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ThaiBev seeks dominance in South East Asia

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Thai Beverage (ThaiBev) has partnered a local company to buy a $4.8 billion stake in the countryâ??s largest brewer, Vietnam Beverage. ThaiBev is doubling down on Vietnam as it seeks to dominate South-east Asiaâ??s beverage market.

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Vietnam Beverage won the bidding for an almost 54 per cent holding in Saigon Beer Alcohol Beverage Corp (Sabeco).

ThaiBev is paying a premium to get into Vietnamâ??s US$6.5 billion beer market as it targets to expand across South-east Asia to diversify revenue streams.

To solidify its position in Southeast Asia, ThaiBev is seeking to increase the revenue contribution from outside Thailand to more than 50 per cent by the end of 2020. The company gets 97 per cent of its sales from its domestic operations.

ThaiBev, through its Fraser and Neave investment unit, also holds a 16 per cent stake in Vietnam Dairy Products Joint Stock Company, the countryâ??s biggest dairy, and has registered to increase its holding.