



FRASER AND NEAVE, LIMITED

(Incorporated in Singapore)
(Company Registration No. 189800001R)

VOLUNTARY CONDITIONAL CASH OFFER (THE “OUE OFFER”) BY CREDIT SUISSE (SINGAPORE) LIMITED, MERRILL LYNCH (SINGAPORE) PTE. LTD. AND CIMB BANK BERHAD, SINGAPORE BRANCH FOR AND ON BEHALF OF OUE BAYTOWN PTE. LTD. FOR FRASER AND NEAVE, LIMITED

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Fraser and Neave, Limited (the “**Company**”) refers to:

- (a) the circular to the shareholders of the Company (the “**Shareholders**”) dated 20 December 2012 in relation to the OUE Offer (the “**Offeree Circular on the OUE Offer**”); and
- (b) the supplemental letter to the Offeree Circular on the OUE Offer (the “**Supplemental Offeree Letter on the OUE Offer**”) dated 31 December 2012, containing, *inter alia*, a letter issued by J.P. Morgan (S.E.A.) Limited (“**J.P. Morgan**”) addressed to the Independent Directors (the “**Supplemental J.P. Morgan Letter**”) setting out its opinion on whether the terms of the Kirin F&B Offer are fair and reasonable, from a financial point of view.

Unless otherwise defined, all terms and expressions used in this announcement shall have the meanings given to them in the Offeree Circular on the OUE Offer.

2. SECOND SUPPLEMENT TO THE OFFEREE CIRCULAR ON THE OUE OFFER

The Board wishes to announce that the Company is attaching to this announcement the second supplemental letter to the Offeree Circular in relation to the OUE Offer (the “**2nd Supplemental Offeree Letter on the OUE Offer**”) dated 18 January 2013 for the attention of the Shareholders.

The 2nd Supplemental Offeree Letter on the OUE Offer contains, *inter alia*, a letter dated 18 January 2013 issued by J.P. Morgan and addressed to the Independent Directors (the “**2nd Supplemental J.P. Morgan Letter**”), which clarifies J.P. Morgan’s opinion on the Kirin F&B Offer as set out in the Supplemental J.P. Morgan Letter. The 2nd Supplemental J.P. Morgan Letter is a supplement to the J.P. Morgan Letter and the Supplemental J.P. Morgan Letter and Shareholders are advised to read the 2nd Supplemental J.P. Morgan Letter in conjunction with the J.P. Morgan Letter and the Supplemental J.P. Morgan Letter and in the context of the entirety of the J.P. Morgan Letter, the Supplemental J.P. Morgan Letter and the 2nd Supplemental J.P. Morgan Letter.

Nothing in the Offeree Circular on the OUE Offer, the Supplemental Offeree Letter on the OUE Offer, or the 2nd Supplemental Offeree Letter on the OUE Offer is to be construed as advice by J.P. Morgan to any person (other than the Independent Directors but solely for the purpose as stated in the Offeree Circular on the OUE Offer) on the Kirin F&B Offer or the F&B Business, or a recommendation or advice by the Independent Directors to any person in relation to the Kirin F&B Offer or the F&B Business, including but not limited to any decision that any person may take in relation to any transaction involving the Kirin F&B Offer or the F&B Business and the exercise

of voting rights in respect of their ordinary shares in the Company (the “Shares”) at any meeting of the Company which may be held in connection with the Kirin F&B Offer and any other matter necessary or proposed to implement the acquisition of the F&B Business by Kirin, or at any adjournment thereof.

3. PHYSICAL COPIES TO BE DESPATCHED

Physical copies of the 2nd Supplemental Offeree Letter on the OUE Offer will be despatched to Shareholders on 21 January 2013.

4. CAUTION IN TRADING

Shareholders are advised to refrain from taking any action in relation to their Shares which may be prejudicial to their interests and to exercise caution when dealing in the Shares. The Offeree Circular on the OUE Offer, the Supplemental Offeree Letter on the OUE Offer and the 2nd Supplemental Offeree Letter on the OUE Offer require the immediate attention of Shareholders. Shareholders should read and carefully consider the recommendations of the Independent Directors and the advice of J.P. Morgan to the Independent Directors before deciding whether to accept or reject the OUE Offer. If any Shareholder is in doubt in relation to the OUE Offer or as to the action that should be taken, such Shareholder should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

5. DIRECTORS’ RESPONSIBILITY STATEMENT

The Directors of the Company (including any who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated in this announcement are fair and accurate and that no material facts have been omitted from this announcement and the Directors of the Company jointly and severally accept full responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, the announcements made by or for and on behalf of OUE Baytown and the OUE Offer Document), the sole responsibility of the Directors of the Company has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this announcement.

BY ORDER OF THE BOARD

Anthony Cheong Fook Seng
Group Company Secretary
18 January 2013