



FRASER AND NEAVE, LIMITED

(Incorporated in Singapore)

(Company Registration Number: 189800001R)

PROPOSED SUB-DIVISION

1. INTRODUCTION

Fraser and Neave, Limited (the “**Company**”) wishes to announce a proposed sub-division (the “**Sub-Division**”) of each ordinary share (“**Share**”) in the capital of the Company into five Shares.

2. RATIONALE FOR THE SUB-DIVISION

The Company believes that the Sub-Division is beneficial to shareholders for the following reasons:

- (a) the reduced price of each Share following the Sub-Division will increase the affordability of the Shares in the Company and hence encourage greater participation by smaller investors, as well as provide greater trading flexibility for existing smaller investors;
- (b) by improving the accessibility of an investment in the Company to more investors, it will broaden the shareholder base of the Company; and
- (c) it is likely to enhance the market liquidity of the Shares over time.

3. APPROVALS

The Sub-Division is subject to, *inter alia*:

- (a) the approval of the shareholders by way of an ordinary resolution at an extraordinary general meeting (“**EGM**”), to be fixed; and
- (b) the approval from Singapore Exchange Securities Trading Limited (“**SGX-ST**”).

The Company will be making an application to the SGX-ST in due course for its approval for the listing and quotation of all the Shares arising from the Sub-Division.

4. ADDITIONAL INFORMATION

A circular containing further details of the Sub-Division and the EGM to be convened will be despatched to shareholders in due course.

BY ORDER OF THE BOARD

Anthony Cheong Fook Seng
Group Company Secretary

30 March 2006