



Commencement of Production of Chang Beer in Emerald Brewery in Myanmar Strengthens ThaiBev's Position in Southeast Asia

BANGKOK, Thailand, 25 September 2019 – Thai Beverage Public Company Limited (“**ThaiBev**”, and together with its subsidiaries, the “**ThaiBev Group**”) is pleased to announce that its indirect associated company Fraser and Neave, Limited (“**F&N**”) has started brewing Chang Beer in Myanmar. The commencement of operations at F&N’s Emerald Brewery in the Hlegu Township in the country’s largest city, Yangon, expands the ThaiBev Group’s footprint in Southeast Asia and strengthens its position as the leading total beverage company in the region.

Led by a team with many years of in-market experience and equipped with modern, state-of-the-art technology, Emerald Brewery will produce high-quality Chang Beer in a sustainable manner. It has an annual production capacity amounting to approximately 500,000 hectolitres and will package the international award-winning lager for distribution throughout the country in five formats – 320 ml and 620 ml bottles, 330 ml and 500 ml cans, as well as 30-litre kegs.

Mr Thapana Sirivadhanabhakdi, the President and Chief Executive Officer of ThaiBev, commented, “Over the course of the past five years, we have taken active steps to strengthen the ThaiBev Group’s beer business by building on our strong market standing in Thailand. Notably, we relaunched Chang Classic in 2015 and invested in Sabeco, the leading beer producer and distributor in Vietnam, in 2017, and have enjoyed significant success on both fronts. The commencement of operations at Emerald Brewery marks the next step in our journey towards achieving stable and sustainable growth in Southeast Asia. With one of the region’s fastest growing economies and a population with rising incomes, Myanmar is a strategic market for us. Given the nation’s favourable macroeconomic fundamentals and consumption trends, we believe that our presence in the country will position us for greater success.”

QUALITY AND SUSTAINABILITY

To ensure that the standard of the Chang Beer produced in Myanmar is consistent with that which the rest of the world has come to expect, members of the Emerald Brewery team underwent intensive training in both Bangkok and Yangon. Accordingly, they will operate the brewery adopting the same production, quality control, and safety approach and processes as in Thailand.

Beer will be produced using malt from across Europe, hops from Germany and the US, as well as water from sources in the vicinity of the brewery, which was built only after 37 potential sites were carefully evaluated and the one with the purest water source was identified. Water will be further treated on site to standards exceeding the World Health Organisation’s

benchmarks and more than 250 inspection points have been incorporated throughout the production process.

Sustainability has been ingrained throughout the brewery, which will utilise solar energy to power up to 30% of its operations and leverage cutting-edge innovative technology manage its environmental footprint. Machinery with smart energy-saving features developed by Krones, the world's leading manufacturer of bottling and canning lines, and a wastewater treatment system developed in Japan by Kubota, a globally renown manufacturer of heavy equipment, have been installed at the brewery. Up to 90% of all treated wastewater will be repurposed for the brewery's upkeep and for gardening. Initiatives for reusing and recycling bottles will also be implemented.

Emerald Brewery will continue investing in its employees and local talent over the coming years to enhance efficiencies and productivity across the value chain. The brewery is also able to accommodate an expansion of its production capacity in the future.