



## JAPFA LTD

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

### ANNOUNCEMENT PURSUANT TO RULE 704(17)(d) OF THE LISTING MANUAL

- COMPLETION OF THE ACQUISITION OF JAPFA COMFEED MYANMAR PTE LTD
- USE OF IPO PROCEEDS

Further to its announcement on 31 January 2015 on the acquisition of the remaining 15% of the issued share capital of Japfa Comfeed Myanmar Pte Ltd (“JCMA”) by Japfa Myanmar JV Pte Ltd (the “Acquisition”), Japfa Ltd (the “Company”) is pleased to announce the completion of the Acquisition on 1 June 2015.

JCMA has become a wholly-owned subsidiary of the Company with effect from 1 June 2015.

Backed by over 40 years of experience, the Company is a leading agri-food producer for multiple classes of protein foods with operations across the entire value chain, having expanded rapidly over the years by adopting a large-scale and industrialized approach to agri-food production and replicating its vertically integrated business model.

In recent years, the Company has also successfully leveraged on its multi-pronged diversified business strategy to establish three key business pillars being dairy in China, poultry in Indonesia, as well as poultry and swine in Indochina.

The completion of the Acquisition further strengthens the Company’s Indochina and poultry pillar, and enables the Company to enjoy the full benefits of Myanmar’s fast-growing poultry market. This is in line with the Company’s longstanding strategy to diversify its scalable business across different animal protein segments and geographies to benefit from the long-term growth potential across key emerging Asian markets.

For its financial year ended 31 December 2014, JCMA recorded a profit after tax of US\$13 million. The consideration for the Acquisition, which amounted US\$5.7 million for the remaining 15% of the issued share capital of JCMA, was funded from the proceeds of the Company’s initial public offering (“IPO”). A refundable deposit of US\$1.0 million was previously paid on 2 February 2015, and the balance consideration of US\$4.7 million (approximately S\$6.3 million) will be paid on 2 June 2015.

As at the date of this announcement, the net proceeds from the Company’s IPO has been utilised as follows:

	Amount Allocated US\$'000	Amount Utilised US\$'000	Balance US\$'000
Use of IPO Proceeds			
Investment in our China dairy business and the construction of a second five- farm hub in Inner Mongolia	90,000	36,259	53,741
Investment in our animal protein business in our target markets	14,000	11,200	2,800
Repayment or prepayment of borrowings, including the prepayment charges, of our Group	70,000	70,000	-
Total	174,000	117,459	56,541

As announced on 31 January 2015, this transaction is not expected to have a material effect on the net tangible assets per share or earnings per share of the Company for the current financial year.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect in the Acquisition save through their shareholdings in the Company.

**By Order of the Board**

**Japfa Ltd**

Tan Yong Nang

Executive Director and Chief Executive Officer

Date: 2 June 2015

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