



FRASER AND NEAVE, LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No.: 189800001R)

**ACQUISITION OF REMAINING 30% SHARES IN YOKE FOOD INDUSTRIES SDN BHD
NOT ALREADY HELD BY MAGNOLIA-PDL DAIRIES (1993) SDN BHD ("MDSB")**

Pursuant to Rule 704(17)(d) of the Listing Manual of the Singapore Exchange Securities Trading Limited, Fraser and Neave, Limited (the "**Company**") wishes to announce that MDSB, a wholly-owned subsidiary of the Company incorporated in Malaysia, has today exercised a call option (the "**Option**") to acquire (the "**Acquisition**") the remaining 30% of the issued share capital of Yoke Food Industries Sdn Bhd ("**YFI**") (the "**Option Shares**").

If the Acquisition is completed successfully, MDSB's shareholding interest in YFI will increase from 70% to 100%. YFI carries on the business of manufacturing, marketing, distributing and exporting of beverages. This is complementary to the existing business of the Company.

The consideration for the Acquisition is RM 23.4 million (equivalent to approximately S\$7.5 million) (the "**Consideration**"). The Consideration is arrived at on a "willing-buyer-willing-seller" basis, taking into consideration, *inter alia*, the net asset value, brands, earnings and overseas growth potential of YFI and the shareholding percentage represented by the Option Shares. The Consideration is payable in cash on completion in accordance with the terms of the Option, and will be funded from internal sources.

Based on the latest unaudited financial statements of YFI for the period ended 30 September 2016:

- (i) the net tangible asset value attributable to the Option Shares as at 30 September 2016 is approximately RM 17.0 million (equivalent to approximately S\$5.5 million); and
- (ii) the book value of the Option Shares as at 30 September 2016 is approximately RM 17.0 million (equivalent to approximately S\$5.5 million).

The Acquisition is not expected to have a material effect on the net tangible assets per share or earnings per share of the Company and its subsidiaries for the current financial year.

None of the Directors or controlling shareholders of the Company has any interest, directly or indirectly, in the Acquisition.

By Order of the Board

Anthony Cheong Fook Seng
Company Secretary

23 November 2016