



FEEDING EMERGING ASIA

CONTINUING TO DELIVER

Investor Presentation

FY2021

Japfa Ltd



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GROUP OVERVIEW



Group Overview



Feeding Emerging Asia



- Established in 1971
- 5 animal protein businesses in 5 countries
- Japfa Ltd's market capitalisation: approx. US\$0.9 billion¹
- FY2021 revenue: US\$4.6 billion



¹ As at 31 December 2021

Leading Pan-Asian Industrialised Agri-Food Company



WHAT WE DO

We produce quality protein staples, dairy, and packaged food that nourish millions of people



WHERE WE ARE

We employ over 40,000 people across Singapore, Indonesia, Vietnam, Myanmar, India and China



WHY WE DO IT

3 billion people living in our target markets
More than 40% of the world's total population

A leading pan-Asian, industrialised agri-food company dedicated to feeding emerging Asia with essential proteins

Vertically Integrated Business Across Entire Value Chain

Three Business Segments Five Proteins | Five Countries

Vertically Integrated Business Model

UPSTREAM

ANIMAL FEED PRODUCTION

BREEDING FARMS

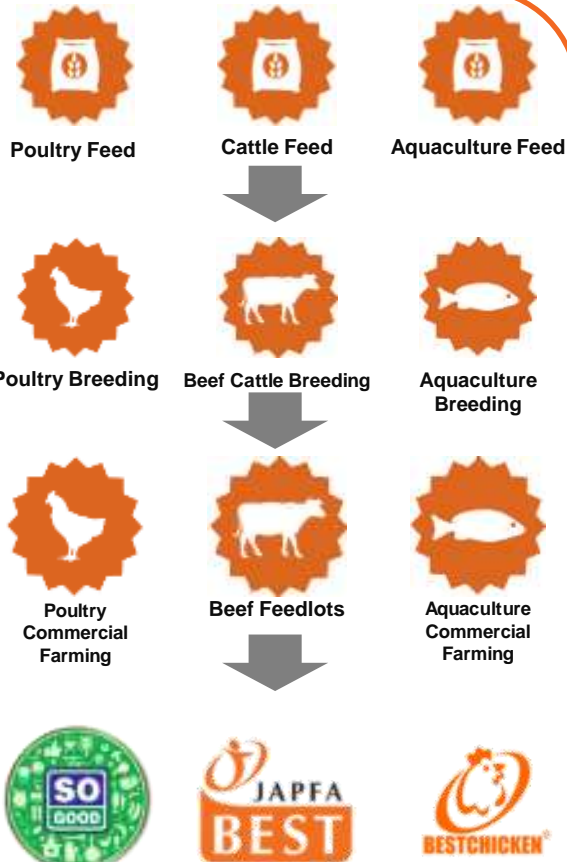
MIDSTREAM

MILKING & FATTENING FARMS

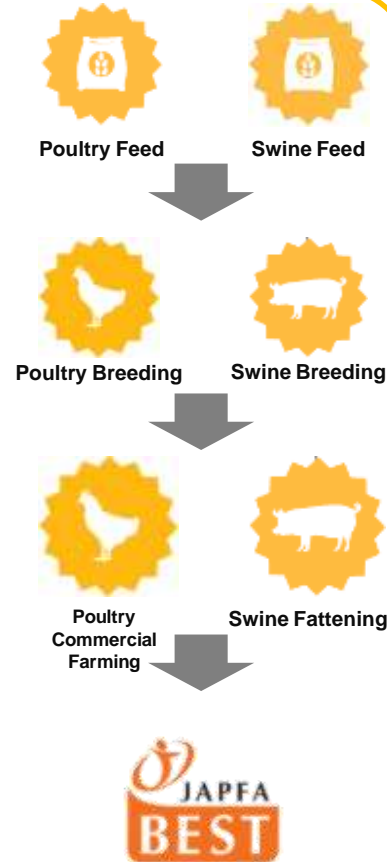
DOWNSTREAM

PROCESSING & DISTRIBUTION

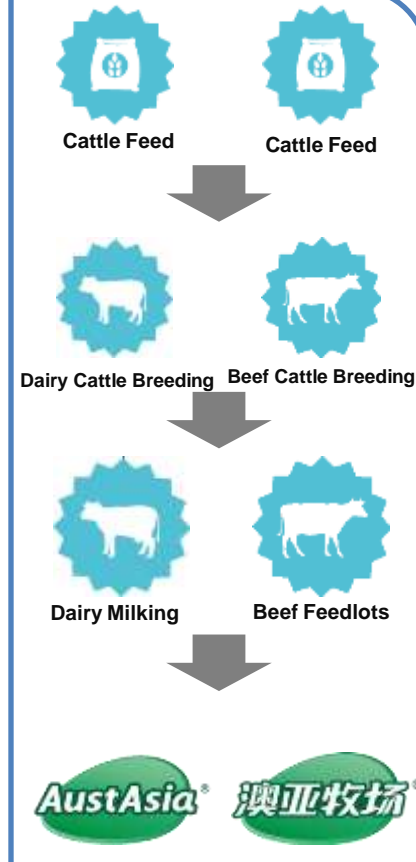
ANIMAL PROTEIN – PT JAPFA TBK
Indonesia



ANIMAL PROTEIN – OTHER
Vietnam | Myanmar | India



DAIRY
China



Japfa's Core Competencies

Industrialized approach to farming and food production

Vertically Integrated Business Model

UPSTREAM

ANIMAL FEED PRODUCTION

FEED

Enjoys economies of scale and an established network

BREEDING FARMS

LIVESTOCK FARMING

Strong livestock farming experience and expertise

MIDSTREAM

MILKING & FATTENING FARMS

DOWNSTREAM

PROCESSING & DISTRIBUTION

BRANDED CONSUMER FOODS

Future growth driver

CORE COMPETENCIES

LARGE SCALE

- Ability to manage mega-scale farming operations; over 40,000 employees across five countries
- Scale of the Group's animal feed business provides stability to group revenue and profitability

TECHNOLOGY

- JVs with leading genetics companies (Aviagen and Hypor) for superior breeds and genetics
- Advanced feed technology
- Combined with best farm management practices

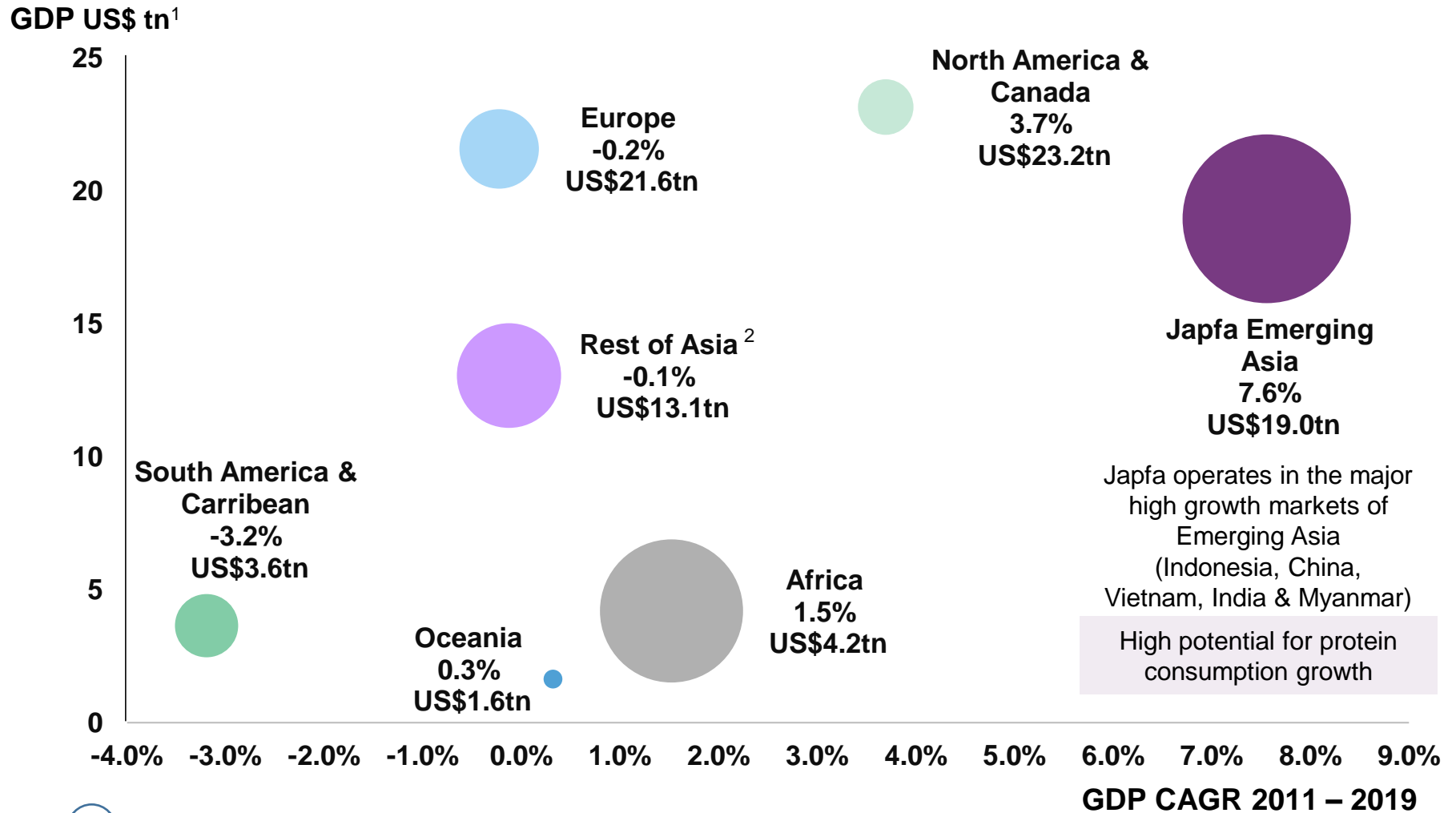
ANIMAL HEALTH

- Best in class bio-security using stringent operating procedures
- In-house vaccine production firm PT Vaksindo

STANDARDISATION AND REPLICATION

- Replication of best practices and infrastructure design across five protein groups and five countries
- Replication of farm design model in dairy farms, DOC breeding farms, feedmills, etc

Japfa's Emerging Asia: Market Growth



○ Circle size is a diagrammatic reflection of 2019 population



KEY HIGHLIGHTS



Key Highlights for FY2021

- Revenue rose 19.9% driven by higher sales volumes across all segments, exceeding the US\$4bn milestone for the first time
- PT Japfa Tbk recorded solid results in a difficult environment
- Dairy-China continues to deliver on strong raw milk prices and productivity
- APO-Vietnam performance impacted by Covid-19 strict lockdown and resurgence of ASF, affecting Group profits
- EBITDA remains above US\$500m
- A final dividend of 1.5 Singapore cents per share for FY2021 is proposed

Revenue
US\$4,636.4m
+19.9% y-o-y

Operating Profit
US\$331.9m
-8.8% y-o-y

Operating Profit Margin
7.2%
-2.7pts y-o-y

EBITDA
US\$533.9m
-21.8% y-o-y

PATMI
US\$118.8m
-63.1% y-o-y

Core PATMI w/o Forex
US\$132.7m
-32.1% y-o-y



Feed remains a pillar of profitability however high raw material costs are impacting margins



Poultry prices in Vietnam impacted by Covid-19 lockdowns

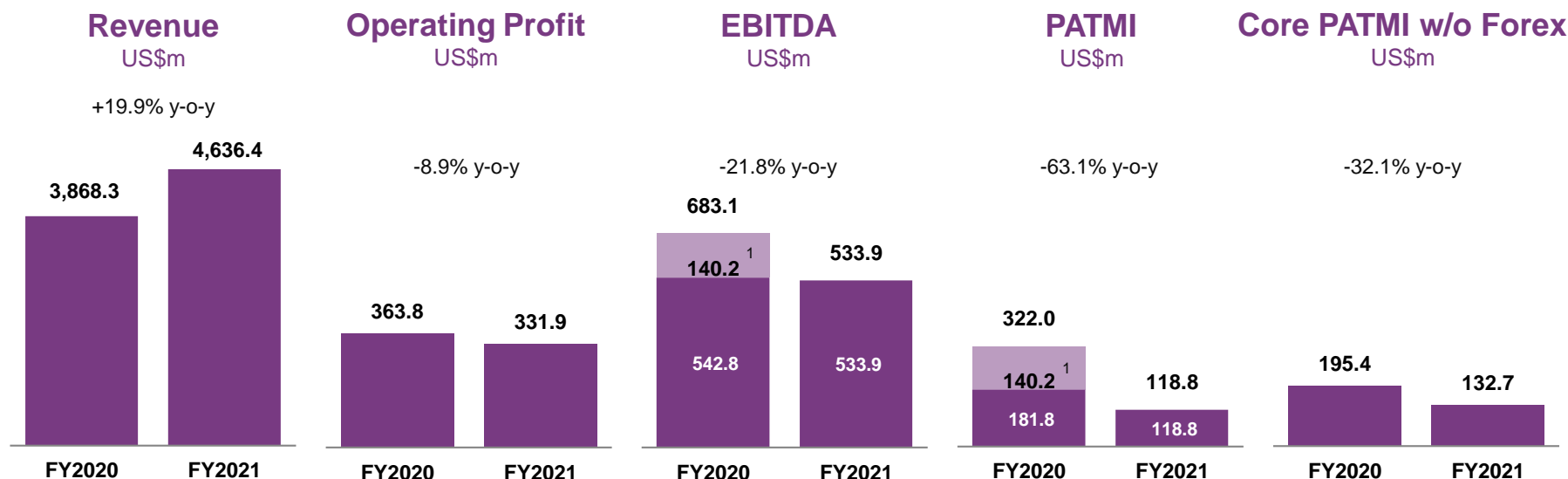


Swine fattening prices down in Vietnam due to Covid-19 lockdowns and ASF resurgence



Raw milk prices remain strong due to continuing supply shortage in China

FY2021 Group Financials



EBITDA in FY2021 remains stable despite Covid-19 impact

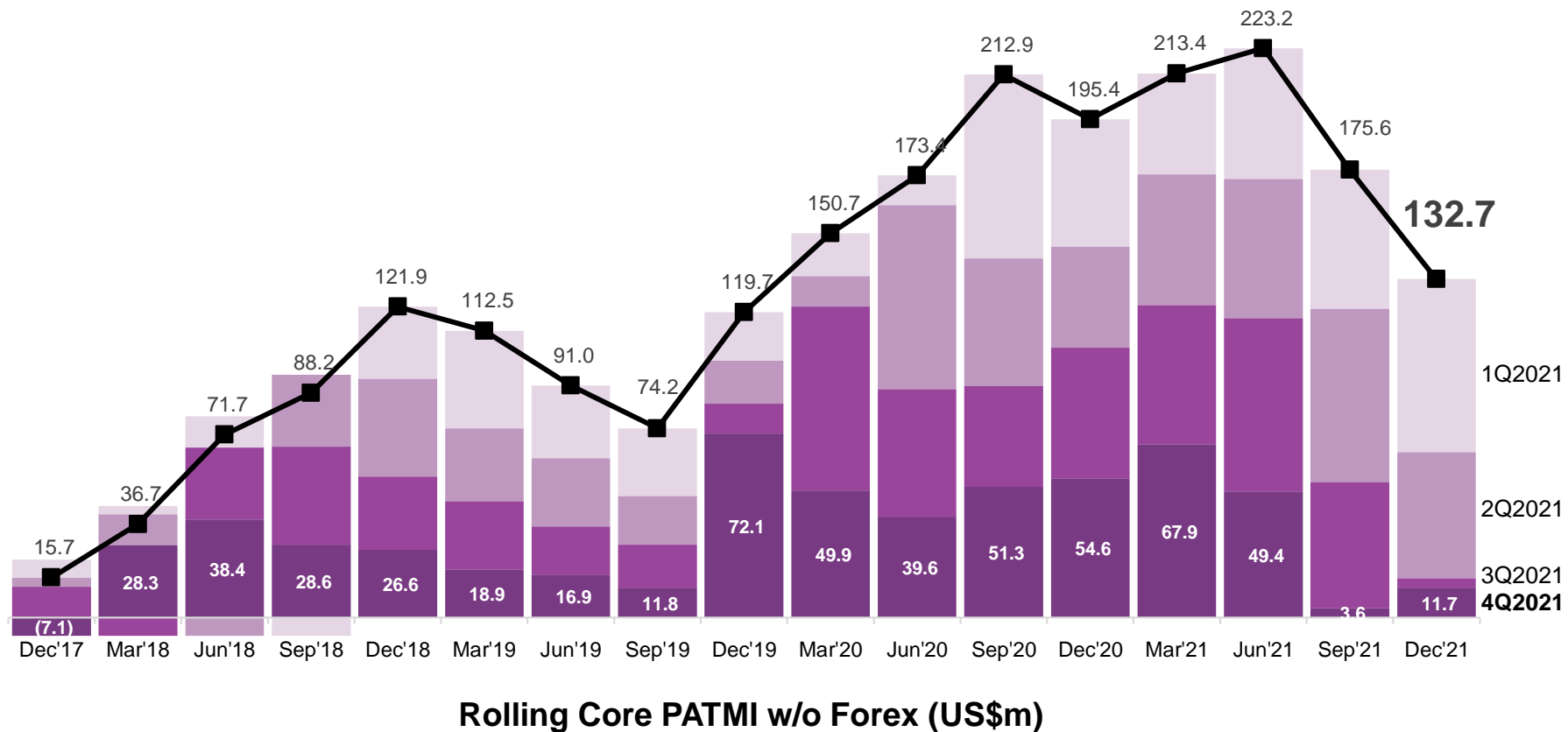
- For comparative purposes, if we exclude the once-off extraordinary gain in 2020¹, the FY2021 EBITDA of US\$534.2m remained fairly stable, with a drop of 1.6% from US\$542.8m last year
- Higher feed raw material costs tightened margins across our vertically integrated operations. At the same time, we managed to increase sales volumes across all segments. As such, the 19.9% increase in revenue helped mitigate the drop in profit margins
- APO recorded a negative PAT for the year due to Covid-19 movement restrictions and ASF, resulting in the drop in PATMI and Core PATMI w/o Forex
- PT Japfa Tbk: Posted solid results despite the negative impact of Covid-19 in 3Q2021 on the back of growth in sales volumes across the board
- APO: APO-Vietnam operations and profitability were impacted by the total lockdown imposed in 3Q2021 and the resurgence of ASF in 4Q2021
- Dairy: Revenue and profitability increased on the back of higher sales volumes and ASP of both raw milk and beef in China



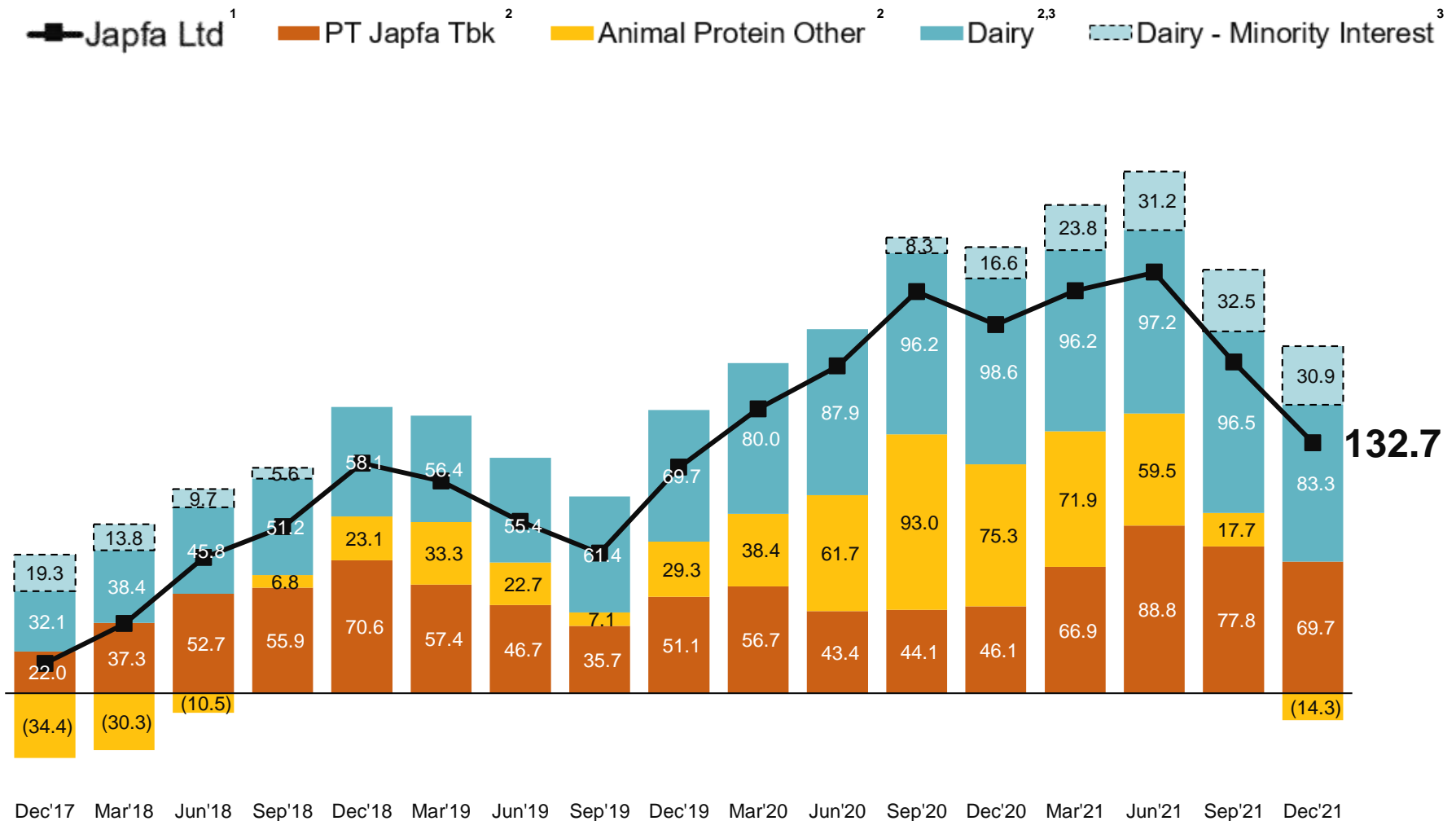
CORE PATMI w/o FOREX ROLLING BASIS



Rolling Core PATMI w/o Forex For The Group



Rolling Core PATMI w/o Forex by Business Segments





FY2021 FINANCIAL & OPERATIONAL ANALYSIS



FY2021 Segmental Overview

| GROUP | (US\$m) | FY2020 | FY2021 | %change |
|-----------|-------------------------|---------|---------|------------|
| Japfa Ltd | Revenue | 3,868.3 | 4,636.4 | 19.9% ▲ |
| | Operating Profit | 380.8 | 331.9 | -12.8% ▼ |
| | Operating Profit Margin | 9.8% | 7.2% ▼ | -2.7 pts ▼ |
| | EBITDA ¹ | 542.8 | 533.9 | -1.6% ▼ |
| | PAT ¹ | 231.3 | 212.7 | -8.0% ▼ |
| | PATMI ¹ | 181.8 | 118.8 | -34.6% ▼ |
| | Core PATMI w/o Forex | 195.4 | 132.7 | -32.1% ▼ |

| BUSINESS SEGMENTS | (US\$m) | | | |
|----------------------|-------------------------|---------|---------|-------------|
| PT Japfa Tbk | Revenue ² | 2,527.5 | 3,128.5 | 23.8% ▲ |
| | Operating Profit | 173.9 | 217.9 | 25.3% ▲ |
| | Operating Profit Margin | 6.9% | 7.0% ▼ | 0.1 pts ▲ |
| | EBITDA | 257.5 | 335.7 | 30.4% ▲ |
| | PAT | 77.3 | 140.7 | 82.0% ▲ |
| | PATMI | 45.2 | 72.7 | 61.0% ▲ |
| | Core PATMI w/o Forex | 46.1 | 69.7 | 51.3% ▲ |
| Animal Protein Other | Revenue ² | 796.0 | 939.6 | 18.0% ▲ |
| | Operating Profit | 98.0 | (0.6) | -100.6% ▼ |
| | Operating Profit Margin | 12.3% | -0.1% ▼ | -12.4 pts ▼ |
| | EBITDA | 127.3 | 35.0 | -72.5% ▼ |
| | PAT | 78.4 | (25.2) | -132.1% ▼ |
| | PATMI | 78.1 | (25.2) | -132.2% ▼ |
| | Core PATMI w/o Forex | 75.3 | (14.3) | -119.1% ▼ |
| Dairy | Revenue | 547.5 | 564.3 | 3.1% ▲ |
| | Operating Profit | 114.3 | 112.7 | -1.3% ▲ |
| | Operating Profit Margin | 20.9% | 20.0% ▼ | -0.9 pts ▼ |
| | EBITDA | 159.5 | 159.9 | 0.3% ▲ |
| | PAT | 103.7 | 104.6 | 0.8% ▲ |
| | PATMI | 86.5 | 78.6 | -9.1% ▼ |
| | Core PATMI w/o Forex | 98.6 | 83.3 | -15.5% ▼ |

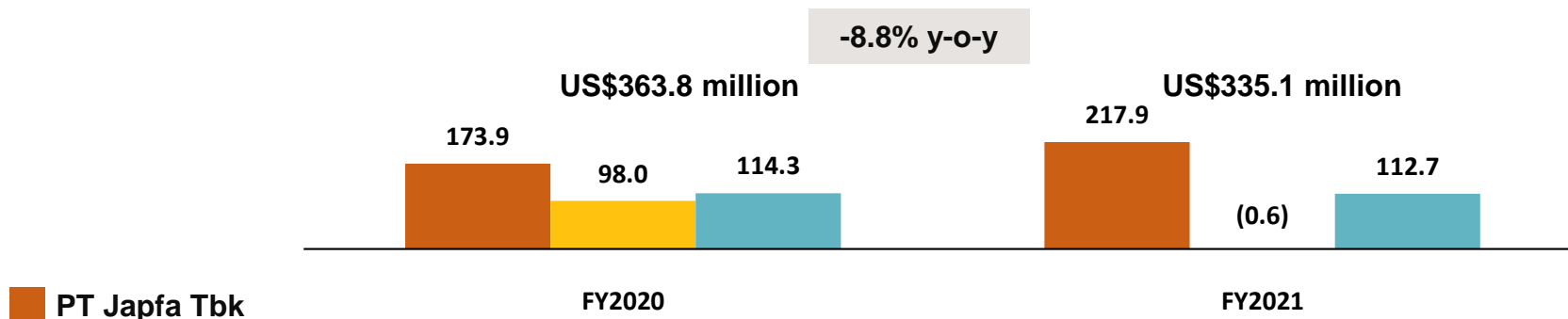
Japfa's Business Segments Attributable to Japfa Ltd

Group's diversification strategy is effective:

Dairy and PT Japfa Tbk performance buffered the weaker performance of APO in Vietnam

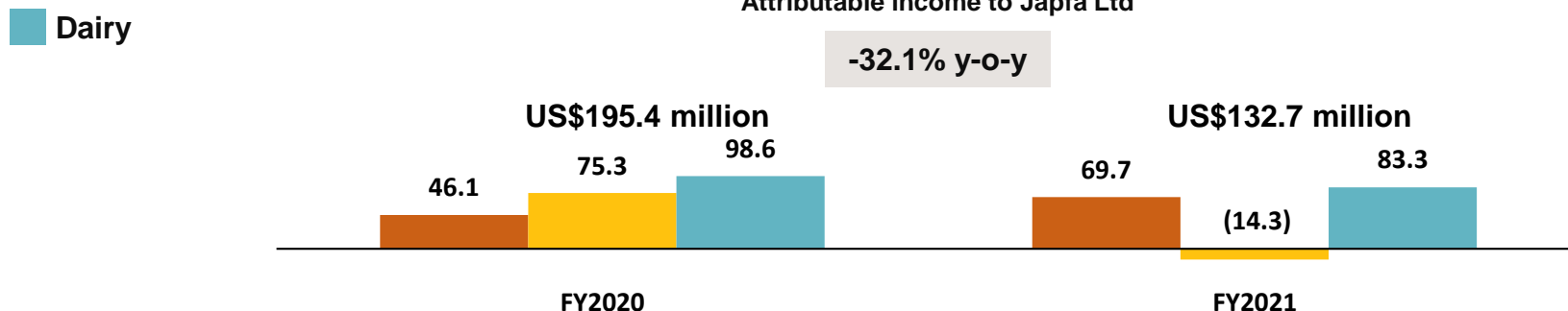
Operating Profit¹ (US\$ million)

Group financials on consolidated basis

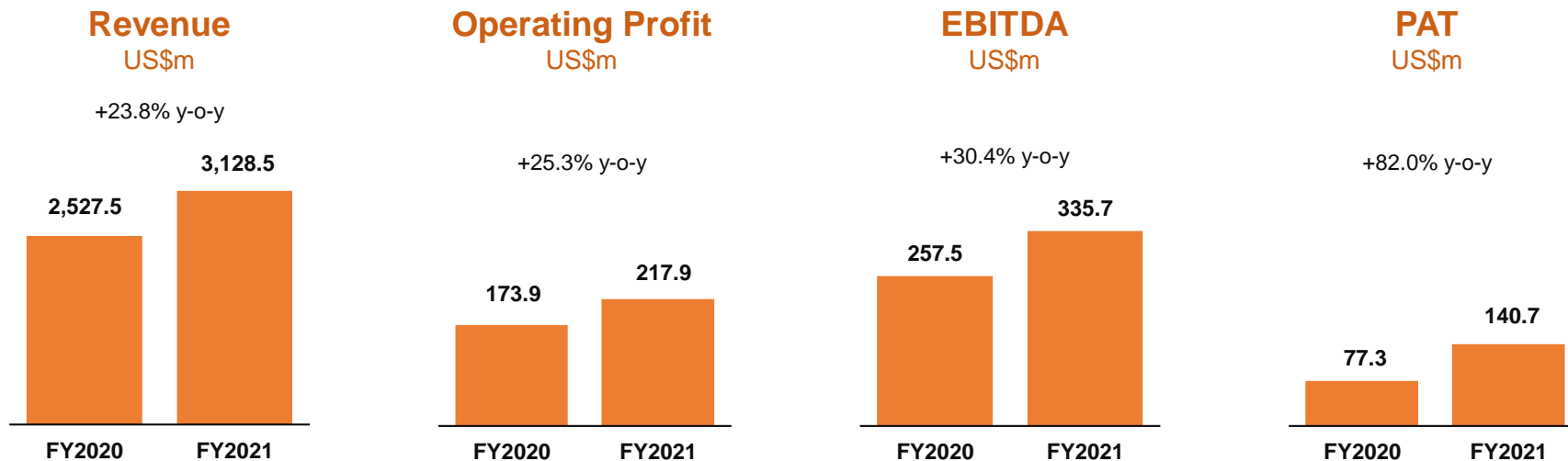


Core PATMI w/o Forex¹ (US\$ million)

Attributable income to Japfa Ltd



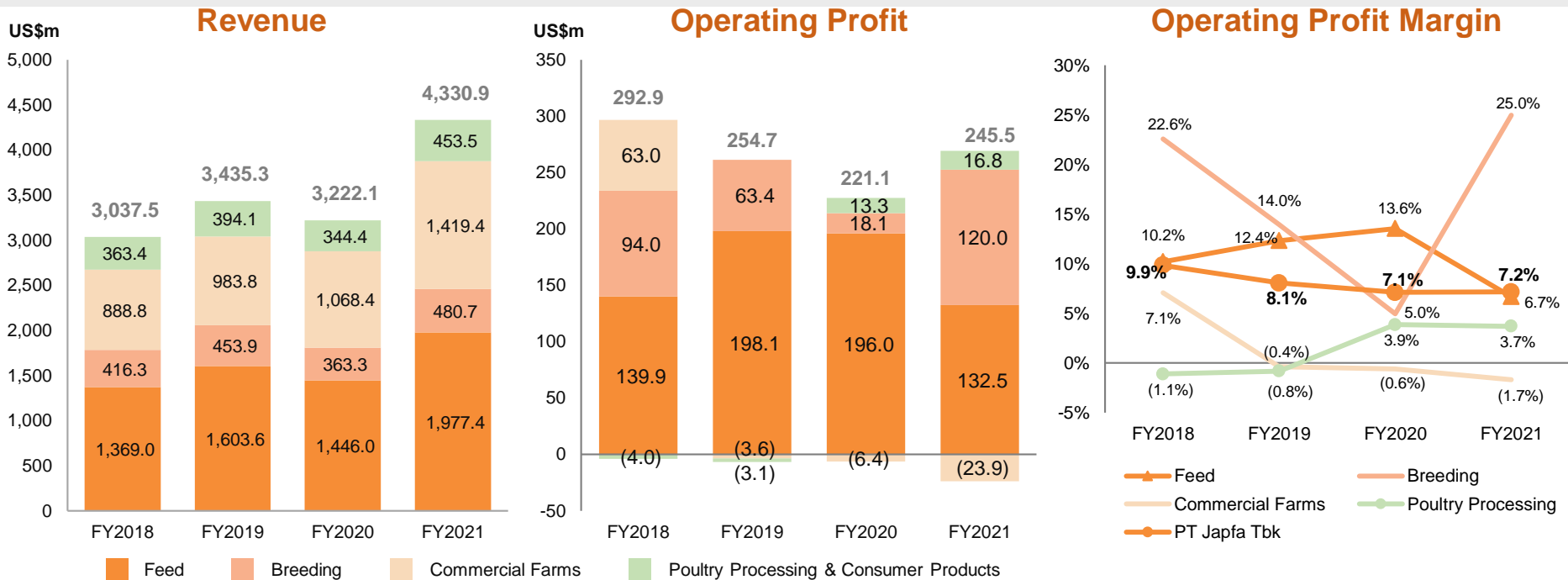
PT Japfa Tbk – Financial Performance



PT Japfa Tbk posted solid FY2021 results

- Revenue growth driven by higher sales volumes across the board
- Feed margins tightened due to high raw material prices and global shipping costs
- Although margins have tightened, profitability has improved on the back of strong growth in volumes
- Lockdowns in July 2021 due to the second wave of Covid-19 saw a closing of food stalls, restaurants and shopping malls. This brought to a significant drop in demand for poultry with broiler prices falling below cost in 3Q2021. As lockdowns eased, prices recovered in 4Q2021
- Throughout FY2021, Government continues its initiatives to balance supply and demand for poultry
- Despite the negative impact of Covid-19 in 3Q2021, PT Japfa Tbk posted 30% increase in EBITDA and 82% increase in PAT compared to FY2020

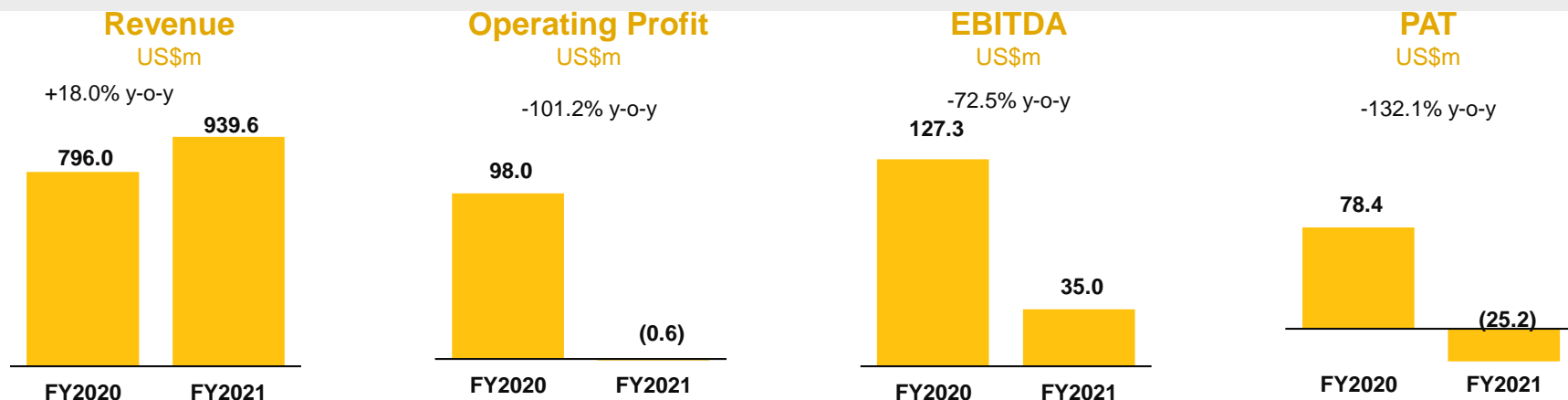
Segmental Trends: PT Japfa Tbk (Poultry)



Feed business continues to be a stable pillar of profitability in PT Japfa Tbk

- The poultry business (feed, breeding and commercial farms) represents the bulk of PT Japfa Tbk's revenue
- Operating profit in FY2020 decreased due to the low DOC and broiler price environment in 2Q2020 and 3Q2020 affected by Covid-19 related disruptions
- Operating profit remains steady despite weak results from commercial farming over the last 3 years. As we are vertically integrated, we can capture value at different points of the poultry supply chain
- We are able to generally pass on raw material costs increases in our feed selling prices, as reflected in our feed operating margins, even during the periods of Rupiah volatility and the poultry market downturn. In 2021, margins were impacted by higher raw materials prices and transportation costs globally
- In 2021, we recorded higher revenue on the back of higher sales volumes. Although margins have tightened, profitability has improved on the back of strong growth in volumes

APO – Financial Performance



EBITDA remains positive, despite negative impact of Covid-19 and ASF

Vietnam

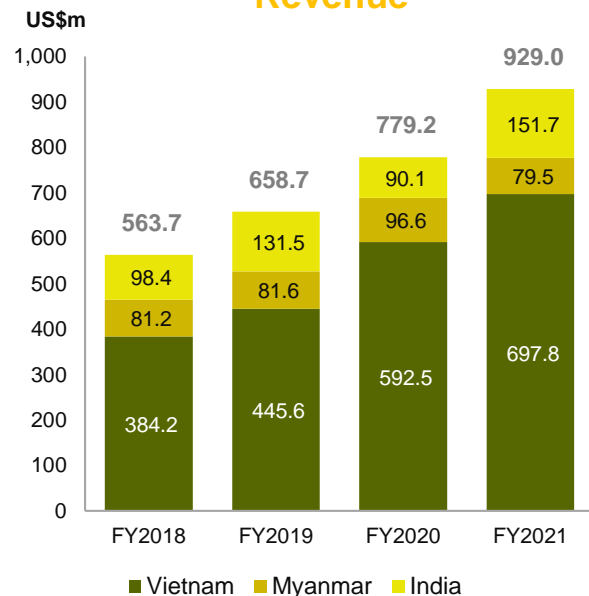
- The full lockdown in 3Q2021 severely affected demand and consumption of both pork and chicken
- Consumer demand for chicken dropped significantly due to the closure of canteens in factories and schools, where chicken is primarily consumed. In addition, supply chains were affected with wet markets and slaughterhouses closed, and movement across provinces limited
- ASF resurgence in 4Q2021 has increased our operational costs while at the same time swine fattening prices have dropped because of pre-emptive sales in the market. This contrasts with 2020, when prices were exceptionally high due to the supply shortage
- Feed margins tightened due to high raw material prices and global shipping costs. Feed however remains profitable and APO-Vietnam continues to deliver positive operating profit of US\$8.1m despite the weak performance from poultry and swine
- FY2021 recorded a negative PAT of US\$8.3m after bio-asset fair value loss of US\$5.2m due to lower swine prices

Myanmar

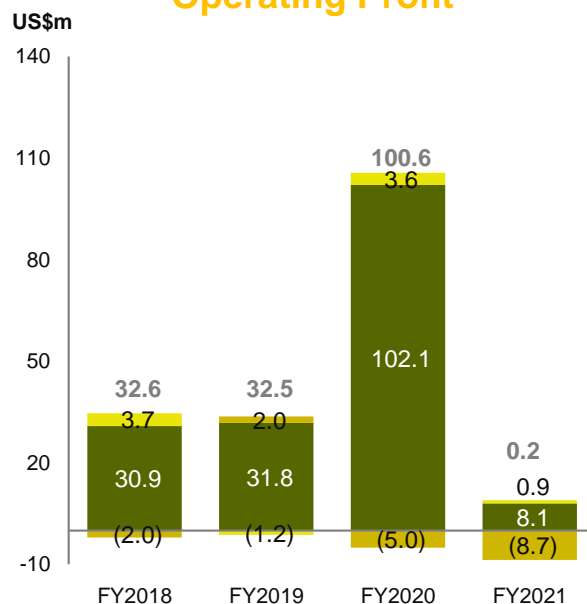
- APO-Myanmar saw an operating loss of US\$8.7m as DOC and broiler prices remained low due the impact of Covid-19 on demand for poultry and the political disruptions in the country. Management has introduced measures to control costs and adapt operations during this uncertain period
- FY2021 recorded a negative PAT of US\$17.8m, which includes a foreign exchange loss of US\$7.4m due to the depreciation of MMK
- As the political and Covid-19 situation is still evolving in Myanmar, the impact on the MMK currency, consumer demand and prices on our products going forward cannot be assessed with any certainty

Segmental Trends: APO

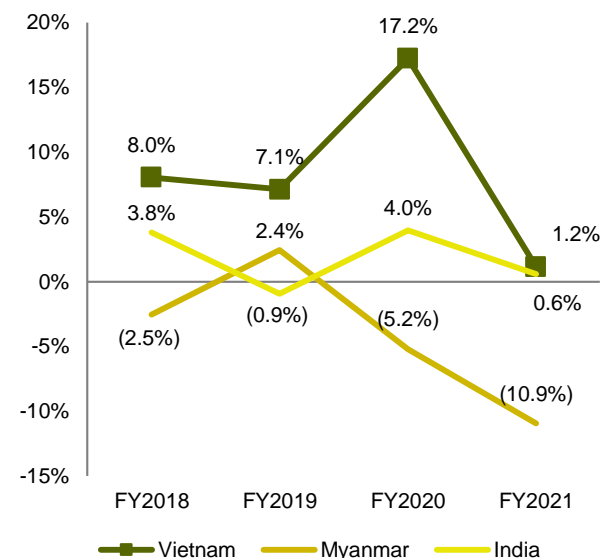
Revenue



Operating Profit



Operating Profit Margin

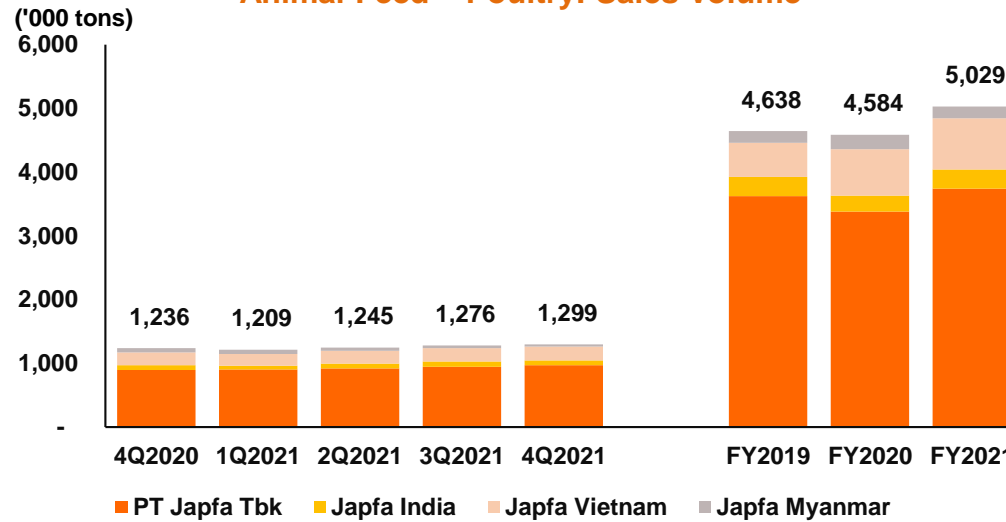


APO FY2021 profits affected by Covid-19 and ASF¹ in Vietnam, as well as disruptions in Myanmar

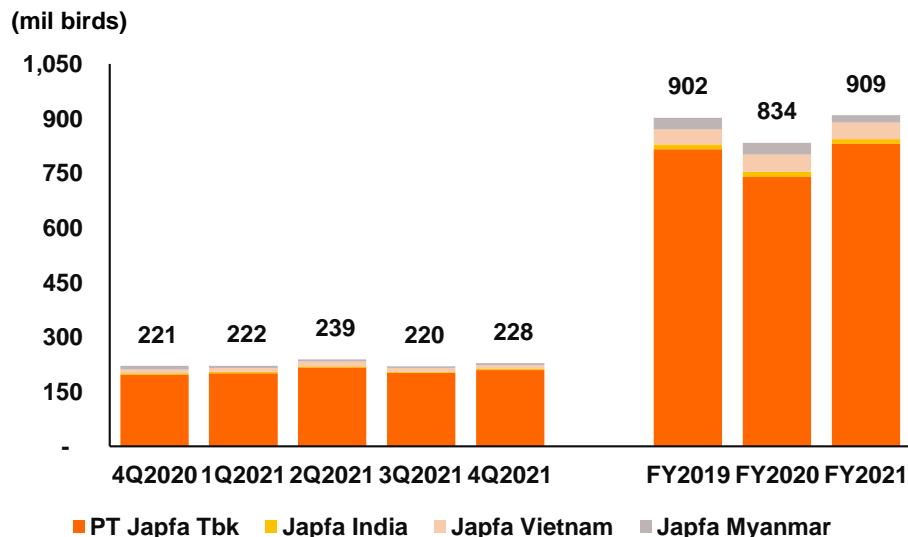
- In 2019, Vietnam was hit by ASF, which significantly reduced the total domestic swine population. With its stringent biosecurity, APO-Vietnam managed to minimize the negative effect of the ASF. Our strategy to build a swine breeding pyramid, starting from our own Great Grand Parent (GGP) farms, allows us to quickly replenish our swine breeding stock.
- In 2020, our full-year fattening volumes were maintained amid a swine population declining in Vietnam. This allowed us to take advantage of high ASPs. In addition, APO-Vietnam surpassed the 1-million-ton milestone in feed sales volume
- In 2021, consumer demand for staple proteins was dampened by strict lockdown measures in Vietnam due to Covid-19. This impacted prices of poultry and swine. Swine prices were also impacted by an ASF flare-up towards the end of the year. In addition, higher feed raw material costs tightened margins across our vertically integrated operations in Vietnam
- The political and Covid-19 disruptions since 2020 have impacted our APO-Myanmar operations
- APO-India is another key growth market in the longer term, and our current focus is on growing the feed business

Animal Protein – Operational Performance

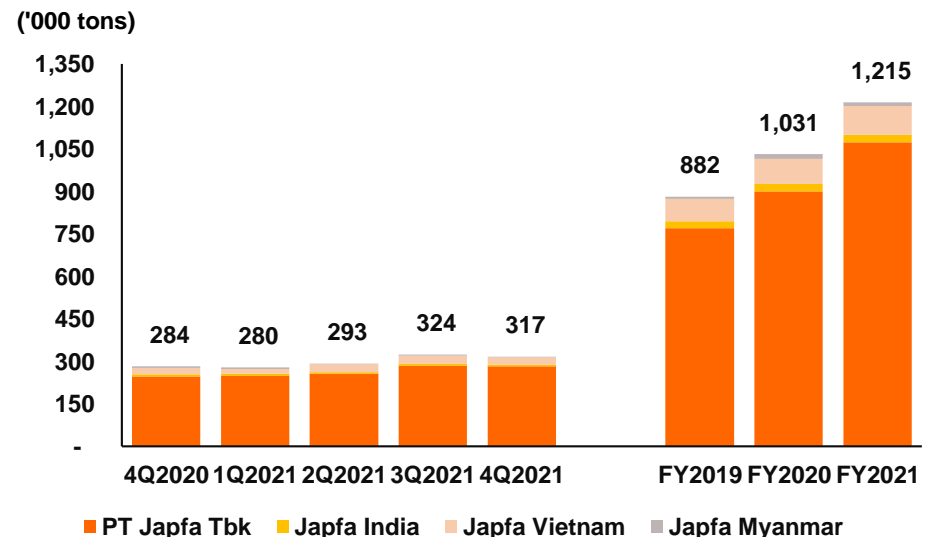
Animal Feed – Poultry: Sales Volume



DOC – Broiler: Sales Volume

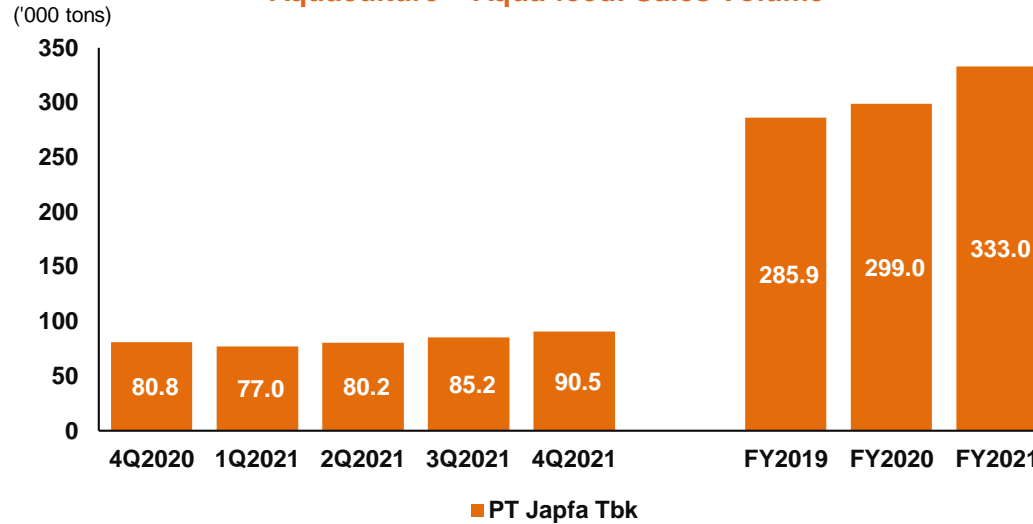


Commercial Farm – Live Birds: Sales Volume

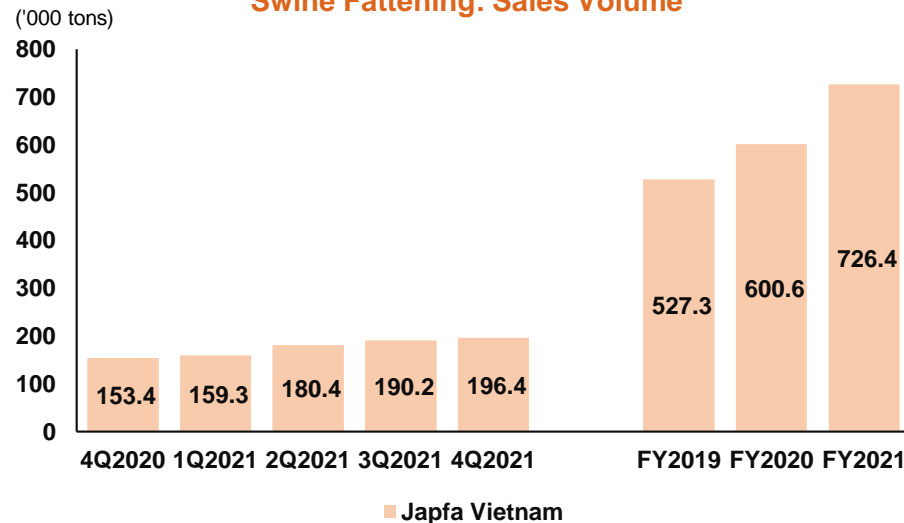


Animal Protein – Operational Performance

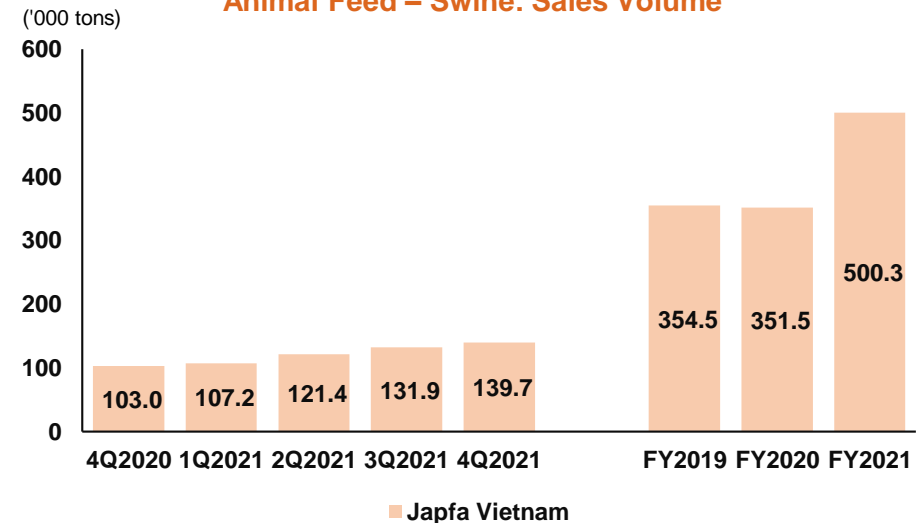
Aquaculture – Aqua-feed: Sales Volume



Swine Fattening: Sales Volume

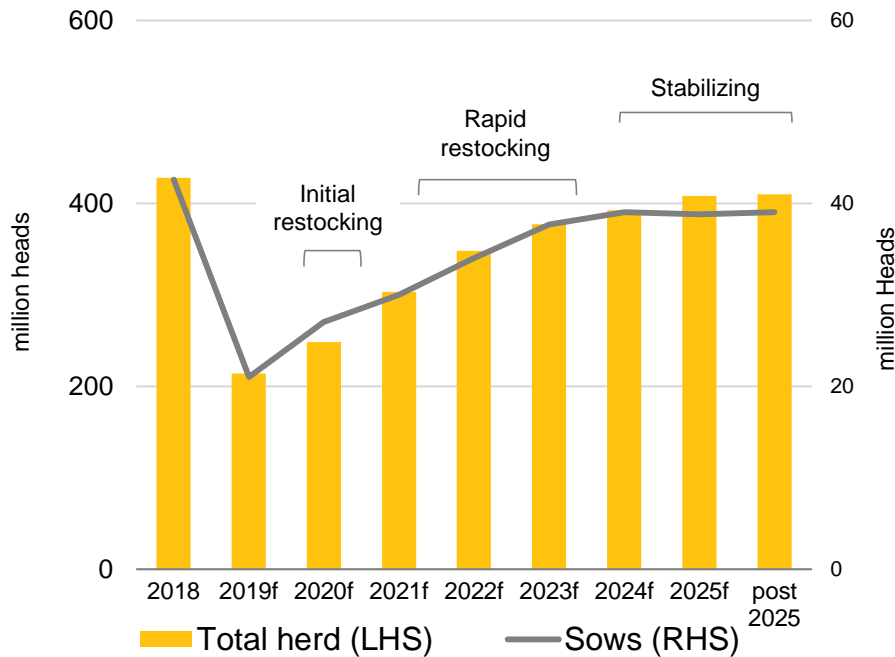


Animal Feed – Swine: Sales Volume



Swine Supply Shortage and Recovery

China Swine ASF Impact¹



Rabobank: “It will likely take around five years of restocking for the whole farming sector to recover.”²

As the pork supply progressively increases, we can expect the swine fattening price to decrease progressively

Japfa Vietnam Swine Operation

ASF has significantly reduced the total domestic swine population in Vietnam and the lack of supply has increased swine fattening ASPs

The producers in Vietnam market are restocking (similar to the Rabobank forecast) and the increased supply into the market is reducing swine fattening ASPs

Through our strong farm management and stringent biosecurity, the adverse effect of ASF on our swine population has been minimized

Our strategy to build a swine breeding pyramid, starting from our own Great Grand Parent (GGP) farms, allows us to replenish our swine breeding stock faster than the competition

As a result of our long-term expansion strategy, we can expect swine fattening volumes to progressively increase

With these strategic initiatives, APO-Vietnam has set a strong base for growth

APO-Myanmar Update

The consumer demand has been affected by Covid-19 and political situation

The economy of Myanmar now operates in cash

MMK has depreciated 34% from the start of the year. The MMK remains volatile and currency hedging is not available especially in this cash economy

Actions taken by local management to adapt to the current situation:

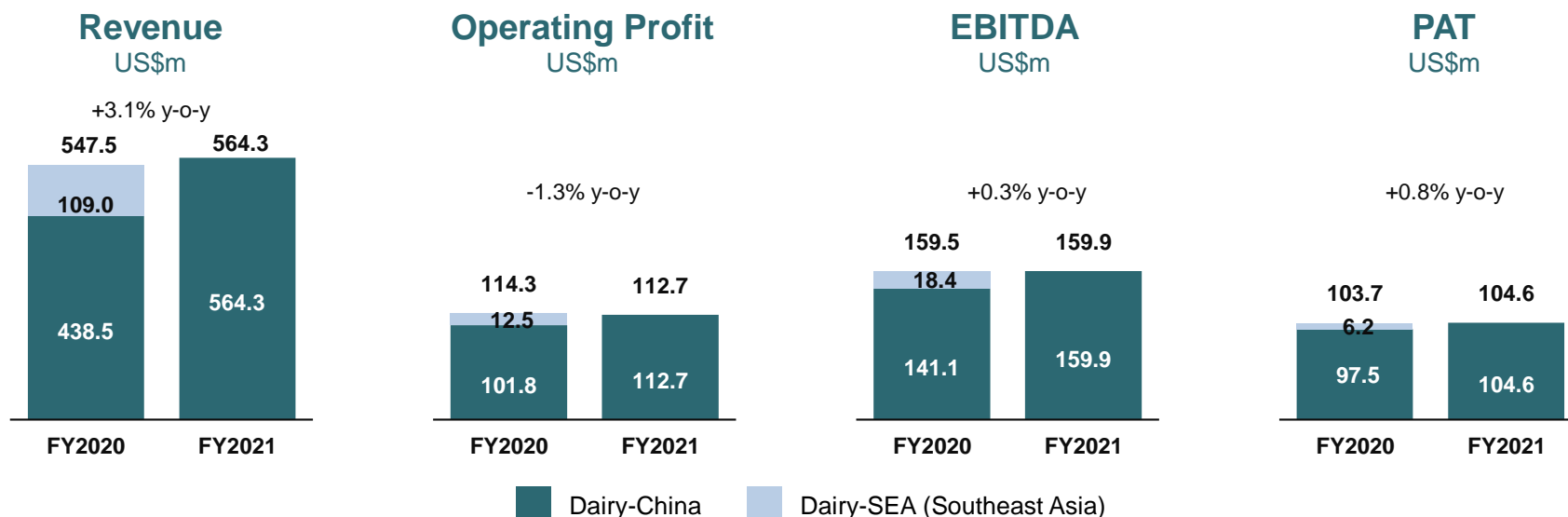
- Adjusting operating procedures to the new cash economy, including most sales and raw material purchases on cash terms
- Scaled down our feed and breeding operations to match the lower demand
- Sourcing raw materials from local suppliers in MMK as much as possible
- Adjusting our feed selling prices to accommodate rising raw material costs and currency depreciation
- Cost reduction initiatives, including labour

Our operations in Myanmar remain challenging and are expected to record losses during this uncertain period. The Group's business in Myanmar is not material, representing 2% of Group revenue and assets in FY2021

However, as we are in the business of supplying chicken, which is a staple and affordable protein food, the impact should be short-lived. Our operations in Myanmar continue to deliver staple food even during these uncertain times. We believe that our role as a major supplier of chicken will continue over the long term

We will continue to monitor the situation as it develops and will make an impairment provision on the fixed assets in Myanmar if and when necessary

Dairy – Financial Performance

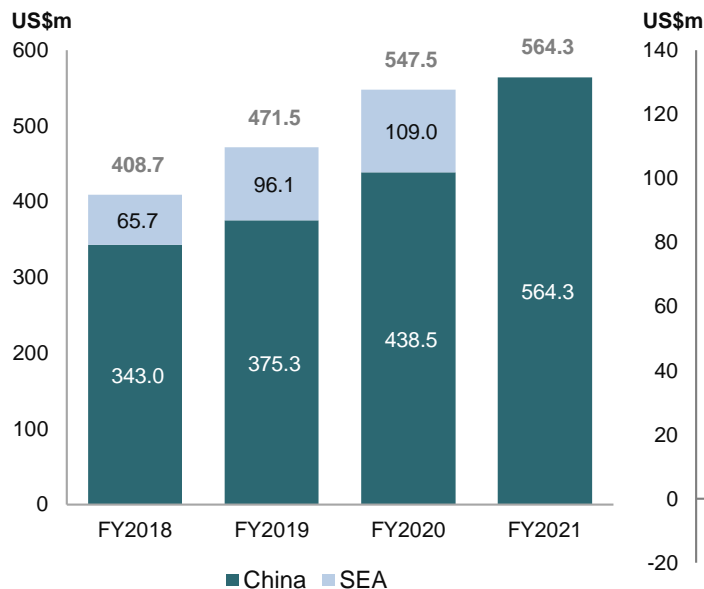


Higher revenue and profitability driven by sales volumes and ASPs

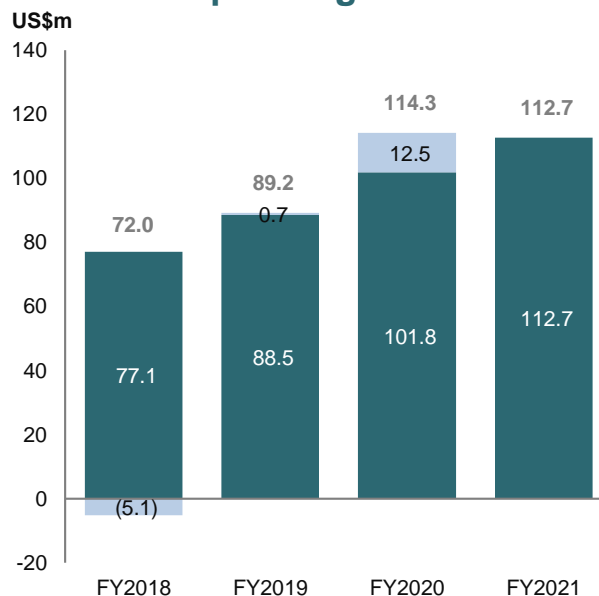
- FY2021 Revenue, Operating Profit, EBITDA, & PAT have matched the same levels of FY2020, even without Dairy-SEA (Greenfields) ¹
- Dairy-China revenue increased by 28.7% y-o-y with additional contribution from Farm 8 and the 2 newly acquired farms in Shandong
- Dairy-China revenue and profitability increased on the back of high sales volumes and ASP of raw milk
- Buoyant raw milk ASP mitigated rising global feed costs. Raw milk ASP remains strong due to supply shortage in the market, as the industry takes time to build new dairy farms and reach the “fully milking” stage
- PAT in FY2021 includes other income from the acquisition of the 2 Dairy farms in Shandong of US\$7.2m (recorded as negative goodwill, as the fair value of the fixed assets acquired is higher than the acquisition price). The fixed assets will be depreciated over their useful life
- Beef contributed US\$75.1m to the segment’s revenue and US\$14.9m to PAT on the back of higher sales volumes and ASPs

Segmental Trends: Dairy

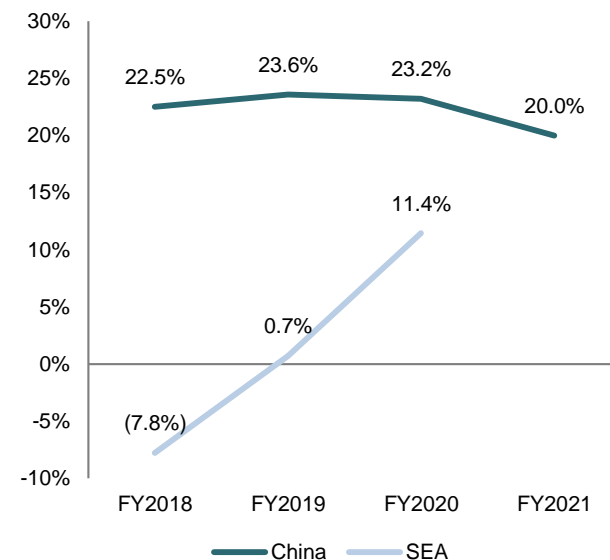
Revenue



Operating Profit



Operating Profit Margin

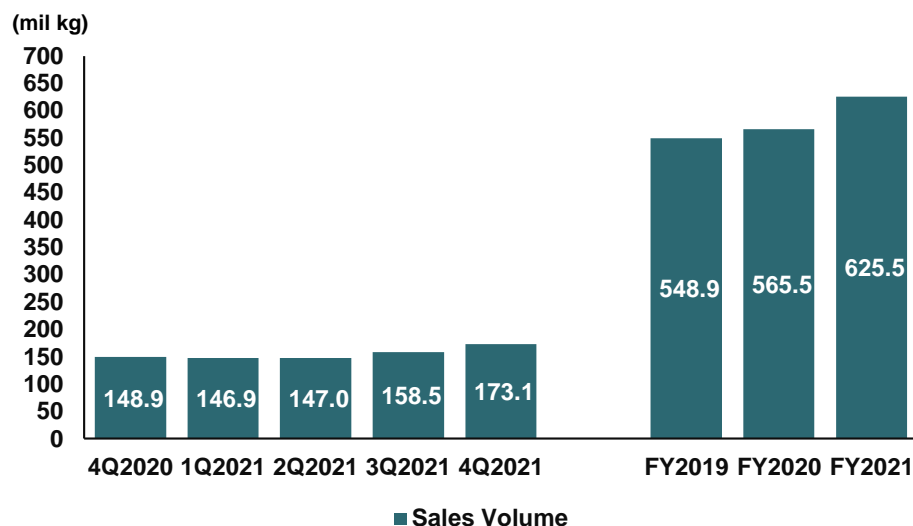


High raw milk price in China and our continued focus on productivity bode well for growth

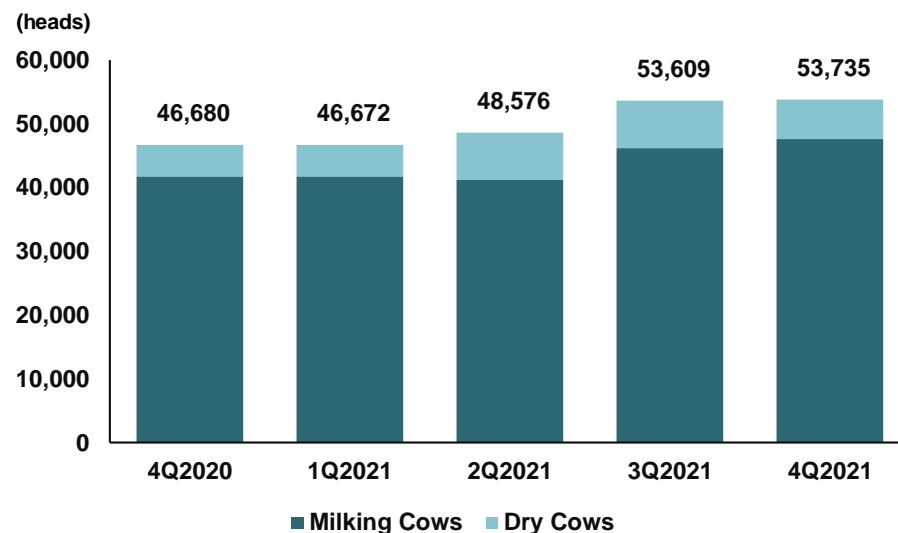
- In the past few years, we grew our Dairy segment in China by increasing our raw milk production with new farms as well continuous improvements in our milk yields, on the back of our industrialised business model. In FY2020, ADM surpassed 40kg/day/head
- China raw milk prices have gained upward momentum since 2H2019 due to a shortage in milk supply in the market, driving profitability for the Dairy segment. The strong raw milk price environment is expected to stay over the medium term as it takes time for the industry to build new dairy farms and reach the “fully milking” stage, except for any unforeseen fallout that could arise from the coronavirus outbreak
- In December 2020, Japfa sold its Dairy business in South East Asia (“Dairy-SEA”). Accordingly, from 1 January 2021 equity accounting will be applied for the 20% stake retained
- In FY2021, we continue to grow our dairy segment with the acquisition of two farms in Shandong. In addition, we also forged new strategic partnerships with Chinese food and beverage companies
- FY2021 Revenue, Operating Profit, EBITDA, & PAT have matched the same levels of FY2020, even without Dairy-SEA (Greenfields) ¹

Dairy-China – Operational Performance

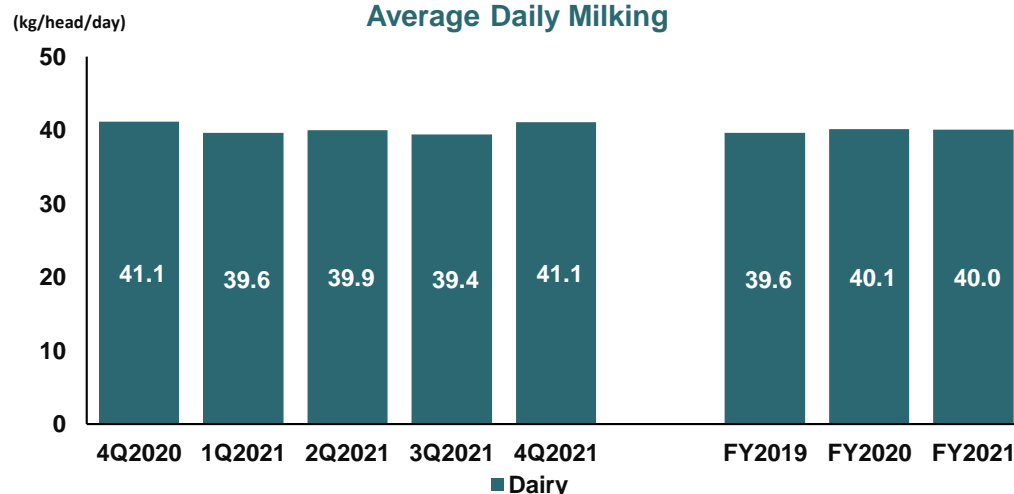
Raw Milk: Sales Volume



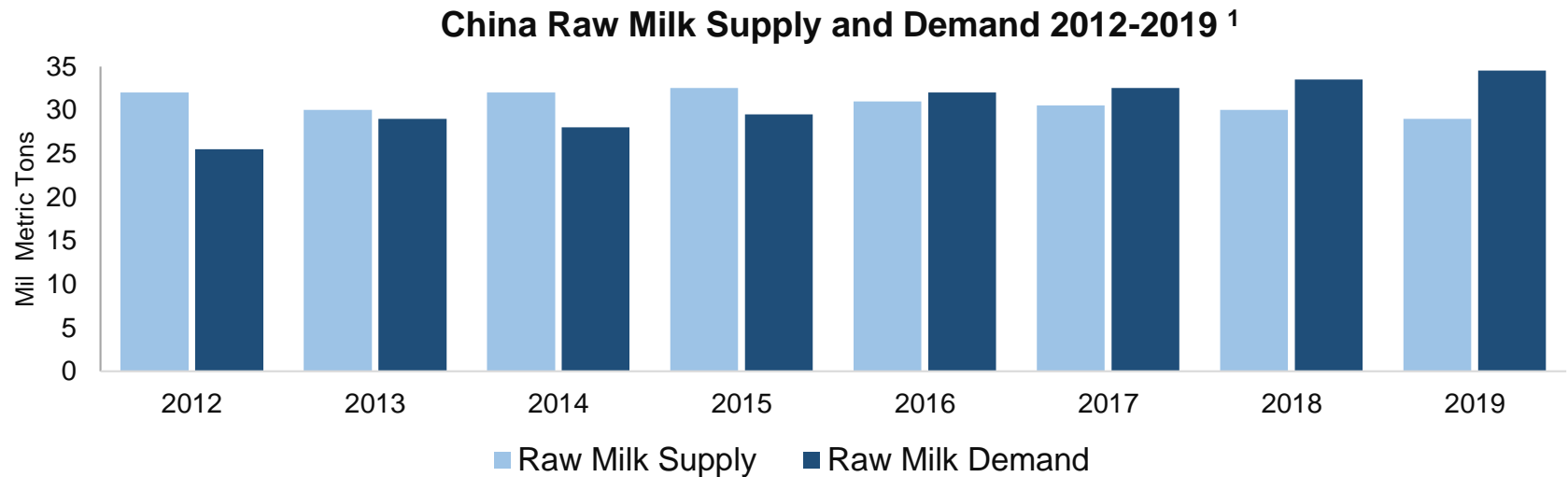
Milkable cows¹



Average Daily Milking



China's Raw Milk Supply Remains in Shortage as Demand Continues to Grow



Moody's 2019 ²:

“Domestic demand for raw milk is growing, while supply continues to decline, as small milk farms are closing due to rising feed costs and higher environmental spending required by the Chinese government”

UOB KayHian 2020 ³:

“According to China Modern Dairy (CMD) management, the raw milk shortage may last for another 2-3 years as more and more independent dairy farmers give up cow-raising.”

Rabobank 2020 ⁴:

“Gap between domestic supply and demand is unlikely to close over the medium term”

Forging Strategic Partnerships

Japfa's dairy segment ("AustAsia") forges new strategic partnerships as part of its plans to grow into the largest independent raw milk producer in China

Genki Forest (5%) & Honest Dairy (2.5%)

As at 30 September 2021, these transactions were completed

New Hope Dairy (5%)

As at 31 December 2021, this transaction was completed

Overview

Genki Forest, Honest Dairy and New Hope Dairy are growing Chinese food and beverage companies and existing customers of AustAsia, with strong potential for future growth. These transactions will allow AustAsia to team up with premium Chinese downstream players as shareholders. In addition, the milk supply agreements entered in connection with the transactions, will provide a steady revenue stream into the future

The aggregate consideration of US\$146.0 million arising from the proposed aggregate sale of 12.5% of AustAsia to Genki Forest, Honest Dairy and New Hope Dairy, implies a 100% equity value of US\$1,168 million for AustAsia

In July 2020, Meiji came on board as a strategic partner with a 25% equity stake. After the closing of the transactions with Genki Forest, Honest Dairy and New Hope Dairy, Japfa Ltd will remain the single largest and controlling shareholder with a 62.5% stake, in line with the Group's strategy of diversifying the shareholder base of AustAsia with strategic investors, while maintaining AustAsia's independence and management control

Dairy Farming Expansion in China

The acquisition of two state-of-the-art dairy farms in Shandong is an important step in the execution of the Group's strategy to become the leading independent raw milk producer in China

- The acquisition of two dairy farms, with a total capacity of 16,000 heads of cattle, allows us to expand capacity in a shorter time compared with building new farms from scratch
- This enables us to accelerate the expansion in the dynamic Chinese dairy market, where the demand for quality and healthy dairy products is expected to increase, and take advantage of the favourable raw milk price environment due to the current supply shortage in the market
- The farm design and construction match our standards
- The farms are strategically located in Shandong Province, which places them in close proximity with our Hub 1 farms, with benefits from operational synergies and the sharing of infrastructure
- Expansion in Shandong Province, which is one of the most suitable Chinese provinces for dairy production, is becoming more difficult due to increasing lack of available space
- The final purchase consideration is US\$123.5 million, funded by bank financing
- The Transaction was completed on 30 June 2021 and we took control over the operations of the farms from 1 July 2021
- An assessment of the fair value of the fixed assets acquired was conducted post-completion. The fair value is higher than the acquisition price by US\$7.2m which is recorded as negative goodwill, under other income. The fixed assets will be depreciated over their useful life



MAJOR GLOBAL EXTERNAL FACTORS



Major Global External Factors

Major global factors we are facing at the start of 2022:

- Geopolitical tensions, especially the recent developments between Russia and Ukraine, may disrupt global economies, supply chains and commodities prices. This may impact the cost of raw materials and consumer purchasing power
- Global inflationary pressures arising from expectations of interest rate hikes by central banks, supply chain bottlenecks and soaring production costs, are threatening to put upward pressure on prices and ultimately affecting consumer purchasing power
- The Covid-19 pandemic continued into its third year, and recovery appears unpredictable and uneven among countries

Covid-19 Impact

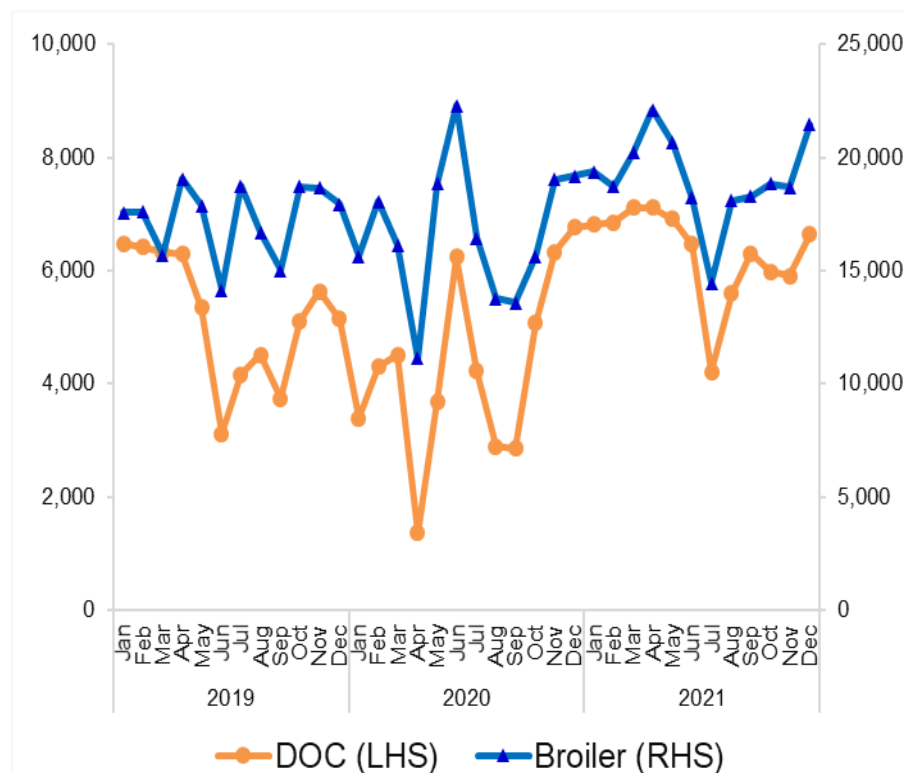
Operations and supply chain

As Japfa supplies about 20-25% of animal protein foods in many countries where we operate, we play an essential role in supplying staple foods. As such, the impact of Covid-19 on our operations has not been material and we continue to run our farms and feed mills safely. However recent disruptions in global logistics translated into higher costs of raw materials

Demand - Poultry Indonesia

- In April 2020, broiler and DOC² prices dropped to one of the lowest levels since Japfa Ltd IPO in 2014. This was mainly due to lower demand caused by Covid-19
- Lockdown in 3Q2021 due to the second wave of Covid-19 caused closing of food stalls, restaurants, shopping malls, etc., and reduced consumer purchasing power, particular in the low and middle-income band
- This resulted in a huge drop in demand for chicken, causing broiler prices to plunge below cost in 3Q2021
- Continued government initiatives to manage demand and supply of DOC helped stabilise poultry prices

Average Monthly Prices of Broiler & DOC¹



Covid-19 Impact

Demand - Poultry and Swine Vietnam

- Vietnam managed to contain Covid-19 since the pandemic started. However, in 3Q2021 the country was hit by its worst wave of Covid-19 infections, starting in the North and spreading to the South
- Total lockdowns were imposed with strict movement control and social restrictions, including the closure of offices, factories, schools and food markets
- These measures severely dampened demand for staple proteins
- Chicken consumption was particularly affected as it is a low-cost protein typically served in canteens of factories and schools, which were shut down. This severely impacted demand for poultry which dragged selling prices below cost, resulting in a significant loss in our poultry operations
- Swine prices in 2021 were lower compared to 2020 when the prices were exceptionally high due to supply shortage caused by ASF. The lockdown in 3Q2021 has added further downward pressure on swine prices
- The restrictions imposed to curb Covid-19 infections impacted the economy, registering its sharpest contraction in 3Q2021¹ since records started
- As the Covid-19 situation is still evolving in Vietnam, the impact on consumer demand cannot be assessed with any certainty. Swine and poultry prices may take some time to stabilise especially with a two-speed recovery between the North and South of the country, as movement restrictions are progressively lifted

Demand - Dairy China

- The Covid-19 impact in China on demand for raw milk has been minimal so far

Concluding Remarks

- Covid-19 remains an unpredictable event that could impact logistics, distribution and demand in any of our markets at any time. Movement restrictions affect consumers' purchasing power, especially in the low income band in emerging economies, dampening demand and impacting selling prices of our products
- Geopolitical tensions arising in 2022 could also impact global supply chains, the cost of raw materials and consumer's purchasing power. At this stage the potential impact on our business is unpredictable
- On the back of a business model and a strategy that are built to handle market's challenges and cyclicity, Japfa was able to continue to deliver during difficult times.
- Japfa focuses on being one of the most efficient animal protein producers in each of the countries in which it operates. Efficiency is achieved from large-scale operations, use of technology to raise productivity, and being one of the lowest cost producers in the region

We have been able to continue to produce safe and affordable proteins (even during Covid-19) on the strength of our three key strategies:

Industrialised Business Model, Large-scale and vertical integration

Diversification Across 5 Proteins, 5 Countries

Prudent Growth

Riding Through Cycles

We remain confident in our long-term outlook as we have set a solid foundation for future growth, based on the prospects for protein consumption in emerging Asia

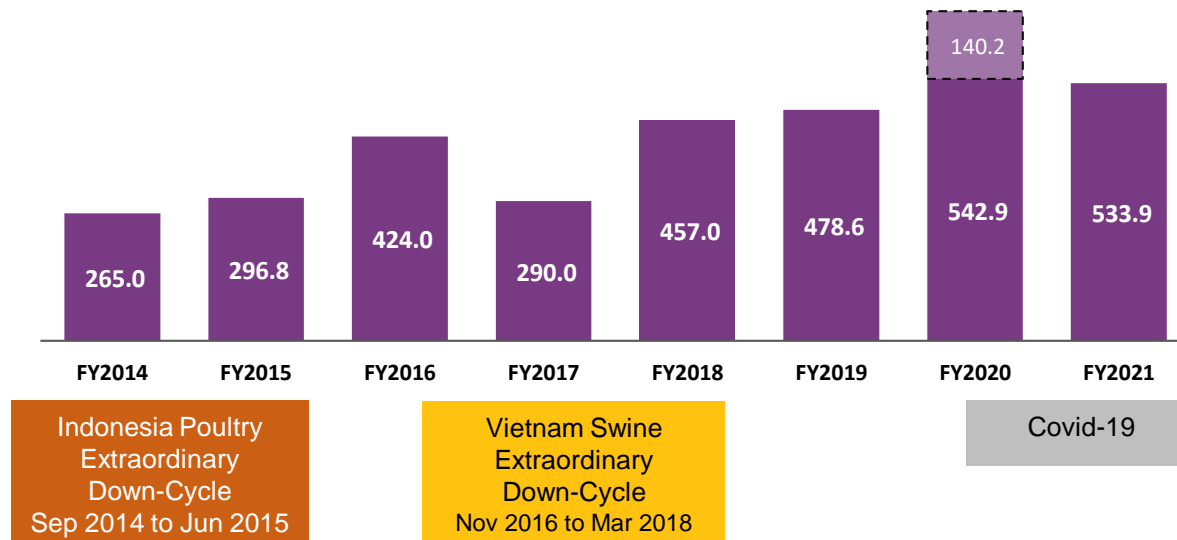
By being one of the most efficient and lowest cost producers, Japfa is able to ride through major down-cycles

Japfa Ltd has gone through 3 major down-cycles:

1. Indonesia Poultry
2. Vietnam Swine
3. Covid-19

Despite these major down-cycles, Japfa Ltd managed to deliver healthy EBITDA each year

Japfa Ltd - EBITDA





OTHER FINANCIAL HIGHLIGHTS



Other Financial Highlights

| Balance Sheet Highlights (US\$m) | As at 31 Dec 20 | As at 31 Dec 21 | % change |
|---|--------------------|--------------------|------------|
| Total Assets | 3,667.9 | 4,307.9 | 17% |
| Cash and cash equivalent | 224.7 | 320.6 | 43% |
| Total Inventory | 787.9 | 1,120.8 | 42% |
| - Inventory (excluding fattening livestock) ¹ | 599.1 | 867.5 | 45% |
| - Inventory - Fattening Livestock ² | 188.9 | 253.3 | 34% |
| Total Liabilities | 1,705.9 | 2,161.4 | 27% |
| Total Debt | 1,164.1 | 1,596.5 | 37% |
| - Loan and borrowings | 1,001.1 | 1,308.9 | 31% |
| - Lease liabilities | 163.0 | 287.6 | 76% |
| Total Equity | 1,962.0 | 2,146.5 | 9% |
| Equity attributable to the Owners of the Parent ³ | 1,419.7 | 1,427.0 | 1% |
| Key Ratios | | | |
| Net Debt / Equity Ratio (x) | 0.5 | 0.6 | |
| Net Debt (w/o lease liabilities) / Equity Ratio (x) | 0.4 | 0.5 | |
| Inventory Turnover days [*] | 94.2 | 105.1 | |
| NAV per share (US\$) | 0.70 | 0.70 | |
| NAV per share (S\$) | 0.93 | 0.95 | |

1. The 45% increase in inventory (excluding fattening livestock) is mainly due to (i) higher feed raw material costs throughout; and (ii) higher feed sales volumes in PT Japfa Tbk and APO-Vietnam in 2021
2. The 34% increase in inventory fattening livestock is mainly due to swine fattening in Vietnam
3. Equity attributable to the Owners of the Parent increased by US\$7.3m mainly as a result of (i) FY2021 PATMI of US\$118.8m; (ii) a gain of US\$49.4m from the sale of the 12.5% stake in Dairy-China recorded in Equity; and (iii) dividends paid in 2021 of US\$166.2m (special interim dividend of S\$0.10 and final dividend of S\$0.01)

Net Debt Profile

| | PT Japfa Tbk | Animal Protein Other | Dairy | Others | Total |
|--------------------------|------------------|-------------------------|------------------|------------------|--------------|
| Bonds & other term loans | 618 ¹ | 44 | 242 ³ | 0 | 904 |
| Working capital loans | 92 ² | 146 | 26 | 141 | 405 |
| Total Debt | 710 | 190 | 268 | 141 | 1,309 |
| Cash | 76 | 60 | 23 ³ | 161 ⁴ | 321 |
| Net Debt | 634 | 130 | 245 | (20) | 988 |

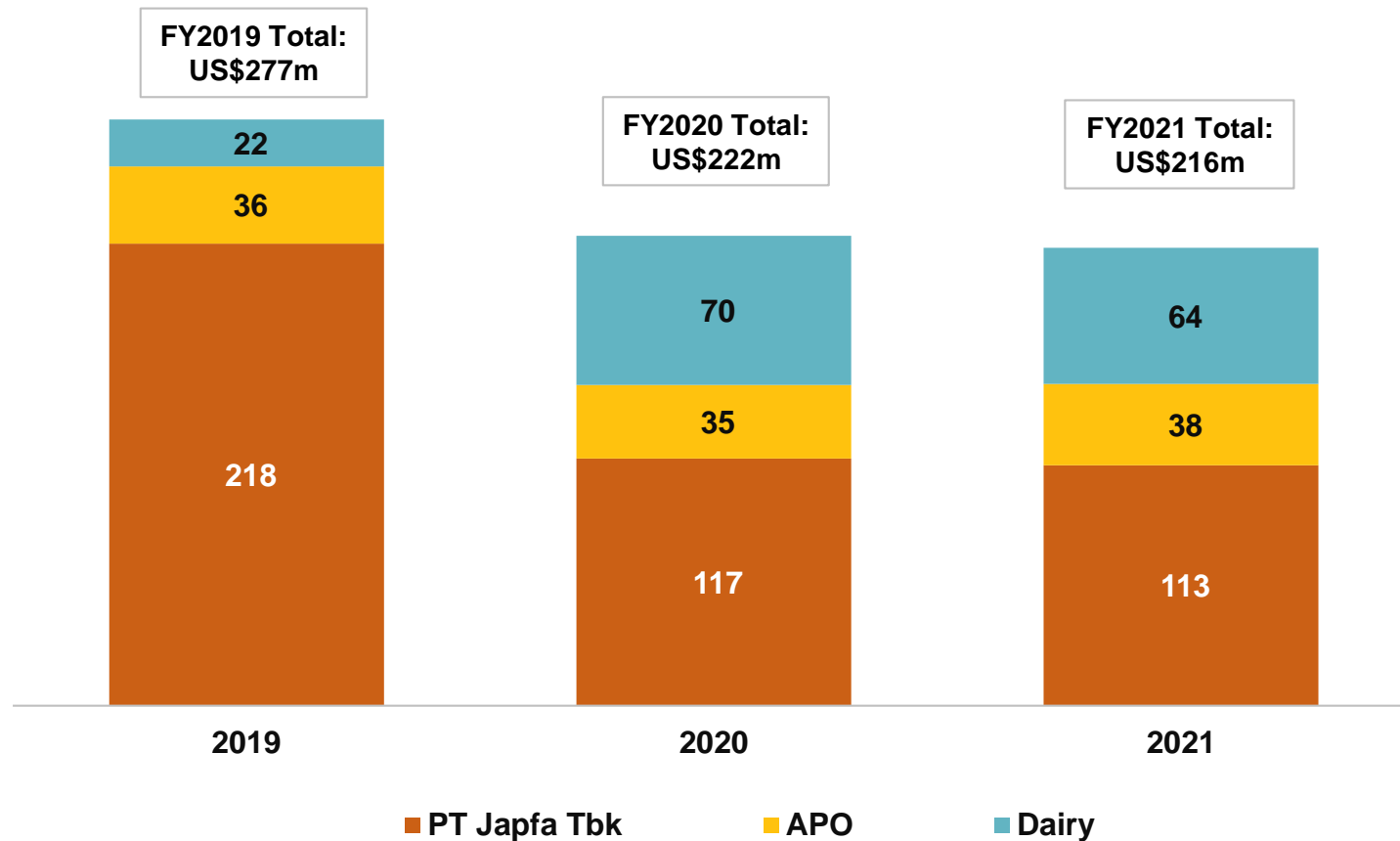
Additional information as of 31 December 2021:

1. PT Japfa Tbk USD Bonds: Increase of US\$100m from upsized US\$350m Sustainability-linked Bonds (“SLB”) to replace previous US\$250m bond. The new SLB was issued in March 2021 and is fully hedged on its US\$350m principal, up to all time high of USD/IDR 16,650 till maturity in 2026
2. PT Japfa Tbk working capital facilities: Reduced by US\$84m in Dec 2021 compared to Sep 2021 with repayment of loans using surplus cash from operations
3. Dairy took up new offshore and onshore loans totalling US\$130m to finance the purchase of 2 new farms in Shandong
4. Others: Japfa Ltd ended the year with a net cash position of US\$20m with sale proceeds of US\$147m from the sale of a 12.5% stake in Austasia (Dairy-China) to Genki Forest, Honest Dairy and New Hope

Notes:

- The above Net Debt Profile excludes lease liabilities of US\$286m.
- Others refers to Annona debt of US\$141m for working capital purposes and is fully charged out to its customers.

Capex FY2019 – FY2021





APPENDIX



Japfa Ltd Business Segments & Ownership

31 December 2020

PT JAPFA TBK

- 52.4% Japfa Ltd
- 47.6% Public

APO

- 100% Japfa Ltd

DAIRY

- 75% Japfa Ltd
- 25% Meiji Co. Ltd

31 December 2021

PT JAPFA TBK

- 55.0% Japfa Ltd
- 45.0% Public

APO

- 100% Japfa Ltd


DAIRY

- 62.5% Japfa Ltd
- 25.0% Meiji Co. Ltd
- 5.0% New Hope Dairy
- 5.0% Genki Forest
- 2.5% Honest Dairy

Key changes in shareholding:

1. Disposal of 25% interest in Dairy to Meiji Co. Ltd in July 2020
2. Disposal of 5% & 2.5% interest in Dairy to Genki Forest and Honest Dairy in September 2021
3. Disposal of 5% interest in Dairy to New Hope Dairy in December 2021


Segment Information – FY2021

|  | YTD DEC Y2021 | | | | | |
|--|----------------|---------------|----------------|--------------|---------------|----------------|
| | ANIMAL PROTEIN | | | DAIRY | OTHERS | TOTAL |
| | TBK | AP Other | Total | | | |
| External Revenue | 3,123.9 | 939.5 | 4,063.4 | 564.3 | 8.6 | 4,636.4 |
| Inter Segment Sales | 4.7 | 0.0 | 4.7 | 0.0 | (4.7) | 0.0 |
| TOTAL REVENUE | 3,128.5 | 939.6 | 4,068.1 | 564.3 | 3.9 | 4,636.4 |
| OPERATING PROFIT | 217.9 | (0.6) | 217.3 | 112.7 | 1.8 | 331.9 |
| % to sales | 7.0% | -0.1% | 5.3% | 20.0% | 46.2% | 7.2% |
| EBITDA | 335.7 | 35.0 | 370.7 | 159.9 | 3.3 | 533.9 |
| | 10.7% | 3.7% | 9.1% | 28.3% | 83.3% | 11.5% |
| Depreciation & Amortization | (99.2) | (34.6) | (133.8) | (21.9) | (0.6) | (156.3) |
| Net Interest Expense | (55.2) | (14.5) | (69.7) | (21.0) | (2.5) | (93.2) |
| Forex Gain(loss) | 3.3 | (6.7) | (3.3) | (3.2) | (5.0) | (11.6) |
| Fair Value Gain(Loss) Derivative for forex hedging | 0.0 | 0.0 | 0.0 | 3.7 | 3.6 | 7.3 |
| Fair Value Gain(Loss) Bio A | 2.3 | (5.2) | (2.9) | (10.5) | 0.0 | (13.4) |
| PBT | 186.9 | (25.9) | 161.0 | 107.0 | (1.2) | 266.8 |
| Tax | (46.2) | 0.7 | (45.5) | (2.4) | (6.2) | (54.1) |
| PAT | 140.7 | (25.2) | 115.5 | 104.6 | (7.4) | 212.7 |
| PAT w/o Bio A | 138.5 | (21.0) | 117.5 | 115.0 | (7.4) | 225.1 |
| % ownership | 55.0% | 100.0% | | 62.5% | | |
| PATMI | 72.7 | (25.2) | 47.6 | 78.6 | (7.4) | 118.8 |
| Core PATMI | 71.5 | (21.0) | 50.5 | 80.8 | (11.0) | 120.4 |
| Core PATMI w/o Forex | 69.7 | (14.3) | 55.4 | 83.3 | (6.0) | 132.7 |

Notes:

- **Animal Protein – PT Japfa Tbk** refers to animal protein operations through IDX-listed PT Japfa Comfeed Indonesia Tbk (“PT Japfa Tbk”).
- **Animal Protein – Other (APO)** refers to the animal protein operations in Vietnam, India, and Myanmar.
- **Dairy** refers to the dairy and beef farming operations in China.
- **Others** include corporate office, central purchasing office in Singapore, equity accounting for 20% stake in “Greenfields” dairy business and consolidation adjustments between segments, including elimination of dividends received by Japfa Ltd from subsidiaries.
- We define “**EBITDA**” as profit before tax, excluding interest income, finance costs, depreciation and amortisation expenses. We also exclude a) foreign exchange adjustments gains/(losses), b) changes in fair value of derivatives relating to foreign exchange hedging, and c) fair value of biological assets, other than gains/(losses) from the sale of beef in China.
- We derived **Core PATMI** from “Profit Attributable to Owners of the Parent, Net of Tax” by excluding a) changes in fair value of biological assets (net of tax), other than gains/(losses) from the sale of beef in China, b) changes in fair value of derivatives, and c) any extraordinary items, attributable to the owners of the parent.
- “**Core PATMI w/o Forex**” is an estimate derived from Core PATMI by excluding foreign exchange gains/losses (before tax) attributable to the owners of the parent. We have not made an estimate of the tax impact on foreign exchange gains/losses.


Segment Information – FY2020

|  | YTD DEC Y2020 | | | | | |
|--|----------------|---------------|----------------|--------------|-----------------|----------------|
| | ANIMAL PROTEIN | | | DAIRY | OTHERS | TOTAL |
| | TBK | AP Other | Total | | | |
| External Revenue | 2,522.1 | 796.0 | 3,318.1 | 547.5 | 2.7 | 3,868.3 |
| Inter Segment Sales | 5.4 | 0.0 | 5.4 | 0.0 | (5.4) | 0.0 |
| TOTAL REVENUE | 2,527.5 | 796.0 | 3,323.5 | 547.5 | (2.7) | 3,868.3 |
| OPERATING PROFIT | 173.9 | 98.0 | 271.9 | 114.3 | (22.4) | 363.8 |
| <i>% to sales</i> | <i>6.9%</i> | <i>12.3%</i> | <i>8.2%</i> | <i>20.9%</i> | <i>820.8%</i> | <i>9.4%</i> |
| EBITDA | 257.5 | 127.3 | 384.7 | 159.5 | 138.9 | 683.1 |
| | <i>10.2%</i> | <i>16.0%</i> | <i>11.6%</i> | <i>29.1%</i> | <i>-5093.9%</i> | <i>17.7%</i> |
| Depreciation & Amortization | (92.3) | (28.2) | (120.5) | (24.8) | (0.6) | (145.9) |
| Net Interest Expense | (54.9) | (10.7) | (65.5) | (18.6) | (15.3) | (99.5) |
| Forex Gain(loss) | (0.1) | 2.0 | 1.8 | 0.1 | (1.9) | 0.1 |
| Fair Value Gain(Loss) Derivative for forex hedging | 0.0 | 0.0 | 0.0 | (0.8) | (3.6) | (4.4) |
| Fair Value Gain(Loss) Bio A | (1.6) | 1.4 | (0.2) | (10.8) | 0.0 | (11.0) |
| PBT | 108.5 | 91.8 | 200.4 | 104.7 | 117.4 | 422.4 |
| Tax | (31.3) | (13.4) | (44.6) | (1.0) | (5.2) | (50.8) |
| PAT | 77.3 | 78.4 | 155.7 | 103.7 | 112.1 | 371.6 |
| PAT w/o Bio A | 78.8 | 77.5 | 156.3 | 114.3 | 112.1 | 382.7 |
| <i>% ownership</i> | <i>54.5%</i> | <i>100.0%</i> | | <i>75.0%</i> | | |
| PATMI | 45.2 | 78.1 | 123.3 | 86.5 | 112.1 | 322.0 |
| Core PATMI | 46.0 | 77.2 | 123.2 | 98.4 | (27.2) | 194.5 |
| Core PATMI w/o Forex | 46.1 | 75.3 | 121.3 | 98.6 | (24.6) | 195.4 |

Notes:

- **Animal Protein – PT Japfa Tbk** refers to animal protein operations through IDX-listed PT Japfa Comfeed Indonesia Tbk (“PT Japfa Tbk”).
- **Animal Protein – Other (APO)** refers to the animal protein operations in Vietnam, India, and Myanmar.
- **Dairy** refers to the dairy and beef farming operations in China and the dairy downstream business in Southeast Asia.
- **Others** include corporate office, central purchasing office in Singapore and consolidation adjustments between segments, including elimination of dividends received by Japfa Ltd from subsidiaries.
- We define “**EBITDA**” as profit before tax, excluding interest income, finance costs, depreciation and amortisation expenses. We also exclude a) foreign exchange adjustments gains/(losses), b) changes in fair value of derivatives relating to foreign exchange hedging, and c) fair value of biological assets, other than gains/(losses) from the sale of beef in China.
- We derived **Core PATMI** from “Profit Attributable to Owners of the Parent, Net of Tax” by excluding a) changes in fair value of biological assets (net of tax), other than gains/(losses) from the sale of beef in China, b) changes in fair value of derivatives, and c) any extraordinary items, attributable to the owners of the parent.
- “**Core PATMI w/o Forex**” is an estimate derived from Core PATMI by excluding foreign exchange gains/losses (before tax) attributable to the owners of the parent. We have not made an estimate of the tax impact on foreign exchange gains/losses. This is because the majority of the gains/losses are unrealised and arise from the translation of USD loans in Dairy, which have no tax implication.


Segment Information – 4Q2021

|  | 4Q Y2021 | | | | | |
|--|----------------|---------------|----------------|--------------|------------|----------------|
| | ANIMAL PROTEIN | | | DAIRY | OTHERS | TOTAL |
| | TBK | AP Other | Total | | | |
| External Revenue | 844.5 | 248.1 | 1,092.6 | 156.6 | 3.5 | 1,252.7 |
| Inter Segment Sales | 1.3 | 0.0 | 1.3 | 0.0 | (1.3) | 0.0 |
| TOTAL REVENUE | 845.8 | 248.1 | 1,093.9 | 156.6 | 2.2 | 1,252.7 |
| OPERATING PROFIT | 59.4 | (21.1) | 38.2 | 29.8 | (2.7) | 65.4 |
| % to sales | 7.0% | -8.5% | 3.5% | 19.0% | -122.2% | 5.2% |
| EBITDA | 84.3 | (11.1) | 73.2 | 35.2 | 4.5 | 113.0 |
| | 10.0% | -4.5% | 6.7% | 22.5% | 207.1% | 9.0% |
| Depreciation & Amortization | (25.3) | (9.7) | (35.0) | (6.0) | 0.0 | (41.0) |
| Net Interest Expense | (13.2) | (3.8) | (17.1) | (7.4) | (0.5) | (25.0) |
| Forex Gain(loss) | 0.3 | 3.5 | 3.8 | 1.0 | (0.2) | 4.6 |
| Fair Value Gain(Loss) Derivative for forex hedging | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Fair Value Gain(Loss) Bio A | 0.1 | 4.8 | 4.9 | (23.1) | 0.0 | (18.2) |
| PBT | 46.1 | (16.2) | 29.9 | (0.3) | 3.8 | 33.4 |
| Tax | (12.9) | 2.7 | (10.2) | (1.1) | (3.6) | (14.9) |
| PAT | 33.2 | (13.5) | 19.7 | (1.4) | 0.2 | 18.5 |
| PAT w/o Bio A | 33.3 | (17.4) | 15.9 | 21.7 | 0.2 | 37.8 |
| % ownership | 55.0% | 100.0% | | 62.5% | | |
| PATMI | 18.3 | (13.4) | 4.9 | (0.2) | 0.2 | 4.9 |
| Core PATMI | 18.3 | (17.2) | 1.1 | 14.6 | 0.2 | 15.9 |
| Core PATMI w/o Forex | 18.1 | (20.8) | (2.6) | 13.9 | 0.4 | 11.7 |

Notes:

- **Animal Protein – PT Japfa Tbk** refers to animal protein operations through IDX-listed PT Japfa Comfeed Indonesia Tbk (“PT Japfa Tbk”).
- **Animal Protein – Other (APO)** refers to the animal protein operations in Vietnam, India, and Myanmar.
- **Dairy** refers to the dairy and beef farming operations in China.
- **Others** include corporate office, central purchasing office in Singapore, equity accounting for 20% stake in “Greenfields” dairy business and consolidation adjustments between segments, including elimination of dividends received by Japfa Ltd from subsidiaries.
- We define “**EBITDA**” as profit before tax, excluding interest income, finance costs, depreciation and amortisation expenses. We also exclude a) foreign exchange adjustments gains/(losses), b) changes in fair value of derivatives relating to foreign exchange hedging, and c) fair value of biological assets, other than gains/(losses) from the sale of beef in China.
- We derived **Core PATMI** from “Profit Attributable to Owners of the Parent, Net of Tax” by excluding a) changes in fair value of biological assets (net of tax), other than gains/(losses) from the sale of beef in China, b) changes in fair value of derivatives, and c) any extraordinary items, attributable to the owners of the parent.
- “**Core PATMI w/o Forex**” is an estimate derived from Core PATMI by excluding foreign exchange gains/losses (before tax) attributable to the owners of the parent. We have not made an estimate of the tax impact on foreign exchange gains/losses.


Segment Information – 3Q2021

|  | 3Q Y2021 | | | | | |
|--|----------------|---------------|---------------|--------------|--------------|----------------|
| | ANIMAL PROTEIN | | | DAIRY | OTHERS | TOTAL |
| | TBK | AP Other | Total | | | |
| External Revenue | 743.2 | 233.2 | 976.3 | 147.0 | (2.1) | 1,121.3 |
| Inter Segment Sales | 0.0 | (1.3) | (1.3) | 0.0 | 1.3 | 0.0 |
| TOTAL REVENUE | 743.2 | 231.8 | 975.0 | 147.0 | (0.7) | 1,121.3 |
| OPERATING PROFIT | (25.3) | (14.8) | (40.1) | 29.8 | 5.9 | (4.5) |
| % to sales | -3.4% | -6.4% | -4.1% | 20.3% | -828.5% | -0.4% |
| EBITDA | 27.4 | (5.5) | 21.9 | 47.9 | (0.5) | 69.3 |
| | 3.7% | -2.4% | 2.2% | 32.6% | 72.5% | 6.2% |
| Depreciation & Amortization | (24.6) | (9.0) | (33.6) | (5.9) | (0.2) | (39.7) |
| Net Interest Expense | (12.1) | (4.2) | (16.2) | (6.1) | (0.6) | (22.9) |
| Forex Gain(loss) | 3.3 | (4.8) | (1.5) | (0.4) | (0.0) | (1.9) |
| Fair Value Gain(Loss) Derivative for forex hedging | 0.0 | 0.0 | 0.0 | (0.0) | 0.0 | (0.0) |
| Fair Value Gain(Loss) Bio A | 0.2 | (4.6) | (4.4) | (1.9) | 0.0 | (6.4) |
| PBT | (5.8) | (28.1) | (33.9) | 33.6 | (1.3) | (1.6) |
| Tax | 1.9 | 3.4 | 5.3 | (0.5) | (0.6) | 4.3 |
| PAT | (3.9) | (24.7) | (28.6) | 33.1 | (1.9) | 2.7 |
| PAT w/o Bio A | (4.1) | (21.0) | (25.1) | 35.0 | (1.9) | 8.1 |
| % ownership | 54.8% | 100.0% | | 67.5% | | |
| PATMI | (2.2) | (24.7) | (26.9) | 24.1 | (1.9) | (4.6) |
| Core PATMI | (2.3) | (21.0) | (23.3) | 25.5 | (1.9) | 0.3 |
| Core PATMI w/o Forex | (4.1) | (16.1) | (20.3) | 25.8 | (1.8) | 3.6 |

Notes:

- **Animal Protein – PT Japfa Tbk** refers to animal protein operations through IDX-listed PT Japfa Comfeed Indonesia Tbk (“PT Japfa Tbk”).
- **Animal Protein – Other (APO)** refers to the animal protein operations in Vietnam, India, and Myanmar.
- **Dairy** refers to the dairy and beef farming operations in China.
- **Others** include corporate office, central purchasing office in Singapore, equity accounting for 20% stake in “Greenfields” dairy business and consolidation adjustments between segments, including elimination of dividends received by Japfa Ltd from subsidiaries.
- We define “**EBITDA**” as profit before tax, excluding interest income, finance costs, depreciation and amortisation expenses. We also exclude a) foreign exchange adjustments gains/(losses), b) changes in fair value of derivatives relating to foreign exchange hedging, and c) fair value of biological assets, other than gains/(losses) from the sale of beef in China.
- We derived **Core PATMI** from “Profit Attributable to Owners of the Parent, Net of Tax” by excluding a) changes in fair value of biological assets (net of tax), other than gains/(losses) from the sale of beef in China, b) changes in fair value of derivatives, and c) any extraordinary items, attributable to the owners of the parent.
- “**Core PATMI w/o Forex**” is an estimate derived from Core PATMI by excluding foreign exchange gains/losses (before tax) attributable to the owners of the parent. We have not made an estimate of the tax impact on foreign exchange gains/losses.


Segment Information – 2Q2021

|  | 2Q Y2021 | | | | | |
|--|----------------|--------------|----------------|--------------|--------------|----------------|
| | ANIMAL PROTEIN | | | DAIRY | OTHERS | TOTAL |
| | TBK | AP Other | Total | | | |
| External Revenue | 786.2 | 238.0 | 1,024.2 | 131.8 | 3.2 | 1,159.2 |
| Inter Segment Sales | 0.0 | 1.3 | 1.3 | 0.0 | (1.3) | 0.0 |
| TOTAL REVENUE | 786.2 | 239.3 | 1,025.5 | 131.8 | 1.9 | 1,159.2 |
| OPERATING PROFIT | 82.4 | 14.6 | 97.0 | 26.6 | (2.5) | 121.1 |
| % to sales | 10.5% | 6.1% | 9.5% | 20.2% | -133.4% | 10.4% |
| EBITDA | 107.7 | 22.6 | 130.3 | 38.5 | (2.8) | 166.1 |
| | 13.7% | 9.5% | 12.7% | 29.2% | -146.5% | 14.3% |
| Depreciation & Amortization | (24.5) | (7.8) | (32.3) | (5.1) | (0.2) | (37.5) |
| Net Interest Expense | (19.4) | (3.3) | (22.7) | (3.5) | (0.7) | (26.9) |
| Forex Gain(loss) | 0.9 | (3.1) | (2.2) | 0.3 | (1.7) | (3.6) |
| Fair Value Gain(Loss) Derivative for forex hedging | 0.0 | 0.0 | 0.0 | 0.0 | 3.6 | 3.7 |
| Fair Value Gain(Loss) Bio A | 1.1 | (3.8) | (2.7) | 31.2 | 0.0 | 28.5 |
| PBT | 65.8 | 4.7 | 70.5 | 61.5 | (1.7) | 130.3 |
| Tax | (16.7) | (1.8) | (18.5) | (0.4) | (1.9) | (20.8) |
| PAT | 49.1 | 2.9 | 52.0 | 61.0 | (3.6) | 109.4 |
| PAT w/o Bio A | 48.0 | 5.9 | 53.9 | 29.8 | (3.6) | 80.1 |
| % ownership | 54.5% | 100.0% | | 75.0% | | |
| PATMI | 24.9 | 2.9 | 27.8 | 45.8 | (3.6) | 70.0 |
| Core PATMI | 24.3 | 5.9 | 30.2 | 22.3 | (7.2) | 45.3 |
| Core PATMI w/o Forex | 23.9 | 9.0 | 32.8 | 22.1 | (5.5) | 49.4 |

Notes:

- **Animal Protein – PT Japfa Tbk** refers to animal protein operations through IDX-listed PT Japfa Comfeed Indonesia Tbk (“PT Japfa Tbk”).
- **Animal Protein – Other (APO)** refers to the animal protein operations in Vietnam, India, and Myanmar.
- **Dairy** refers to the dairy and beef farming operations in China.
- **Others** include corporate office, central purchasing office in Singapore, equity accounting for 20% stake in “Greenfields” dairy business and consolidation adjustments between segments, including elimination of dividends received by Japfa Ltd from subsidiaries.
- We define “**EBITDA**” as profit before tax, excluding interest income, finance costs, depreciation and amortisation expenses. We also exclude a) foreign exchange adjustments gains/(losses), b) changes in fair value of derivatives relating to foreign exchange hedging, and c) fair value of biological assets, other than gains/(losses) from the sale of beef in China.
- We derived **Core PATMI** from “Profit Attributable to Owners of the Parent, Net of Tax” by excluding a) changes in fair value of biological assets (net of tax), other than gains/(losses) from the sale of beef in China, b) changes in fair value of derivatives, and c) any extraordinary items, attributable to the owners of the parent.
- “**Core PATMI w/o Forex**” is an estimate derived from Core PATMI by excluding foreign exchange gains/losses (before tax) attributable to the owners of the parent. We have not made an estimate of the tax impact on foreign exchange gains/losses.


Segment Information – 1Q2021

|  | 1Q Y2021 | | | | | |
|--|----------------|--------------|--------------|--------------|--------------|----------------|
| | ANIMAL PROTEIN | | | DAIRY | OTHERS | TOTAL |
| | TBK | AP Other | Total | | | |
| External Revenue | 753.4 | 220.3 | 973.6 | 128.9 | 0.6 | 1,103.1 |
| Inter Segment Sales | 0.0 | 0.0 | 0.0 | 0.0 | (0.0) | 0.0 |
| TOTAL REVENUE | 753.4 | 220.3 | 973.6 | 128.9 | 0.6 | 1,103.1 |
| OPERATING PROFIT | 101.4 | 20.7 | 122.2 | 26.5 | 1.1 | 149.8 |
| % to sales | 13.5% | 9.4% | 12.5% | 20.6% | 186.6% | 13.6% |
| EBITDA | 116.3 | 29.0 | 145.3 | 38.2 | 2.0 | 185.6 |
| | 15.4% | 13.2% | 14.9% | 29.7% | 342.2% | 16.8% |
| Depreciation & Amortization | (24.7) | (8.1) | (32.9) | (4.9) | (0.2) | (38.0) |
| Net Interest Expense | (10.6) | (3.2) | (13.8) | (3.9) | (0.8) | (18.5) |
| Forex Gain(loss) | (1.1) | (2.3) | (3.5) | (4.2) | (3.0) | (10.7) |
| Fair Value Gain(Loss) Derivative for forex hedging | 0.0 | 0.0 | 0.0 | 3.6 | 0.0 | 3.6 |
| Fair Value Gain(Loss) Bio A | 1.0 | (1.6) | (0.6) | (16.6) | 0.0 | (17.3) |
| PBT | 80.8 | 13.7 | 94.5 | 12.3 | (2.0) | 104.8 |
| Tax | (18.5) | (3.6) | (22.1) | (0.4) | (0.1) | (22.7) |
| PAT | 62.3 | 10.1 | 72.4 | 11.8 | (2.1) | 82.1 |
| PAT w/o Bio A | 61.3 | 11.4 | 72.7 | 28.5 | (2.1) | 99.1 |
| % ownership | 54.5% | 100.0% | | 75.0% | | |
| PATMI | 31.8 | 10.0 | 41.8 | 8.9 | (2.1) | 48.5 |
| Core PATMI | 31.2 | 11.3 | 42.5 | 18.4 | (2.1) | 58.8 |
| Core PATMI w/o Forex | 31.9 | 13.6 | 45.5 | 21.5 | 0.9 | 67.9 |

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- **Dairy** refers to the dairy and beef farming operations in China.
- **Others** include corporate office, central purchasing office in Singapore, equity accounting for 20% stake in “Greenfields” dairy business and consolidation adjustments between segments, including elimination of dividends received by Japfa Ltd from subsidiaries.
- We define “**EBITDA**” as profit before tax, excluding interest income, finance costs, depreciation and amortisation expenses. We also exclude a) foreign exchange adjustments gains/(losses), b) changes in fair value of derivatives relating to foreign exchange hedging, and c) fair value of biological assets, other than gains/(losses) from the sale of beef in China.
- We derived **Core PATMI** from “Profit Attributable to Owners of the Parent, Net of Tax” by excluding a) changes in fair value of biological assets (net of tax), other than gains/(losses) from the sale of beef in China, b) changes in fair value of derivatives, and c) any extraordinary items, attributable to the owners of the parent.
- “**Core PATMI w/o Forex**” is an estimate derived from Core PATMI by excluding foreign exchange gains/losses (before tax) attributable to the owners of the parent. We have not made an estimate of the tax impact on foreign exchange gains/losses.

Segment Information – 4Q2020

|  | 4Q Y2020 | | | | | |
|--|----------------|--------------|--------------|--------------|---------------|----------------|
| | ANIMAL PROTEIN | | | DAIRY | OTHERS | TOTAL |
| | TBK | AP Other | Total | | | |
| External Revenue | 717.4 | 223.6 | 941.0 | 156.5 | 1.9 | 1,099.5 |
| Inter Segment Sales | 1.2 | 0.0 | 1.2 | 0.0 | (1.2) | 0.0 |
| TOTAL REVENUE | 718.7 | 223.6 | 942.3 | 156.5 | 0.7 | 1,099.5 |
| OPERATING PROFIT | 95.3 | 19.1 | 114.4 | 33.7 | (21.1) | 127.0 |
| % to sales | 13.3% | 8.5% | 12.1% | 21.6% | -3073.8% | 11.5% |
| EBITDA | 110.4 | 27.6 | 138.0 | 45.8 | 136.8 | 320.6 |
| | 15.4% | 12.3% | 14.6% | 29.3% | 19918.1% | 29.2% |
| Depreciation & Amortization | (24.2) | (8.0) | (32.2) | (6.7) | (0.6) | (39.5) |
| Net Interest Expense | (13.0) | (2.8) | (15.8) | (4.7) | (0.7) | (21.1) |
| Forex Gain(loss) | (1.8) | (0.0) | (1.8) | 2.8 | (1.9) | (0.9) |
| Fair Value Gain(Loss) Derivative for forex hedging | 0.0 | 0.0 | 0.0 | (1.8) | (3.6) | (5.4) |
| Fair Value Gain(Loss) Bio A | (1.7) | (2.9) | (4.6) | 7.6 | 0.0 | 3.0 |
| PBT | 69.7 | 13.8 | 83.5 | 43.1 | 130.1 | 256.7 |
| Tax | (22.7) | (5.2) | (27.9) | 1.3 | (5.5) | (32.0) |
| PAT | 47.0 | 8.7 | 55.7 | 44.4 | 124.6 | 224.7 |
| PAT w/o Bio A | 48.2 | 11.1 | 59.4 | 36.5 | 124.6 | 220.5 |
| % ownership | 54.5% | 100.0% | | 75.0% | | |
| PATMI | 24.4 | 8.8 | 33.2 | 34.3 | 124.6 | 192.0 |
| Core PATMI | 25.1 | 11.3 | 36.3 | 29.6 | (12.0) | 53.9 |
| Core PATMI w/o Forex | 26.2 | 11.3 | 37.5 | 27.1 | (10.0) | 54.6 |

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- **Animal Protein – Other (APO)** refers to the animal protein operations in Vietnam, India, and Myanmar.
- **Dairy** refers to the dairy and beef farming operations in China and the dairy downstream business in Southeast Asia.
- **Others** include corporate office, central purchasing office in Singapore and consolidation adjustments between segments, including elimination of dividends received by Japfa Ltd from subsidiaries.
- We define “**EBITDA**” as profit before tax, excluding interest income, finance costs, depreciation and amortisation expenses. We also exclude a) foreign exchange adjustments gains/(losses), b) changes in fair value of derivatives relating to foreign exchange hedging, and c) fair value of biological assets, other than gains/(losses) from the sale of beef in China.
- We derived **Core PATMI** from “Profit Attributable to Owners of the Parent, Net of Tax” by excluding a) changes in fair value of biological assets (net of tax), other than gains/(losses) from the sale of beef in China, b) changes in fair value of derivatives, and c) any extraordinary items, attributable to the owners of the parent.
- “**Core PATMI w/o Forex**” is an estimate derived from Core PATMI by excluding foreign exchange gains/losses (before tax) attributable to the owners of the parent. We have not made an estimate of the tax impact on foreign exchange gains/losses. This is because the majority of the gains/losses are unrealised and arise from the translation of USD loans in Dairy, which have no tax implication.



THANK YOU

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