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<b>Miscellaneous</b>	
* Asterisks denote mandatory information	
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Announcement is submitted by *	Anthony Cheong Fook Seng
Designation *	Group Company Secretary
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<b>&gt;&gt; Announcement Details</b>	
The details of the announcement start here ...	
Announcement Title *	APPROVAL IN PRINCIPLE OBTAINED FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED FOR UNDERWRITTEN OFFER OF S\$300,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF BONDS TO THE PUBLIC IN SINGAPORE, AND INSTITUTIONAL AND OTHER INVESTORS
Description	Please see attached.
<b>Attachments</b>	 FN-Launch-AIP-16.3.11.pdf Total size = <b>92K</b> (2048K size limit recommended)



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### FRASER AND NEAVE, LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration No.: 189800001R)

## UNDERWRITTEN OFFER OF S\$300,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF BONDS TO THE PUBLIC IN SINGAPORE, AND INSTITUTIONAL AND OTHER INVESTORS

### Introduction

Fraser and Neave, Limited (the "**Guarantor**") wishes to announce an underwritten offer by its wholly-owned subsidiary, F&N Treasury Pte. Ltd. (the "**Issuer**"), of S\$300,000,000 in aggregate principal amount of bonds (the "**Offer**"), comprising an offer to the public in Singapore (the "**Public Offer**") and to institutional and other investors (the "**Placement**") as follows:

- (a) S\$150,000,000 in aggregate principal amount of 2.48 per cent. bonds due 2016 (the "**5-Year Bonds**"), by way of:
  - (i) an offer of S\$50,000,000 in aggregate principal amount of 5-Year Bonds pursuant to the Public Offer; and
  - (ii) an offer of S\$100,000,000 in aggregate principal amount of 5-Year Bonds pursuant to the Placement,(collectively, the "**5-Year Bonds Tranche**"); and
- (b) S\$150,000,000 in aggregate principal amount of 3.15 per cent. bonds due 2018 (the "**7-Year Bonds**" and together with the 5-Year Bonds, the "**Bonds**"), by way of:
  - (i) an offer of S\$50,000,000 in aggregate principal amount of 7-Year Bonds pursuant to the Public Offer; and
  - (ii) an offer of S\$100,000,000 in aggregate principal amount of 7-Year Bonds pursuant to the Placement,(collectively, the "**7-Year Bonds Tranche**"),

to be issued by the Issuer, and unconditionally and irrevocably guaranteed by the Guarantor, at the issue price of S\$1 per S\$1 in principal amount of the Bonds (being 100 per cent. of the principal amount of the Bonds) (the "**Issue Price**"), Provided That:

- (1) the Issuer and the Guarantor may, with the agreement of the Sole Arranger and Sole Bookrunner (as defined herein), re-allocate the aggregate principal amount of Bonds offered between the 5-Year Bonds Tranche and the 7-Year Bonds Tranche and/or between the Public Offer and the Placement, all in the circumstances described in the offer information statement (the "**Offer Information Statement**") to be lodged with the Monetary Authority of Singapore (the "**Authority**") in connection with the Offer; and
- (2) the issue size of the Bonds shall not exceed S\$300,000,000 in aggregate principal amount of the Bonds.

DBS Bank Ltd. ("**DBS Bank**") is the sole arranger and sole bookrunner of the Offer (in such capacity, the "**Sole Arranger and Sole Bookrunner**") and the sole lead manager of the Public Offer.

DBS Bank and CIMB Bank Berhad ("**CIMB**") are the joint underwriters of the Offer and the joint lead managers of the Placement.

#### **Underwriting of the Offer**

The Offer is underwritten in full by DBS Bank and CIMB at the Issue Price, severally and not jointly, on the terms and subject to the conditions contained in the Underwriting Agreement dated 16 March 2011 (the "**Underwriting Agreement**") among the Issuer, the Guarantor, DBS Bank and CIMB.

The Offer Information Statement will contain a description of certain terms of the Underwriting Agreement. Please refer to the Offer Information Statement for further information.

#### **Listing Approval for the Bonds**

The Singapore Exchange Securities Trading Limited (the "**SGX-ST**") has given its in-principle approval for the listing and quotation of the Bonds on the SGX-ST, subject to certain conditions. Such approval should not be taken as an indication of the merits of the Bonds, the Offer, the Issuer or the Guarantor and its subsidiaries, joint ventures and associated entities. The Bonds are expected to be listed on the SGX-ST on 29 March 2011. For the purpose of trading on the Main Board of the SGX-ST, each board lot of Bonds will comprise S\$1,000 in principal amount of Bonds.

The listing approval is subject to the following conditions:

- (a) the various conditions stated in the letter dated 2 March 2011 from the SGX-ST (as described below) being met; and
- (b) the submission of the following:
  - (i) a written undertaking from the Issuer that it will comply with Rule 309(4) (as qualified), Rule 309(5) and Rule 309(6) of the listing manual of the SGX-ST (the "**Listing Manual**");

- (ii) a written undertaking from the Guarantor that it will make periodic announcements on the use of the proceeds from the issue of the Bonds as and when material disbursements are made and that it will provide a status report on the use of the proceeds in the annual report;
- (iii) a written confirmation from the directors that a suitable trustee has been appointed prior to the issue of debt securities, as required under Rule 308(4) of the Listing Manual;
- (iv) a written confirmation from the Issuer that the requirements in Rule 316 and Part VI of Chapter 7 of the Listing Manual will be complied with;
- (v) a copy of the signed subscription agreement, agent bank agreement and fiscal agency agreement; and
- (vi) other documents, such as a deed poll, that may be applicable to the issue of debt securities as required under Rule 314(7) of the Listing Manual.

### **Waiver and Qualification from Compliance with the Listing Manual**

The SGX-ST has, on 2 March 2011, granted a waiver of Rules 309(1), (2) and (3) of the Listing Manual in connection with the listing and quotation of the Bonds on the SGX-ST, subject to the Guarantor's shares being listed on the SGX-ST and an immediate announcement (when the Issuer has the obligation to announce the issue of the Bonds) of the waivers granted by the SGX-ST, the reasons for the Issuer's application and the conditions attached to the waivers.

The Issuer's reasons for seeking a waiver of the above-mentioned rules are as follows:

- (1) with respect to Rule 309(1) of the Listing Manual, the terms and conditions of the Bonds will not impose any financial covenants, financial ratios or other borrowing limits on the Issuer or the Guarantor. Since the terms and conditions of the Bonds will be reproduced in full in the Offer Information Statement, prospective investors will be able to make their own assessment of the Bonds, the Issuer and the Guarantor based on information in the Offer Information Statement and other publicly available information. In any event, whether there is a limit on the amount that the Issuer may borrow is ultimately a commercial consideration for the Issuer, the Guarantor and the Sole Arranger and Sole Bookrunner to determine;
- (2) with respect to Rule 309(2) of the Listing Manual, this will be difficult to apply since it is not clear when the trustee of the Bonds ("**Trustee**") ought to be entitled to exercise its discretion, given that the Bonds will not be secured and the terms and conditions of the Bonds will not impose any financial covenants, financial ratios or other borrowing limits on the Issuer or the Guarantor. Furthermore, the requirement under Rule 309(2) will not be applicable or relevant since the Issuer has no subsidiaries. In addition, the Bonds are guaranteed by the Guarantor, which is the ultimate holding company of the Guarantor group of companies (including the Issuer), and the ability of the Trustee to request for the Issuer to cause its wholly-owned subsidiary to guarantee the Bonds will largely be redundant; and

- (3) with respect to Rule 309(3) of the Listing Manual, the Guarantor's shares are listed on the SGX-ST and the Guarantor is already subject to the disclosure regime of the SGX-ST, including the continuing obligation to disclose material information on an ongoing and timely basis. In addition, once the Bonds are listed on the Main Board of the SGX-ST, the Issuer will also be required to immediately disclose to the SGX-ST via SGXNET any information which may have a material effect on the price or value of the Bonds or on an investor's decision whether to trade in the Bonds. The trust deed constituting the Bonds will also contain a provision obliging the Issuer and the Guarantor to provide, on an annual basis and upon request by the Trustee, a certificate to the effect that no event of default or potential event of default has occurred and is continuing as at a certain date before the date of such certification.

The SGX-ST has further allowed:

- (1) a qualification of Rule 309(4) of the Listing Manual for the Issuer to provide the audited annual consolidated profit and loss account and balance sheet of the Issuer and the Guarantor to the Trustee within 150 days, instead of within three months, after the end of the financial year; and
- (2) a qualification of Rule 308(7) of the Listing Manual for the Trustee to only have access to the Issuer's books and records at any time after an event of default or potential event of default has occurred and is continuing under the terms of the Bonds.

### **Further Information**

Details of the Offer will be set out in the Offer Information Statement. An announcement containing further information on the Offer, the principal terms of the Bonds, the expected timetable of key events of the Offer and application and payment procedures for the Bonds will be made after the lodgment of the Offer Information Statement with the Authority.

Anthony Cheong Fook Seng  
Group Company Secretary  
16 March 2011

### **Important Notice**

This Announcement is for information purposes only and does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to subscribe for or acquire, the Bonds in any jurisdiction in which such an offer or solicitation is unlawful. No person should subscribe for or acquire any Bonds except on the basis of the information contained in the Offer Information Statement.

The information contained in this Announcement is qualified in its entirety by, and should be read in conjunction with, the full text of the Offer Information Statement. Anyone wishing to subscribe for the Bonds should read the Offer Information Statement in full and must make an application in the manner set out in the Offer Information Statement.