



Happy Hour Co. Company Profile

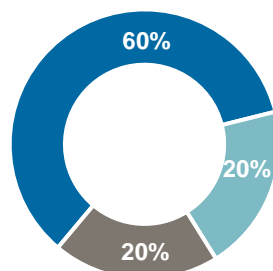
Top Beer and Spirits Producer and Marketer in Singapore and Malaysia, Expanding Rapidly in the Region

Overview

- **Business Aim:** The company is a leading producer and marketer of beer, spirits, and non-alcoholic beverages.
- **Operations:** Distribution and Sales: Includes both distribution and direct sales. Geographical Presence: Operates in Singapore, Malaysia, and China. Manufacturing Facilities: Owns and operates facilities in Singapore and China, with manufacturing outsourced in Malaysia to Brew Co.
- **History and Leadership:** Founded in 1975, founded by Ms. Happy, the majority owner and co-founder. Headquarters placed in Singapore.
- **Expansion Strategy:** Recently expanded operations in China. The company has future plans to established new facilities in Cambodia.

Shareholders

Ownership Distribution among Families



■ Happy Family ■ Hour Family ■ Co Family

Source: Company Website, Industry Reports, News articles

Key financials

US\$ mm	FY18A	FY19A	FY20E
Revenue	900	961	1,071
Growth (%)	-	7%	11%
Beer	100	110	135
Spirits	75	85	105
Non-alcoholic beverages	50	55	60
EBITDA	225	250	300
Margin(%)	25%	26%	28%
NPAT	135	153	193
Margin(%)	15%	16%	18%

Indicative valuation

US\$ mm	
2020E EBITDA	300
Growth(%)	20%
EV/EBITA range	10.0x – 11.5x
Valuation range	3,000 – 5,000

Overview of auction process and key workstreams

	Date	Event	Key workstreams
Round 1: Indicative Bid Phase	Mar 19, 2020	Commencement of Indicative Bid Phase	Due diligence:
		Release of Indicative Bid Documents	<ul style="list-style-type: none"> ■ Conduct initial due diligence based on Indicative Bid Documents ■ Maintain Q&A log
	From 9am Apr 9, 2020 to 5pm Apr 13, 2020 (HKT)	Lodgment of Indicative Bid Questions	Valuation: <ul style="list-style-type: none"> ■ Conduct initial valuation analysis based on Indicative Bid Documents
Round 2: Final Bid Phase	By 5pm May 13, 2020 (HKT)	Indicative Bids due	Structure and financing: <ul style="list-style-type: none"> ■ Confirm buyer entity (if any co-investor) ■ Initiate financing discussion
			Approvals:
			Confirm if any internal and regulatory approvals needed
Round 2: Final Bid Phase	Late May 2020	Commencement of Final Bid Phase	Site visit & management presentation:
		Release of Process Letter Two	<ul style="list-style-type: none"> ■ Arrange site visit and participation of management presentation
			Due diligence:
Round 2: Final Bid Phase			<ul style="list-style-type: none"> ■ Continue to conduct due diligence based on further information provided in data room ■ Maintain Q&A log
			Valuation:
			<ul style="list-style-type: none"> ■ Refine valuation analysis based on financial forecasts provided
Round 2: Final Bid Phase			Financing:
			<ul style="list-style-type: none"> ■ Confirm financing sources
			Approvals:
Round 2: Final Bid Phase			<ul style="list-style-type: none"> ■ Start to prepare application for internal and regulatory approvals