



PRESS RELEASE

JAPFA LTD

391B Orchard Road, #18-08, Ngee Ann City Tower B, Singapore 238874
Tel: (65) 6735 0031 Fax: (65) 6735 4465
Company Registration No: 200819599W

Japfa announces successful listing of AustAsia Group shares on SEHK and concurrent distribution *in specie* of AustAsia Group shares to Japfa shareholders

- Shares of AustAsia Group Ltd. (“AAG”)¹, which operates a dairy farming business in China, successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited on 30 December 2022 (the “Listing”). Both the International Offering and the Hong Kong Public Offering (together, the “Global Offering”) were over-subscribed.
- In connection with the Listing, the distribution *in specie* of Japfa’s shareholding in AAG to Japfa shareholders (the “Distribution”) becomes effective with Japfa shareholders receiving AAG shares in proportion to their respective shareholding in Japfa (fractional entitlements disregarded) with no cash outlay.
- The Distribution results in two distinct and leading agri-food businesses in animal proteins and dairy respectively, potentially unlocking value for Japfa shareholders.

Singapore, 30 December 2022 – Leading industrialised agri-food company Japfa Ltd (“Japfa” or the “Company”, and together with its subsidiaries, the “Group”) today announced the successful debut of AustAsia Group Ltd. (“AAG”) shares on The Stock Exchange of Hong Kong Limited (“SEHK”) under the stock short name (stock code) AUSTASIA GROUP (2425.HK) (the “Listing”).

AAG shares have been priced HK\$6.40 per share, the mid-point of the offer price range, putting AAG’s market capitalisation at approximately HK\$4,479 million. The Global Offering of 30,640,000 AAG shares (assuming the over-allotment option is not exercised) was over-subscribed.

In connection with the Listing, the distribution *in specie* (“Distribution”) of Japfa’s shareholding in AAG shares to Japfa shareholders becomes effective. Japfa shareholders as at the record date of 29 December 2022 will receive their entitlements to the AAG shares on the basis of one (1) AAG share for every five (5) Japfa shares held by them, with no cash outlay required and fractional entitlements (where applicable) to be disregarded.

Upon the Distribution becoming effective, AAG ceases to be a subsidiary of Japfa and two distinct and leading agri-food companies are created:

- Japfa Animal Protein² as a pure-play leading integrated animal protein company riding on the high growth protein market in emerging Asia; and
- AAG as a leading independent milk producer in China.

Tan Yong Nang, Chief Executive Officer of Japfa, said: “With the Distribution and the Listing of AAG shares, Japfa shareholders will now participate in two leading agri-food businesses, each with a clear focus, strategy and financial flexibility to grow further in their respective dynamic markets in Asia. On the

¹ AAG was a 62.5% subsidiary owned by Japfa before the distribution *in specie* became effective on 30 December 2022. AustAsia Investment Holdings Pte. Ltd. has been renamed AustAsia Group Ltd.

² Japfa Animal Protein includes Japfa and its subsidiaries excluding AAG, namely, Japfa’s 55.4% stake in PT Japfa Tbk and 100% of Japfa’s animal protein operations in Vietnam, India, Myanmar and Bangladesh.

strength of its greater operational and financial flexibility to execute its strategy, Japfa Animal Protein is well-positioned to capture the full potential of its vertically integrated business model and tap into the growth of animal protein consumption in emerging Asia by providing affordable staple proteins to consumers in a sustainable manner.”

With the creation of two separate businesses, the Distribution benefits both Japfa and its shareholders.

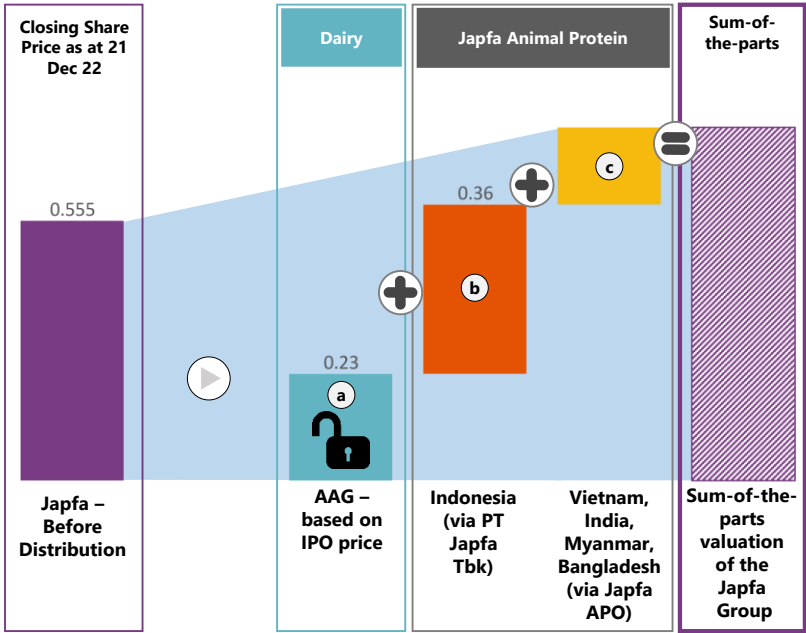
Japfa will be able to better focus its financial resources on the further development of the animal protein business without the need to plan for AAG’s funding requirements and tap the potential for animal protein consumption in its markets across emerging Asia, which together account for approximately 2.0 billion people³. Fuelled by economic and population growth, emerging Asia is set to become a key market for protein consumption. As one of the most competitive and efficient producers of staple proteins, Japfa is well placed to capture this growth potential.

The Distribution enables Japfa shareholders to enjoy the benefits of having stakes in two listed companies operating in high growth markets, including the flexibility to decide on their investments.

Unlocking Value for Shareholders

The Distribution provides greater clarity to shareholders and investors of the respective value and business of Japfa Animal Protein and AAG (represented by the header “Dairy”) as illustrated below:

S\$ per Japfa Share



For illustrative purposes only, Japfa Animal Protein comprises:

- Japfa’s 55.4% stake in its public listed subsidiary in Indonesia, PT Comfeed Indonesia Tbk (“PT Japfa Tbk”), which is valued at S\$0.36 per Japfa share⁴ based on the closing price of PT Japfa Tbk as of 21 December 2022; plus

³ World Bank population data (data extracted on 15 December 2022). Countries include Indonesia, Vietnam, India, Myanmar and Bangladesh.

⁴ Based on the closing price of PT Japfa Tbk as of 21 December 2022 of IDR1,310 per share multiplied by the Company’s ownership of 6,500,176,516 shares in PT Japfa Tbk, translated into SGD at an exchange rate of 11,545.20 SGD/IDR. The Company’s interest in PT Japfa Tbk translates to S\$738 million, which is calculated on a per-share basis based on the outstanding Japfa shares of approximately 2,040 million as of 22 December 2022.

- Japfa's Animal Protein Other businesses in Vietnam as well as in other countries, comprising India, Myanmar and Bangladesh, which have not been assigned a value in the illustration above.

The value of Japfa's interest in AAG is S\$0.23 per Japfa share based on the Offer Price⁵.

Together with the Listing, the Distribution is expected to unlock shareholder value as it creates a clearer investment proposition of the two business groups with listed market values which can be separately evaluated on their strategy, merits and risks.

Options available for entitled Japfa shareholders to receive AAG shares under the Distribution

To receive AAG shares, entitled Japfa shareholders can elect from different options. This will be outlined in the election and sale election notice and form to be despatched to entitled Japfa shareholders on or around 5 January 2023.

###

About Japfa Ltd

Headquartered in Singapore, Japfa Ltd is a leading vertically integrated agri-food company listed on the Main Board of the SGX-ST since 2014. Established in 1971, the Group has grown into one of Asia's leading low-cost producers of protein staples including poultry, swine and aquaculture as well as protein-based consumer products across fast-growing emerging Asian economies such as Indonesia, Vietnam, India, Myanmar and Bangladesh. Japfa embraces an integrated industrial approach to livestock and food production across the value chain. Its vertically integrated business model spans from Feed & Breeding (upstream), Fattening (mid-stream) and Processing and Distribution of consumer products (downstream). For more information, please visit www.japfa.com

Contacts

Japfa Investor Relations and Corporate Communications

Tel. +65 67350031

Email: investorcontact@japfa.com

IMPORTANT NOTICE: *This press release is for information only and should not be relied upon to make any investment or divestment decision with respect to securities of the Japfa Group. Shareholders and potential investors are advised to seek independent advice in the making of any investment or divestment decision. Where the press release includes opinions, judgements, or forward-looking statements, these involve assumptions, risks and uncertainties that may or may not be realised. Any references to industry prices or price trends are Company estimates due to the absence of centralised public sources. Industry related data quoted has not been independently verified. The Company's SGX announcements can be found on the SGXNet and on the Company's website www.japfa.com.*

Unless otherwise defined, all capitalised terms used in this press release shall bear the same meanings as ascribed to them in the Circular issued by the Company on 15 October 2022 and the announcements dated 29 March 2022, 28 September 2022, 12 October 2022, 14 October 2022, 20 October 2022, 1 November 2022, 7 November 2022, 8 November 2022, 15 December 2022, 16 December 2022 and 20 December 2022.

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF THAT JURISDICTION.

This press release does not constitute and is not an offer to sell or the solicitation of an offer to buy securities of Japfa Ltd and/or the AustAsia Group in the United States or elsewhere. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold in the United States absent an exemption from registration under the Securities Act.

###

⁵ Based on the Offer Price of HK\$6.40. Based on the Company's ownership of 388,629,464 AAG shares representing 62.5% of AAG shares in issue as of the date of the AAG prospectus of 621,807,139 AAG shares and assuming 31,041,673 shares (as disclosed in the prospectus issued by AAG) issued to the Company pursuant to the Loan Capitalisation, translated into SGD at an exchange rate of 5.7687 SGD/HKD, the Company's interest in AAG translates to approximately S\$466 million, which is calculated on a per-share basis based on the outstanding Japfa shares of approximately 2,040 million as of 22 December 2022.