**Daily Thai News Updates: 28 October 2016**

# 1. Franchisers converge on Thai market

# Source: Bangkok Post ([Link](http://www.bangkokpost.com/business/news/1120957/franchisers-converge-on-thai-market))

Almost 20 international franchise owners from food to fitness chains are heading to Thailand to cash in on strong demand from local consumers. Sethapong Phadungpisuth, managing director of Gnosis Co, a franchise consultancy, said food, service and education brands from the US, Australia, Singapore, Hong Kong and Taiwan aiming to sell their franchises will seek potential investors in Thailand next month. They will attend business-matching sessions at the International Franchise Discovery Day at Crowne Plaza Hotel in Bangkok on Nov 17. Brands that are eyeing to expand their presence in Thailand include Little Caesars, the third-largest pizza chain in the US, Buffalo Wild Wings, a US casual dining restaurant and sports bar specialising in chicken wings, and The Edge, a Hong Kong learning centre designed to help students get into top universities in the US, Britain and Canada. The other brands are Donut King, Australia's largest speciality doughnut joint, Denny's, a big family restaurant chain in the US, Everlast Fitness, makers of fitness equipment, Mosquito Squad, a pest control company, and Presotea, a premium tea brand. The franchise fees are US$1-5 million depending on the category.

# 2. Alibaba scheme to help Thai SMEs navigate B2B

# Source: Bangkok Post ([Link](http://www.bangkokpost.com/business/news/1120977/alibaba-scheme-to-help-thai-smes-navigate-b2b))

Two state banks and state agencies have joined with the global leader in e-commerce Alibaba in setting up a scheme to promote Thai small and medium-sized enterprises abroad through the e-commerce platform. SME Development Bank, the Export-Import Bank of Thailand (Exim Bank) and the Industrial Promotion Department have agreed to assist the first 20 high-potential SMEs to penetrate the business-to-business (B2B) export markets with help from Alibaba. These 20 pilot companies that have been selected from the two banks' clients will be allowed to take e-commerce courses and learn how to use the e-commerce platform with Alibaba's staff free of charge. They will get the chance to study the customers data of Alibaba to better help them understand their demands. "After that we will let these SME owners decide themselves whether they will go abroad through Alibaba's platform or not, because using Alibaba's channel to export will entail more costs than using the B2B platform by themselves," said SME Development Bank's president Mongkol Leelatham.

# 3. KAsset, HSBC target Chinese securities

Source: **Bangkok Post** ([Link](http://www.bangkokpost.com/business/finance/1121037/kasset-hsbc-target-chinese-securities))

Kasikorn Asset Management (KAsset) has partnered with HSBC to secure the first Renminbi Qualified Foreign Institutional Investor (RQFII) quota in Thailand, with an initial investment of US$1 million. The RQFII programme is part of Chinese efforts to internationalise its currency through a quota to partner countries, enabling them to invest in yuan-denominated securities in China. The RQFII scheme was granted to Thailand in December 2015 with a quota of 50 billion yuan or US$7.8 billion. KAsset executive chairman Vasin Vanichvoranun said the RQFII is designed to open up China's onshore securities markets to overseas financial institutions using yuan. Investors include asset management firms, institutional investors and banks. "Early next year, it is also planning to roll out new funds investing in Asian bonds. Preliminarily, we expect to invest largely in Chinese government bonds and perhaps in bonds issued by Chinese companies," said Mr Vasin. HSBC is acting as a local custodian services provider to KAsset. In doing so, it has added another notch to its RQFII credentials by becoming the first custodian bank in China to service a RQFII based in Thailand.

# 4. TPC Power to raise stake in Siam Power to 50%

Source: **Bangkok Post** ([Link](http://www.nationmultimedia.com/news/business/corporate/30298391))

TPC Power Holding (TPCH), an MAI-listed arm of Thai Polycons Plc, has announced its plan to buy another 5% stake in Siam Power. The purchase, worth 8.75 million baht, will increase its share in the company to 50%, said TPC managing director Cherdsak Wattanavijitkul. Siam Power has won a 10-year landfill operation concession from the Nonthaburi authorities covering 137 rai, capable of taking 3 million tonnes of waste, plus another 818,812 tonnes from nearby public landfills. Last month TPCH invested in a 45% stake of Siam Power to prepare for a waste-to-energy plant in Nonthaburi. Siam Power has filed to bid for the waste-to-energy power plant contract, which includes a planned application submission date for the associated power-purchase agreement to be signed next month, Mr Cherdsak said. The contract is scheduled to be awarded next month, ahead of a formal signing of an agreement with Nonthaburi Provincial Administration Organization in March next year to buy electricity generated by the company at 5.78 baht per unit via the feed-in tariff (FiT) format, he said.

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# 5. BDMS to acquire Mayo, expand reach

# Source: Bangkok Post ([Link](http://www.bangkokpost.com/business/news/1121049/bdms-to-acquire-mayo-expand-reach))

SET-listed Bangkok Dusit Medical Services Plc (BDMS) is poised to acquire Mayo Polyclinic Co, which operates a private hospital under the name Mayo Hospital. Chief financial officer Narumol Noi-am said the acquisition was done via BDMS's subsidiary, Paolo Medic Co in which BDMS holds a 99.99% share, in a deal worth 1.4 billion baht. "Paolo will pay not more than 1.4 billion baht to Mayo Polyclinic by using its internal cash flow and loans," said Mrs Narumol, adding the transaction is expected to be completed by January 2017. After sealing the deal Paolo will acquire all assets, liabilities, rights and obligations under Mayo Hospital's agreements and its employees. As of the end of 2015, Mayo Hospital had 351 million baht in assets and 127 million baht in liabilities. It posted a net profit of 41.3 million baht in 2015, up from 38 million in the previous year. Its revenue was at 611 million, up from 596 million baht. Mrs Narumol said the acquisition would enable the company to promptly expand its customer base to middle-class segments in the Bangkok vicinity.

**By Nandini Malhotra**