JAPFA LTD
(Company Registration Number: 200819599W)

UPDATE ON DAIRY FARMS IN CHINA

Japfa Ltd (the "Company") would like to refer to an announcement made today by Hong Kong-listed China Modern Dairy Holdings Ltd ("China Modern") regarding media reports which alleged that several of their cows have been tested positive for bovine tuberculosis.

The Company would like to inform shareholders that there has, to date, not been any incidence of bovine tuberculosis in any of our dairy farms in China. The Company tests our cattle for bovine tuberculosis twice a year and involves the China Inspection and Quarantine in our tests.

All our cattle are imported from Australia and New Zealand, and are subject to quarantine procedures before entry into China. We would also like to highlight that our farms are located in Shandong Province, whereas China Modern's farms are sited in Anhui Province. The two Provinces are at least 400 km apart.

We believe that we have one of the most stringent bio-security systems in the animal protein industry. We have in place stringent bio-security measures and procedures to prevent the introduction and reduce the number and spread of infectious disease agents in the animal protein production chain. In addition, we undertake modern bio security farming practices, ongoing monitoring, auditing and education of our staff, suppliers and customers.

To ensure the safety and high quality of our raw milk, we have implemented strict monitoring and quality control systems. Each of our dairy farms is equipped to closely monitor our production process. At different stages of the production process, we perform a number of quality inspections and testing procedures to ensure that our raw milk complies with relevant health and safety regulations for food products.

The Company will continue to monitor the situation closely and provide updates as and when necessary.

By Order of the Board

Japfa Ltd
Tan Yong Nang
Executive Director and Chief Executive Officer
12 November 2014

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