

Ref. No. 117/2011

Date: November 25, 2011

Subject: Resolution of the Board of Directors' Meeting regarding acquisition of Assets, setting the date for EGM 1/2012 and closing the company share register.

To: The President,  
The Stock Exchange of Thailand

Enclosed: Information Concerning the Acquisition of Assets of the company

The Board of Directors' Meeting of Sub Sri Thai Public Company Limited (the "Company" or "SST") No. 5/2011, held on November 25, 2011 has approved the following matters:

1. Approved the Company's acquisition of assets by purchasing shareholding in Mudman Limited, ABP Café (Thailand) Co., Ltd and Golden Donuts (Thailand) CO., Ltd. (together as the "Targets") for THB 1,320 million or equivalent to 73.05% under the total consideration to the Company's total asset value criteria According to the most updated consolidated financial statements of the Company as of 30<sup>th</sup> June 2011. (The purchase price of THB 1,320 million shall be subject to a price adjustment on net cash and working capital of the Targets pursuant to the terms of the sale and purchase agreement in relation to the Transaction.) The transaction is regarded as the acquisition of the other company's business by the Company pursuant to Section 107 of the Public Limited Company Act B.E. 2535 (as amended) and the acquisition of assets with the transaction value categorized as Class 1 Transaction pursuant to the evaluation of the value of transaction based on total value of consideration method as specified in the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules for Significant Transactions Constituting an Acquisition or Disposal of Assets dated 31<sup>st</sup> August 2008 and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information Concerning the Acquisition and Disposition of Assets of Listed Companies B.E. 2547 dated 29<sup>th</sup> October 2004. Such transaction is required to be proposed to the consideration of the shareholders meeting of the Company for approval and the approval shall be rendered by not less than three-fourths votes of all shareholders who attend the meeting and have the right to vote, provided that any shareholder who has a conflict of interest shall not be entitled to vote in this agenda item of the Extraordinary General Meeting of Shareholders No. 1/2012, which will be held January 6, 2012. The details of the aforementioned transaction appear in Attachment 1 Disclosure of Information Concerning the Acquisition of Assets of the Company.

The meeting authorized the Board of the Executive Directors to negotiate and conclude the relevant documents and agreements including conducting any necessary actions related to the acquisition of assets of the aforementioned three companies as set forth.

After the Board of the Executive Directors enters into the negotiation as specified above, the Company will notify shareholders of the Company and investors of details of the transaction in accordance with the relevant criteria and notifications of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand accordingly.

2. Approved the appointment of Asia Plus Consulting Company Limited as an independent financial advisor to provide opinion on the transaction relating to the acquisition of the assets by the Company.

3. Approved the date of determining the names of shareholders who shall have the right to attend the Extraordinary General Meeting of Shareholders No. 1/2012 (Record Date) on December 13, 2011, and the share registration book will be closed to collect names of those shareholders in accordance with Section 225 of the Securities and Exchange Act B.E. 2535 on December 14, 2011,

4. Approved the determination of the date of convening the Extraordinary General Meeting of Shareholders No. 1/2012 on January 6, 2012 at 10.00 a.m. at Vajiravej-Vitayalai Chalermprakiert Foundation, Royal Golden Jubilee Building 2, Soi Soonvijai, Petchburi Road, Bangkok, to consider the following agenda:

Agenda 1 To certify the minutes of the Extraordinary General Meeting of Shareholders No. 1/2011 held on Thursday June 2, 2011.

Agenda 2 To consider and approve the Company's acquisition of assets by purchasing shareholding in Mudman Limited, ABP Café (Thailand) Co., Ltd and Golden Donuts (Thailand) CO., Ltd. . Such transaction is regarded as the acquisition of Assets of the company.

Agenda 3 To consider and approve the Extra remuneration of directors.

Agenda 4 To consider other matters (if any)

Please be informed accordingly

Yours Sincerely,  
Sub Sri Thai Public Company Limited

(Mr. Sumrit Tantidilokkul)  
Managing Director

<p style="text-align: center;"><b>Disclosure of Information Concerning the Acquisition of Assets of Sub Sri Thai Public Company Limited</b></p>
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Sub Sri Thai Public Company Limited (the “Company” or “SST”) sets out the following details of the acquisition of assets of the Company (the “Transaction”) as prescribed in the Acquisition Rule:

**1. Transaction Date:**

The Company and the Seller entered into a sale and purchase agreement in relation to the Transaction on 25<sup>th</sup> November 2011. However, the purchase of shares by SST will occur only if the conditions precedent as stated in Clause 10 hereof are fulfilled, including the obtaining of an approval of the Transaction at the Extraordinary General Meeting of shareholder No. 1/2012 of the Company, which will be held January 6, 2012.

**2. Parties involved and relationship with the Company:**

2.1 Purchaser:

Sub Sri Thai Public Company Limited, a public limited liability company incorporated under the laws of Thailand

2.2 Sellers:

NW Thai Limited (“NW Thai”), a private limited liability company incorporated under the laws of Thailand;

Ring Holding Limited, a private limited liability company incorporated under the laws of Mauritius; and

Tower Center (Thailand) Co., Ltd (Tower Center”) and Asoke Park Limited (“Asoke Park”), private limited liability companies incorporated under the laws of Thailand.

The Company has no relationship with the Sellers

**3. Nature of the Transactions:**

3.1 Type of the Transaction:

The Company will purchase shareholding in Mudman Limited (“Mudman”), ABP Café (Thailand) Co., Ltd. (“ABP Café”) and Golden Donuts (Thailand) CO., Ltd. (“Golden Donuts”) (together as the “Targets”) for an aggregate consideration of THB 1,320 million. The details of the Transaction are set out as follows:

The purchase price of THB 1,320 million shall be subject to a price adjustment on net cash and working capital of the Targets pursuant to the terms of the sale and purchase agreement in relation to the Transaction.

**Transaction 1:** To purchase 750,000 shares in Mudman, equivalent to 100% of fully paid-up shares in Mudman, as detailed below:

- 1) To purchase 382,495 preferred shares in Mudman, equivalent to 51.00% of fully paid-up shares in Mudman, from NW Thai;
- 2) To purchase 5 preferred shares in Mudman from five individual shareholders;
- 3) To purchase 367,500 ordinary shares in Mudman, equivalent to 49.00% of fully paid-up shares in Mudman, from Ring Holding Limited, the consideration of which is divided into two portions as follows:
  - (a) a cash consideration; and
  - (b) a repayment of all the outstanding loans of THB 249,393,500 owed by Mudman to Ring Holding Limited.

**Transaction 2:** To purchase 8,237,769 ordinary shares in ABP Café, equivalent to 59% of fully paid-up shares in ABP Café, as detailed below:

- 1) To purchase 1,396,231 ordinary shares in ABP Café, equivalent to 10.00% of fully paid-up shares in ABP Café, from Tower Center;
- 2) To purchase 6,823,862 ordinary shares in ABP Café, equivalent to 48.87% of fully paid-up shares in ABP Café, from Ring Holding Limited; and
- 3) To purchase 17,676 ordinary shares in ABP Café, equivalent to 0.13% of fully paid-up shares in ABP Café, from an individual shareholder.

**Transaction 3:** To purchase 13,345,667 ordinary shares in Golden Donuts, equivalent to 59% of fully paid-up shares in Golden Donuts, as detailed below:

- 1) To purchase 2,261,977 ordinary shares in Golden Donuts, equivalent to 10.00% of fully paid-up shares in Golden Donuts, from Tower Center and Asoke Park;
- 2) To purchase 11,055,058 ordinary shares in Golden Donuts, equivalent to 48.87% of fully paid-up shares in Golden Donuts, from Ring Holding Limited; and
- 3) To purchase 28,632 ordinary shares in Golden Donuts, equivalent to 0.13% of fully paid-up shares in Golden Donuts, from an individual shareholder.

### 3.2 Size of the Transaction:

The Transaction is considered as a class 1 transaction according to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules for Significant Transactions Constituting an Acquisition or Disposal of Assets dated 31<sup>st</sup> August 2008 and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information Concerning the Acquisition and Disposition of Assets of Listed Companies B.E. 2547 dated 29<sup>th</sup> October 2004, which has a transaction size of 73.05% under the total consideration to the Company's total asset value criteria.

According to SST's consolidated financial statements as of 30<sup>th</sup> June 2011

$$\begin{aligned}\text{Method of calculation} &= \text{Value of consideration paid} / \text{Company's total assets} \\ &= \text{THB 1,320 million} / \text{THB 1,806.99 million} \\ &= 73.05\%\end{aligned}$$

With the transaction size of 73.05%, the Company is required to disclose information pertaining to a class 1 transaction to the SET, obtain an independent financial advisor's opinion and seek approval from its shareholders with affirmative votes of at least three-fourths of the total number of votes of the shareholders who attend a shareholders' meeting and are entitled to vote, excluding the votes of interested shareholders.

## 4. Details of Targets purchased:

### 4.1 Business overview of assets purchased:

Mudman is a holding company that holds 41% of fully paid-up ordinary shares in ABP Café and Golden Donuts.

ABP Café is the country's master franchisee of Au Bon Pain, a global café and dining chain. The first Au Bon Pain outlet in Thailand was opened in 1997 and Au Bon Pain outlets have been expanding in Thailand continuously. As of May 2011, there are 43 Au Bon Pain outlets nationwide, of which 38 are located in Greater Bangkok. ABP Café serves signature sandwiches, salads, soups, baked goods and premium coffees and other beverages. Its 43 cafes are carefully designed to enhance each customer's experience and have a large and growing number of loyal customers. Au Bon Pain's brand occupies an enviable premium niche and caters to Thai professionals, students, expatriates and tourists.

Golden Donuts is the country's master franchisee of Dunkin' Donuts, a top international quick service restaurant (QSR) chain. Golden Donuts opened its first outlet in Thailand in 1981 and Dunkin Donuts outlets have been expanding in Thailand rapidly and continuously.

As of May 2011, there are 201 company-owned outlets nationwide, of which 69 outlets are located in Greater Bangkok. Golden Donuts principal business is the production and sale of premium quality donuts, roasted coffee and other beverages. With one of the most widely recognized brand names in the world, Golden Donuts has established Dunkin' Donuts as a leading consumer brand in Thailand with a loyal customer base through its longstanding commitment to quality, innovation and value.

#### 4.2 General information of Mudman:

4.2.1 Registered capital: THB 75,000,000

Issued and fully paid-up capital: THB 75,000,000

4.2.2 Head office: 140/37 ITF Tower 17th Floor, Silom Road, Suriyawongse Sub-district, Bangrak District, Bangkok 10500, Thailand

4.2.3 Board of Directors:

- 1) Mr. Ronnachai Kritsadaorarn
- 2) Mr. David Martin Ireland
- 3) Miss Jaithip Kanjanapoo

#### 4.3 General information of ABP Café:

4.3.1 Registered capital: THB 139,623,210

Issued and fully paid-up capital: THB 139,623,210

4.3.2 Head office: 209/1 K Tower B, 25th Floor, Sukhumvit 21 Road (Asoke), Klongtoey Nua Sub-district, Wattana District, Bangkok 10110, Thailand

4.3.3 Board of Directors:

- 1) Mr. Varin Narula
- 2) Mr. David Martin Ireland
- 3) Miss Jaithip Kanjanapoo
- 4) Mr. Vithit Vatthanamara
- 5) Mr. Samuel Ong
- 6) Mr. Suradej Narula

#### 4.4 General information of Golden Donuts:

4.4.1 Registered capital: THB 226,197,760

Issued and fully paid-up capital: THB 226,197,760

4.4.2 Head office: 209/1 K Tower B, 25th Floor, Sukhumvit 21 Road (Asoke), Klongtoey Nua Sub-district, Wattana District, Bangkok 10110, Thailand

#### 4.4.3 Board of Directors:

- 1) Mr. Varin Narula
- 2) Mr. David Martin Ireland
- 3) Miss Jaithip Kanjanapoo
- 4) Mr. Vithit Vatthanamara
- 5) Mr. Samuel Ong
- 6) Mr. Suradej Narula

### **5. Total value of consideration and payment:**

#### 5.1 Value of consideration:

Total value of consideration to be paid by SST is THB 1,320 million\*

\*Remarks: The purchase price of THB 1,320 million shall be subject to a price adjustment on net cash and working capital of the Targets pursuant to the terms of the sale and purchase agreement in relation to the Transaction.

#### 5.2 Details of payment:

The payment shall be made to the sellers on the closing date of the Transaction.

### **6. Value of assets purchased:**

The total value of the purchased shares of the Targets is THB 1,320 million.

### **7. Criteria used to determine value of consideration**

The value of the purchased shares of the Targets of THB 1,320 million has been agreed upon between the Company and the sellers.

### **8. Benefits arising out of the Transaction**

The Company expects the following benefits to the Company and shareholders from the purchase of the assets:

- Diversification of the Company's businesses into food business
- The synergies benefit through leveraging its own business expertise, primarily on improving logistics and transportation costs
- Improvement of the Company's liquidity from stable cash flows

## **9. Sources of fund:**

Sources of funds are summarized as follows:

- Internal cashflows of the Company
- Long-term loan from a domestic financial institution of up to approximately THB 850 million with the maturity of up to 8 years, where the interest rates are set out as follows:

Year 1 – 3:	MLR – 1.50%
Year 4 – 5:	MLR – 1.25%
Year 6 onwards:	MLR – 1.00%

## **10. Conditions precedent:**

As the purchase of Targets is classified as class 1 transaction according to the Notification of the Capital Market Supervisory Board No. TorChor 20/2551 Re: Rules for Significant Transactions Constituting an Acquisition or Disposal of Assets dated 31<sup>st</sup> August 2008 and the Notification of the Board of Governors of the Stock Exchange of Thailand and Re: Disclosure of Information Concerning the Acquisition and Disposition of Assets of Listed Companies B.E. 2547 dated 29<sup>th</sup> October 2004, the Company requires an approval from the shareholders.

In addition, the purchase of shares by SST from the sellers will occur only if the following significant conditions (Conditions Precedent) as stated in the sale and purchase agreement are fulfilled:

- 1) Receipt of written consents from the franchisors of Dunkin Donuts and Au Bon Pain for the purchase of shares in ABP Café and Golden Donuts;
- 2) An approval from the shareholders meeting of the Company for the execution and performance under the sale and purchase agreement;
- 3) The completion of the Company's loan documentation in relation to a credit facility of up to THB 850 million with a commercial bank for this Transaction; and
- 4) Termination of the General Partner Appointment Agreement between Ring Holding Limited, Mudman and other relevant parties.

## **11. Opinion of the Board of Directors in relation to the Transaction:**

The Board of Directors approved the Company to proceed with the Transaction as they believe that the Transaction will benefit the Company and its shareholders as stated in Clause 8.



**12. Opinion of the Audit Committee and/or Director which is different from the opinion of the Board of Directors as stated in Clause 11**

- None –

**13. Delivery of Invitation to Attend the Extraordinary General Meeting of Shareholders No. 1/2012 (“EGM Notice”)**

The Company will send the EGM Notice and attachments to the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand for their consideration at least 5 business days before sending it to the shareholders. The EGM Notice and attachments will be sent to the shareholders at least 14 days before the shareholders meeting.