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FRASER AND NEAVE, LIMITED

Company Registration No. 189800001R
Incorporated in the Republic of Singapore

F&N Enters Fast-Growing Premium Retail Coffee Segment With Acquisition of Starbucks Thailand

SINGAPORE, 23 MAY 2019 – Fraser and Neave, Limited (“**F&N**”) announced today that it has, through Coffee Concepts (Thailand) Co., Ltd. (“**CCT**”), a partnership between F&N Retail Connection Co., Ltd. (“**FNRC**”) and Maxim’s Caterers Limited (“**Maxim’s**”), entered into an agreement to acquire the entire issued share capital of Starbucks Coffee (Thailand) Co., Ltd (“**Starbucks Thailand**”). This acquisition is in line with F&N’s vision to be a stable and sustainable leader in Southeast Asia. The investment will add an iconic coffee brand to F&N’s portfolio of renowned brands which includes its proprietary *100PLUS* isotonic beverage, strengthen F&N’s regional footprint and extend its presence into the retail coffee segment of the total beverage market.

Maxim’s is a long-time strategic partner of US-headquartered Starbucks Coffee Company, and has been operating and developing *Starbucks* retail coffee stores as Starbucks’ licensee since 2000. Maxim’s currently operates *Starbucks* stores in Hong Kong, Macau, Singapore, Vietnam and Cambodia.

Founded in Hong Kong in 1956, Maxim’s is a leading food and beverage company comprised of Chinese, Asian and European restaurants, quick service restaurants, bakery shops, coffee shops, Japanese chain restaurants and institutional catering. Maxim’s is also the licensee of other renowned brands including *Genki Sushi* and *IPPUDO Ramen*, *The Cheesecake Factory* and *Shake Shack* in various territories. It operates a total of more than 1,300 outlets in Hong Kong, Macau, Mainland China, Vietnam, Cambodia, Thailand, Singapore and Malaysia.

The acquisition allows F&N to leverage Maxim’s long-standing partnership with Starbucks and its extensive experience in running *Starbucks* stores in multiple markets as well as other food and beverage retail outlets, to grow Starbucks Thailand’s fast-expanding footprint of 372 *Starbucks* stores.



“We are delighted by the opportunity to partner Maxim’s to invest in Starbucks Thailand. This acquisition provides an interesting strategic opportunity for F&N to enter and participate in the fast-growing premium retail coffee market in Thailand, one of F&N’s 3 significant core markets,” **commented Mr Koh Poh Tiong, an F&N Director and Chairman of its Board Executive Committee.** “We believe that adding Starbucks Thailand, with its store footprint and its position as a well-recognized coffee retailer in Thailand, will strengthen our competencies in the on-premise sector and elevate our capabilities in directly engaging consumers, in the long term,” added Mr Koh.

The acquisition is earnings accretive and will be funded from a mix of debt and equity financing; it is expected to close by end-May 2019. The acquisition is also expected to contribute positively to F&N’s earnings in the current financial year ending 30 September 2019.

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For clarification and further enquiries, please contact:

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