JAPFA LTD
(Company Registration Number: 200819599W)
(Incorporated in Singapore)

CLARIFICATIONS ON ANNOUNCEMENT OF THE ACQUISITION OF A NEW SUBSIDIARY COMPANY - PT CELEBES AGRO SEMESTA

The Company has on 2 July 2019 received a request for clarification from the Singapore Exchange Securities Trading Limited (SGX-ST) in relation to its announcement of 30 June 2019 on its acquisition of a new subsidiary, PT Celebes Agro Semesta ("PT CAS"). The Company's clarifications in response to the SGX-ST request are set out below:

1. Please clarify if the relevant listing rule as stated in the announcement should be Rule 704(17)(c) instead of Rule 704(17)(d).

   This is a typographical error and the correct rule is Rule 704(17)(c) – "Announcement of *acquisition* of new subsidiary" and not "Announcement of *increase in shareholding* of subsidiary" under Rule 704(17)(d).

2. State the relationship between Vasham and:
   i. Hendrick Kolonas;
   ii. Irvan Kolonas; and
   iii. Rachel Anastasia Kolonas.

   Hendrick Kolonas (a non-executive Director of the Company) and his son Irvan Kolonas have a collective indirect interest of 36.67% in Vasham, while Rachael Anastasia Kolonas (a controlling shareholder of the Company) is deemed interested in their shareholding by virtue of her being a daughter of Hendrick Kolonas, and a sibling of Irvan Kolonas.

3. Clarify if Listing Rules 905 and 906 are applicable to the Acquisition.

   Company's aggregate IPT (including this Acquisition) for financial year todate is below 3% of the Company's audited consolidated net asset value, and therefore Rule 905 and 906 do not apply.

4. Pursuant to Listing Rule 704(17) read with Rule 1010(5), disclose the value placed on the entire issued share capital of PT CAS, the basis, and date of the valuation provided by KJPP RSR.

   KJPP Ruky, Safrudin & Rekan (KJPP RSR), an approved valuation firm under the applicable regulation of Otoritas Jasa Keuangan (OJK), was engaged by our IDX listed subsidiary, PT Japfa Comfeed Indonesia Tbk to conduct the valuation for the acquisition of PT CAS.

KJPP RSR applied a combination of 3 approaches namely (i) Income approach using the Discounted Cash Flow (DCF) Method with Free Cash Flow to the Firm (FCFF), (ii) Market approach using the Guideline Publicly Traded Company Method (GCM), and (iii) Asset approach using the Adjusted Net Asset Method (ANAM) to estimate the Fair Market Value of 100% shares of PT CAS.

KJPP RSR's valuation report dated 27 June 2019 puts the Fair Market Value of 100% shares of PT CAS at IDR 40.1 billion. The Acquisition was transacted at IDR 38 billion (USD 2.8m).

By Order of the Board
Japfa Ltd

Kevin Monteiro
Executive Director and Chief Financial Officer

Date: 4 July 2019