FRASER AND NEAVE, LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number 189800001R)

INTERESTED PERSON TRANSACTIONS

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*All capitalised terms used in this announcement shall, unless otherwise defined herein, have the meanings respectively ascribed to them in the announcement by Fraser and Neave, Limited (the "**Company**") dated 23 May 2019 (the "**Previous Announcement**").*

Further to the Previous Announcement, the Board of Directors of the Company (together with its subsidiaries and associated companies, the "**Group**") wishes to announce the following:

1.1 Capital Injections into InterF&B Pte. Ltd. and F&N International Holding Co., Ltd.

The Company and InterF&B Pte Ltd ("**InterF&B**"), a wholly-owned subsidiary of the Company, collectively hold 49 per cent. of the issued and paid-up share capital of F&N International Holding Co., Ltd ("**FNIH**"), an associated company of the Company, while the remaining 51 per cent. is held by Green Bean Co., Ltd ("**Green Bean**"). In turn, 49 per cent. of the issued and paid-up share capital of FNRC is collectively held by the Company and InterF&B, while the remaining 51 per cent. is held by FNIH.

To facilitate FNRC's indirect investment in CCT by way of funding for the Acquisition:

(i) the Company has injected further capital in the aggregate amount of S$76,000,000 into InterF&B. In consideration thereof, InterF&B has allotted and issued to the Company, and the Company has subscribed for, 7,600,000 new ordinary shares in the capital of InterF&B; and

(ii) the Company has injected further capital in the aggregate amount of THB893,270,000 (approx. S$38,837,826) into FNIH. In consideration thereof, FNIH has allotted and issued to the Company, and the Company has subscribed for, 89,327,000 new ordinary shares in the capital of FNIH,

(collectively, the "**Capital Injections**").

1.2 Guarantees in connection with the Acquisition

In connection with the Acquisition, the Company will provide:

(i) a guarantee of up to USD180,000,000 (approx. S$246,060,000) in favour of the sellers under the SPA, in proportion to its effective shareholding interest in CCT, as security for the due performance by CCT of its obligations under the SPA (the "**SPA Guarantee**"); and

(ii) a guarantee and indemnity of up to USD92,440,000 in favour of The Hongkong and Shanghai Banking Corporation Limited, Singapore and Bangkok branches ("**HSBC**"), in proportion to its effective shareholding interest in CCT, as security for the due performance

by CCT of its obligations under a facility agreement entered into between HSBC and CCT (the "**HSBC FA**") (such guarantee and indemnity, the "**FA Guarantee**", and together with the SPA Guarantee, the "**Guarantees**").

1.3 Details of IPTs with the Same Interested Person

Each of Green Bean, FNIH, FNRC and CCT are associates of Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi, both of whom are Directors and controlling shareholders of the Company. Accordingly, each of the Capital Injections and the provision of the Guarantees by the Company to secure the obligations of CCT under the SPA and HSBC FA (as applicable) would constitute interested person transactions ("**IPT**") for the purposes of Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**").

The rationale for the Capital Injections and the provision of the Guarantees is to facilitate the Acquisition and in furtherance of the joint venture between the Company and Green Bean in relation to an investment with MXCA in ST (the "**Joint Venture**").

For the purposes of Rules 905(2) and 906(1)(b) of the Listing Manual, the companies and entities which are controlled by Mr Sirivadhanabhakdi and Khunying Wanna (including Green Bean, CCT, FNIH and FNRC) (collectively, the "**Interested Persons**", and each an "**Interested Person**") are treated as the same Interested Person and transactions entered into between the Group and such Interested Persons during the same financial year are aggregated in determining whether the designated financial thresholds under Rules 905(2) and 906(1)(b) of the Listing Manual are triggered.

In respect of FY2019:

(i) the aggregate value of all IPTs (excluding transactions which are less than S$100,000 and transactions conducted under the shareholders' mandate pursuant to Rule 920 of the Listing Manual (the "**IPT Mandate**")) entered into between the Group and the Interested Persons (including the Guarantees and the Capital Injections) to date is approximately S$505,703,000, representing approximately 18.66 per cent. of the Group's latest audited net tangible assets as at 30 September 2018 (i.e., S$2,709,394,000) (the "**Group NTA**");

(ii) the aggregate value of all IPTs (excluding transactions which are less than S$100,000 and transactions conducted under the IPT Mandate) entered into by the Group (including the transactions entered into with the Interested Persons in paragraph 3.3(i) above) to date is approximately S$505,703,000, representing approximately 18.66 per cent. of the Group NTA; and

(iii) the aggregate value of all IPTs (excluding transactions which are less than S$100,000) entered into by the Group under the IPT Mandate as at the end of the second quarter ended 31 March 2019 is approximately S$10,730,000.

1.4 Exemption from the Requirement to Obtain Shareholders' Approval

The Guarantees and the Capital Injections have been provided or made by the Company in furtherance of the Joint Venture.

The Audit Committee of the Company (the "**Audit Committee**"), having reviewed and carefully considered the terms of the Joint Venture and the Guarantees, is of the view that the risk and rewards of the Joint Venture are in proportion to the equity of each joint venture partner and the

terms of the joint venture are not prejudicial to the interests of the Company and its minority shareholders, and has accordingly approved the entry by the Company into the Joint Venture.

In addition, neither the Company nor Green Bean had (directly or indirectly) any existing equity interest in CCT prior to the participation by FNRC in the Joint Venture.

Accordingly, notwithstanding that the value of the Guarantees and the Capital Injections, when aggregated with all other IPTs entered into between the Company and the Interested Persons for FY2019, exceeds 5 per cent. of the Group NTA, the Guarantees and the Capital Injections fall within the exemption under Rule 916(2) of the Listing Manual and the Company is exempted from the requirement to obtain shareholders' approval for the Guarantees and the Capital Injections pursuant to Rule 906(1)(b) of the Listing Manual.

The Aggregate Value of all IPTs entered into between the Company and the Interested Persons for FY2019 (excluding the value of the Guarantees and the Capital Injections, transactions which are less than S$100,000 and transactions conducted under the IPT Mandate) is S$18,439,000 (the "**Relevant IPTs**"), representing approximately 0.7 per cent. of the Group NTA. As such value does not exceed 5 per cent. of the Group NTA, the Company is not required to obtain shareholders' approval for the Relevant IPTs pursuant to Rule 906(1)(b) of the Listing Manual.

2. General

Save as disclosed in this announcement and in the announcement by the Company dated 22 March 2019, none of the Directors or controlling shareholders of the Company has any interest in the Share Subscriptions, the Acquisition, the Guarantees or the Capital Injections.

BY ORDER OF THE BOARD

Hui Choon Kit
Company Secretary

24 May 2019