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Thai Beverage buys up KFC Thailand restaurants

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ThaiBev agreed to purchase more than 240 existing KFC restaurants in Thailand for about 11.3 billion baht ($340 million).

A deal is also in place for the company to take over stores that are being developed, with the cost of those locations to be determined when the transaction closes, according to a filing.

KFC is operated by a US company, Louisville, Kentucky-based Yum! Brands Inc., which also runs the Pizza Hut chain.

For Thai Beverage, the KFC deal is a bid to seize on the popularity of chicken in Asia, according to Nirgunan Tiruchelvam, a director at Religare Capital Markets in Singapore.

Billionaire ThaiBev chairman Charoen Sirivadhanabhakdi, who founded the company, has been seeking to diversify ThaiBevâ??s operations for years, with a goal of generating more revenue from non-alcoholic beverages by 2020.

The companyâ??s long-term strategy involves generating 50% of its revenue from countries outside Thailand and non-alcoholic beverage by 2020. Thatâ??s expected to drive more deals in the region.