, serving as its property arm. In August 2013, F&N announced a proposed demerger of its property business by distributing all the FPL Shares that it had held to F&N's shareholders by way of a dividend in-specie, and listing such FPL Shares on the Mainboard of the SGX-ST through an introduction. This demerger had not only unlocked shareholder value but had also enabled FPL to establish financial independence and gain direct access to capital markets.

<sup>1</sup> The Share Swap Agreement provides for a long stop date of 31 March 2025 for the satisfaction of all conditions precedent required in respect of the Proposed Share Swap.

- 3.3 Following the dividend in-specie and listing of FPL Shares on the Mainboard of the SGX-ST by way of an introduction, FPL Shares were listed on the Mainboard of the SGX-ST on 9 January 2014.
- 3.4 Today, F&N remains a leading Southeast Asian consumer group with expertise and strong standing in the beverage and food and publishing and printing industries. F&N owns an impressive array of renowned brands that hold leadership positions in key markets. F&N is present in more than 11 countries across the Asia Pacific and the Americas.
- 3.5 FPL is a multinational investor-developer-manager of real estate products and services across the property value chain. FPL's businesses operate across five (5) asset classes, namely, commercial & business parks, hospitality, industrial & logistics, residential and retail, across Asia Pacific and Europe. Its well-established hospitality business owns and/or operates serviced apartments and hotels in over 20 countries. FPL is also the sponsor and manager of real estate investment trusts and a stapled trust.
- 3.6 Further details on the businesses of F&N and FPL can be found on the SGX website at [www.sgx.com](http://www.sgx.com) and at their respective corporate websites, [www.fraserandneave.com](http://www.fraserandneave.com) and [www.frasersproperty.com](http://www.frasersproperty.com).

#### **4. BACKGROUND OF THE PROPOSED SHARE SWAP AND FACTORS TAKEN INTO ACCOUNT IN ARRIVING AT THE NEGOTIATED PRICES AND SWAP RATIO**

- 4.1 The Company has, over the years, considered a share swap with TCCAL to streamline the Company's focus towards a pure-play beverage and food business. Shareholders have also provided similar feedback to the Company over the years. In addition, the Company has also considered how the strategic merits of the Proposed Share Swap could advance the Company's progress in achieving its PASSION 2025 goals.
- 4.2 The Company is of the view that the low trading liquidity and current market prices of both F&N and FPL do not appropriately reflect the fair values of each business. The trading liquidity of F&N and FPL is over 90% lower than Straits Times Index ("**STI**") constituents, based on their 12-month average daily trading volume ("**ADTV**"). Please refer to **Figures C and D** for diagrams reflecting the low trading liquidity of F&N and FPL, and the historical market prices of F&N and FPL respectively. F&N and FPL have historically traded at significant discounts to their respective net asset values ("**NAVs**"). Given that market prices have limited reference value for purposes of evaluating the intrinsic values of F&N and FPL, the Company, in consultation with DBS Bank Ltd. ("**DBS**"), the financial adviser to the Company and IBIL, proposed to TCCAL the possibility of approaching the Proposed Share Swap based on a negotiated price for each of F&N and FPL.

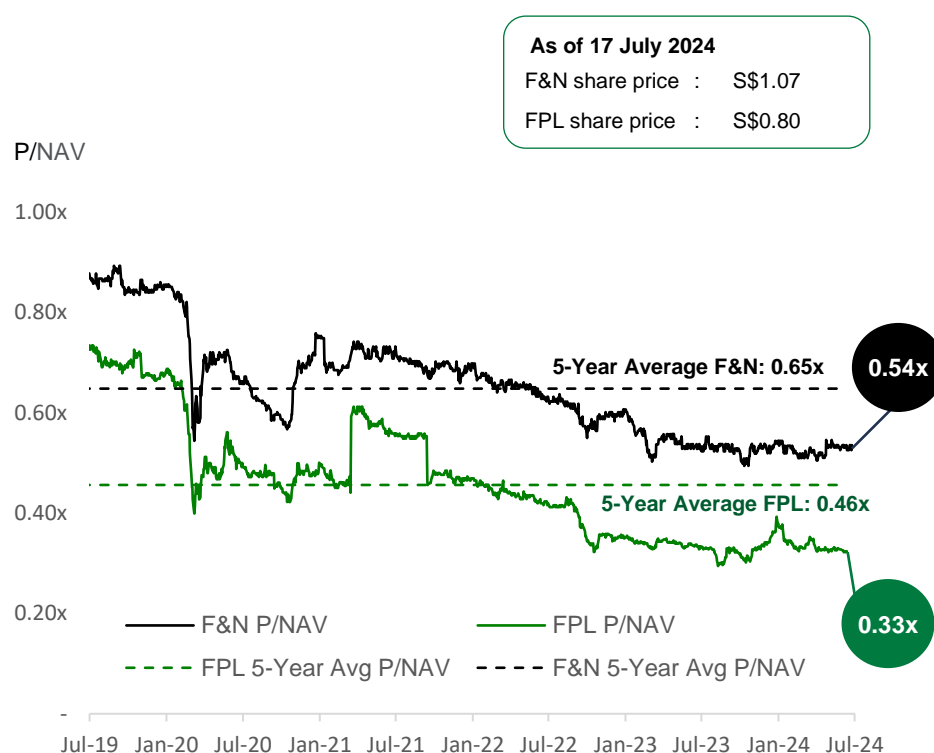
**Figure C: Low trading liquidity of F&N and FPL**

	Market Capitalisation	Free Float	12M ADTV <sup>1</sup> / Free Float	12M ADTV <sup>1</sup> / Shares Outstanding
	S\$m	(%)	(%)	(%)
F&N <sup>2</sup>	1,559	12.8%	0.03%	0.00%
FPL <sup>2</sup>	3,141	11.3%	0.03%	0.00%
STI Index Constituents <sup>3</sup>		Mean:	0.37%	0.21%
		Median:	0.35%	0.19%

Source: Bloomberg as at 17 July 2024

1. ADTV based on the total number of shares traded divided by the number of trading days in the 12-month period
2. Sourced from company filings
3. Sourced from Bloomberg

**Figure D: F&N and FPL have historically traded at significant discounts to their NAVs**



Source: Bloomberg and Capital IQ as at 17 July 2024

The negotiated prices of F&N and FPL and the Swap Ratio were derived after extensive negotiations between IBIL and TCCAL on an arm's length commercial basis, backed by a robust valuation assessment undertaken by DBS on the range of fair values of each of F&N and FPL on a standalone basis (as elaborated upon in paragraphs 4.2(a) and 4.2(b) below).

(a) Valuation of F&N

A sum-of-the-parts ("**SOTP**") valuation was undertaken to determine a range of fair values for F&N on a standalone basis, which has four (4) key businesses comprising:

- (i) Vietnam Dairy Products Joint Stock Company ("**Vinamilk**");
- (ii) Fraser & Neave Holdings Berhad ("**F&NHB**");
- (iii) F&N's remaining unlisted beverage and dairy business; and
- (iv) Times Publishing Limited,

as set out in **Figure E** below.

**Figure E: Bases and benchmarks used for the valuation range of F&N**

Sum-of-the-Parts Components	Set of Peer Comparables	Peer Valuation Multiples <sup>1</sup>
Vinamilk	Regional Dairy <sup>2</sup>	EV/EBITDA: 20x
F&NHB	Regional Beverage & Dairy <sup>3</sup>	EV/EBITDA: 16-18x
Unlisted Beverage & Dairy Businesses	Regional Beverage & Dairy <sup>3</sup>	EV/EBITDA: 16-18x
Times Publishing Limited	Regional Printing and Publishing <sup>4</sup>	P/NAV: 1x

1. Based on the mean and median valuation multiple of selected peers as of 17 July 2024

2. Comprising PT Ultrajaya Milk Industry & Trading Company, Farm Fresh Berhad, and Dutch Lady Milk Industries Berhad

3. Comprising PT Ultrajaya Milk Industry & Trading Company; Farm Fresh Berhad, Dutch Lady Milk Industries Berhad, Yeo Hiap Seng Limited; Carabao Group Public Company Limited, Osotspa Public Company Limited, and Sappe Public Company Limited

4. Comprising TOPPAN Holdings Inc., China South Publishing; China Publishing & Media, Hung Hing Printing Group; Amarin Corporations, and Wellco Holdings Corporation

Each of the four (4) businesses were valued using their peers' valuation multiples, these values were then aggregated to arrive at the SOTP valuation of F&N.

The SOTP valuation was also cross-checked against a standalone discounted cash flow valuation based on the Company's internal projections of the key businesses under F&N, interviews with management, and equity analyst and industry research reports.

(b) Valuation of FPL

A NAV-based valuation approach was utilised to determine the range of fair values for FPL which took into account the following factors:

- (i) FPL's latest available financial statements as at 31 March 2024 and related public disclosures;
- (ii) latest market valuations of FPL's stakes in listed real estate investment trusts;
- (iii) value of the asset management platform based on precedent transactions – price-to-earnings ratio of 18 times; and
- (iv) discount to revalued net asset value ("**RNAV**") based on precedent SGX-listed privatisation of real estate companies by controlling shareholders<sup>2</sup> – applying a RNAV discount range of 20-25%.

4.3 The negotiated prices of F&N and FPL are within the fair value range of each of F&N and FPL respectively, as determined by DBS, and in line with the relevant benchmarks as stated above, whilst allowing the Company to benefit from the strategic merits of the Proposed Share Swap (detailed in section 5 of this announcement).

5. **RATIONALE FOR THE PROPOSED SHARE SWAP**

5.1 The Proposed Share Swap will allow the Company to attain an indirect majority shareholding in F&N, in exchange for its 28.78% stake in FPL, with **no cash outlay** required by the Company. After the completion of the Proposed Share Swap, which will see the Group no longer having any interest in FPL's property business, the Company will be a pure-play<sup>3</sup> beverage and food (alcoholic and non-alcoholic beverages ("**NAB**")) business, which is supported by the four (4) main pillars of:

- (a) spirits;
- (b) beer;
- (c) NAB; and
- (d) food.

5.2 The Company believes that the Proposed Share Swap will accelerate the Company's progress towards PASSION 2025 by enhancing its ability to:

- (a) **BUILD** new capabilities and competitive advantages to capitalise on the strong NAB and dairy growth trends in Southeast Asia;
- (b) **STRENGTHEN** its position by (i) cementing the Company's #1 position amongst top comparable beverage and food players in Southeast Asia by revenue, (ii) bolstering the Company's resilience through economic and product cycles through greater

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<sup>2</sup> Based on selected Singapore precedent take-private transactions of: (i) Global Dragon Limited announced on 10 February 2023; (ii) Chip Eng Seng Corporation Ltd announced on 25 November 2022; (iii) CapitaLand Limited announced on 22 March 2021; (iv) Perennial Real Estate Holdings Limited announced on 12 June 2020; (v) United Engineers Limited announced on 25 October 2019; (vi) Wheelock Properties (Singapore) Limited announced on 19 July 2018; (vii) LCD Global Investments announced on 12 January 2015.

<sup>3</sup> Save for ThaiBev's interests in Times Publishing Limited which contributes less than 1.7% of pro forma revenue on a last twelve months ending 31 March 2024 basis.

diversification of business segments and countries, (iii) enabling the Company to realise operational synergies, and (iv) resulting in an accretive earnings per share ("EPS") impact and improving its net interest-bearing debt ("IBD") to earnings before interest, tax, depreciation and amortisation ("EBITDA") ratio; and

- (c) **UNLOCK** the Company's potential by streamlining the Company's focus towards the beverage and food industry with a potential re-rating in line with its pure-play beverage and food peers.

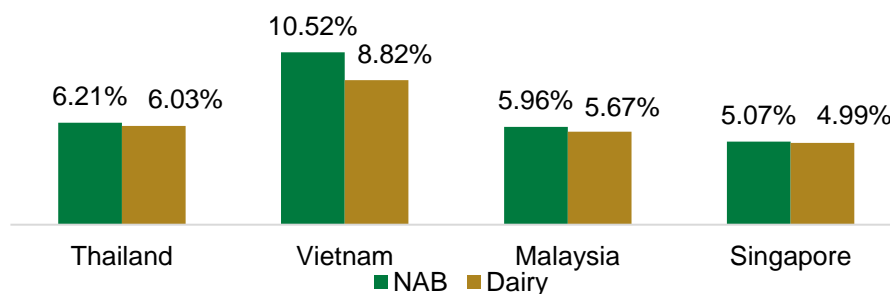
**Figure F: Passion 2025**



5.3 **BUILD new capabilities and competitive advantages to capitalise on the strong NAB and dairy growth trends in Southeast Asia**

The Proposed Share Swap will deepen the Company's exposure to the high growth NAB and dairy segments. The Company will be well-positioned to capitalise on major consumer trends across Southeast Asian markets, such as the growing demand for wellness products. Within the NAB segment, functional beverages such as sports drinks, beverages with reduced sugar content, as well as dairy products – all of which are core products and a strategic focus for F&N – are expected to benefit from this increasing trend towards health-consciousness.

**Figure G: Projected growth rates for retail sales for the NAB and dairy segments in the Company's core markets from 2023 to 2028 (per annum) <sup>4</sup>**



Source: Industry research reports

<sup>4</sup> Projection data is sourced from industry research reports.



F&N's strong brand portfolio, and F&NHB's high-tech integrated dairy farm, AgriValley, in Gemas, Malaysia, will equip the Company with critical competitive advantages in the NAB and dairy segments respectively.

(a) Strong brand portfolio

F&N has a strong portfolio of leading brands including "F&N", "100Plus", "Ice Mountain", "Nutrisoy", and "Teapot". Its iconic brand, 100Plus, is the number one player in isotonic drinks across Malaysia and Singapore<sup>5</sup>, while Ice Mountain tops the bottled drinking water market in Singapore<sup>6</sup>. By tapping on the Company's strong distribution network and broad sales channels, these core brands can be introduced into other markets where the Company operates, as well as extended into adjacent products.

(b) High-tech integrated dairy farm, AgriValley

F&NHB, a subsidiary of F&N, is currently carrying out construction of a game-changing integrated dairy farm, AgriValley, in Gemas, Negeri Sembilan, Malaysia. The RM1.7 billion farm, which spans 2,726 hectares, is expected to accommodate 20,000 milking cows, producing an annual volume of 200 million litres of fresh milk. First milking is expected to commence in 2025. AgriValley leverages on the increasing popularity of drinking milk products in the region. The farm's integrative system and automation technology is expected to allow F&NHB to be highly cost competitive amidst an inflationary environment and weakening Malaysian ringgit, whilst ensuring F&N's commitment to producing high-quality drinking milk products.

5.4 **STRENGTHEN** its position by:

(a) Cementing the Company's #1 position amongst top comparable beverage and food players in Southeast Asia by revenue

The Proposed Share Swap, if approved by Shareholders, is expected to cement the Company's revenue base as the largest among comparable publicly listed beverage and food players in Southeast Asia (based on last twelve months ("LTM") revenue, as illustrated in **Figure H**).

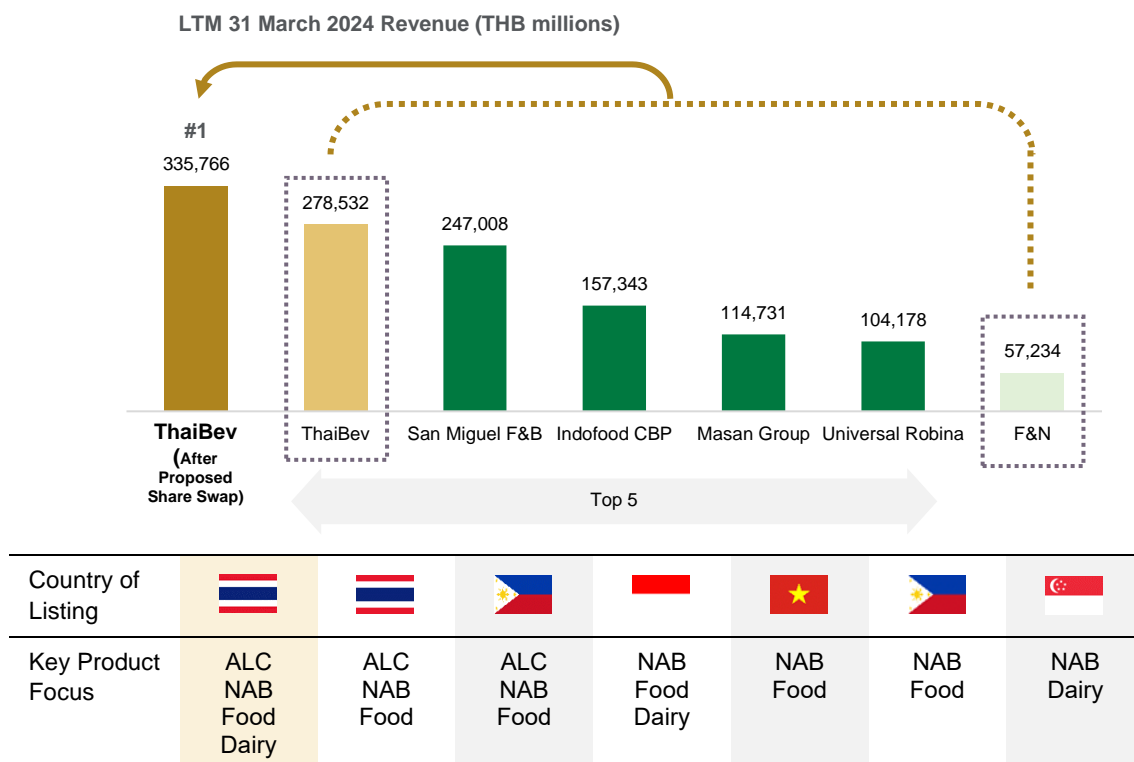
The geographical extension by the Company into Singapore and Malaysia through F&N's and F&NHB's operations will help to complete the Company's presence in Southeast Asia. Furthermore, F&N Dairies (Thailand) Limited will complement the Company's current NAB product range with its strong presence in the dairy segment, while the combination of F&N's Emerald Brewery with the Company's Grand Royal Group's market share in Myanmar will position the Group as a leading alcoholic beverage player in Myanmar's alcoholic beverage market.

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<sup>5</sup> Based on data from The Nielsen Company.

<sup>6</sup> Based on data from The Nielsen Company.

**Figure H: Top five (5) comparable publicly-listed beverage and food players in Southeast Asia by revenue (THB millions)**



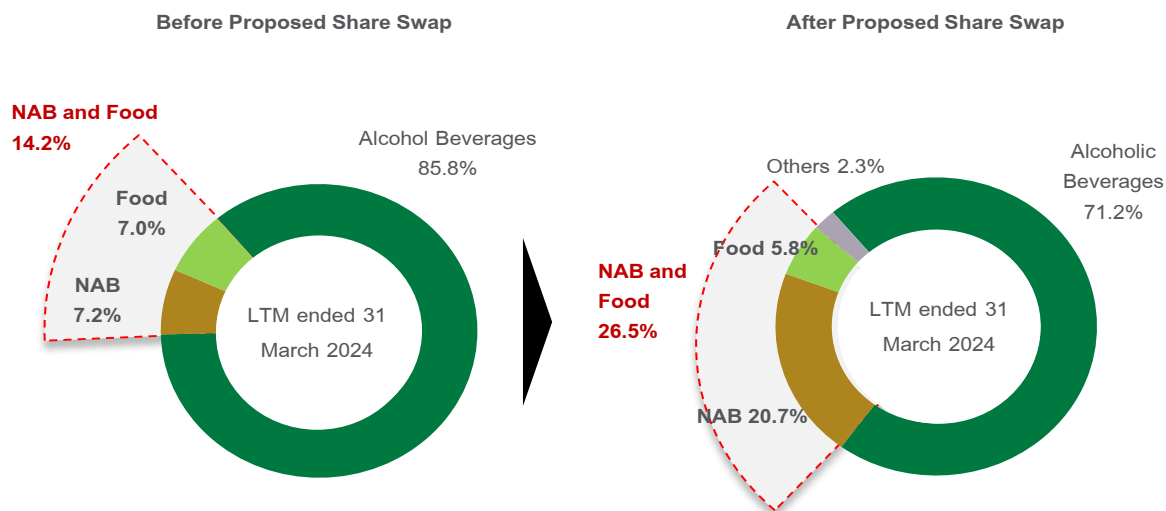
ALC : Alcoholic beverages  
 NAB : Non-alcoholic beverages  
 Food : Food and related products  
 Dairy : Dairy related products

Notes: This is based on respective LTM financials sourced from company filings. Assumes that foreign exchange rates are SGD/THB = 26.94, IDR/THB = 0.00229, VND/THB = 0.00146, and PHP/THB = 0.65 as at 31 March 2024. Revenue calculations for the Company after the Proposed Share Swap does not account for intercompany eliminations between the Company and F&N. Listed comparable beverage and food players were selected based on having: (i) at least two (2) similar key product focus segments as ThaiBev; and (ii) at least a majority of their revenues being contributed by such segments.

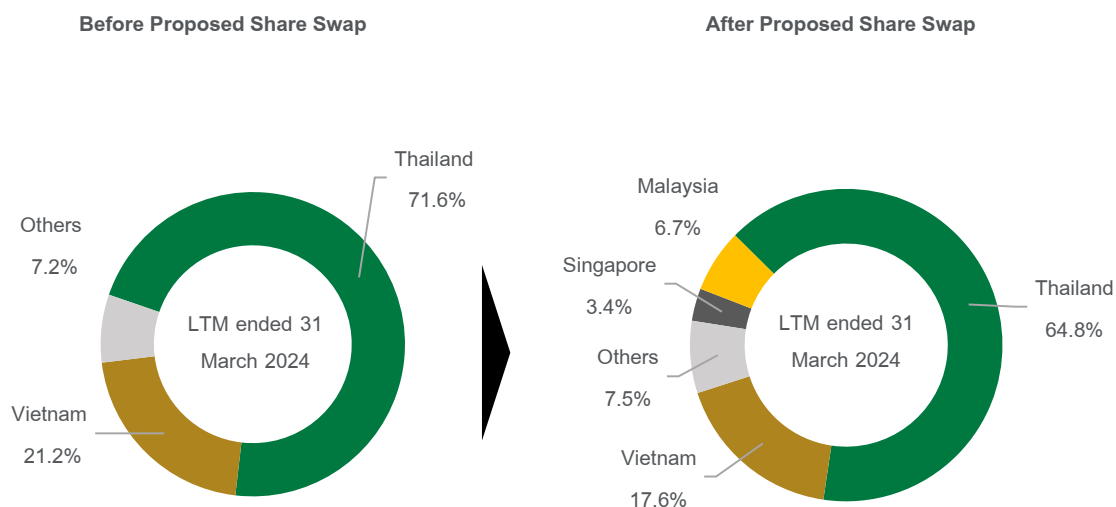
(b) *Bolstering the Group's resilience through economic and product cycles through greater diversification of business segments and countries*

In relation to the business portfolio mix, it is anticipated that the Proposed Share Swap will increase the Company's revenue exposure to the NAB and food segments from 14.2% to 26.5%; expand its geographical presence in Singapore and Malaysia through consolidating F&N's and F&NHB's operations while reducing reliance on the Thailand market from 71.6% to 64.8%, as illustrated in **Figures I and J**. A more balanced product portfolio and geographical exposure will reduce the Group's concentration risk on any single business segment and country, which will bolster the Group's resilience through economic and product cycles.

**Figure I: Revenue split by product segments for LTM ended 31 March 2024<sup>7</sup>**



**Figure J: Revenue split by geography for LTM ended 31 March 2024**



<sup>7</sup> Based on foreign exchange rates of SGD/THB 26.94 as of 31 March 2024. Revenue segmentation after the Proposed Share Swap has not eliminated intercompany sales between the Company and F&N. "Others" in product segments includes printing and publishing business from Times Publishing Group; and its stakes in Cocoland Holdings Berhad Group; Sri Nona Group; F&N International Holdings Co., Ltd. and F&N Retail Connection Co., Ltd. Revenue calculations for the Company after the Proposed Share Swap do not account for intercompany eliminations between the Company and F&N.

(c) Enabling the Company to realise operational synergies

The completion of the Proposed Share Swap will result in the Company becoming the majority shareholder of F&N, allowing the Company to drive the realisation of both revenue and cost synergies.

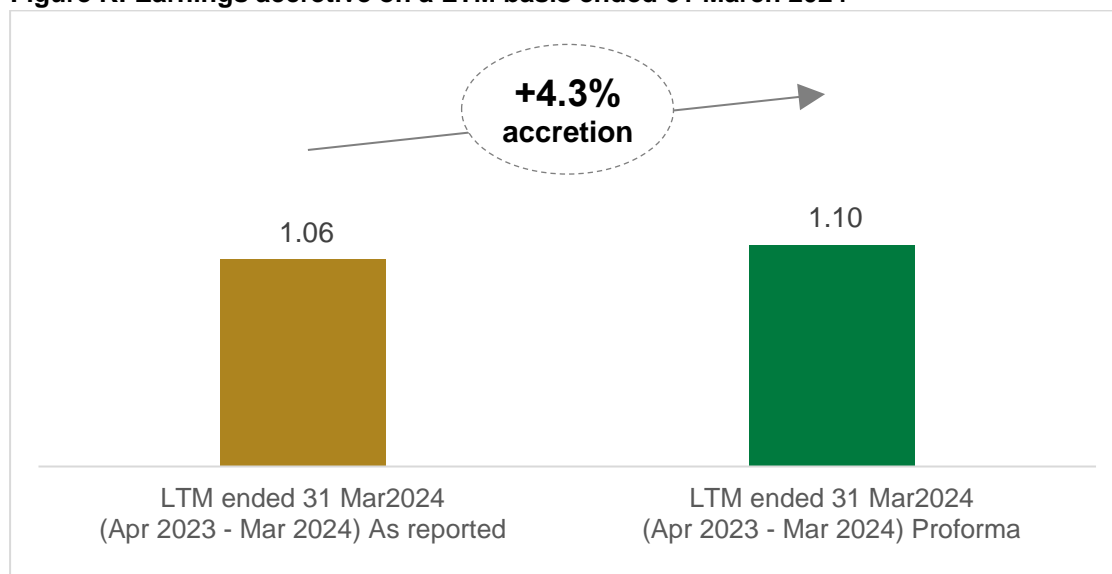
Cross selling of F&N products in the Company's core markets such as Thailand and Vietnam is expected to generate incremental revenue growth, while the rationalisation of infrastructure networks, including distribution, is expected to eliminate redundancies and overlaps, thereby achieving substantial savings. Furthermore, economies of scale can be enhanced in procurement, supply chain management and research and development.

(d) Resulting in an accretive EPS impact and improving its net IBD to EBITDA ratio

Assuming the Proposed Share Swap was completed on 1 April 2023, the pro forma EPS of the Group (including F&N and its subsidiaries) for the last twelve months ended 31 March 2024 would have increased to THB 1.10 from the reported EPS of the Group of THB 1.06 for the last twelve months ended 31 March 2024. This translates to a pro forma EPS accretion of 4.3%, as illustrated in **Figure K**.

In addition, assuming the Proposed Share Swap had been effected at 31 March 2024, the pro forma net IBD to EBITDA ratio of the Group (including F&N and its subsidiaries) as of 31 March 2024 would have reduced to 3.02 times from the net IBD to EBITDA of the Group of 3.16 times per the reported financial statements ended 31 March 2024, as illustrated in **Figure L**.

**Figure K: Earnings accretive on a LTM basis ended 31 March 2024**



**Figure L: Key financial leverage items and ratios**

In THB'millions (Unless otherwise stated)	For the last twelve months ended 31 March 2024	
	Before the Proposed Share Swap	After the Proposed Share Swap
<b>Key financials</b>		
IBD	207,260	238,314
Equity	240,517	256,251
EBITDA	50,941	59,383
<b>Key leverage metrics (x)</b>		
IBD to EBITDA	4.07	4.01
Net IBD to EBITDA	3.16	3.02
IBD to Equity	0.86	0.93
Net IBD to Equity	0.67	0.70

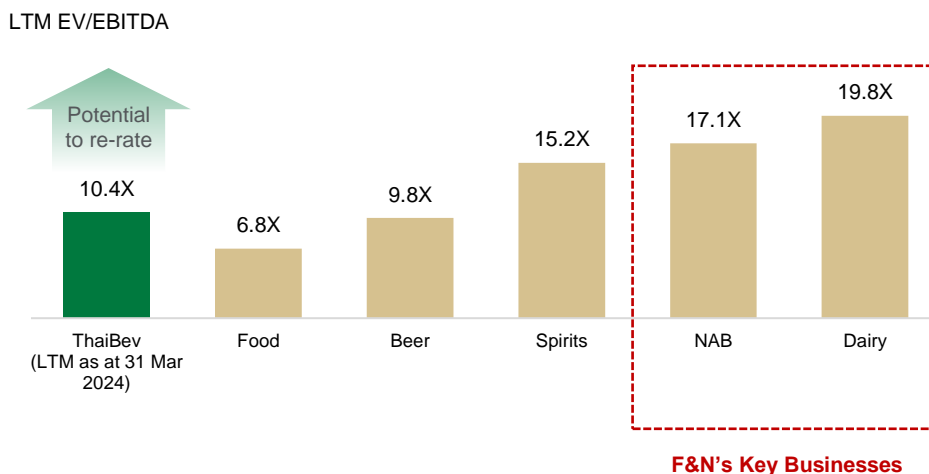
For illustrative purposes only and not indicative of actual or potential financial performance, financial position or earnings of the Group after the completion of the Proposed Share Swap, the financial effects of the Proposed Share Swap on the Group as set out above are prepared based on the audited consolidated financial statements of the Group for the twelve-month period ended 30 September 2023 ("**Group FY2023 Financial Statements**") and the Group 1HFY2024 Financial Statements. The financial effects have been prepared based on the following assumptions and adjustments:

- (a) the Proposed Share Swap was completed on 1 April 2023 with the financial position and financial performance of the Group adjusted for the period from 1 April 2023 to 31 March 2024;
- (b) the Proposed Share Swap became effective after the transfer of the FPL Shares from IBIL to TCCAL; and the transfer of the F&N Shares from TCCAL to IBIL;
- (c) the negotiated prices of F&N Shares and FPL Shares are S\$3.55 and S\$1.89 respectively, implying a Swap Ratio of approximately 1.88 FPL Shares for each F&N Share with no cash consideration payable by IBIL and/or TCCAL;
- (d) the elimination of intercompany transactions between the Group and F&N and its subsidiaries;
- (e) the Proposed Share Swap is treated as a business combination under common control in accordance with Thai Financial Reporting Standards ("**TFRS**") which applies book value accounting;
- (f) for adjustments made to the financial performance of the Group, average exchange rates of SGD/THB = 26.87 were used for the period of 1 October 2022 to 30 September 2023, average exchange rates of SGD/THB = 26.52 were used for the period of 1 October 2023 to 31 March 2024;
- (g) for adjustments made to the financial position of the Group, closing exchange rates of SGD/THB 27.02 as of 31 March 2024 were used; and
- (h) transaction costs have not been factored in.

**5.5 UNLOCK the Company's potential by streamlining the Company's focus towards the beverage and food industry with a potential re-rating in line with its pure-play beverage and food peers**

With FPL in its portfolio, the Company currently trades at an LTM enterprise value ("**EV**") / EBITDA ("**EV/EBITDA**") multiple of 10.4x. Streamlining the Company's focus towards a pure-play beverage and food business by exiting the property business and increasing its exposure to NAB and dairy could result in a potential re-rating in line with pure-play beverage and food peers.

**Figure M: The Company's Pure-Play peers in NAB and dairy trade at a significantly higher LTM EV/EBITDA multiple**



Source: Capital IQ as at 17 July 2024

1. Food segment peers comprise Jollibee Food Corporation, MK Restaurant Group PCL and S&P Syndicate PCL.
2. Beer segment peers comprise Kirin Holdings Company, Limited, Asahi Group Holdings, Ltd., Budweiser Brewing Company APAC Limited, Heineken Malaysia Berhad and Carlsberg Brewery Malaysia Berhad.
3. Spirits segment peers comprise Diageo Plc., Pernod Picard SA, Emperador Inc. and Remy Cointreau SA.
4. NAB segment peers comprise Carabao Group PCL, Sappe PCL and Osotspa PCL.
5. Dairy segment peers comprise PT Ultrajaya Milk Industry & Trading Company, Farm Fresh Berhad, and Dutch Lady Milk Industries Berhad.

## 6. **PRINCIPAL TERMS OF THE SHARE SWAP AGREEMENT**

### 6.1 Acquisition of the F&N Transfer Shares

TCCAL has agreed to transfer or procure the transfer of the F&N Transfer Shares to IBIL and/or IBIL's nominees, free from all encumbrances and together with all rights, dividends, entitlements and advantages attaching thereto as at the date of the Share Swap Agreement, in consideration for the FPL Transfer Shares to be transferred by IBIL to TCCAL (as described in paragraph 6.2 of this Announcement), subject to the terms and conditions of the Share Swap Agreement.

### 6.2 Disposal of the FPL Transfer Shares

IBIL has agreed to transfer the FPL Transfer Shares to TCCAL and/or TCCAL's nominees, free from all encumbrances and together with all rights, dividends, entitlements and advantages attaching thereto as at the date of the Share Swap Agreement, in consideration for the F&N Transfer Shares to be transferred by TCCAL to IBIL (as described in paragraph 6.1 of this Announcement), subject to the terms and conditions of the Share Swap Agreement.

### 6.3 Conditions

Under the terms of the Share Swap Agreement, completion of the Proposed Share Swap is subject to the fulfilment or waiver of the following conditions:

- (a) the Company having received the approval of the Shareholders (excluding Mr. Charoen Sirivadhanabhakdi and the estate of the late Khunying Wanna Sirivadhanabhakdi and

their associates) in a general meeting of the Company, for the Proposed Share Swap, in accordance with the requirements of the Listing Manual;

- (b) IBIL, TCCAL and the Company having received all relevant governmental, statutory and regulatory consents, permits and approvals relating to the Proposed Share Swap which are required under any and all applicable laws in any jurisdiction, such consents, permits and approvals remaining in full force and effect as at the date of completion of the Proposed Share Swap (the "**Completion Date**"), and where such consents, permits and approvals are subject to conditions, such conditions being reasonably satisfactory to IBIL, TCCAL and (as the case may be) the Company;
- (c) TCCAL having received: (i) approval from its lenders in connection with the Proposed Share Swap; and (ii) the full and unconditional release and discharge of the F&N Transfer Shares from all encumbrances; and
- (d) the Company having received a written confirmation and/or ruling from the Securities Industry Council of Singapore ("**SIC**") that IBIL will not be required to make a general offer (the "**F&N Offer**") for F&N under Rule 14.1 of the Singapore Code on Take-overs and Mergers (the "**Code**") in the event that it acquires more than 30% of the total voting rights in F&N as a result of the Proposed Share Swap, and such confirmation and/or ruling remaining in full force and effect as at the Completion Date.<sup>8</sup>

The SIC had ruled on 30 May 2024 that IBIL will not be required to make the F&N Offer in the event that it acquires more than 30% of the total voting rights in F&N as a result of the Proposed Share Swap ("**SIC's Ruling**").

For the avoidance of doubt, since the SIC's Ruling has been obtained in respect of F&N (which is the holding company of F&NHB), IBIL and the persons acting in concert with it would not be required to extend a downstream mandatory take-over offer to acquire all the remaining ordinary shares in F&NHB not already owned by F&N pursuant to Note 3 of paragraph 4.01 of the Rules on Take-overs, Mergers and Compulsory Acquisitions of Malaysia.

#### 6.4 Consideration for the Proposed Share Swap

As mentioned in paragraphs 6.1 and 6.2 of this Announcement, the consideration for the Acquisition is the Disposal, and *vice versa* (the "**Consideration**"). The Consideration shall be satisfied by the completion of the transfer of the F&N Transfer Shares from TCCAL to IBIL and the completion of the transfer of the FPL Transfer Shares from IBIL to TCCAL (as the case may be). For the avoidance of doubt, no cash consideration is payable by IBIL and TCCAL for the F&N Transfer Shares and the FPL Transfer Shares respectively. The intention is that, on or around the Completion Date, parties shall effect the Proposed Share Swap to the respective recipient's securities account.

If, after the date of the Share Swap Agreement:

- (a) IBIL receives, or is entitled to receive, any dividend in respect of the FPL Transfer Shares for the financial year of FPL ending 30 September 2024 ("**FPL Transfer Shares FY2024 Dividend**"); or

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<sup>8</sup> As TCCAL currently holds more than 50% of the issued share capital of FPL, it already has statutory control of FPL under the Code. Consequently, the transfer of additional FPL Shares from IBIL to TCCAL pursuant to the Proposed Share Swap will not trigger any obligations on TCCAL under Rule 14.1 of the Code. "Statutory control" as defined under the Code, means a holding, or aggregate holdings, of shares carrying more than 50% of the voting rights.

- (b) TCCAL receives, or is entitled to receive, any dividend in respect of the F&N Transfer Shares for the financial year of F&N ending 30 September 2024 ("**F&N Transfer Shares FY2024 Dividend**"),

IBIL shall account for the FPL Transfer Shares FY2024 Dividend to TCCAL and TCCAL shall account for the F&N Transfer Shares FY2024 Dividend to IBIL. Both TCCAL and IBIL shall agree on the appropriate method and procedure to effect such accounting of the FPL Transfer Shares FY2024 Dividend and F&N Transfer Shares FY2024 Dividend.

The factors taken into account in arriving at the negotiated prices of F&N and FPL and the Swap Ratio, and consequently the Consideration, are set out at paragraph 4 of this Announcement.

## 7. **INTERESTED PERSON TRANSACTION UNDER CHAPTER 9 OF THE LISTING MANUAL**

- 7.1 The Proposed Share Swap is subject to the requirements of Chapter 9 of the Listing Manual (which governs interested person transactions). Under Chapter 9 of the Listing Manual, a transaction shall be subject to shareholders' approval where the value of that transaction with an interested person singly, or, on aggregation with the values of other transactions conducted with the same interested person in the same financial year equals to, or exceeds, 5% of the group's latest audited net tangible assets ("**NTA**").
- 7.2 As announced by the Company on 27 February 2024, the SGX-ST has approved the Company's use of the Company's market capitalisation as at the last day of the financial year ended 30 September 2023 as the reference point for the purposes of computing the materiality thresholds under Rules 905 and 906 of the Listing Manual ("**Materiality Thresholds**") for the financial year ending 30 September 2024. The market capitalisation of the Company shall be determined by multiplying the total number of issued ordinary shares of the Company ("**Shares**") (excluding treasury shares) by the weighted average price of such Shares transacted on the last market day of the financial year ended 30 September 2023. Accordingly, the market capitalisation of the Company for the purposes of computing the Materiality Thresholds for the financial year ending 30 September 2024, is approximately S\$14,472 million (the "**FY2023 Market Capitalisation**"), calculated based on 25,124,754,010 Shares (being the total number of Shares (excluding treasury shares)), multiplied by S\$0.576 (rounded to the nearest three (3) decimal places), being the weighted average price of the Shares on the SGX-ST transacted on 29 September 2023 (which is the last market day of the financial year ended 30 September 2023).
- 7.3 The Proposed Share Swap is an interested person transaction for the Company under Chapter 9 of the Listing Manual as:
- (a) IBIL, a wholly-owned subsidiary of the Company, is an "entity at risk" for the purposes of Chapter 9 of the Listing Manual; and
- (b) TCCAL is an associate of Mr. Charoen Sirivadhanabhakdi and the estate of the late Khunying Wanna Sirivadhanabhakdi and thus, an "interested person" for the purposes of Chapter 9 of the Listing Manual.
- 7.4 The value of a transaction under Rule 909 of the Listing Manual is the amount at risk to the issuer. In particular, in respect of disposals, Rule 909(4) provides that in the case that the market value or book value of the asset to be disposed of is higher than the consideration from an interested person, the value of the transaction is the higher of the market value or book value of the asset. Based on the foregoing, the value of the Acquisition and the Disposal pursuant to Rule 909 of the Listing Manual is as follows:



(a) **Value of the Acquisition for purposes of Rule 909 of the Listing Manual**

The value of the Acquisition for the purposes of Rule 909 of the Listing Manual will be based on the Consideration for the Acquisition of the F&N Transfer Shares, which will be computed based on the negotiated price of S\$1.89 for each FPL Share. Accordingly, the Consideration for the Acquisition is approximately S\$2,136 million, representing 14.76% of the FY2023 Market Capitalisation.

For completeness, the book value of the FPL Transfer Shares, (based on the latest announced condensed interim financial statements of the Group for the six (6) months ended 31 March 2024 ("**Group 1HFY2024 Financial Statements**")), and the open market value of the FPL Transfer Shares (on the market day preceding the date of the Share Swap Agreement (the "**Last Market Day**"), as set out below at paragraph 8.2(b)), are each lower than the said Consideration for the Acquisition.

(b) **Value of the Disposal for purposes of Rule 909 of the Listing Manual**

The value of the Disposal for the purposes of Rule 909 of the Listing Manual will be based on the Consideration for the Disposal of the FPL Transfer Shares, which will be computed based on the negotiated price of S\$3.55 for each F&N Share. Accordingly, the Consideration for the Disposal is approximately S\$2,136 million, representing 14.76% of the FY2023 Market Capitalisation.

For completeness, for the purposes of Rule 909(4), the book value of the FPL Transfer Shares (based on the Group 1HFY2024 Financial Statements, and the open market value of the FPL Transfer Shares (on the Last Market Day, as set out below at paragraph 8.2(b)), are each lower than the said Consideration for the Disposal.

7.5 As the value of the Acquisition and Disposal as computed under paragraphs 7.4(a) and 7.4(b) of this Announcement exceeds 5% of the FY2023 Market Capitalisation, the Proposed Share Swap is subject to the approval of the Shareholders, in accordance with Rule 906(1)(a) of the Listing Manual.

7.6 From the start of the current financial year up to 30 June 2024<sup>9</sup> (i.e. the period between 1 October 2023 up to 30 June 2024):

(a) the value of all interested person transactions entered into between the Company and/or its entity(ies) at risk on one hand, and TCCAL and/or TCCAL's associates on the other hand, is approximately S\$26 million; and

(b) the value of all interested person transactions entered into by the Company and/or its entity(ies) at risk with all of its/their interested persons is approximately S\$26 million.

For the avoidance of doubt, these figures exclude any transactions less than S\$100,000 in value, transactions falling within the exceptions under Rules 915 and 916 of the Listing Manual, and transactions conducted under a general mandate granted by the Shareholders pursuant to Rule 920 of the Listing Manual, as these transactions are disregarded for the purposes of Rule 906 of the Listing Manual.

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<sup>9</sup> Shareholders should note that for the period between 1 July 2024 to the date of this Announcement, the Company and/or its entity(ies) at risk may have entered into certain additional interested person transactions with its/their interested persons (including TCCAL and/or TCCAL's associates). Based on the Company's internal estimates, the value of all such interested person transactions (if any) when aggregated with the value of all interested person transactions entered into by the Company and/or its entity(ies) at risk with all of its/their interested persons in the current financial year up to 30 June 2024 (being approximately S\$26 million, as disclosed in this paragraph 7.6(b)) will not exceed 3% of the FY2023 Market Capitalisation.

## 8. MAJOR TRANSACTION UNDER CHAPTER 10 OF THE LISTING MANUAL

- 8.1 The Proposed Share Swap is subject to the requirements of Chapter 10 of the Listing Manual. The relative figures for the Proposed Share Swap, computed separately for the Acquisition and for the Disposal on the bases set out in Rule 1006 of the Listing Manual, are as follows:

Rule 1006	Bases	Relative Figures (%)	
		The Acquisition	The Disposal
(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value. This basis is not applicable to an acquisition of assets.	Not applicable to the Acquisition.	23.1% <sup>(1A)</sup>
(b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits.	8.0% <sup>(2A)</sup>	12.0% <sup>(2B)</sup>
(c)	The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares (excluding treasury shares).	16.9% <sup>(3A)</sup>	11.1% <sup>(3B)</sup>
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable. No equity securities will be issued by the Company.	Not applicable to the Disposal.

### Notes:

- (1A) The net asset value of the FPL Transfer Shares based on the Group 1HFY2024 Financial Statements amounted to approximately S\$2,102 million (approximately THB 55,586 million based on the Illustrative Exchange Rate)<sup>10</sup>. Based on the Group 1HFY2024 Financial Statements, the Group's net asset value amounted to approximately THB 240,517 million.
- (2A) The net profits attributable to the F&N Transfer Shares based on the latest announced condensed interim financial statements of F&N for the six months ended 31 March 2024 ("**F&N 1HFY2024 Financial Statements**") amounted to approximately S\$61 million (approximately THB 1,620 million based on the Illustrative Exchange Rate). Based on the Group 1HFY2024 Financial Statements, the Group's net profits amounted to approximately THB 20,315 million.

<sup>10</sup> The "Illustrative Exchange Rate" of S\$1 to THB 26.45 is solely for illustrative purposes in this Announcement and should not be construed as a representation that the relevant amounts have been or could be converted at this rate or at any other rate.

(2B) The net profits attributable to the FPL Transfer Shares based on the Group 1HFY2024 Financial Statements amounted to approximately S\$92 million (approximately THB 2,444 million based on the Illustrative Exchange Rate). The Group's net profits amounted to approximately THB 20,315 million, as explained in note (2A) above.

(3A) In accordance with Rule 1003(3) of the Listing Manual, the value of the consideration to be given for the Acquisition of the F&N Transfer Shares (which is the net asset value of the FPL Transfer Shares based on the Group 1HFY2024 Financial Statements) is approximately S\$2,102 million (approximately THB 55,586 million based on the Illustrative Exchange Rate). The net asset value of the FPL Transfer Shares is higher than the market value of the FPL Transfer Shares.

The Company's market capitalisation is approximately S\$12,413 million, calculated based on the total number of Shares (excluding treasury shares), being 25,127,674,910 Shares, multiplied by the VWAP of the Shares on the SGX-ST on the Last Market Day rounded to the nearest three (3) decimal places.

(3B) In accordance with Rule 1003(3) of the Listing Manual, the value of the consideration to be received for the Disposal of the FPL Transfer Shares (which is the net asset value of the F&N Transfer Shares based on the F&N 1HFY2024 Financial Statements) is approximately S\$1,384 million. The net asset value of the F&N Transfer Shares is higher than the market value of the F&N Transfer Shares.

The Company's market capitalisation is approximately S\$12,413 million, as explained in note (3A) above.

*(Note: Rule 1006(e) of the Listing Manual is not applicable to the Proposed Share Swap.)*

As the relative figure under Rule 1006(a) of the Listing Manual exceeds 20%, the Proposed Share Swap constitutes a "major transaction" for the purposes of Chapter 10 of the Listing Manual and is hence subject to Shareholders' approval.

8.2 For the purposes of Rule 1010(5) of the Listing Manual:

(a) in relation to the Acquisition:

(i) based on the F&N 1HFY2024 Financial Statements, the book value attributable to the F&N Transfer Shares is approximately S\$1,384 million<sup>11</sup>;

(ii) based on the F&N 1HFY2024 Financial Statements, the net tangible asset value attributable to the F&N Transfer Shares is approximately S\$1,276 million<sup>12</sup>; and

(iii) based on the VWAP of the F&N Shares on the SGX-ST on the Last Market Day of S\$1.070 per F&N Share (rounded to the nearest three (3) decimal places), the open market value of the F&N Transfer Shares is approximately S\$644 million; and

(b) in relation to the Disposal:

(i) based on the Group 1HFY2024 Financial Statements, the book value attributable to the FPL Transfer Shares is approximately S\$2,102 million<sup>13</sup>;

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<sup>11</sup> As at 31 March 2024. Based on the NAV of the F&N Transfer Shares in the F&N 1HFY2024 Financial Statements.

- (ii) based on the Group 1HFY2024 Financial Statements, the net tangible asset value attributable to the FPL Transfer Shares is approximately S\$2,102 million<sup>13</sup>; and
- (iii) based on the VWAP of the FPL Shares on the SGX-ST on the Last Market Day of S\$0.800 per FPL Share (rounded to the nearest three (3) decimal places), the open market value of the FPL Transfer Shares is approximately S\$904 million.

8.3 For the purposes of Rule 1010(6) of the Listing Manual, in respect of the Disposal, the excess of the consideration for the Disposal (computed based on negotiated price of S\$3.55 for each F&N Transfer Share) over the Group's book value attributable to the FPL Transfer Shares is approximately S\$34 million.

8.4 For the purposes of Rule 1010(7) of the Listing Manual, there is no gain or loss on the Disposal and the impact has been reflected in other component of equity item in the balance sheet of the Group in accordance with business combination under common control under TFRS.

8.5 For the purposes of Rule 1010(12) of the Listing Manual, there are no directors proposed to be appointed to the Company in connection with the Proposed Share Swap.

## 9. **FINANCIAL EFFECTS OF THE PROPOSED SHARE SWAP**

9.1 For the twelve months ended 31 March 2024

**For illustrative purposes only**, the financial effects of the Proposed Share Swap on the Group as set out below are prepared based on the Group FY2023 Financial Statements and the Group 1HFY2024 Financial Statements.

(a) EPS

Based on the assumptions below, the Group's consolidated EPS would increase from approximately THB 1.06 to approximately THB 1.10.

(b) NTA per Share

Based on the assumptions below, the Group's consolidated NTA per Share would decrease from approximately THB 1.42 to approximately THB 0.84.

The illustrative financial effects above have been prepared based on the following assumptions and adjustments:

- (i) for the computation of EPS in paragraph 9.1(a) above, the Proposed Share Swap was completed on 1 April 2023 with the financial position and financial performance of the Group adjusted for the period from 1 April 2023 to 31 March 2024;
- (ii) for the computation of NTA per Share in paragraph 9.1(b) above, the Proposed Share Swap was completed on 31 March 2024 with the financial position and financial performance of the Group adjusted for the period from 1 April 2023 to 31 March 2024;

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<sup>13</sup> As at 31 March 2024. Based on the carrying cost of the FPL Transfer Shares on the Group 1HFY2024 Financial Statements.

- (iii) the Proposed Share Swap became effective after the transfer of the FPL Shares from IBIL to TCCAL and the transfer of the F&N Shares from TCCAL to IBIL;
- (iv) the negotiated prices of F&N Shares and FPL Shares of S\$3.55 and S\$1.89 respectively, implying a Swap Ratio of approximately 1.88 FPL Shares for each F&N Share with no cash consideration payable by IBIL and/or TCCAL;
- (v) the elimination of intercompany transactions between the Group and F&N and its subsidiaries;
- (vi) the Proposed Share Swap is treated as a business combination under common control in accordance with TFRS which applies book value accounting;
- (vii) for adjustments made to the financial performance of the Group, average exchange rates of SGD/THB = 26.8659 were used for the period of 1 October 2022 to 30 September 2023, average exchange rates of SGD/THB = 26.5161 were used for the period of 1 October 2023 to 31 March 2024;
- (viii) for adjustments made to the financial position of the Group, closing exchange rates of SGD/THB 27.0208 as of 31 March 2024 were used; and
- (ix) transaction costs have not been factored in.

The illustrative financial effects as set out above are theoretical in nature and for illustrative purposes only, and are therefore not indicative of the actual or potential financial performance, financial position or earnings of the Group after the completion of the Proposed Share Swap.

## 9.2 For the financial year ended 30 September 2023

**For illustrative purposes only**, the financial effects of the Proposed Share Swap on the Group as set out below are prepared based on the Group FY2023 Financial Statements.

### (a) EPS

Based on the above-mentioned assumptions, the Group's consolidated EPS would decrease slightly from approximately THB 1.09 to approximately THB 1.08.

### (b) NTA per Share

Based on the above-mentioned assumptions, the Group's consolidated NTA per Share would decrease from approximately THB 1.35 to approximately THB 0.73.

The illustrative financial effects above have been prepared based on the following assumptions and adjustments:

- (i) for the computation of the EPS in paragraph 9.2(a) above, the Proposed Share Swap was completed on 1 October 2022 with the financial position and financial performance of the Group adjusted for the period from 1 October 2022 to 30 September 2023;
- (ii) for the computation of NTA per Share in paragraph 9.2(b) above, the Proposed Share Swap was completed on 30 September 2023 with the financial position and financial performance of the Group adjusted for the period from 1 October 2022 to 30 September 2023;

- (iii) the Proposed Share Swap became effective after the transfer of the FPL Shares from IBIL to TCCAL and the transfer of the F&N Shares from TCCAL to IBIL;
- (iv) the negotiated prices of F&N Shares and FPL Shares of S\$3.55 and S\$1.89 respectively, implying a Swap Ratio of approximately 1.88 FPL Shares for each F&N Share with no cash consideration payable by IBIL and/or TCCAL;
- (v) the elimination of intercompany transactions between the Group and F&N and its subsidiaries;
- (vi) the Proposed Share Swap is treated as a business combination under common control in accordance with TFRS which applies book value accounting;
- (vii) for adjustments made to the financial performance of the Group, average exchange rates of SGD/THB = 25.8659 were used for the period of 1 October 2022 to 30 September 2023;
- (viii) for adjustments made to the financial position of the Group, closing exchange rates of SGD/THB 26.8148 as of 30 September 2023 were used; and
- (ix) transaction costs have not been factored in.

The illustrative financial effects as set out above are theoretical in nature and for illustrative purposes only, and are therefore not indicative of the actual or potential financial performance, financial position or earnings of the Group after the completion of the Proposed Share Swap.

#### **10. INDEPENDENT FINANCIAL ADVISER**

The Company has appointed Deloitte & Touche Corporate Finance Pte Ltd (the "**Independent Financial Adviser**") as the Independent Financial Adviser to advise the Directors who are independent for the purpose of the Proposed Share Swap and the Audit Committee on whether the Proposed Share Swap is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.

#### **11. FINANCIAL ADVISER**

DBS has been appointed as the financial adviser to the Company and IBIL for the Proposed Share Swap.

#### **12. AUDIT COMMITTEE'S STATEMENT**

The Audit Committee will obtain a formal opinion from the Independent Financial Adviser before forming its view on whether the Proposed Share Swap is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders. The Audit Committee's view on the Proposed Share Swap will be set out in the circular to be issued by the Company to Shareholders in due course for the purposes of seeking Shareholders' approval for the Proposed Share Swap.

### **13. GENERAL MEETING OF SHAREHOLDERS**

The Company intends to seek Shareholders' approval for the Proposed Share Swap at an extraordinary general meeting to be convened in due course (the "**EGM**"). A circular containing details of the Proposed Share Swap will be despatched to the Shareholders in due course.

### **14. DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS**

- 14.1 Mr. Charoen Sirivadhanabhakdi, who is a Director and controlling shareholder of the Company, and the estate of the late Khunying Wanna Sirivadhanabhakdi, which is also a controlling shareholder of the Company, each owns 50% of the issued and paid-up capital of TCCAL. Mr. Charoen Sirivadhanabhakdi is also the chairman of the board of directors and a non-independent and non-executive director of F&N, and a non-executive and non-independent chairman of the board of directors of FPL. Mr. Charoen Sirivadhanabhakdi is also the chairman of the TCC group of companies.
- 14.2 Mr. Thapana Sirivadhanabhakdi and Mr. Panote Sirivadhanabhakdi, who are Directors of the Company, are the children of Mr. Charoen Sirivadhanabhakdi and the late Khunying Wanna Sirivadhanabhakdi and therefore associates of Mr. Charoen Sirivadhanabhakdi and the estate of the late Khunying Wanna Sirivadhanabhakdi. Mr. Thapana Sirivadhanabhakdi is a director of IBIL, a non-independent and non-executive director of F&N, a non-executive and non-independent director of FPL and chairman of Board Executive Committee of FPL, and a director of the TCC group of companies. Furthermore, Mr. Panote Sirivadhanabhakdi is also the Group Chief Executive Officer and an executive and non-independent director of FPL, and a director of the TCC group of companies.
- 14.3 Accordingly, Mr. Charoen Sirivadhanabhakdi, Mr. Thapana Sirivadhanabhakdi and Mr. Panote Sirivadhanabhakdi have abstained and will continue to abstain from voting on any board resolutions relating to, and will abstain from making any recommendation to the Shareholders, on the Proposed Share Swap.
- 14.4 For completeness, Mr. Wee Joo Yeow, an independent Director of the Company, is a non-executive and independent director of FPL. Mr. Sithichai Chaikriangkrai, a Director of the Company, is also a non-executive and non-independent director of FPL, a non-executive and non-independent director of F&N, and a director of TCC Assets (Thailand) Company Limited. Mr. Wee Joo Yeow and Mr. Sithichai Chaikriangkrai have also voluntarily abstained, and will also continue to voluntarily abstain, from voting on any board resolutions relating to the Proposed Share Swap. Mr. Wee Joo Yeow and Mr. Sithichai Chaikriangkrai will also voluntarily abstain from making any recommendation to the Shareholders on the Proposed Share Swap.
- 14.5 Save as disclosed in this paragraph 14 of this Announcement, and based on the information available to the Company as at the date of this Announcement, none of the Directors or (to the best of the knowledge of the Directors) the controlling shareholders of the Company have any interest, direct or indirect, in the Proposed Share Swap.

### **15. ABSTENTION FROM VOTING**

- 15.1 Under Rule 919 of the Listing Manual, where a meeting is held to obtain shareholders' approval, the interested person and any associate of the interested person must not vote on a resolution in respect of which such person is interested, nor accept appointments as proxies, unless specific instructions as to voting are given.

15.2 As stated in paragraph 15.1 above, Mr. Charoen Sirivadhanabhakdi, and the estate of the late Khunying Wanna Sirivadhanabhakdi, are controlling shareholders of the Company, and each owns 50% of the issued and paid-up capital of TCCAL. Accordingly, Mr. Charoen Sirivadhanabhakdi and the estate of the late Khunying Wanna Sirivadhanabhakdi will abstain, and has undertaken to ensure that their associates will abstain, from voting on any resolution relating to the Proposed Share Swap at the EGM. They will also not accept appointment as proxies for any Shareholder to vote on the said resolution unless specific voting instructions have been given by the Shareholder as to how such Shareholders' votes should be cast in respect of the said resolution. The Company will disregard any votes cast at the EGM by Mr. Charoen Sirivadhanabhakdi, the estate of the late Khunying Wanna Sirivadhanabhakdi and/or their respective associates (if any) on any resolution relating to the Proposed Share Swap.

**16. DOCUMENTS AVAILABLE FOR INSPECTION**

A copy of the Share Swap Agreement will be available for inspection at the registered office of the Company at Sangsom Building, 14 Vibhavadi Rangsit Road, Chomphon Sub-district, Chatuchak District, Bangkok 10900, during normal business hours for a period of three (3) months from the date of this Announcement.

Please be informed accordingly.

Yours sincerely,

Nantika Ninvoraskul  
Company Secretary