



## FRASER AND NEAVE, LIMITED

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

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### INDEPENDENT VALUATION ESTIMATES FRASER AND NEAVE, LIMITED'S 55 PER CENT. STAKE IN MYANMAR BREWERY LIMITED AT US\$560 MILLION

#### 1. Background

Fraser and Neave, Limited (the "**Company**") had announced on 29 August 2013 and 10 September 2013 that Myanma Economic Holdings Limited ("**MEHL**") had commenced arbitration proceedings against the Company in respect of the Company's shares in Myanmar Brewery Limited ("**MBL**"). In those proceedings, MEHL had sought to compel the Company to sell its 55 per cent. stake in MBL (the "**MBL Stake**") to MEHL at a price of US\$246 million (approximately S\$335 million). On 31 October 2014, the Company announced that the arbitral tribunal had set aside MEHL's original valuation of US\$246 million and ordered that the sale take place at a fair value to be determined by an independent valuer.

#### 2. Receipt of Independent Valuation

The Company has received the valuation report of MBL from the independent valuer (the "**Valuer**") on 22 July 2015. The Valuer has determined that the estimated fair value of the MBL Stake is Myanmar Kyat ("**MMK**") 500 billion. Based on the official exchange rate of MMK/USD 891 (source: Bloomberg) as at 30 April 2013 (the "**2013 Exchange Rate**") applied by the Valuer, the estimated fair value of the MBL Stake in US dollars is US\$560 million.

#### 3. Currency and Applicable Exchange Rate

The Company's position is that in the event of any sale of the MBL Stake, this should take place in US dollars based on the 2013 Exchange Rate, which is estimated to be US\$560 million (approximately S\$763 million). There have been indications of a difference of opinion with MEHL on the currency and applicable exchange rate to be used for completion of the sale of the MBL Stake. The Company will keep shareholders updated of further developments on this issue.

In the meantime, shareholders of the Company are advised to exercise caution when dealing with shares in the Company.

BY ORDER OF THE BOARD

**Anthony Cheong Fook Seng**  
Group Company Secretary

22 July 2015