



732-030
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TO:	The Secretary	FAX NO:	(04) 471 4619
COMPANY:	Takeovers Panel	FROM:	Mark Cowsill
SUBJECT:	Takeover Notice	DATE:	24 October 2001
PAGES:	33		

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24 October 2001

Market Information Services
New Zealand Stock Exchange
WELLINGTON

Fax: (04) 473 1478

The Secretary
Takeovers Panel
WELLINGTON

Fax: (04) 471 4619

TAKEOVER NOTICE RECEIVED

This morning Frucor has received the attached Takeover Notice by Danone Asia Pte Limited.

Frucor will shortly make a further announcement in relation to this Takeover Notice and matters associated with it.

Yours sincerely



Mark Cowsill
Managing Director



DANONE ASIA PTE LTD

TAKEOVER NOTICE

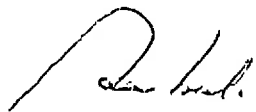
To: Frucor Beverages Group Limited
97 Plunket Avenue
Wiri
Auckland

cc: The Takeovers Panel

1. Danone Asia Pte Ltd (the *Offeror*) a duly incorporated company in Singapore and having its registered office at 1 Temasek Avenue, #34-02 Millenia Tower, Singapore hereby gives notice pursuant to rule 41 of the Takeovers Code of its intention to make a full offer to acquire all of the voting securities in Frucor Beverages Group Limited not already held by the Offeror (*Offer*).
2. Attached to this Notice are the terms of the Offer which is intended to be made under the Code, and additional information including the information required by Schedule 1 of the Takeovers Code (except clauses 1 and 4) stated as at the date of this notice.

Dated this 24th day of October 2001

For and on behalf of
Danone Asia Pte Ltd



Name: Simon Israel
Position: Managing Director

FULL OFFER BY
DANONE ASIA PTE LTD
to acquire all of the equity securities in
FRUCOR BEVERAGES GROUP LIMITED

To accept this Offer see page 1.

IMPORTANT

IF YOU ARE IN ANY DOUBT AS TO ANY ASPECT OF THIS OFFER, YOU SHOULD CONSULT A MEMBER OF THE NEW ZEALAND STOCK EXCHANGE OR A FINANCIAL OR LEGAL ADVISOR.

IF YOU HAVE SOLD ALL YOUR EQUITY SECURITIES IN FRUCOR BEVERAGES GROUP LIMITED, YOU SHOULD IMMEDIATELY HAND THIS OFFER DOCUMENT AND THE ACCOMPANYING ACCEPTANCE FORM TO THE PURCHASER, OR TO THE MEMBER OF THE NEW ZEALAND STOCK EXCHANGE OR OTHER AGENT THROUGH WHOM THE SALE WAS MADE, TO BE PASSED TO THE PURCHASER.

TAKEOVER OFFER

1

SUMMARY OF OFFER

On 24 October 2001 Danone Asia Pte Ltd (*Danone*) announced that it would make full offers under the Takeovers Code for all of the shares and the tranche A convertible notes in Frucor Beverages Group Limited (*Frucor*), not already held by Danone. The key terms of the offers are:

➤ consideration:

- \$2.35 per share in Frucor.
- \$1.31 per \$1.00 principal amount of tranche A convertible note issued by Frucor.

➤ each offer is conditional on receipt of acceptances which take Danone's voting rights to more than 90% of the voting rights in Frucor.

➤ both offers close at 5 p.m. on [date which is 30 days from date of offer] 2001 (unless extended).

The detailed terms of the offers are set out at pages 3 to 9 of this document.

HOW TO ACCEPT THIS OFFER

If you have sold all or some of your equity securities, please refer to the instructions on page 14 of this document.

Your early response to these offers will assist in the processing of acceptances and, if sufficient acceptances are received, may enable Danone to declare these offers unconditional prior to the closing date, resulting in an earlier payment of the consideration.

If you are a shareholder

To accept the offer by Danone, you should complete the "Shareholders Form of Acceptance and Transfer" enclosed with this document, in accordance with the instructions set out on that form. Then deliver or mail the form in the enclosed reply paid envelope to:

FOR NEW ZEALAND SHAREHOLDERS:

Danone Asia Pte Ltd
c/- Computershare Registry Services Limited
Level 2
159 Hurstmere Road
Takapuna
Private Bag 92119
Auckland

TAKEOVER OFFER

2

FOR AUSTRALIAN SHAREHOLDERS:

Danone Asia Pte Ltd
C/- Computershare Investor Services Pty Limited
Level 3
60 Carrington Street
GPO Box 7045
Sydney NSW 115

If you cannot readily locate your Faster Identification Number (*FIN number*) or you do not have one because your shares are traded on the Australian Stock Exchange Limited, please complete and return the Form and complete the indemnity on the reverse of the Form.

If you are a noteholder

The offer for notes is subject to the Company and the note trustee amending the trust deed constituting the notes to, amongst other things, permit noteholders to accept that offer.

Noteholders should complete the Noteholders Form of Acceptance and Offer, in accordance with the instructions set out in that form and deliver or mail that form to:

Danone Asia Pte Ltd
C/- Computershare Registry Services Limited
Level 2
159 Hurstmere Road
Takapuna
Private Bag 92119
Auckland

IMPORTANT

ACCEPTANCES MUST BE RECEIVED BY 5 PM ON [DATE WHICH IS 30 DAYS FROM DATE OF OFFER] 2001 (SUBJECT TO PARAGRAPH 3.1 OF THIS OFFER)

**FULL OFFER BY DANONE ASIA PTE LTD
IN RELATION TO FRUCOR BEVERAGES GROUP LIMITED**

[] October 2001

Danone Asia Pte Ltd (*Danone*) hereby offers to acquire, on the terms and conditions set out in this document, all of the ordinary shares (being all voting securities) of Frucor Beverages Group Limited (*Frucor* or *the Company*) which it does not already hold (*the Share Offer*).

All such shares are referred to in this document as *the Shares* and each of them singly is referred to as a *Share*.

Danone also hereby offers to acquire, on the terms and conditions set out in this document, all of the tranche A convertible notes (*the Note Offer*), in the aggregate principal amount of \$4,131,325 issued under the Frucor Executive Share Savings Plan (*the Plan*) on 20 December 2000 to the Plan's trustee, Frucor Share Savings Plan Trustee Limited (*the Plan Trustee*).

All such notes are referred to in this document as *the Notes* and each of them singularly is referred to as a *Note*.

References in this document to *the Offers* are to the Note Offer and the Share Offer together, and references to *an Offer* are to each of them.

The Offers are made subject to the following terms and conditions:

1 Consideration

1.1 The consideration offered

- (a) for each of the Shares is \$2.35 cash;
- (b) for each \$1.00 principal amount of the Notes is \$1.31 cash.

1.2 The consideration for each Offer will be sent to holders whose equity securities are taken up under that Offer not later than 7 days after the later of:

- (a) the date that Offer becomes unconditional;
- (b) the date on which an acceptance is received; or
- (c) [first date specified in paragraph 3.1].

As at the date of these Offers, the last date by which such consideration must be sent to persons accepting an Offer is [date 14 days after the Closing Date per paragraph 3.1], but this date may change in respect of one or both Offers if the Closing Date in respect

TAKEOVER OFFER

4

of that Offer is extended in accordance with paragraph 3.1, and therefore the latest date the Offeror can declare the Offer similarly extends in accordance with paragraph 3.2.

In the case of the Share Offer, the consideration will be sent to each shareholder whose Shares are taken up under the Share Offer. In the case of the Note Offer, the consideration will be paid to the Plan Trustee as the registered holder of the Notes (and then disbursed by the Plan Trustee as specified in paragraph 3.5) in respect of noteholders whose Notes are taken up in the Note Offer.

- 1.3 If the consideration for an Offer is not sent within the period specified in paragraph 1.2 to any holder whose equity securities are taken up under that Offer, that holder may withdraw acceptance of that Offer:

- (a) by notice in writing to the Offeror; but only
- (b) after the expiration of 7 days' written notice to the Offeror of that holder's intention to do so.

This right to withdraw acceptance of an Offer will not apply if the holder receives the consideration during the 7 day period referred to in this paragraph.

Note that in the case of the Note Offer, the consideration will be sent to the Plan Trustee as the registered holder of the Notes, and it is the Plan Trustee's responsibility to account for this to the relevant noteholders. Accordingly, a noteholder will not be entitled to withdraw acceptance of the Note Offer if the consideration for the Note Offer is sent to the Plan Trustee within the period specified in paragraph 1.2, even if any amount referred to in paragraph 3.5(b) which is payable by the Plan Trustee to the noteholder is not sent to the noteholder by the Plan Trustee within the period specified in paragraph 1.2.

2 How to Accept this Offer

If you wish to accept your Offer, you need only:

- 2.1 Complete the applicable enclosed Form of Acceptance and Transfer (for shareholders) or Form of Acceptance and Direction (for noteholders) in accordance with the instructions set out in that Form; and
- 2.2 Return the completed Form in the enclosed reply paid envelope as soon as possible, but in any event so as to be received by the Offeror not later than 5 p.m. on [date which is 30 days from date of offer] 2001 (subject to paragraph 3.1 below). If the reply paid envelope has been mislaid, please deliver or mail your acceptance to:

IF YOU ARE A NEW ZEALAND SHAREHOLDER OR A NOTEHOLDER:

Danone Asia Pte Ltd

C/- Computershare Registry Services Limited

TAKEOVER OFFER

5

Level 2
159 Hurstmere Road
Takapuna
Private Bag 92119
Auckland

IF YOU ARE AN AUSTRALIAN SHAREHOLDER:
Danone Asia Pte Ltd
C/- Computershare Investor Services Pty Limited
Level 3
60 Carrington Street
GPO Box 7045
Sydney NSW 115

The Offeror may, in its discretion, treat any Form of Acceptance and Transfer as valid notwithstanding that it does not comply with this paragraph, and may, in its discretion, rectify any errors in, or omissions from, any Form.

Acceptance of an Offer by each acceptor constitutes a contract between that acceptor and the Offeror on the terms and subject to the conditions of this Offer. Other than in the circumstances set out in paragraph 1.3 above, you may not withdraw your acceptance during the time an Offer is open for acceptance, whether or not there has been any variation of that Offer.

3 Terms of Offer

Each of the Offers is subject to the following terms:

- 3.1 Unless an Offer is totally withdrawn in accordance with the Takeovers Code and every person is released from every obligation incurred under the terms of it, or it lapses in accordance with its terms, it remains open for acceptance until and including the closing date of [date which is 30 days from date of offer] 2001, or such later closing date(s) as the Offeror may decide in respect of that Offer in accordance with the Takeovers Code (*the Closing Date*).
- 3.2 The latest date on which the Offeror can declare each Offer to have become unconditional is the date which is 14 days after the Closing Date.

As at the date of these Offers, the date by which the Offers are to become unconditional is [date which is 44 days from date of offer] 2001, but this date may change in respect of one or both Offers if the Closing Date in respect of that Offer is extended in accordance with paragraph 3.1 above. If an Offer is not declared unconditional, that Offer will lapse.

TAKEOVER OFFER

6

3.3 The enclosed Forms of Acceptance and Transfer comprise part of the Offer. The shareholder's Form duly completed may, in the case of the Share Offer, be treated by the Offeror as a valid acceptance of the Share Offer whether or not accompanied by the relevant FIN number.

3.4 Each Offer is open for acceptance by any person who holds the relevant equity securities, whether acquired before or after the date of the Offer, upon production of satisfactory evidence of such person's entitlement to those equity securities.

3.5 All equity securities are to be acquired free from all liens, charges, mortgages, and encumbrances of any kind whatever, but together with all rights attaching to them, including the right to all dividends and other distributions arriving after or by reference to a date occurring on or after a date upon which settlement of an Offer occurs in accordance with paragraph 7 below. In the case of the Notes Offer, the Offeror shall, if the Note Offer is declared unconditional, pay the Offer price in relation to Notes in respect of which acceptances are received to the Plan Trustee, who shall disburse the money in the following manner:

- (a) first, by paying to Frucor an amount equal to the principal and any accrued and outstanding interest due on the loan made by Frucor to the Plan Trustee, on behalf of the relevant noteholder; and
- (b) then, by paying the balance (net of applicable trustee costs) to an accepting noteholder in accordance with the terms of the Plan's trust deed.

4 Conditions of Offer

4.1 Each of the Offers and any contract arising from it is subject to the conditions (subject to the right of the Offeror at its sole discretion to, in the case of each Offer, waive all or any of such conditions in whole or in part, to the extent permitted by the Takeovers Code or any exemption granted by the Takeovers Panel) that during the period from 24 October 2001 until, in the case of each Offer, the last date by which that Offer must be declared unconditional by the Offeror:

- (a) no dividends, bonuses or other payments or distributions (including, without limitation, any share buybacks) of any nature have been or will be declared, paid, or made upon or in respect of any of the Shares.
- (b) no further shares or convertible notes or any voting securities of any description of the Company or any of its subsidiaries have been or will be issued or agreed to be issued (except any issue of debentures in the ordinary course of the business of the Company or such subsidiary) and there have been or will be no alteration of rights, privileges and restrictions attaching to the Shares or, (other than for the purposes of satisfying the condition contained in paragraph 4.2) the Notes.

TAKEOVER OFFER

7

- (c) no shares in the Company or any of its subsidiaries have been or will be made the subject of any option, or right, to subscribe.
- (d) there has been and will be no alteration to the Constitution of the Company or any of its subsidiaries.
- (e) neither the Company nor any of its subsidiaries enters into or contracts to enter into any transaction to which listing rule 9.1 and/or listing rule 9.2 of the New Zealand Stock Exchange's listing rules applies.

4.2 In the case of the Note Offer, that Offer is further conditional on Covenant Trustee Company Limited (the trustee under the trust deed constituting the Notes) and the Company agreeing to and executing such amendments to the trust deed constituting the Notes as are necessary to permit offerees to transfer Notes to the Offeror under the Offer and for the Offeror to thereafter and immediately following completion of the Offer require, and be entitled to require, redemption of the Notes at full principal amount plus accrued and unpaid interest thereon.

5 Minimum Acceptance

5.1 Each Offer and any contract arising from acceptance of it is conditional on the Offeror receiving acceptances in respect of voting securities that, when taken together with voting rights already held or controlled by the Offeror, confer more than 90% of the voting rights in the Company. The Offeror may waive this condition but if it does so must waive the condition in respect of both Offers.

5.2 Irrespective of whether the 90% condition is waived, the Offeror may not take up any equity securities under the Offers unless acceptances in respect of 50% of the Company's voting rights (calculated when aggregated with the Offeror's then existing shareholding) have been received by the end of the Share Offer period.

6 Notices

6.1 Notice to the Company, the Takeovers Panel and the New Zealand Stock Exchange:

- (a) declaring either Offer unconditional; or
- (b) advising that an Offer is withdrawn in accordance with the Takeovers Code or has lapsed in accordance with its terms,

in each case, will be deemed to be notice to all offerees when so delivered.

6.2 Notice of any variation of either Offer will be sent to the Company, the Takeovers Panel, the New Zealand Stock Exchange and, except where not required in accordance with the Takeovers Code, to each offeree under that Offer.

7 Method of Settlement

7.1 No acknowledgement of the receipt of acceptances of either Offer will be issued.

TAKEOVER OFFER

8

7.2 If:

- (a) an Offer is declared unconditional or the conditions to it are waived by the Offeror; and
- (b) in the case of the Share Offer, the Form of Acceptance and Transfer is in order and is accompanied by the relevant FIN number (or an indemnity acceptable in the opinion of the Offeror is given if the FIN number is not available or applicable because your shares are traded on the Australian Stock Exchange Limited), or, in the case of the Note Offer, the Form of Acceptance and Direction is in order,

then a cheque for the amount payable will be posted in accordance with the authority contained in the Form by the date specified in paragraph 1.2.

7.3 If an Offer does not become unconditional and the conditions are not waived by the Offeror, that Offer will lapse.

7.4 The Offeror's obligations under this paragraph will be subject to registration of the transfer of the relevant equity securities to the Offeror. The Offeror will present all forms of acceptance and transfer to the Company for registration as soon as possible following an Offer being declared unconditional or the conditions being waived in respect of that Offer by the Offeror.

8 Change of Circumstances

8.1 If, after the date of the Takeover Notice, the Company declares or pays any dividend or makes any other distribution to its shareholders and the condition contained in paragraph 4.1(a) above is waived by the Offeror, shareholders accepting the Share Offer will be bound to pay to the Offeror an amount equivalent to such dividend (inclusive of withholding taxes deducted, if applicable) or the value of such other distribution or, at the option of the Offeror, the cash consideration which would otherwise have been paid to such acceptors shall be reduced by an amount equivalent to such dividend or the value of such other distribution.

8.2 If, after the date of the Takeover Notice, the Company makes any issue of shares or convertible notes or voting securities or grants any other rights or interests in its shares to holders of Notes and/or Shares by way of bonus issue and the condition contained in paragraph 4.1(b) above is waived by the Offeror, acceptors of the relevant Offer will be bound to transfer any such shares or convertible notes or other rights and interests received by or otherwise accruing to them to the Offeror, without any additional consideration.

8.3 If all or any of the Shares or the Notes are consolidated or subdivided after the date of the Offers then the relevant Offer will be interpreted to take into account such consolidation or subdivision and will be deemed to be for the securities resulting from such consolidation or subdivision and the consideration per Share or Note, as

TAKEOVER OFFER

9

applicable, provided for under paragraph 1 above will be increased or reduced, as the case may require, in proportion to such consolidation or subdivision, and parties accepting the Offer will be bound to transfer such consolidated or subdivided securities to the Offeror on the basis of the consideration so increased or reduced.

- 8.4 If the Company makes any issue of shares to any person on or after the date of the Offers other than by way of bonus issue and the condition contained in paragraph 4.1(b) above is waived by the Offeror, then this Offer will be deemed to extend to and include such shares and the consideration payable for them will be as provided in paragraph 1 above.

9 Further Information

Further information relating to the Offeror, as required by Schedule 1 to the Takeovers Code, is set out in the Appendix to, and forms part of, the Offers.

10 Miscellaneous

In this document:

- 10.1 Any reference to the Takeovers Code means the takeovers code recorded in the Takeovers Code Approval Order 2000 (SR 2000/210).
- 10.2 Except if expressly defined in this document, or where the context requires otherwise, terms defined in the Takeovers Code shall have the same meaning in this document.
- 10.3 All sums of money referred to in this Offer are in New Zealand currency.
- 10.4 References to *the Takeover Notice* are to the takeover notice issued in relation to the Offers.
- 10.5 These Offers and any contract arising from them shall be governed by and construed in accordance with the laws of New Zealand.

These Offers are each dated this [] day of October 2001

Mr Simon Israel
Managing Director
Danone Asia Pte Limited

TAKEOVER OFFER

10

**THE APPENDIX: INFORMATION REQUIRED
BY SCHEDULE 1 TO THE TAKEOVERS CODE**

- 1 Date**
The Offers are each dated the [] day of October 2001.
- 2 Offeror and its Directors**
 - (a) Offeror:**
Danone Asia Pte Ltd
1 Temasek Avenue
#34-02 Millenia Tower
Singapore 039192
 - (b) Directors of the Offeror:**
Jean-Claude Haas - Director
Stephane Droulers - Alternate Director to Jean-Claude Haas
Richard Goblet d'Alviella - Director
Yves Boel - Alternate Director to Richard Goblet d'Alviella
Antoine Riboud - Director
Franck Riboud - Director
Edouard Maruani - Alternate Director to Franck Riboud
Simon Israel - Managing Director
Emmanuel Faber - Director
Claude Samuel Elmaleh - Alternate Director to Emmanuel Faber
Francois-Xavier Roger - Director
- 3 Target Company**
Fruco Beverages Group Limited (AK 913626)
- 4 Advice Statement**
The advice statement required under this paragraph is set out on the cover page of the Offer document.
- 5 Offer Terms**
The terms and conditions of the Offers are set out on pages 3 to 9 of the Offer document.
- 6 Ownership of Equity Securities of Target Company**
 - (a)** Except as disclosed below, none of the Offeror, any related company of the Offeror, any persons acting jointly or in concert with the Offeror, or any director of any such person, holds or controls equity securities in the Company.

By a deed dated 24 October 2001, Bain Pacific Associates, L.L.C. (*Bain*) has granted an option to the Offeror entitling the Offeror to purchase from Bain, at a price of \$2.35 per share, the number of shares in the Company, which when

TAKEOVER OFFER

11

aggregated with the Offeror's existing shareholding (if any) at the time of exercise of the option aggregates to 19.9999992% of the Company's issued ordinary shares. A substantial security holder notice in relation to this option was filed by the Offeror pursuant to the Securities Amendment Act 1988 on 24 October 2001.

- (b) Based on the Company's most recent annual report and substantial security holder filings made prior to 24 October 2001, the following persons (other than the Offeror) hold or control 5% or more of any class of equity security:

	Number of ordinary shares held or controlled	Percentage of class
Bain Pacific Associates Limited	39,001,756	31.2%
National Nominees NZ Ltd	11,199,642	8.964%

The Company's announcements indicate that Frucor Share Savings Plan Trustee Limited holds all of the Notes on behalf of participants in the Frucor share savings plan.

7 Trading in Target Company Equity Securities

The receipt by the Offeror of the option described in paragraph 6 of this appendix constitutes an acquisition by the Offeror of a relevant interest in the shares which are the subject of the option, on the date of the option (24 October 2001). Other than in relation to the option described in paragraph 6 of this appendix, to the best of the Offeror's information, knowledge and belief, and based on available public filings, no other persons listed in paragraph 6 of this appendix have, during the 6 month period before the date of this Notice and acting as substantial security holders in the Company, acquired or disposed of equity securities of the Company in that capacity.

8 Agreements to Accept Offer

No persons have agreed conditionally or unconditionally to accept either Offer.

9 Arrangements to Pay Consideration

- 9.1 The Offeror confirms that resources will be available to it sufficient to meet the consideration to be provided on full acceptance of the Offers and to pay any debts incurred in connection with the Offers (including debts arising under rule 49 of the Takeovers Code).
- 9.2 A statement setting out the rights of each offeree under rule 34 of the Takeovers Code, to withdraw its acceptance for non-payment by the Offeror of the consideration, is set out in paragraph 1.3 of the offer document.
- ## 10 No arrangements between Offeror and Target Company
- No agreement or arrangement (whether legally enforceable or not) has been made, or is proposed to be made, between the Offeror or any associates of the Offeror, and the Company or any related company of the Company, in connection with, in anticipation of, or in response to, either of the Offers.

- 11 No arrangements between Offeror, and Directors and Officers of Target Company**
No agreement or arrangement (whether legally enforceable or not) has been made, or is proposed to be made, between the Offeror or any associates of the Offeror, and any of the directors or senior officers of the Company or of any related company of the Company (including any payment or other benefit proposed to be made or given by way of compensation for loss of office, or as to their remaining in or retiring from office) in connection with, in anticipation of, or in response to, either or both of the Offers.
- 12 No Financial Assistance**
No agreement or arrangement has been made, or is proposed to be made, under which the Company or any related company of the Company will give (directly or indirectly) financial assistance for the purpose of, or in connection with, either or both of the Offers.
- 13 Acquisitions of Securities**
The Offeror may acquire equity securities in Frucor during the offer period, as permitted by rule 36 of the Takeovers Code, if the requirements of rule 36 are met.
- 14 Likelihood of Changes in Target Company**
The Offeror does not intend to make any material changes in respect of the business activities of the Company and its subsidiaries.
- 15 Pre-emption Clauses in Target Company's Constitution**
There is no restriction on the right to transfer equity securities to which the Offer relates contained in the constitution of the Company which has the effect of requiring the holders of the securities to offer the securities for purchase to members of the Company or to any other person before transferring the securities. The trust deed constituting the Notes has an absolute prohibition on transfers of the Notes. It is a condition of the Note Offer that Frucor and the Note trustee amend that prohibition to allow noteholders who wish to accept the Note Offer to transfer Notes to the Offeror.
- 16 No Escalation Clause**
There is no agreement or arrangement (whether legally enforceable or not) to which the Offeror or any of its related entities are a party, under which any existing holder of equity securities in the Company will or may receive in relation to, or as a consequence of, either Offer any additional consideration or other benefit over and above the consideration set out in the Offers, or any prior holder of equity securities in the Company will or may receive any consideration or other benefit as a consequence of the Offer.
- 17 Independent Adviser's Report**
Ferrier Hodgson has been appointed as independent advisor for the purposes of certifying that, in its opinion, the consideration and terms offered for the Notes are fair and reasonable in comparison with the consideration and terms offered for the Shares. A copy of Ferrier Hodgson's full report accompanies this document.

TAKEOVER OFFER

13

18 Additional Disclosures Required if Consideration Includes Securities

No securities have been offered by the Offeror as consideration under either of the Offers.

19 Certificate

The certificate required by this paragraph accompanies this document.

TAKEOVER OFFER

14

PLEASE NOTE

IF YOU HAVE SOLD ALL YOUR FRUCOR BEVERAGES GROUP LIMITED SHARES

Please send this Offer and all enclosures (including the Form of Transfer and Acceptance) at once to the new Frucor Beverages Group Limited shareholder or the broker through whom you made the sale requesting that they be forwarded to the new Frucor Beverages Group Limited shareholder.

IF YOU HAVE SOLD SOME OF YOUR FRUCOR BEVERAGES GROUP LIMITED SHARES

Please alter the total holding on the Form of Transfer and Acceptance to the number of Shares which you have retained and forward the amended form in the reply paid envelope supplied to the Offeror.

Upon receipt of the amended Form, the Offeror will recalculate the amount of cash comprising your consideration to reflect the number of Shares sold by you.

Please also request the broker through whom you made the sale to advise the purchaser or purchasers of your Shares of this Offer and that copies of it are available from the Share Registrar, Computershare Registry Services Limited, Level 2, 159 Hurstmere Road, Takapuna, Private Bag 92-119, Auckland, and advise the Share Registrar of the number of Shares sold and the broker concerned.

TAKEOVER OFFER

15

SHARE OFFER
FORM OF ACCEPTANCE AND TRANSFER
DANONE ASIA PTE LTD OFFER FOR SHARES IN FRUCOR BEVERAGES GROUP LIMITED

	HOLDER NUMBER	NUMBER OF SHARES HELD IN FRUCOR
	FASTER IDENTIFICATION NUMBER (FIN)	TOTAL CONSIDERATION (at \$2.35 cash per share):

Shareholder/Transferor (the *Transferor*)

By signing this form the Transferor for the consideration stated above hereby:

- (a) accepts the Offer dated [] 2001 of Danone Asia Pte Ltd, (the *Transferee*), for the shares described above in Frucor Beverages Group Limited (the *Company*) held by the Transferor, subject to the conditions on which they are so held and transfers those shares to the Transferee; and
- (b) represents and warrants to the Transferee that title to the Transferor's shares described above in the Company held by the Transferor will pass to the Transferee free of all liens, charges, mortgages, encumbrances and other adverse interests and claims of any kind, and that the Transferor has full power and capacity to sell and transfer all such shares; and
- (c) as set out on the reverse of this form, enters into an indemnity in favour of and for the Company and the Transferee, and appoints the Transferee the attorney of the Transferor;

and the Transferee hereby agrees (as evidenced by its execution of a form of agreement to which this form and those of other transferors shall be appended together comprising an instrument of transfer) to take the shares subject to such conditions. The Transferor hereby authorises the Transferee to use the Transferor's FIN number to transfer the shares to the Transferee. For this purpose the FIN number must be set out above. If you do not fill in the FIN number, the indemnity overleaf will apply.

Dated and executed the _____ day of _____ 2001

FOR AN INDIVIDUAL	FOR A COMPANY	TO BE COMPLETED WHERE THE SIGNATORY IS AN ATTORNEY FOR AN INDIVIDUAL OR A COMPANY
Signed by the Transferor:	Signed by the Transferor by:	Signed by the Transferor(s) by its attorney:
in the presence of:	Director	in the presence of:
Name: Occupation: Address:	Director	Name: Occupation: Address:

NOTES AND INSTRUCTIONS FOR COMPLETION

- 1 **INTERPRETATION:** In this form references to the Transferor in the singular shall include the plural.
- 2 **TO ACCEPT THE OFFER:** Insert your FIN number in the space provided. Sign this form where marked "Signed by the Transferor" and have your signature witnessed. Any person (including your husband or wife) may witness your signature and must add his or her occupation and full address in the space provided. Companies must sign in accordance with the Companies Act 1993.
- 3 **JOINT HOLDERS:** If the shares are registered in the names of joint holders, all must sign the form.
- 4 **POWER OF ATTORNEY:** If the form is signed under a power of attorney, the relevant power of attorney must be submitted with the form for noting and return, and the certificate printed overleaf must be completed. Where such power of attorney has already been noted by the Company, then this fact must be stated under the signature of the attorney.
- 5 **ON COMPLETION:** Place the signed form in the enclosed reply paid envelope and post to the Transferee, at the addresses below as soon as possible, but in any event so as to be received not later than the closing date specified in the Offer (subject to paragraph 3.1 of the Offer):

TAKEOVER OFFER

16

FOR NEW ZEALAND SHAREHOLDERS:

Danone Asia Pte Ltd
C/- Computershare Registry Services Limited
Level 2
159 Hurstmere Road
Takapuna
Private Bag 92119
Auckland

FOR AUSTRALIAN SHAREHOLDERS:

Danone Asia Pte Ltd
C/- Computershare Investor Services Pty Limited
Level 3
60 Carrington Street
GPO Box 7045
Sydney NSW 115

- 6 **PREVIOUS SALE:** If you have sold all your shares, please pass this form together with the offer documents to your sharebroker or the purchasers of such shares. If you have sold part of your shareholding, record that fact on this form by amending the number of shares noted as being held by you on the face of this form. Please also refer to the more detailed instructions on page 14 of the Offer.

TAKEOVER OFFER

17

FORM OF ACCEPTANCE AND TRANSFER **DANONE ASIA PTE LIMITED OFFER FOR SHARES IN FRUCOR BEVERAGES GROUP LIMITED**

BY THE TRANSFEROR'S EXECUTION ON THE FACE OF THIS FORM, THE TRANSFEROR:

1 Hereby declares that, if the FIN number in respect of the shares is not stated on with this form in the space provided above:

1.1 the Transferor is the holder of the shares shown on the face of this form and:

- (a) where the shares have been allocated a FIN number, the Transferor has made a proper search for the FIN number and has been unable to locate that number; or
- (b) where the shares have not been allocated a FIN number because the shares are traded on the Australian Stock Exchange Limited, that the Transferor's Holder Identification Number or Security-holder Reference number is as follows:

Holder Identification Number/Security-holder Reference Number	
Securities Subregister	

the Transferor has not mortgaged, pledged, transferred or otherwise dealt with the shares and no other person holds any interest in the shares and they are the property of the Transferor absolutely; and

- 1.2 the Transferor will indemnify the Company and the Transferee against any costs, loss or damages arising out of the failure to produce the FIN number or through or in consequence of the transfer of the shares being registered by the Company without production or use of the FIN number.
- 1.3 Where the shares are held on CHESS, the Transferor warrants that it has notified its Sponsoring Participant of the acceptance of the Transferee's offer, and the imminent removal of the shares from the sponsored account by the Share Registrar.

AND

2 Hereby enters into a Power of Attorney in favour of the Transferee as follows:

As from the time of the Offer being declared unconditional, I/We hereby irrevocably authorise and appoint the Transferee (with power of substitution by the Transferee in favour of such person/s as the Transferee may appoint to act on its behalf) as my/our attorney and agent to act for me/us and do all matters of any kind or nature whatsoever in respect of or pertaining to the shares referred to on the face of this form in the Company and all rights and benefits attaching to them as the Transferee may think proper and expedient and which I/We could lawfully do or cause to be done if personally acting, including the transfer of shares to any person or persons whatsoever, the appointment of a proxy or proxies for any meeting of the shareholders of the Company, attendance in person at, and voting at, such meeting, application to any court whatsoever and execution of all documents in my/our name/s which the Transferee may consider necessary for all or any of the foregoing purposes. This includes without limitation, authorising the Transferee to take any action as may be necessary to enable the registration of the transfer of the shares to the Transferee including, where shares are held in a CHESS subregister, authorising the Transferee to instruct my/our Controlling Participant (broker) to accept the Offer for the shares or to transfer those shares into an issuer sponsored sub-register.

IF THIS FORM IS SIGNED UNDER POWER OF ATTORNEY, THE ATTORNEY(S) SIGNING MUST SIGN THE FOLLOWING CERTIFICATE:

CERTIFICATE OF NON-REVOCATION OF POWER OF ATTORNEY

I/WE, _____
 (Insert name of Attorney(s) signing)

of _____
 (Address and Occupation)

HEREBY CERTIFY:

1. THAT by a Power of Attorney dated the _____ day of _____ the Transferor named and described on the face of this form (the Donor) appointed me his/her/its/their attorney on the terms and conditions set out in that Power of Attorney.
2. THAT I/we have executed the form printed on the face of this document as attorney under that Power of Attorney and pursuant to the powers thereby conferred upon me/us.
3. THAT at the date hereof I/we have not received any notice or information of the revocation of that Power of Attorney by the death (or winding up) of the Donor or otherwise.

Signed at _____ this _____ day of _____

 Signature of Attorney(s)

NOTE: Your signature does not require witnessing

TAKEOVER OFFER

18

**NOTE OFFER: NEW ZEALAND
FORM OF ACCEPTANCE AND DIRECTION
DANONE ASIA PTE LTD OFFER FOR CONVERTIBLE NOTES
IN FRUCOR BEVERAGES GROUP LIMITED**

To: FRUCOR SHARE SAVINGS PLAN TRUSTEE LTD
97 Plunket Avenue
Wiri
Auckland

Attention:

REFERENCE NUMBER OF
CONVERTIBLE NOTES
HELD IN FRUCOR

PRINCIPAL AMOUNT OF
CONVERTIBLE NOTES
HELD IN FRUCOR

TOTAL CONSIDERATION
(at \$1.31 cash per \$1 of principal amount):

Noteholder/Transferor (the *Noteholder*)

By signing this form, the Noteholder:

- (a) for the consideration stated above, hereby accepts the Offer dated [] 2001 of Danone Asia Pte Limited, (the *Transferee*), to acquire the convertible notes described above in Frucor Beverages Group Limited (the *Company*) held by Frucor Share Savings Plan Trustee Limited (the *Trustee*) for the benefit of the Noteholder, subject to the conditions on which they are so held and transfers all of its rights, title and interest in those convertible notes to the *Transferee*;
- (b) irrevocably directs the Trustee to transfer those convertible notes to the *Transferee*;
- (c) represents and warrants to the *Transferee* and the Trustee that title to the Noteholder's convertible notes described above in the Company held by the Trustee for the benefit of the Noteholder will pass to the *Transferee* free of all liens, charges, mortgages, encumbrances and other adverse interests and claims of any kind, and that the Transferor has full power and capacity to sell and direct the Trustee to transfer all such convertible notes; and
- (d) as set out on the reverse of this form, enters into an indemnity in favour of the Company, the *Transferee* and the Trustee, and appoints the *Transferee* the attorney of the Noteholder;

and the *Transferee* hereby agrees (as evidenced by its execution of a form of agreement to which this form and those of other transferors shall be appended together comprising an instrument of transfer) to take the convertible notes subject to such conditions.

Dated and executed the _____ day of the _____, 2001

FOR AN INDIVIDUAL	FOR A COMPANY	TO BE COMPLETED WHERE THE SIGNATORY IS AN ATTORNEY FOR AN INDIVIDUAL OR A COMPANY
Signed by the Transferor:	Signed by the Transferor by:	Signed by the Transferor(s) by its attorney:
<i>In the presence of:</i>		<i>In the presence of:</i>
Name:	Director	Name:
Occupation:	Director	Occupation:
Address:		Address:

NOTES AND INSTRUCTIONS FOR COMPLETION

- 7 **INTERPRETATION:** In this form references to the Noteholder in the singular shall include the plural.
- 8 **TO ACCEPT THE OFFER:** Sign this form where marked "Signed by the Transferor" and have your signature witnessed. Any person (including your husband or wife) may witness your signature and must add his or her occupation and full address in the space provided. Companies must sign in accordance with the Companies Act 1993.
- 9 **JOINT HOLDERS:** If the convertible notes are registered in the names of joint holders, all must sign the form.
- 10 **POWER OF ATTORNEY:** If the form is signed under a power of attorney, the relevant power of attorney must be submitted with the form for noting and return, and the certificate printed overleaf must be completed. Where such power of attorney has already been noted by the Company, then this fact must be stated under the signature of the attorney.
- 11 **ON COMPLETION:** Place the signed form in the enclosed reply paid envelope and post to the *Transferee*, c/- Computershare Registry Services Limited, Level 2, 159 Hurstmere Road, Takapuna, Private Bag 92119, Auckland as soon as possible, but in any event so as to be received not later than the closing date specified in the Offer (subject to paragraph 3.1 of the Offer).

**NOTE OFFER: NEW ZEALAND
FORM OF ACCEPTANCE AND DIRECTION
DANONE ASIA PTE LIMITED OFFER FOR CONVERTIBLE NOTES
IN FRUCOR BEVERAGES GROUP LIMITED**

BY THE NOTEHOLDER'S EXECUTION ON THE FACE OF THIS FORM, THE NOTEHOLDER:

Hereby declares that, if any current note certificate in respect of any of the convertible notes (*Note Certificate*):

1. the Noteholder is the beneficial holder of the convertible notes shown on the face of this form;
2. the Noteholder has made a proper search for the Note Certificate but is unable to find it and it must be deemed to be lost;
3. the Noteholder has not mortgaged, pledged, transferred or otherwise dealt with the convertible notes and no other person holds any interest in the convertible notes and they are the property of the Noteholder absolutely; and
4. the Noteholder will indemnify the Company, the Transferee and the Trustee against any costs, loss or damages arising out of the loss of the Certificate or through or in consequence of the transfer of the convertible notes being registered by the Company without production of the Certificate.

AND

Hereby enters into a Power of Attorney in favour of the Transferee as follows:

As from the time of the Offer being declared unconditional, I/We hereby irrevocably authorise and appoint the Transferee (with power of substitution by the Transferee in favour of such person/s as the Transferee may appoint to act on its behalf) as my/our attorney and agent to act for me/us and do all matters of any kind or nature whatsoever in respect of or pertaining to the convertible notes referred to on the face of this form in the Company and all rights and benefits attaching to them as the Transferee may think proper and expedient and which I/We could lawfully do or cause to be done if personally acting, including the transfer of convertible notes to any person or persons whatsoever, application to any court whatsoever and execution of all documents in my/our name/s which the Transferee may consider necessary for all or any of the foregoing purposes.

IF THIS FORM IS SIGNED UNDER POWER OF ATTORNEY, THE ATTORNEY(S) SIGNING MUST SIGN THE FOLLOWING CERTIFICATE:

CERTIFICATE OF NON-REVOCATION OF POWER OF ATTORNEY

I/WE, _____
(Insert name of Attorney(s) signing)

of _____
(Address and Occupation)

HEREBY CERTIFY:

1. THAT by a Power of Attorney dated the _____ day of _____ the Transferor named and described on the face of this form (the Donor) appointed me his/her/its/their attorney on the terms and conditions set out in that Power of Attorney.
2. THAT I/we have executed the form printed on the face of this document as attorney under that Power of Attorney and pursuant to the powers thereby conferred upon me/us.
3. THAT at the date hereof I/we have not received any notice or information of the revocation of that Power of Attorney by the death (or winding up) of the Donor or otherwise.

Signed at _____ this _____ day of _____

Signature of Attorney(s)

NOTE: Your signature does not require witnessing

fax enis par : 0199353977
fax regu de : 03 33000000

SECRETARIAT E FABER

23/10/01 14:18 Pg: 2/2

DANONE ASIA PTE LTD

Date: 24 October 2001

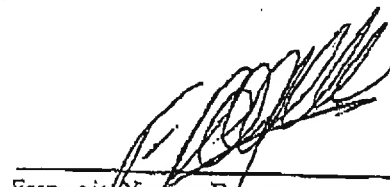
CERTIFICATE

To the best of our knowledge and belief, after making proper inquiry, the information contained in the offer document (including the Appendix) is, in all material respects, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by the Offeror under the Takeovers Code.

Signed by the persons named below or their respective agents authorised in writing.



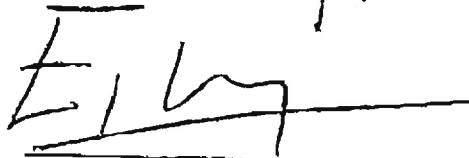
Mr Simon Israel
Chief Executive Officer
Danone Asia Pte Ltd



Francois Xavier Roger
Chief Financial Officer
Danone Asia Pte Ltd



Director
for and on behalf of the board of
directors of
Danone Asia Pte Ltd



Director
for and on behalf of the board of
directors of
Danone Asia Pte Ltd



FERRIER HODGSON

—
CHARTERED ACCOUNTANTS

INDEPENDENT ADVISER'S REPORT
IN RELATION TO A TAKEOVER OFFER FOR
FRUCOR BEVERAGES GROUP LIMITED

BY

DANONE ASIA PTE LTD

24 October 2001

FERRIER HODGSON

CONTENTS

1. Introduction
2. Scope of Report
3. Evaluation of Offer
4. Opinion
5. Sources of Information
6. Qualifications, Declarations and Consent

FERRIER HODGSON

1. INTRODUCTION

Danone Asia Pte Ltd ("Danone") has advised that it will be filing a takeover notice for all equity securities whether voting or non-voting of Frucor Beverages Group Limited ("Frucor" or "the Company") that it does not already own.

There are two classes of equity securities in existence, ordinary shares and convertible notes issued under an employee share scheme as set out below:

Type of Security	Number	% of Total Equity Securities
Ordinary shares	125,000,000	98.4
Conversion Entitlement of Convertible Notes ¹	1,996,837	1.6
Total Equity Securities	126,996,837	100.0

¹ After the entitlement adjustment estimate as at the date of this report.

The directors of Danone have requested Ferrier Hodgson & Co ("Ferrier Hodgson") to prepare an independent adviser's report in accordance with Rule 22 of the Takeovers Code. Our appointment has been approved by the Takeovers Panel.

Our report sets out the following information:

1. a review of the different classes of equity securities;
2. a comparison of the consideration and terms to be offered for each class of equity security and the relationship of the offer as between each class of equity security; and
3. an opinion as to the fairness and reasonableness of the consideration and terms of the convertible notes in comparison with the consideration and terms of the ordinary shares.

The sources of information, which we have had access to and relied upon, are set out in Section 5 of this report.

This report should be read in conjunction with the statements and declarations set out in Section 6, regarding our independence, qualifications, general disclaimer, indemnity and the restrictions upon the use of this report.

FERRIER HODGSON

2. SCOPE OF REPORT

We understand that Danone will file a takeover notice for all the equity securities that it does not currently own.

Takeovers Code Requirements

Rule 22(1) of the Takeovers Code states:

An offeror must obtain a report from an independent adviser, if any of rules 8(3) and (4) and 9(5) apply.

Rule 8(4) states:

If non-voting securities are included in a full offer, the consideration and terms offered for non-voting securities must be fair and reasonable in comparison with the consideration and terms offered for voting securities and as between classes of non-voting securities.

The Takeovers Code requires an independent adviser to certify that the consideration and terms offered for non-voting securities are fair and reasonable in comparison to those offered for voting securities and fair and reasonable between classes of non-voting securities.

In determining the fairness and reasonableness of the offer, Ferrier Hodgson has considered the following:

1. the offer price for the non-voting securities compared to voting securities (we understand that all of the convertible notes were issued on the same terms and conditions and therefore all the convertible notes constitute one class of non-voting securities); and
2. the terms and conditions attached to the convertible notes.

This report has been prepared for the benefit of the convertible note holders in Frucor to assist them in considering whether the consideration and terms offered for the non-voting securities are fair and reasonable in comparison with the consideration and terms offered for voting securities.

Ferrier Hodgson notes that each convertible note holder's circumstances and investment objectives are unique. Accordingly, it is not possible to advise what action each convertible note holder should take in response to the offer. Ferrier Hodgson's advice and opinions are necessarily general in nature and are intended to assist the convertible note holders to form their own opinions as to what action they should take in the circumstances.

This report should not be used for any other purpose without Ferrier Hodgson's prior written consent.

FERRIER HODGSON

3. EVALUATION OF OFFER

3.1 OFFER PRICE OF EACH CLASS OF EQUITY SECURITY

The consideration for each different class of equity security is:

for each ordinary share	\$2.35 in cash
for each convertible note	\$1.31 in cash for each \$1.00 principal amount of the notes

To assess the fairness we need to compare the offer price for ordinary shares with the offer price for the convertible notes and the conversion ratio into ordinary shares. This is set out below:

Redemption value of notes issued (excluding capitalised interest)	\$4,131,325
Base number of shares	2,075,000
Adjusted number of shares to be issued	1,996,837
Total consideration for all convertible notes	\$5,412,036
Offer price for \$1.00 of principal outstanding	\$1.31
Effective price per share (incl. accrued interest)	\$2.71

The premium attached to the convertible notes reflects the value, to the beneficiaries of the convertible notes, of the option value from the date of the offer to the Maturity Date of 20 December 2007. The option component of the convertible notes has been estimated using a derivative of the Black-Scholes option pricing model. Based on the structure of the convertible notes and the terms and conditions established under the Frucor Share Savings Plan we believe this methodology is fair in determining the consideration for the convertible notes in relation to the value for the ordinary shares.

3.2 STRUCTURAL ASPECTS OF OPTIONS

The convertible notes have been issued by Frucor to management and staff under its Frucor Share Savings Plan.

FERRIER HODGSON

A total number of 34 convertible notes were issued under this scheme for a total principal value of \$4,131,325. The details are set out below.

	Convertible Notes
Date of Issue	20 December 00
Date of Vesting	20 December 02
Maturity Date	20 December 07
Value of Notes Issued	\$4,131,325
Convertible into Ordinary Shares	2,075,000
Market Adjustment Number ¹	(78,163)
Total Ordinary Shares to be issued on conversion	1,996,837

¹ As calculated at the date of this report

The final number of shares to be issued varies from the original amount due to a "Market Adjustment" formula in the Convertible Note Trust Deed.

As the convertible notes are issued under the Frucor Share Savings Plan they are not listed and they are not transferable. The only parties entitled to the benefit of the notes are the parties to whom they are issued. It is a condition of the offer for the convertible notes that the Company agrees to and executes all amendments to the trust deed constituting the notes as are necessary to permit the offerees to transfer the notes to the offeror, and for the offeror to subsequently redeem the notes. Ferrier Hodgson understands this condition is required due to the current terms and conditions of the trust deed and therefore is fair.

We understand that the offer will be conditional upon acceptance of 90% or more of the voting rights in the Company. The offeror may, however, waive this condition, but must do so in respect of both offers i.e. the offer for the ordinary shares and the convertible notes. This ensures that the conditions related to both voting and non-voting securities are fair to both classes of equity securities.

FERRIER HODGSON

4. OPINION

We understand the offer from Danone for all the equity securities of Frucor will be as follows:

for each ordinary share	\$2.35
for each \$1.00 principal of convertible note	\$1.31

Based on the strike price for the convertible notes, and the terms and conditions in the Frucor Share Savings Plan Trust Deed, and associated documents, Ferrier Hodgson is of the opinion that the offer for the non-voting security is fair and reasonable in comparison with the consideration and terms offered for voting securities.

For the avoidance of doubt, we advise that we have not undertaken a valuation of Frucor and our opinion does not extend to the absolute merits of the offer.

FERRIER HODGSON

5. SOURCES OF INFORMATION

The statements and opinions expressed in this report are based on the following main sources of information.

During the course of preparing this report, Ferrier Hodgson has had discussions with and/or received information from Danone and its advisers.

Documents relied upon include, but are not limited to, the following:

- Annual Report 2001
- Investment Statement and Prospectus dated 19 May 2000
- Prospectus dated 28 November 2000 relating to the issue of convertible notes
- Convertible Note Trust Deed dated 24 November 2000
- Master Trust Deed dated 15 May 2000
- Convertible Note Master Agreement dated 15 May 2000
- Master Loan Agreement dated 15 May 2000
- Deed of Indemnity dated 15 May 2000
- Draft Takeover Notice

Ferrier Hodgson has been provided with all the information believed necessary for the preparation of this report.

In forming our opinion we have relied upon and assumed, without independent verification, the accuracy and completeness of all information that was furnished to us by Danone and its advisers. We have no reason to believe any material facts have been withheld.

We have evaluated that information through analysis, enquiry and examination for the purposes of forming our opinion but we have not verified the accuracy or completeness of any such information. We have not carried out any form of due diligence or audit on the accounting or other material provided.

FERRIER HODGSON

6. QUALIFICATIONS, DECLARATIONS AND CONSENT**QUALIFICATIONS**

Ferrier Hodgson is an independent New Zealand Chartered Accounting practice, internationally affiliated with the Ferrier Hodgson group that is represented in Australia, throughout Asia, North America, the United Kingdom and Europe. The firm has established its name nationally through its provision of professional financial consultancy services with a corporate advisory and insolvency emphasis, and because it has no business advisory, audit or tax divisions, avoids any potential conflicts of interest which may otherwise arise. This places the firm in a position to act as an independent adviser and prepare an independent report as required under Rule 22 of the Takeovers Code.

The persons responsible for preparing and issuing this report are Grant Graham BCom, CA and Stephen Panckhurst MBA, BMS. Both have significant experience in providing corporate finance advice on mergers, acquisitions and divestments, advising on the value of shares, undertaking financial investigations and providing expert evidence in litigation support.

DISCLAIMERS

It is not intended that this report should be used or relied upon for any purpose other than as an expression of Ferrier Hodgson's opinion as to whether the offer is fair and reasonable in comparison to the consideration and terms offered for voting securities and as between classes of non-voting securities. This report is not a valuation of Frucor or a valuation of the non-voting securities. Ferrier Hodgson expressly disclaims any liability to any equity security holder that relies or purports to rely on the report for any other purpose and to any other party who relies or purports to rely on the report for any purpose.

This report has been prepared by Ferrier Hodgson with care and diligence and the statements and opinions given by Ferrier Hodgson in this report are given in good faith and in the belief on reasonable grounds that such statements and opinions are correct and not misleading. However, no responsibility is accepted by Ferrier Hodgson or any of its officers or employees for errors or omissions however arising (including as a result of negligence) in the preparation of this report, provided that this shall not absolve Ferrier Hodgson from liability arising from an opinion expressed recklessly or in bad faith.

INDEMNITY

Danone Asia Pte Ltd has agreed that to the extent permitted by law, it will indemnify Ferrier Hodgson and its partners, employees and officers (each an "Indemnified Person") in respect of any liability suffered or incurred by an Indemnified Person as a result of or in connection with the preparation of this report. This indemnity does not apply in respect of any liability suffered or

FERRIER HODGSON

incurred as a result of, and caused by, the negligence, wilful misconduct or breach of law by the Indemnified Person. Danone Asia Pte Ltd has also agreed to indemnify any Indemnified Person for time incurred and any reasonable costs in relation to any inquiry or proceeding initiated by any person except where any Indemnified Person is found liable for or guilty of negligence, wilful misconduct or breach of law in which case Ferrier Hodgson shall reimburse such costs.

INDEPENDENCE

Ferrier Hodgson does not have at the date of this report, and has not had any shareholding in or other relationship with Danone Asia Pte Ltd or Frucor Beverages Group Limited that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the issues considered. Ferrier Hodgson considers itself to be independent in terms of the Takeovers Code.

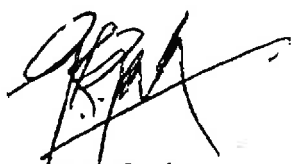
Ferrier Hodgson has had no part in the formulation of the offer or any undertaking in relation to this transaction. Its only role has been in the preparation of this report.

Ferrier Hodgson will receive a fee for the preparation of this report. The fee is not contingent on the success or implementation of the offer or any transaction complimentary to it. Ferrier Hodgson has no direct or indirect pecuniary interest or other interest in this transaction.

We note for completeness that a draft of this report was provided to Danone Asia Pte Ltd and its advisers, solely for the purpose of verifying the factual matters contained in the report. While minor changes were made to the drafting, no material alteration to any part of the substance of this report, including the methodology or conclusions, was made as a result of issuing the draft.

CONSENTS

Ferrier Hodgson consents to the issuing of this report and references thereto in the form and context in which each is included in the information to be sent to Frucor Beverages Group Limited's shareholders and note holders. Neither the whole nor any part of this report, nor any reference thereto may be included in any other document without the prior written consent of Ferrier Hodgson as to the form and context in which it appears.



G R Graham

Ferrier Hodgson & Co.