



FRASER AND NEAVE, LIMITED

(Incorporated in the Republic of Singapore)

Company Registration No: 189800001R

DISPUTE RELATING TO THE SALE OF FRASER AND NEAVE, LIMITED'S 55 PER CENT. STAKE IN MYANMAR BREWERY LIMITED

1. Fraser and Neave, Limited ("**F&N**" or the "**Company**") refers to its announcement dated 22 July 2015 relating to the receipt of the valuation report of Myanmar Brewery Limited ("**MBL**") from the independent valuer (the "**Valuer**"). As stated in that announcement, the Valuer determined that the estimated fair value of F&N's 55 per cent. stake in MBL (the "**Company's MBL Stake**") is Myanmar Kyat ("**MMK**") 500 billion and 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 Company's MBL Stake in US dollars is US\$560 million.
2. The Company wishes to update shareholders that on 29 July 2015, Myanma Economic Holdings Ltd ("**MEHL**") filed an Originating Summons in the Singapore High Court for leave to enter judgment against the Company to, among other things, require the Company to take all steps necessary to ensure the completion of and to complete the transfer of the Company's MBL Stake to MEHL or its nominee by 20 August 2015 upon payment of MMK 500 billion by MEHL or its nominee.
3. On the same day, MEHL also filed an application in the Singapore High Court for an interim injunction requiring the Company to take all steps necessary to transfer the Company's MBL Stake to MEHL or its nominee within 30 days of 22 July 2015 upon MEHL or its nominee paying the sum of MMK 500 billion or the equivalent value in US dollars as at the day before completion and based on the official exchange rate as set by Bloomberg, such currency to be at the option of the Company, on terms set out in their application.
4. The Originating Summons and the application for interim relief were served on the Company on 30 July 2015.
5. MEHL's position is that the sale of the Company's MBL Stake (the "**Sale**") should be completed based on a consideration of MMK 500 billion.
6. As stated in its earlier announcement dated 22 July 2015, the Company's position is that the Sale should be completed in US Dollars based on the 2013 Exchange Rate applied by the Valuer. Based on the 2013 Exchange Rate, the Valuer has estimated the fair value of the Company's MBL Stake to be US\$560 million (approximately S\$763 million).
7. It is also the Company's position that by choosing to refuse to complete the Sale at US\$560 million, MEHL has not abided by, evinced an intention not to abide by, and has breached, its obligations. The Company has notified MEHL that it has elected to, and shall, remain as a shareholder of MBL.

8. It is also the Company's position that MEHL does not have a basis for the reliefs it has sought in the proceedings it has filed. The Company intends to defend the proceedings. The Company will make further announcements in due course to update shareholders. In the meantime, shareholders of the Company are advised to exercise caution when dealing with the shares of the Company.

BY ORDER OF THE BOARD

Anthony Cheong Fook Seng
Group Company Secretary

31 July 2015