JAPFA LTD
(Company Registration Number: 200819599W)
(Incorporated in Singapore on 8 October 2008)

CHANGE IN USE OF PROCEEDS FROM THE COMPANY'S INITIAL PUBLIC OFFERING ("IPO")

The Board of Directors of Japfa Ltd (the "Company", or together with its subsidiaries, the "Group") refers to the prospectus registered with the Monetary Authority of Singapore on 7 August 2014 ("Prospectus") in respect of the proposed use of proceeds raised from the Company's initial public offering ("IPO proceeds").

Update on the Use of IPO Proceeds:

The Company had previously disclosed in the Prospectus its estimated allocation of use of IPO proceeds, of which US$90m was intended to be used for "investment in the Group's China dairy business and the construction of the second five-farm hub in Inner Mongolia" ("China Dairy").

Of the said US$90m allocated to its China Dairy business, US$46.571m has been spent previously, and a further US$6.445m will be utilised on or about 10 December 2015. With this, the aggregate utilisation of US$137.016m from the Company's IPO is as follows:

Use of IPO Proceeds	Amount Allocated US$'000	Amount Utilised US$'000	Balance US$'000
Investment in our China dairy business and the construction of a second five farm hub in Inner Mongolia	90,000	53,016	36,984
Investment in our animal protein business in our target markets	14,000	14,000	-
Repayment or prepayment of borrowings, including the prepayment charges, of our Group	70,000	70,000	-
Total	174,000	137,016	36,984

Change to broader uses to benefit the Group and better utilise IPO proceeds:

As the remaining US$36.984m is not expected to be utilised in full for China Dairy in the near future, and in response to changes in the business environment since IPO, the Company has broadened the use of its remaining IPO proceeds of US$36.984 million to be: "for investment, reduction of liabilities, working capital and general corporate purposes beneficial to the Group".

This will allow the Company to use the IPO proceeds in core businesses that the Group is focusing on, in a manner that would best maximise shareholder value. While the Group continues to be committed to its China dairy business, this broadening will give the Company the flexibility to tap on strategic

investment opportunities in any of its core animal protein business, as well as in its China dairy business, as and when those opportunities arise.

Update on the use of IPO proceeds:

In line with the broader purposes for which the IPO proceeds may be used, the Company will be using US$10 million of the IPO proceeds for the working capital of its wholly-owned subsidiary, Annona Pte. Ltd. ("Annona"). Annona is the procurement arm for all of the Company's feedmills across Indonesia, Vietnam, Myanmar and India and trades in agricultural products such as corn and soybean meal, feed vitamins, animal protein meal and wheat products for the Group's animal feed production business.

Use of IPO Proceeds	Amount Allocated US$'000	Amount Utilised US$'000	Balance US$'000
Investment in our China dairy business and the construction of a second five farm hub in Inner Mongolia	53,016	53,016	-
Investment in our animal protein business in our target markets	14,000	14,000	-
Repayment or prepayment of borrowings, including the prepayment charges, of our Group	70,000	70,000	-
Investment, reduction of liabilities, working capital and general corporate purposes beneficial to the Group	36,984	10,000	26,984
Total	174,000	147,016	26,984

Utilisation of the remaining US$26.984 million will be announced as they take place.

By Order of the Board
Japfa Ltd

Tan Yong Nang
Executive Director and Chief Executive Officer

Date: 02 December 2015

Credit Suisse (Singapore) Limited and DBS Bank Ltd. were the joint global coordinators, joint issue managers, joint bookrunners and underwriters ("Joint Global Coordinators, Joint Issue Managers, Joint Bookrunners and Underwriters") for the Offering. The Joint Global Coordinators, Joint Issue Managers, Joint Bookrunners and Underwriters assume no responsibility for the contents of this announcement.