



JAPFA LTD

(Company Registration No. 200819599W)
(Incorporated in Singapore on 8 October 2008)
(the "Company")

DISTRIBUTION *IN SPECIE* TO ENTITLED SHAREHOLDERS OF THE COMPANY, OF SHARES IN AUSTASIA GROUP LTD. ("AAG") (LISTED ON THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG) HELD BY THE COMPANY, BY WAY OF CAPITAL REDUCTION

1. INTRODUCTION

The board of directors (the "**Board**") of Japfa Ltd. (the "**Company**") refers to:

- (a) the circular issued by the Company on 15 October 2022 (the "**Circular**"); and
- (b) the Company's announcements dated 5 January 2023 and 31 March 2023 (the "**Previous Announcements**").

Unless otherwise defined, all capitalised terms used in this announcement shall bear the meanings ascribed to them in the Circular and the Previous Announcements.

2. COMPLETION OF OPTIONS 1 TO 3

Entitled Shareholders who elected Options 1 to 3 in January 2023 should by now have received their AAG Shares through their Non-HK Brokerage, their HK Brokerage or in the form of a HK Share Certificate.

Entitled Shareholders who elected Option 3 but have yet to complete the administrative procedures in respect of their HK Share Certificate are reminded to contact the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. to do so.

3. COMPLETION OF SALE PERIOD FOR OPTION 4

The sale period for AAG Shares under Option 4 expired today (Wednesday, 31 May 2023). As of today, the Appointed Broker has sold an aggregate of 1,449,051 AAG Shares, with aggregate net proceeds equivalent to approximately S\$770,054¹. The number of shares sold is equal to the number of AAG Shares held by Overseas Shareholders² and odd-lot AAG Shares held by other Option 4 Shareholders.

Having regard to:

- (i) prevailing market conditions in the trading of AAG Shares;
- (ii) the necessity of returning cash to Overseas Shareholders due to potential restrictions under relevant foreign law; and
- (iii) the benefit to Option 4 shareholders in holding full board lots,

the Company does not propose to extend the sale period. Instead, the Company believes that it is in the interests of all Entitled Shareholders to utilise the net sale proceeds to satisfy:

¹ S\$ figure is computed based on an indicative exchange rate of HK\$1:S\$0.1723 as of 30 May 2023 and is shown for illustrative purposes only. The actual exchange rate used for the payment to Entitled Shareholders and the final actual S\$ net proceeds received by the Company from the Appointed Broker may differ from the above.

² As defined in the Circular, Overseas Shareholders refers to shareholders whose registered addresses appearing in the Register of Members of the Company or the depository register maintained by CDP (as the case may be) are outside Singapore as at the Record Date, and who have not at least three (3) Market Days prior to the Record Date, provided the Share Registrar or CDP (as the case may be) with addresses in Singapore for the service of notices and documents.

- (a) the AAG Shares of the Overseas Shareholders; and
- (b) the odd-lot entitlements of Option 4 Shareholders.

This will enable Option 4 Shareholders to receive cash for the odd-lots they hold (if any), and for the remaining entitlements to AAG Shares to be returned to Option 4 Shareholders in full board lots, especially since odd-lots trading may be illiquid and such trading may also incur a disproportionately higher brokerage cost than trading in board lots of AAG Shares.

The net proceeds from the sale of AAG Shares will therefore be paid to (i) Overseas Shareholders; and (ii) Option 4 Shareholders who hold odd-lots. Overseas Shareholders will receive their proportionate share of net sale proceeds through The Central Depository (Pte) Limited while Option 4 Shareholders (other than Overseas Shareholders) who have an odd-lot entitlement will receive a cheque in Singapore dollars for the net proceeds due from their odd-lot entitlements, which cheques are expected to be despatched in June 2023.

Option 4 Shareholders holding full board lot entitlements of AAG Shares will be able to instruct the Company on their preferred method of receiving their AAG Shares i.e., to nominate their Singapore or Hong Kong broker accounts, or to receive their AAG Shares in the form of a HK Share Certificate. These forms will be sent to Option 4 Shareholders as soon as practicable following the completion of administrative steps required both in Singapore and Hong Kong and expected to be in June 2023.

Shareholders with questions may contact the Company's Financial Adviser, DBS Bank Ltd., at dedicated line: +65 6878 8283 between 9.00 a.m. to 6.00 p.m. from Mondays to Fridays, excluding public holidays.

By Order of the Board

Japfa Ltd.

Tan Yong Nang

Executive Director and Chief Executive Officer

31 May 2023