CIRCULAR DATED 11 JANUARY 2021

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of Japfa Ltd (the "**Company**" or "**Japfa**"), you should immediately forward this Circular, the Notice of Extraordinary General Meeting and the accompanying Proxy Form to the purchaser or transferee, or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited ("**SGX-ST**") assumes no responsibility for the correctness of any of the statements made, reports contained, or opinions expressed in this Circular.

This Circular has been made available on SGXNET and the Company's website and may be accessed at the URL https://japfa.com/investors/general-report/agm-egm. A printed copy of this Circular will NOT be despatched to Shareholders.

Due to the current COVID-19 restriction orders in Singapore, Shareholders will not be able to attend the EGM in person. Instead, alternative arrangements have been put in place to allow Shareholders to participate at the EGM by way of (a) watching the EGM proceedings via "live" webcast or listening to the EGM proceedings via "live" audio feed, (b) submitting questions in advance of the EGM, and/or (c) voting by proxy at the EGM. Questions can be submitted via the pre-registration website at the URL www.japfa.com/egm2021, in hard copy by sending personally or by post and lodging the same at the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 or by email to the Company's Share Registrar at japfaegm2021@boardroomlimited.com, by **2.00 p.m. on 23 January 2021.**

Please refer to Section 8 of this Circular and the Notice of Extraordinary General Meeting for further information, including the steps to be taken by Shareholders to participate at the EGM. The Notice of Extraordinary General Meeting may also be accessed at the URL https://japfa.com/investors/general-report/agm-egm.

Shareholders should note that the Company may make further changes to its EGM arrangements (including but not limited to any applicable alternative arrangements as may be prescribed or permitted (as the case may be) under the Infectious Diseases Regulations and the COVID-19 Act and any regulations promulgated thereunder (including the COVID-19 Order) as well as other guidelines issued by the relevant authorities) as the situation evolves. Shareholders are advised to keep abreast of any such changes as may be announced by the Company as may be made from time to time on SGXNET.

JAPFA

JAPFA LTD

(Incorporated in the Republic of Singapore)
(Company Registration No. 200819599W)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED DISPOSAL OF AN EFFECTIVE 80% INTEREST IN GREENFIELDS DAIRY SINGAPORE PTE. LTD.

IMPORTANT DATES AND TIMES

Last date and time for lodgment of Proxy Form	:	23 January 2021 at 2.00 p.m.
Last date and time to pre-register online to attend the EGM remotely	:	23 January 2021 at 2.00 p.m.
Date and time of Extraordinary General Meeting	:	26 January 2021 at 2.00 p.m.
Place of Extraordinary General Meeting	:	The EGM will be held by way of electronic means. Please refer to Section 8 of this Circular for further details.

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PROXY FORM

In this Circular, the following definitions shall apply throughout unless the context otherwise requires:

"**AAFS**"	:	Shanghai AustAsia Food Co., Ltd
"**AAFS Restructuring**"	:	The transfer of the entire issued share capital of AAFS from GDS to AIH
"**ACRA**"	:	Accounting and Corporate Regulatory Authority of Singapore
"**AIH**"	:	AustAsia Investment Holdings Pte. Ltd.
"**Announcement**"	:	The announcement dated 7 December 2020 released by the Company in relation to the Proposed Transaction
"**CDP**"	:	The Central Depository (Pte) Limited
"**Circular**"	:	This circular to Shareholders dated 11 January 2021
"**Companies Act**"	:	The Companies Act, Chapter 50 of Singapore
"**Company**" or "**Japfa**"	:	Japfa Ltd
"**Completion**"	:	The completion of the Proposed Transaction in accordance with the terms and conditions set out in the Share Purchase Agreement
"**Completion Date**"	:	The date of Completion
"**Conditions Precedent**"	:	The conditions precedent to be satisfied or waived in accordance with the Share Purchase Agreement before Completion may occur
"**Consideration**"	:	US$295.0 million, being the aggregate consideration for the Proposed Transaction
"**Consideration Shares**"	:	10,000 ordinary shares in the capital of the JVCo, which shall constitute 20% of the allotted and issued share capital of the JVCo on a fully diluted basis at Completion
"**COVID-19 Act**"	:	The COVID-19 (Temporary Measures) Act 2020, as amended, modified or supplemented from time to time
"**COVID-19 Order**"	:	The COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, as amended, modified or supplemented from time to time

"COVID-19 Order Guidance"	:	The checklist first issued on 13 April 2020 and last updated on 1 October 2020 by ACRA, the Monetary Authority of Singapore and Singapore Exchange Regulation as guidance for listed and non-listed entities on the conduct of general meetings during the period when elevated safe distancing measures are in place
"Dairy SEA"	:	The Group's Southeast Asia dairy business, which is a vertically integrated branded dairy product business supported by its own dairy farms, held under GDS
"**Directors**"	:	The directors of the Company for the time being
"**Dividend**"	:	The interim special dividend of S$0.10 per Share
"**EBITDA**"	:	Earnings before interest, taxes, depreciation and amortization
"**EGM**"	:	The extraordinary general meeting of the Company to be held on 26 January 2021 at 2.00 p.m., notice of which is given on pages 25 to 28 of this Circular
"**EPS**"	:	Earnings per Share
"**FY**"	:	Financial year ended or ending 31 December
"**GDS**"	:	Greenfields Dairy Singapore Pte. Ltd.
"**GDS Group**"	:	GDS and its subsidiaries, being PT Greenfields Indonesia (which in turn holds PT Greenfields Dairy Indonesia), Greenfields Dairy Malaysia Sdn. Bhd., and Greenfields Dairy Hong Kong Limited and each, a "**GDS Group Company**"
"**GDS Shares**"	:	The issued and paid-up ordinary shares in the capital of GDS
"**Group**" or "**Japfa Group**"	:	The Company and its subsidiaries from time to time
"**Infectious Diseases Regulations**"	:	The Infectious Diseases (Measures to Prevent Spread of COVID-19) Regulations 2020
"**Investor**"	:	Freshness Holdings Ltd.
"**JVCo**"	:	Freshness Ltd.
"**JVCo Group**"	:	The JVCo and its subsidiaries
"**Latest Practicable Date**"	:	28 December 2020, being the latest practicable date prior to the issue of this Circular

"**Listing Manual**"	:	The Listing Manual of the SGX-ST, including any amendments made thereto up to the Latest Practicable Date
"**Market Day**"	:	A day on which the SGX-ST is open for trading in securities
"**Notice of EGM**"	:	The notice of EGM set out on pages 25 to 28 of this Circular
"**NTA**"	:	Net tangible asset
"**Ordinary Resolution**"	:	The ordinary resolution as set out in the Notice of EGM
"**Proposed Transaction**"	:	The proposed disposal of the Sale Shares pursuant to the Share Purchase Agreement
"**Register of Members**"	:	The Register of Members of the Company
"**Registration Cut-Off Date**"	:	2.00 p.m. on 23 January 2021, being 72 hours before the time fixed for the EGM
"**Sale Shares**"	:	All the issued and fully paid-up shares in the share capital of GDS
"**Securities Accounts**"	:	Securities accounts maintained by Depositors with CDP, but not including securities sub-accounts maintained with a Depository Agent
"**SFA**"	:	The Securities and Futures Act, Chapter 289 of Singapore
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**Share Purchase Agreement**"	:	The share purchase agreement dated 6 December 2020 between the Company, the Investor and JVCo in relation to the Proposed Transaction
"**Share Registrar**"	:	The share registrar of the Company
"**Shareholders**"	:	Registered holders of Shares in the Register of Members, except that where the registered holder is CDP, the term "**Shareholders**" shall, in relation to such Shares, and where the context admits, mean the persons named as Depositors in the Depository Register maintained by the CDP and whose Securities Accounts maintained by the CDP are credited with those Shares
"**Shareholders' Agreement**"	:	The shareholders' agreement to be entered into on Completion by the Company with the Investor and the JVCo in relation to the JVCo
"**Shares**"	:	Ordinary shares in the capital of the Company

"**SRS Investor**"	:	An investor who holds Shares under the Supplementary Retirement Scheme
"**Substantial Shareholder**"	:	A person who has an interest directly or indirectly in 5% or more of the total number of voting Shares of the Company
"**S$**" or "**$**" and "**cents**"	:	Singapore dollars and cents, respectively
"**US$**"	:	United States dollars
"**%**" or "**per cent.**"	:	Percentage or per centum

The term "**subsidiary**" shall have the meaning ascribed to it in Section 5 of the Companies Act.

The term "**relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act.

The terms "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to them in Section 81SF of the SFA.

Words importing the singular shall, where applicable, include the plural and vice versa, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall include corporations.

Any reference in this Circular to any statute or enactment is a reference to that statute or enactment for the time being. Any word defined under the Companies Act, the SFA, the Listing Manual, The Singapore Code on Take-overs and Mergers or any relevant laws of the Republic of Singapore or any modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, the SFA, the Listing Manual, The Singapore Code on Take-overs and Mergers or any relevant laws of the Republic of Singapore or any modification thereof, as the case may be, unless otherwise provided.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any reference to a time of day and date in this Circular is a reference to Singapore time and date, respectively, unless otherwise stated.

Certain monetary amounts and percentages in this Circular have been subject to rounding adjustments. Any discrepancies in figures included in this Circular of an arithmetic aggregation of such figures or derivatives of such figures are due to rounding.

Rajah & Tann Singapore LLP has been appointed as the legal adviser to the Company as to Singapore law in relation to the Proposed Transaction.

JAPFA LTD

(Incorporated in the Republic of Singapore)
(Company Registration No. 200819599W)

Board of Directors

Mr Handojo Santosa @ Kang Kiem Han (Executive Chairman)
Mr Tan Yong Nang (Executive Director and Chief Executive Officer)
Mr Kevin John Monteiro (Executive Director and Chief Financial Officer)
Mr Hendrick Kolonas (Executive Director)
Mr Ng Quek Peng (Lead Independent Director)
Ms Lien Siaou-Sze (Independent Director)
Mr Manu Bhaskaran (Independent Director)
Mr Tan Kian Chew (Independent Director)
Mr Chia Wee Boon (Independent Director)

Registered Office

391B Orchard Road
#18-08 Ngee Ann City
Tower B
Singapore 238874

11 January 2021

To: The Shareholders of Japfa Ltd

Dear Sir/Madam

THE PROPOSED DISPOSAL OF AN EFFECTIVE 80% INTEREST IN GREENFIELDS DAIRY SINGAPORE PTE. LTD.

1. INTRODUCTION

1.1 EGM. The Directors are convening an EGM to be held by way of electronic means on 26 January 2021 at 2.00 p.m., the notice of which is set out at pages 25 to 28 of this Circular, to seek Shareholders' approval for the Proposed Transaction.

1.2 Circular. The purpose of this Circular is to provide Shareholders with information relating to the Proposed Transaction.

2. THE PROPOSED TRANSACTION

2.1 Introduction

On 7 December 2020, the Company announced that it had, on 6 December 2020, entered into the Share Purchase Agreement with the Investor and the JVCo that will, upon Completion, result in the effective disposal by the Company of 80% of the shareholding in its wholly-owned subsidiary, GDS.

Pursuant to the Proposed Transaction, the Company will sell shares representing 100% of the shareholding in GDS to the JVCo. The JVCo is an investment holding company incorporated for the purpose of holding the shares in GDS upon Completion. The aggregate value of the consideration for the Proposed Transaction is US$295.0 million, comprising (i) a cash component of US$236.0 million and (ii) a share component comprising shares amounting to 20% of the allotted and issued share capital of the JVCo on a fully diluted basis at Completion. Accordingly, the Company will (indirectly through the JVCo) retain a 20% shareholding interest in GDS following Completion.

Please refer to the Annex for the structure of the Japfa Group and the GDS Group prior to and following Completion.

As the relative figure computed based on Rule 1006(c) of the Listing Manual (ie. Consideration relative to market capitalisation of the Company) exceeds 20%, the Company will be seeking the approval of the Shareholders for the Proposed Transaction.

In connection with the Proposed Transaction, the Company, the Investor and the JVCo will also enter into the Shareholders' Agreement on Completion (please refer to Section 2.8 of this Circular for further details).

2.2 Information on GDS

GDS was incorporated under the laws of Singapore on 22 November 2003 and is a wholly-owned subsidiary of the Company.

GDS is the holding company of the Group's "Greenfields" dairy business, which is a vertically integrated business from dairy farming to branded dairy products in Southeast Asia. GDS' wholly-owned subsidiaries are PT Greenfields Indonesia (which in turn holds PT Greenfields Dairy Indonesia), Greenfields Dairy Malaysia Sdn. Bhd., and Greenfields Dairy Hong Kong Limited (together, "**GDS Group**").

The Group's dairy segment comprises two distinct geographical businesses, namely its China dairy business held under AIH and its primarily Southeast Asian dairy business, which operates in markets such as Indonesia, Singapore, Malaysia, and Hong Kong, held under GDS[1].

As at 30 September 2020, the book value and net tangible asset value of the GDS Group being disposed of were US$81.3 million and US$80.1 million respectively, computed based on 100% of the unaudited *pro forma* book value and net tangible asset value of the GDS Group as at 30 September 2020. The *pro forma* book value and net tangible asset value of the GDS Group as at 30 September 2020 assumes (i) the shareholder loan of US$13.4 million due from GDS and which was capitalised on 28 December 2020 was capitalised on 30 September 2020[2], (ii) the AAFS Restructuring was completed on 30 September 2020[3], and (iii) there are no other costs (such as tax and other transaction costs) arising from the Proposed Transaction or from the AAFS Restructuring.

2.3 Information on Investor and JVCo

The JVCo is an exempted company incorporated in the Cayman Islands and is principally engaged in the business of investment holding. It was incorporated for the purpose of holding the shares in GDS following Completion. As at the Latest Practicable Date, the Investor is the sole shareholder of the JVCo.

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1 The Proposed Transaction relates only to the Group's dairy business in Southeast Asia and does not affect the other downstream businesses of the Group.

2 As the Purchaser will purchase 100% of the issued capital of GDS after the capitalisation of the US$13.4 million shareholder loan, the capitalisation does not affect the Consideration payable by the JVCo.

3 As the AAFS Restructuring was completed on 25 November 2020, it does not affect the Consideration payable by the JVCo.

The Investor is an exempted company incorporated in the Cayman Islands and is principally engaged in the business of investment holding. Based on information provided by the Investor, the Investor is a co-investment vehicle between affiliates of TPG and Northstar Group. TPG is a leading global alternative asset firm with approximately US$85 billion of assets under management[4]. TPG's investment platforms spread across a wide range of asset classes, including private equity, growth equity, real estate, and public equity. Northstar Group is a leading Southeast Asia private equity firm managing more than US$2.2 billion in equity capital.

2.4 Consideration

The aggregate value of the consideration for the Proposed Transaction is US$295.0 million ("**Consideration**").[5]

The Consideration will be satisfied in full on Completion by:

(i) a cash payment of US$236.0 million to the Company; and

(ii) the allotment and issuance of 10,000 ordinary shares in the capital of the JVCo (the "**Consideration Shares**") to the Company (or such other member of the Group as the Company, the Investor and the JVCo may agree), which shall constitute 20% of the allotted and issued share capital of the JVCo on a fully diluted basis at Completion.

The Consideration was arrived at on a "willing-buyer, willing-seller" basis, after taking into account (amongst others) the financial position of the GDS Group. The Company believes that the Consideration reflects fairly the valuation of the GDS Group at the current stage of its development. No independent valuation was conducted for the Proposed Transaction as the Investor and the JVCo are not related to the Company.[6]

For reference[7], based on the Consideration:

(i) the implied equity valuation of the GDS Group is US$295.0 million, which is approximately 4 times the net asset value of the GDS Group of US$81.3 million as at 30 September 2020, computed based on 100% of the unaudited *pro forma* net asset value of the GDS Group as at 30 September 2020. The *pro forma* net asset value of the GDS Group assumes that (i) the shareholder loan of US$13.4 million due from GDS and which was capitalised on 28 December 2020 was capitalised on 30 September 2020, (ii) the AAFS Restructuring was completed on 30 September 2020; and (iii) there are no other costs (such as tax and other transaction costs) arising from the Proposed Transaction or from the AAFS Restructuring; and

4 To the best of the Company's knowledge, TPG, Northstar Group and their affiliates are not related to the Company, its subsidiaries, its Directors, and its controlling shareholders.

5 The Consideration may be adjusted if any leakage occurs between 30 September 2020 and the Completion Date. The Company does not expect any leakages to occur.

6 The Company also had a number of offers from third parties for comparison.

7 The following calculations are purely for reference. The Consideration is based on an offer price by TPG which was accepted by the Company.

(ii) the implied enterprise value of the GDS Group is US$334.7 million, which is approximately 21 times the EBITDA of the GDS Group of US$16.1 million for the financial year ended 31 December 2019. The implied enterprise value of the GDS Group was computed based on the implied equity valuation of the GDS Group of US$295.0 million and the net borrowings of the GDS Group of US$39.7 million as at 30 September 2020.

For illustration purposes, based on the Consideration of US$295.0 million and the book value of the GDS Group as at 30 September 2020 of US$81.3 million, the Group's gain from the disposal of 100% of the shareholding in GDS is estimated to be US$213.7 million. The book value of the GDS Group was computed based on 100% of the unaudited *pro forma* book value of the GDS Group as at 30 September 2020. The *pro forma* book value of the GDS Group as at 30 September 2020 assumes that (i) the shareholder loan of US$13.4 million due from GDS and which was capitalised on 28 December 2020 was capitalised on 30 September 2020, (ii) the AAFS Restructuring was completed on 30 September 2020; and (iii) there are no other costs (such as tax and other transaction costs) arising from the Proposed Transaction or from the AAFS Restructuring. The actual gain on disposal to be recorded in the financial statements will be determined based on the fair value of the Consideration Shares and book value of the GDS Group at Completion.

2.5 Conditions Precedent

Completion is subject to certain Conditions Precedent being satisfied or waived in accordance with the Share Purchase Agreement, including, *inter alia*, the following:

(a) the change of control and prepayment consents of certain of GDS Group's existing bank lenders having been granted; and

(b) the approval of Shareholders for the Proposed Transaction.

2.6 Completion

Completion shall take place on the 5th business day after the date on which the last of the Conditions Precedent have been satisfied or waived in accordance with the Share Purchase Agreement, or such other date as the Company and the Investor may agree in writing. Subject to the satisfaction or waiver of the Conditions Precedent, Completion is expected to take place in February 2021.

2.7 Shareholder's Undertaking

Rangi Management Limited, a controlling shareholder of the Company holding more than half of the Shares as at the Latest Practicable Date, has undertaken to, *inter alia*, vote in favour of the shareholders' resolution to approve the Proposed Transaction.

2.8 Shareholders' Agreement

The agreed form of the Shareholders' Agreement provides that:

(a) The board of the JVCo (which will be controlled by the Investor) shall be responsible for the overall direction, supervision and management of GDS and its subsidiaries.

(b) For so long as the Company holds more than 5% of the shares in the JVCo, the Company has the right to appoint to the board of the JVCo the higher of (i) one director, and (ii) such number of directors as would result in the number of Japfa directors on the board of the JVCo being proportionate to the Company's shareholding in the JVCo.

(c) The Company has pre-emption rights to share issuances (subject to certain carve outs[8]) and a further right to maintain its shareholding in the JVCo at:

(i) 10.1% in any share issuance for acquisitions by the JVCo Group that would bring its shareholding in the JVCo to 10% or below on a fully diluted basis, and

(ii) 5.1% in any share issuance for acquisitions by the JVCo Group that would bring its shareholding in the JVCo to 5% or below on a fully diluted basis,

by way of either subscribing for new shares in the JVCo or the transfer of shares by the Investor to the Company.

(d) The Company will have minority veto rights over certain non-operational matters and (for so long as it holds more than 5% of the shares in the JVCo) consultation rights in respect of certain matters including the adoption of the annual budget and business plan, and the appointment and remuneration of key management of any of the JVCo and its subsidiaries.

2.9 Rationale for the Proposed Transaction

The Directors are of the view that the Proposed Transaction is in the best interest of the Company and its Shareholders for the following reasons:

(a) the Company's dairy segment operates in two distinctly separate geographies, namely (i) the Group's China dairy business, which comprises mainly dairy farming, held under AIH, and (ii) the Group's Southeast Asia dairy business, which is a vertically integrated branded dairy product business supported by its own dairy farms ("**Dairy SEA**"), held under GDS. The Group's dairy business has grown considerably in recent years and there is potential for further growth in both geographies. To accelerate the next phase of development, a strategic partnership with a reputable and active investor can bring both funding and senior management expertise to further develop Dairy SEA;

(b) the Investor is a co-investment vehicle between affiliates of TPG, a leading global investment firm and Northstar Group, a leading private equity fund manager in Southeast Asia; and

(c) by effectively retaining a 20% stake in GDS, the Company will continue to benefit from the upside potential of Dairy SEA.

8 These carve outs relate to shares issuances (i) in connection with an initial public offering of the shares of the JVCo Group, (ii) as consideration for acquisitions by the JVCo Group, and (iii) in connection with long-term incentive plans for management of the JVCo Group.

The long-term strategy of the Group to grow its businesses across various Asian markets remains unchanged. In addition to internal resources, the Company has significant headroom in the Group's gearing should external borrowings be required to implement this strategy. This headroom is the result of a reduction in the Group's borrowings following the receipt of US$66.7 million proceeds from the Company's rights issue in Q1FY2020 and US$254.4 million from Meiji Co., Ltd's investment into the Group's China dairy business in Q3FY2020.

2.10 Proceeds from the Proposed Transaction

The Company expects to receive approximately US$244.0 million in cash following Completion, comprising the cash proceeds from the Proposed Transaction of US$236.0 million and US$8.0 million from the repayment of shareholder loan by GDS on or around Completion. The Company currently intends to utilise approximately US$150.0 million from the proceeds to declare and pay an interim special dividend of S$0.10 per Share to Shareholders following Completion ("**Dividend**"), with the balance to be used for the payment of transaction expenses, the repayment of existing bank loans, and general working capital and corporate purposes. Further details on the Dividend, if declared, will only be announced after Completion.

2.11 Relative Figures under Chapter 10 of the Listing Manual

The relative figures for the Proposed Transaction computed on the bases set out in Rule 1006 of the Listing Manual, based on the latest announced consolidated financial statements of the Group for the period from 1 January 2020 to 30 September 2020 are as follows:

Rule 1006	Base	Relative figure computed in accordance with the bases set out in Rule 1006
(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value	4.9%[(2)]
(b)	The net profits[(1)] attributable to the assets disposed of, compared with the Group's net profits	3.2%[(3)]
(c)	The aggregate value of the consideration received, compared with the Company's market capitalisation based on the total number of issued Shares excluding treasury shares.	24.9%[(4)]
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves.	Not applicable[(5)]

Notes:

(1) Under Rule 1002(3)(b) of the Listing Manual, "net profits" means profit before income tax and non-controlling interests.

(2) The unaudited net asset value of the Group as at 30 September 2020 was US$1,668.8 million. The net asset value of the Sale Shares was computed based on the unaudited *pro forma* net asset value of the GDS Group, which was US$81.3 million as at 30 September 2020. The *pro forma* net asset value of the GDS Group assumes:

(a) the shareholder loan of US$13.4 million due from GDS and which was capitalised on 28 December 2020 was capitalised on 30 September 2020;

(b) the AAFS Restructuring was completed on 30 September 2020; and

(c) there are no other costs (such as tax and other transaction costs) arising from the Proposed Transaction or from the AAFS Restructuring.

(3) The Group's unaudited net profits for the period from 1 January 2020 to 30 September 2020 was US$165.7 million. The unaudited net profits for the period from 1 January 2020 to 30 September 2020 attributable to the Sale Shares was computed based on 100% of the unaudited *pro forma* net profits of the GDS Group, which was US$5.3 million for the period from 1 January 2020 to 30 September 2020. The *pro forma* net profits of GDS assumes:

(a) the AAFS Restructuring was completed on 1 January 2020; and

(b) there are no other costs (such as tax and other transaction costs) arising from the Proposed Transaction or from the AAFS Restructuring.

(4) Based on the Consideration of US$295.0 million, and the Company's market capitalisation of approximately US$1,183.3 million. The Company's market capitalisation is determined by multiplying the number of Shares in issue of 2,049,084,720 (excluding 18,338,600 treasury shares) by the closing price of S$0.77 (US$0.58)[9] per Share on 4 December 2020, being the Market Day preceding the date of the Share Purchase Agreement.

(5) Not applicable as the Company is not a mineral, oil or gas company.

2.12 Shareholders' Approval

As the relative figure computed based on Rule 1006(c) of the Listing Manual exceeds 20%, the Company will be seeking the approval of Shareholders at the EGM. Please refer to Section 2.11 of this Circular for further details.

3. FINANCIAL EFFECTS OF THE PROPOSED TRANSACTION

For illustration purposes, based on the Consideration of US$295.0 million and the book value of the GDS Group as at 30 September 2020 of US$81.3 million[10], the Group's gain from the disposal of 100% of the shareholding in GDS is estimated to be US$213.7 million[11].

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9 Based on an exchange rate of US$1.00 : S$1.3334 on 4 December 2020

10 The *pro forma* book value of the GDS Group as at 30 September 2020 assumes:

(i) shareholder loan of US$13.4 million due from GDS and which was capitalised on 28 December 2020 was capitalised on 30 September 2020;

(ii) the AAFS Restructuring was completed on 30 September 2020; and

(iii) there are no other costs (such as tax and other transaction costs) arising from the Proposed Transaction or from the AAFS Restructuring.

11 The actual gain on disposal to be recorded in the financial statements will be determined based on the fair value of the Consideration Shares and book value of the GDS Group at Completion.

Pro forma financial effects of the Proposed Transaction

The *pro forma* financial effects of the Proposed Transaction on the Group as set out below are purely for illustrative purposes only and are therefore not indicative of the actual future financial performance or position of the Group after Completion.

3.1 Share Capital

As the Proposed Transaction does not involve the issue of any new Shares, the Proposed Transaction will not have any impact on the existing issued share capital of the Company.

3.2 Effect on NTA

(a) As at 31 December 2019

For illustrative purposes only, the financial effects of the Proposed Transaction on the NTA per Share as at 31 December 2019 (based on the audited consolidated financial statements of the Group for FY2019, being the most recently completed financial year), assuming Completion had taken place on 31 December 2019 are as follows:

	Before the Proposed Transaction	**After the Proposed Transaction**
Consolidated NTA attributable to Shareholders (US$ million)	863.6	1,113.2[(1)(2)]
Number of issued Shares as at 31 December 2019 (excluding treasury shares)	1,863,338,291	1,863,338,291
Consolidated NTA per Share (US$)	0.46	0.60
Consolidated NTA per Share (S$) computed based on the exchange rate of US$1.00: S$1.3472 as at 31 December 2019	0.62	0.80

Notes:

(1) Adjusted for the increase in the Group's NTA of US$249.5 million arising from the gain on disposal of subsidiary. The gain on disposal of subsidiary was computed based on the Consideration of US$295.0 million and the *pro forma* net assets of the GDS Group of US$45.5 million as at 31 December 2019.

(2) The *pro forma* net asset value of GDS assumes no other costs (such as tax and other transaction costs) arising from the Proposed Transaction.

(b) As at 30 September 2020

For illustrative purposes only, the financial effects of the Proposed Transaction on the NTA per Share as at 30 September 2020 (based on the latest announced consolidated financial statements of the Group for the financial period beginning 1 January 2020 and ended on 30 September 2020), assuming Completion had taken place on 30 September 2020, are as follows:–

	Before Proposed Transaction	After Proposed Transaction
Consolidated NTA attributable to Shareholders (US$ million)	1,140.9	1,354.6[(1)(2)]
Number of issued Shares as at 30 September 2020 (excluding treasury shares)	2,049,084,720	2,049,084,720
Consolidated NTA per Share (US$)	0.56	0.66
Consolidated NTA per Share (S$) computed based on the exchange rate of US$1.00: S$1.3692 as at 30 September 2020	0.76	0.91

Notes:

(1) Adjusted for the increase in the Group's NTA of US$213.7 million arising from the gain on disposal of subsidiary. The gain on disposal of subsidiary was computed based on the Consideration of US$295.0 million and the *pro forma* net assets of the GDS Group of US$81.3 million as at 30 September 2020.

(2) The *pro forma* net asset value of the GDS Group assumes:

(i) the shareholder loan of US$13.4 million due from GDS and which was capitalised on 28 December 2020 was capitalised on 30 September 2020;

(ii) the AAFS Restructuring was completed on 30 September 2020; and

(iii) there are no other costs (such as tax and other transaction costs) arising from the Proposed Transaction or from the AAFS Restructuring.

3.3 Effect on EPS

For illustrative purposes only, the financial effects of the Proposed Transaction on the EPS (based on the audited consolidated financial statements of the Group for FY2019, being the most recently completed financial year), assuming that Completion had taken place on 1 January 2019 are as follows:

	Before the Proposed Transaction	After the Proposed Transaction
Profit after tax attributable to Shareholders (US$ million)	120.0	354.5[(1)(2)(3)(4)]
Weighted average number of issued Shares (excluding treasury shares)	1,860,889,138	1,860,889,138
EPS (US$ cents)	6.45	19.05[(5)]

Notes:

(1) Adjusted for the decrease in the Group's profit after tax attributable to Shareholders of less than US$0.1 million as a result of the Proposed Transaction, computed based on 100% of the unaudited *pro forma* net profit after tax of the GDS Group for the year ended 31 December 2019.

(2) Adjusted for the increase in Group's profit after tax attributable to shareholders of the Company of US$252.1 million arising from the gain on disposal of subsidiary. The gain on disposal of subsidiary was computed based on the Consideration of US$295.0 million and the *pro forma* net assets of the GDS Group of US$42.9 million as at 1 January 2019.

(3) Adjusted for the decrease in Group's profit after tax attributable to Shareholders of US$17.5 million. This being the realisation of the *pro forma* currency translation reserve of the GDS Group of a negative US$17.5 million to profit and loss on the disposal of the GDS Group as at 1 January 2019.

(4) The *pro forma* net profits, net assets and currency translation reserve of the GDS Group assumes there are no other costs (such as tax and other transaction costs) arising from the Proposed Transaction.

(5) The EPS of US$19.05 cents includes a one-off gain of US$12.60 cents arising from the disposal of the GDS Group.

4. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

4.1 Directors' Interests

The interests of the Directors in the Shares, as recorded in the Register of Directors' Shareholdings of the Company, as at the Latest Practicable Date are set out below:

	Direct Interest		Deemed Interest[2]		Total Interest	
Directors	**No. of Shares**	**%[1]**	**No. of Shares**	**%[1]**	**No. of Shares**	**%[1]**
Mr Handojo Santosa @ Kang Kiem Han[3]	–	–	1,250,500,805	61.72	1,250,500,805	61.72
Mr Hendrick Kolonas	–	–	–	–	–	–
Mr Tan Yong Nang[4]	–	–	84,491,760	4.17	84,491,760	4.17
Mr Kevin Monteiro[5]	–	–	3,348,730	0.17	3,348,730	0.17
Ms Lien Siaou-Sze[6]	–	–	687,500	0.03	687,500	0.03
Mr Ng Quek Peng[7]	–	–	550,000	0.03	550,000	0.03
Mr Manu Bhaskaran	–	–	–	–	–	–
Mr Tan Kian Chew	33,000	0.00	–	–	33,000	0.00
Mr Chia Wee Boon	–	–	–	–	–	–

Notes:

(1) Based on 2,026,084,720 Shares in issue (excluding 41,338,600 treasury shares) as at the Latest Practicable Date.

(2) Deemed interests refer to interests determined pursuant to Section 4 of the SFA.

(3) See note (3) of Section 4.2 – "Substantial Shareholders' Interests".

(4) 45,860,691 Shares are held by Great Alpha Investments Limited and 33,000,000 Shares are held by The Great Delta Trust. By virtue of Section 4 of the SFA, Mr Tan Yong Nang is deemed to have an interest in the Shares held by Great Alpha Investments Limited and The Great Delta Trust. In addition, Mr Tan Yong Nang is also deemed to have an interest in 5,631,069 Shares held in a joint account with his wife (through their client account with a financial institution).

(5) Held through his client account with a financial institution.

(6) Held through her client account with a financial institution.

(7) Held through his client account with a financial institution.

4.2 Substantial Shareholders' Interests

The interests of the Substantial Shareholders in the Shares, as recorded from the Register of Substantial Shareholders of the Company, as at the Latest Practicable Date are set out below:

Substantial Shareholders	Direct Interest		Deemed Interest[2]		Total Interest	
	No. of Shares	%[1]	No. of Shares	%[1]	No. of Shares	%[1]
Mr Handojo Santosa @ Kang Kiem Han[3]	–	–	1,250,500,805	61.72	1,250,500,805	61.72
Rangi Management Limited[3][4][6]	1,061,976,500	52.42	–	–	1,061,976,500	52.42
Fusion Investment Holdings Limited[4][5]	–	–	1,061,976,500	52.42	1,061,976,500	52.42
Tasburgh Limited[3][5][6]	106,714,375	5.27	–	–	106,714,375	5.27
Morze International Limited[7]	310,779,793	15.34	–	–	310,779,793	15.34
Highvern Trustees Limited[5][6][7][8]	–	–	1,479,470,668	73.02	1,479,470,668	73.02
Scuderia Trust[6]	–	–	1,168,690,875	57.68	1,168,690,875	57.68
Capital Two Trust[7]	–	–	310,779,793	15.34	310,779,793	15.34
MNM Holdings Limited[8]	–	–	1,479,470,668	73.02	1,479,470,668	73.02
Mr Martin John Hall[8]	–	–	1,479,470,668	73.02	1,479,470,668	73.02
Ms Naomi Julia Rive[8]	–	–	1,479,470,668	73.02	1,479,470,668	73.02
Ms Rachel Anastasia Kolonas[7][9]	–	–	310,779,793	15.34	310,779,793	15.34
Mdm Farida Gustimego Santosa[3][6][10]	–	–	1,169,500,805	57.72	1,169,500,805	57.72
Mr Renaldo Santosa[6][11]	–	–	1,170,311,175	57.76	1,170,311,175	57.76
Ms Gabriella Santosa[12]	–	–	1,168,765,875	57.69	1,168,765,875	57.69

Notes:

(1) Based on 2,026,084,720 Shares in issue (excluding 41,338,600 treasury shares) as at the Latest Practicable Date.

(2) Deemed interests refer to interests determined pursuant to Section 4 of the SFA.

(3) Mr Handojo Santosa @ Kang Kiem Han is the settlor of the Scuderia Trust. Under the terms of the Scuderia Trust, he is entitled, as an investment power holder, to direct the trustee of the Scuderia Trust to procure to the best of its ability that the directors of Fusion Investment Holdings Limited and Tasburgh Limited act in accordance with his instructions in relation to the investments of the Scuderia Trust. See Note (6) below. As the sole shareholder of Rangi Management Limited, Fusion Investment Holdings Limited is entitled to determine the composition of the board of directors of Rangi Management Limited. Accordingly, Mr Handojo Santosa @ Kang Kiem Han can control the exercise of the rights of the shares held by Fusion Investment Holdings Limited in Rangi Management Limited and through the board of directors appointed by Fusion Investment Holdings Limited, control the exercise of the rights of the Shares held by Rangi Management Limited under the Scuderia Trust. By virtue of Section 4 of the SFA, Mr Handojo Santosa @ Kang Kiem Han is deemed to have an interest in the Shares held by Rangi Management Limited and Tasburgh Limited. Tallowe Services Inc holds 81,000,000 Shares. The Shares of Tallowe Services Inc are held by Magnus Nominees Limited and Fidelis Nominees Limited as bare trustees for Mr Handojo Santosa @ Kang Kiem Han.

By virtue of Section 4 of the SFA, Mr Handojo Santosa @ Kang Kiem Han is also deemed to have an interest in the Shares held by Tallowe Services Inc. In addition, Mr Handojo Santosa @ Kang Kiem Han is also deemed to have an interest in 809,930 Shares held in a joint account with his wife (through their client account with a financial institution).

(4) Fusion Investment Holdings Limited holds the entire issued and paid-up capital of Rangi Management Limited. By virtue of Section 4 of the SFA, Fusion Investment Holdings Limited is deemed to have an interest in the Shares held by Rangi Management Limited.

(5) The shares in each of Fusion Investment Holdings Limited, Tasburgh Limited and Morze International Limited are collectively held by Magnus Nominees Limited and Fidelis Nominees Limited as bare trustees on trust for their sole shareholder, Highvern Trustees Limited, as trustee of the Scuderia Trust and the Capital Two Trust. By virtue of Section 4 of the SFA, Highvern Trustees Limited is deemed to have an interest in the Shares held by Rangi Management Limited, Tasburgh Limited and Morze International Limited. Highvern Trustees Limited is a professional trustee.

(6) Highvern Trustees Limited is the trustee of the Scuderia Trust which is a reserved power discretionary trust. The Shares held by Rangi Management Limited and Tasburgh Limited are assets of the Scuderia Trust. The settlor of Scuderia Trust is Mr Handojo Santosa @ Kang Kiem Han. The beneficiaries of the Scuderia Trust are Mr Handojo Santosa @ Kang Kiem Han's spouse (Farida Gustimego Santosa), children (Renaldo Santosa, Gabriella Santosa, Mikael Santosa and Raffaela Santosa) and remoter issue. Pursuant to Section 4 of the SFA, the beneficiaries of the Scuderia Trust are deemed to have an interest in the Shares held by Rangi Management Limited and Tasburgh Limited.

(7) Highvern Trustees Limited is the trustee of the Capital Two Trust which is a reserved power discretionary trust. The Shares held by Morze International Limited are assets of the Capital Two Trust. The settlor of Capital Two Trust is Ms Rachel Anastasia Kolonas. The beneficiaries of the Capital Two Trust are Rachel Anastasia Kolonas, her issue and remoter issue and Tati Santosa. Pursuant to Section 4 of the SFA, the beneficiaries of the Capital Two Trust are deemed to have an interest in the Shares held by Morze International Limited.

(8) MNM Holdings Limited is the holding company of Highvern Trustees Limited, which holds a direct interest in the shares of Japfa Ltd as trustee of Scuderia Trust and Capital Two Trust. MNM Holdings limited is wholly owned by Martin John Hall and Naomi Julia Rive in equal shareholding proportions. By virtue of Section 4 of the SFA, each of MNM Holdings Limited, Martin John Hall and Naomi Julia Rive is deemed to be indirectly interested in the Shares that Highvern Trustees Limited is interested in.

(9) Ms Rachel Anastasia Kolonas is the settlor of the Capital Two Trust. Under the terms of the Capital Two Trust, she is entitled, as an investment power holder, to direct the trustee of the Capital Two Trust to procure to the best of its ability that the directors of Morze International Limited act in accordance with her instructions in relation to the investments of the Capital Two Trust. Accordingly she can control the exercise of the rights of the Shares held under the Capital Two Trust. By virtue of Section 4 of the SFA, Ms Rachel Anastasia Kolonas is deemed to have an interest in the Shares held by Morze International Limited.

(10) Mdm Farida Gustimego Santosa is a beneficiary under the Scuderia Trust. See Note (6) above. Mdm Farida Gustimego Santosa is also deemed to have an interest in 809,930 Shares held in a joint account with her husband (through their client account with a financial institution).

(11) Mr Renaldo Santosa is a beneficiary under the Scuderia Trust. See Note (6) above. Mr Renaldo Santosa additionally holds 1,620,300 Shares through his client account with a financial institution.

(12) Ms Gabriella Santosa is a beneficiary under the Scuderia Trust. See Note (6) above. Ms Gabriella Santosa additionally holds 75,000 Shares through her client account with a financial institution.

4.3 Interests of Directors and Substantial Shareholders

Save as disclosed in this Circular, none of the Directors, or as far as the Company is aware, the Substantial Shareholders, have any interest, direct or indirect, in the Proposed Transaction other than through their respective directorships and shareholdings in the Company.

5. SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Company in connection with the Proposed Transaction, and no service contracts in relation thereto will be entered into by the Company.

6. DIRECTORS' RECOMMENDATION

The Directors are of the opinion, for the reasons set out in Section 2.9 above, that the Proposed Transaction is in the interests of the Company. Accordingly, they recommend that Shareholders vote in favour of the Ordinary Resolution relating to the Proposed Transaction to be proposed at the EGM.

7. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 25 to 28 of this Circular, will be held by way of electronic means on 26 January 2021 at 2.00 p.m. for the purpose of considering and, if thought fit, passing with or without modifications, the Ordinary Resolution set out in the Notice of EGM.

COVID-19 Measures

The COVID-19 Order was issued on 13 April 2020 pursuant to the COVID-19 Act and was gazetted to take effect from 27 March 2020. The COVID-19 Order prescribes alternative arrangements for the conduct of general meetings of companies and compliance with these alternative arrangements will be deemed to be compliant with the relevant provisions of written law or legal instrument in respect of which the alternative arrangements are made. Such alternative arrangements include the conduct of a general meeting of a company wholly or partly by electronic means provided that a listed company must publish the minutes of the meeting on SGXNET and the company's website (if available) within one month after the date of the relevant meeting.

On the same day, ACRA, the Monetary Authority of Singapore and Singapore Exchange Regulation issued the COVID-19 Order Guidance (which was last updated on 1 October 2020) comprising a checklist to guide listed and non-listed entities on the conduct of general meetings during the period when elevated safe distancing measures are in place. The COVID-19 Order Guidance provides further guidance on Part 4 of the COVID-19 Act and the COVID-19 Order, and states that listed entities should refer to the COVID-19 Order Guidance when conducting general meetings during this elevated safe distancing period.

At the forthcoming EGM, the Company will comply with the COVID-19 precautionary measures recommended or imposed by the Singapore Government to minimise the risk of community spread of COVID-19 as may be appropriate, including the Infectious Diseases Regulations and COVID-19 Order, on the holding of general meetings amid COVID-19. Please refer to Section 8 of this Circular for more details on the actions Shareholders should take pursuant to the COVID-19 Act and any regulations promulgated thereunder, including without limitation, the COVID-19 Order, as well as the COVID-19 Order Guidance.

Shareholders should note that the Company may make further changes to its EGM arrangements as the COVID-19 situation evolves. Shareholders are advised to keep abreast of any such changes as may be announced by the Company as may be made from time to time on SGXNET.

8. ACTION TO BE TAKEN BY SHAREHOLDERS

8.1 Shareholders should note and consider taking the following actions:

(a) No attendance at EGM

In view of the elevated safe distancing measures pursuant to the Infectious Diseases Regulations and COVID-19 Regulations, Shareholders will not be able to attend the EGM in person. Instead, alternative arrangements have been put in place to allow Shareholders to participate at the EGM by (i) watching the EGM proceedings via "live" webcast or listening to the EGM proceedings via "live" audio feed, (ii) submitting questions in advance of the EGM, and/or (iii) voting by proxy at the EGM. Please see the paragraphs below for these alternative arrangements.

(b) Registration to attend the EGM remotely

The proceedings of the EGM will be conducted by electronic means. Shareholders will be able to watch the proceedings of the EGM through a "live" webcast via their mobile phones, tablets or computers or listen to these proceedings through a "live" audio feed via telephone. In order to do so, Shareholders must follow these steps:

(i) Shareholders who wish to watch the "live" webcast or listen to the "live" audio feed must pre-register by **2.00 p.m. on 23 January 2021** ("**Registration Cut-Off Date**") (being 72 hours before the time fixed for the EGM), at the URL www.japfa.com/egm2021. Shareholders will be required to provide their full name, NRIC/Passport No./Company Registration No. and address for verification purposes.

Upon successful registration, authenticated Shareholders will receive an email confirmation by 5.00 p.m. on 25 January 2021 with their user log-in details, access password and the link to access the "live" webcast and/or telephone number for "live" audio feed of the EGM proceedings.

(ii) Shareholders who do not receive any email by 5.00 p.m. on 25 January 2021, but who have registered by the Registration Cut-Off Date, should contact the Company at the following email address: japfaegm2021@boardroomlimited.com.

(c) Prior submission of questions

Shareholders who pre-register to watch the "live" webcast or listen to the "live" audio feed may also submit questions related to the resolution to be tabled for approval for the EGM:

(i) All questions must be submitted by **2.00 p.m. on 23 January 2021** (being 72 hours before the time fixed for the EGM):

- via the pre-registration website at the URL www.japfa.com/egm2021;
- in hard copy by sending personally or by post and lodging the same at the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623; or
- by email to the Company's Share Registrar at japfaegm2021@boardroomlimited.com.

(ii) The Company will address substantial and relevant questions relating to the resolution to be tabled for approval for the EGM either before the EGM on SGXNET and the Company's website at the URL https://japfa.com/investors/general-report/agm-egm or during the EGM, in accordance with the COVID-19 Order Guidance.

(iii) The Company will, within one month after the date of the EGM, publish the minutes of the EGM on SGXNET and the Company's website, and the minutes will include the responses to the questions referred to above.

(iv) Please note that Shareholders will not be able to ask questions at the EGM "live" during the webcast and the audio feed, and therefore it is important for Shareholders to pre-register their participation in order to be able to submit their questions in advance of the EGM.

(d) Voting by proxy only

Shareholders will not be able to vote online on the resolution to be tabled for approval at the EGM. Instead, if Shareholders (whether individual or corporate) wish to exercise their voting rights at the EGM, they must each submit an instrument of proxy to appoint the Chairman of the EGM as their proxy to attend, speak and vote on their respective behalves at the EGM:

(i) Shareholders (whether individual or corporate) appointing the Chairman of the EGM as proxy must give specific instructions as to his manner of voting, or abstentions from voting, in the instrument of proxy, failing which the appointment will be treated as invalid.

(ii) The instrument of proxy, together with the letter or power of attorney or other authority under which it is signed (if applicable) or a duly certified copy thereof, must:

- if sent personally or by post, be lodged at the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623; or

- if by email, be received by the Company's Share Registrar at japfaegm2021@boardroomlimited.com,

in either case, by **2.00 p.m. on 23 January 2021** (being 72 hours before the time fixed for the EGM).

(iii) Investors who wish to vote should approach their relevant intermediaries as soon as possible to specify his/her voting instructions. SRS Investors who wish to exercise their votes by appointing the Chairman of the EGM as proxy should approach their respective relevant intermediaries (including their respective SRS Operators) to submit their voting instructions by **5.00 p.m.** on **15 January 2021** in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the EGM to vote on their behalf by 2.00 p.m. on 23 January 2021.

8.2 Depositor not member

A Depositor will not be regarded as a member of the Company entitled to participate in the EGM and vote thereat unless he is shown to have Shares entered against his name in the Depository Register as certified by CDP to the Company at least 72 hours before the EGM.

9. DIRECTOR'S RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Transaction, and the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

10. INSPECTION OF DOCUMENTS

Subject to prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be issued by the relevant authorities, the following documents are available for inspection at the registered office of the Company at 391B Orchard Road #18-08 Ngee Ann City, Tower B, Singapore 238874 during normal business hours from the date of this Circular up to and including the date of the EGM in respect of items (b) and (c) and from 7 December 2020 (being the date of the Announcement) to 7 March 2021 in respect of item (a):

(a) the Share Purchase Agreement;

(b) the Constitution of the Company; and

(c) the Annual Report of the Company for FY2019.

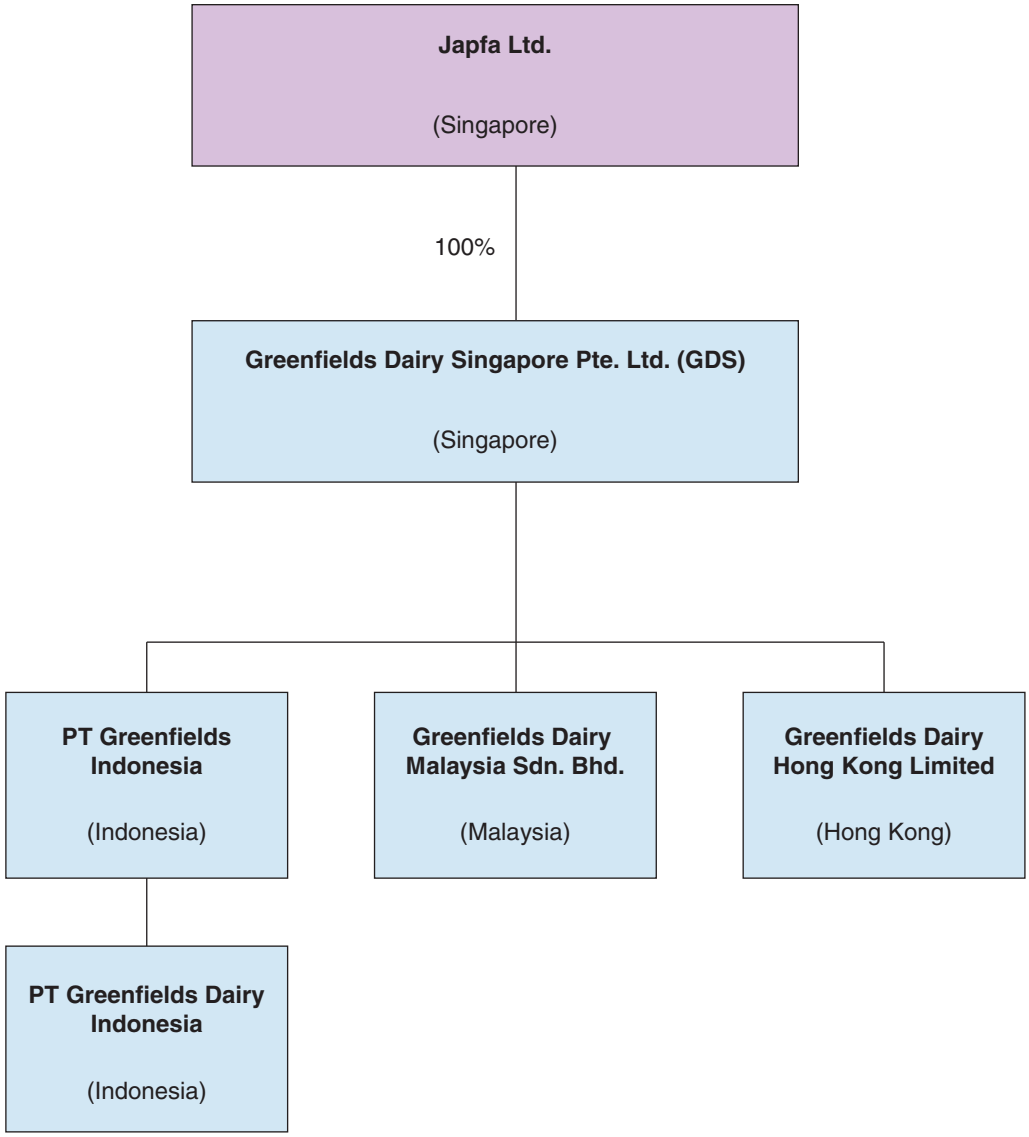
Yours faithfully

For and on behalf of the Board of Directors of
JAPFA LTD

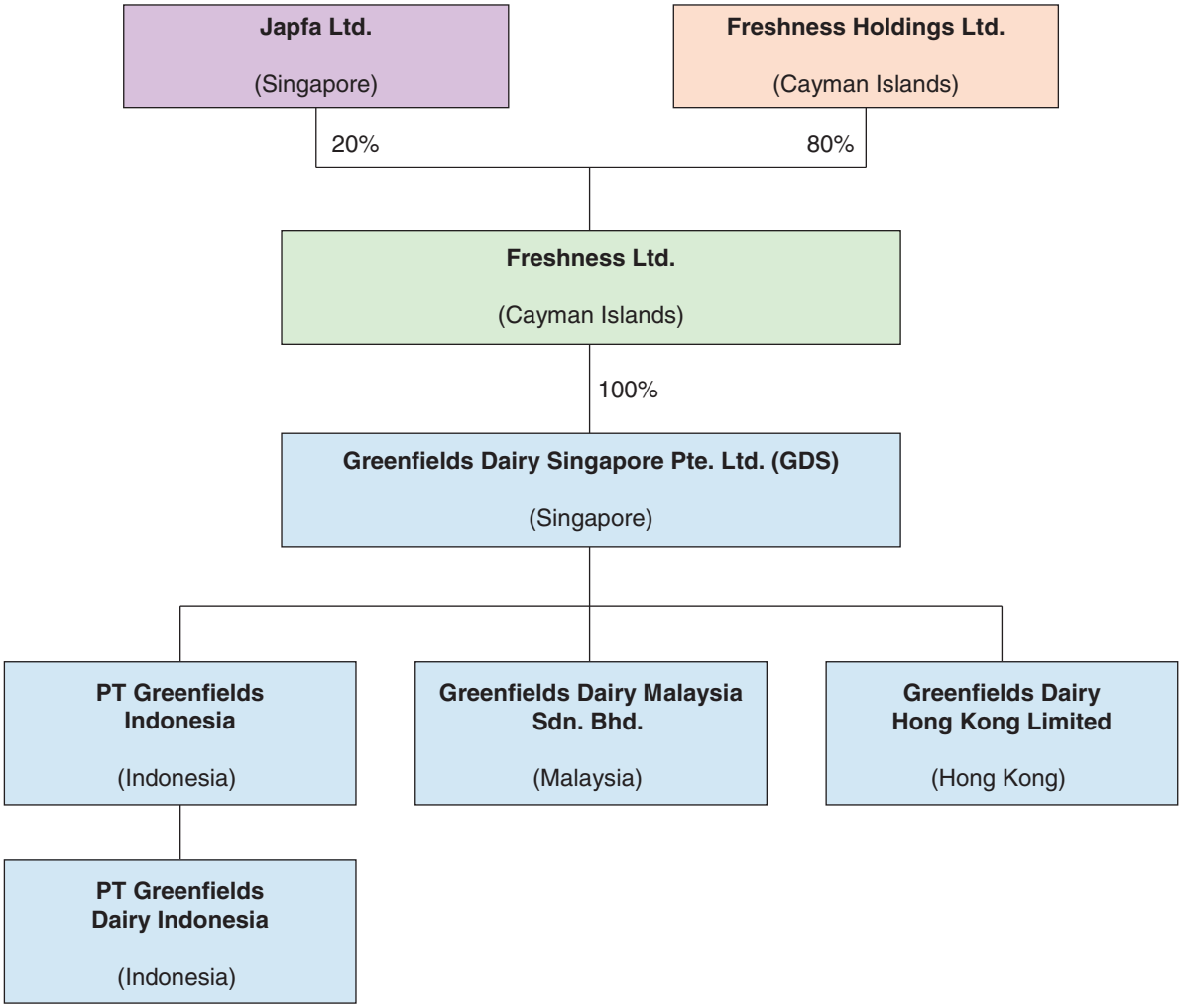
Tan Yong Nang
Executive Director and Chief Executive Officer

ANNEX

Part 1: GDS Group Structure prior to Completion

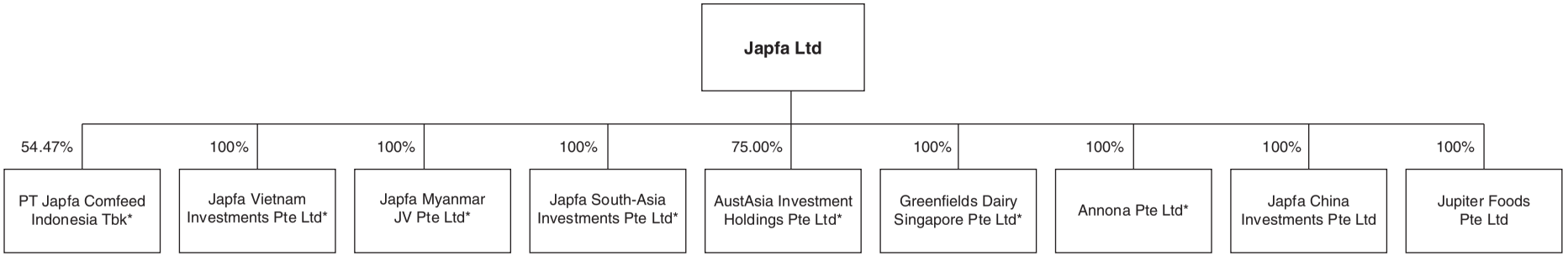


Part 2: GDS Group Structure following Completion

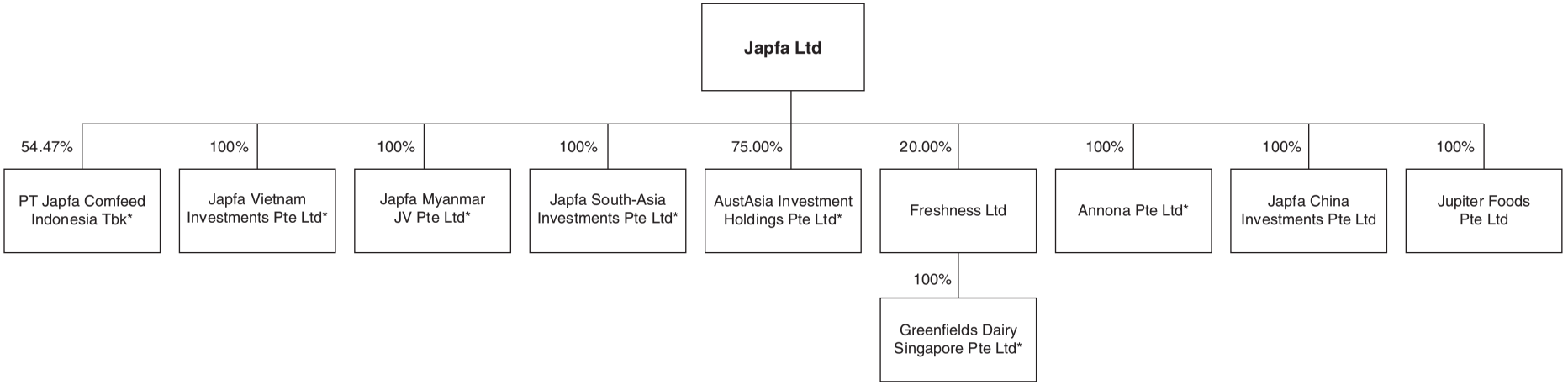


ANNEX

Part 3: Japfa Group Structure prior to Completion



Part 4: Japfa Group Structure following Completion



**and its subsidiaries*

JAPFA LTD

(Incorporated in the Republic of Singapore)
(Company Registration No. 200819599W)

NOTICE OF EXTRAORDINARY GENERAL MEETING

This Notice has been made available on SGXNET and the Company's website and may be accessed at the URL https://japfa.com/investors/general-report/agm-egm. A printed copy of this Notice will NOT be despatched to members.

All capitalised terms used in this Notice which are not defined herein shall, unless the context otherwise requires, have the same meaning ascribed to them in the circular to shareholders of the Company dated 11 January 2021.

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (the "**EGM**") of Japfa Ltd (the "**Company**") will be held by way of electronic means on 26 January 2021 at 2.00 p.m. for the purpose of considering and, if thought fit, passing, with or without amendments, the resolution set out below.

ORDINARY RESOLUTION

THE PROPOSED DISPOSAL OF AN EFFECTIVE 80% INTEREST IN GREENFIELDS DAIRY SINGAPORE PTE. LTD.

THAT:–

(a) approval be and is hereby given for the disposal by the Company of all of the shares in the capital of Greenfields Dairy Singapore Pte. Ltd. ("**GDS**") to Freshness Ltd. upon the terms and conditions of the share purchase agreement dated 6 December 2020 (the "**Share Purchase Agreement**") entered into by the Company, Freshness Ltd. and Freshness Holdings Ltd. (the "**Proposed Transaction**"); and

(b) the directors of the Company (the "**Directors**") and each of them be and are hereby authorised to complete and to do all acts and things (including, without limitation, executing all such documents as may be required) as they or he may consider necessary, desirable or expedient for the purposes of or in connection with and to give effect to this Ordinary Resolution (including any amendment to the Share Purchase Agreement, execution of any other agreements or documents and procurement of third party consents).

By Order of the Board of Directors

Tan Yong Nang
Executive Director and Chief Executive Officer
11 January 2021

Important Notice from the Company on COVID-19

As the COVID-19 situation continues to evolve, the Company is closely monitoring the situation, including any precautionary measures which may be required or recommended by government agencies to minimise the risk of community spread of COVID-19. **Members should note that the Company may be required (including at short notice) to make further changes to its EGM arrangements as the situation evolves, and members are advised to keep abreast of any such changes as may be announced by the Company as may be made from time to time on SGXNET**.

1. No attendance at EGM

Alternative arrangements have been put in place to allow members to participate at the EGM by watching the EGM proceedings through a "live" webcast through his/her/its mobile phones, tablets or computers or listening to the EGM proceedings via "live" audio feed via telephone. Members who pre-register to watch the "live" webcast or listen to the "live" audio feed may also submit questions related to the resolution to be tabled for approval at the EGM, and members who wish to exercise their voting rights may do so by voting by proxy at the EGM. Please see the paragraphs below for these alternative arrangements.

2. Registration to attend the EGM Remotely

A member who wishes to watch the "live" webcast or listen to the "live" audio feed must pre-register by **2.00 p.m. on 23 January 2021** ("**Registration Cut-Off Date**") (being 72 hours before the time fixed for the EGM), at the URL www.japfa.com/egm2021. Members will be required to provide their full name, NRIC/Passport No./Company Registration No. and address for verification purposes.

Upon successful registration, authenticated members will receive an email confirmation by 5.00 p.m. on 25 January 2021 with their user log-in details, access password and the link to access the "live" webcast and/or telephone number for "live" audio feed of the EGM proceedings.

A member who does not receive any email by 5.00 p.m. on 25 January 2021, but who has registered by the Registration Cut-Off Date, should contact the Company's Share Registrar at the following email address: japfaegm2021@boardroomlimited.com.

3. Prior submission of questions

A member who pre-registers to watch the "live" webcast or listen to the "live" audio feed may also submit questions related to the resolution to be tabled for approval for the EGM. To do so, all questions must be submitted by **2.00 p.m. on 23 January 2021** (being 72 hours before the time fixed for the EGM):

(i) via the pre-registration website at the URL www.japfa.com/egm2021;

(ii) in hard copy by sending personally or by post and lodging the same at the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623; or

(iii) by email to the Company's Share Registrar at japfaegm2021@boardroomlimited.com.

The Company will address substantial and relevant questions relating to the resolution to be tabled for approval for the EGM either before the EGM on SGXNET and the Company's website at the URL https://japfa.com/investors/general-report/agm-egm or during the EGM, in accordance with COVID-19 Order Guidance.

4. Voting by proxy only

A member will not be able to vote online on the resolution to be tabled for approval at the EGM. If a member (whether individual or corporate) wishes to exercise his/her/its voting rights at the EGM, he/she/it must submit an instrument of proxy to appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM. A member (whether individual or corporate) appointing the Chairman of the EGM as proxy must give specific instructions as to his/her/its manner of voting, or abstentions from voting, in the instrument of proxy, failing which the appointment will be treated as invalid.

The instrument of proxy, together with the letter or power of attorney or other authority under which it is signed (if applicable) or a duly certified copy thereof, must:

(i) if sent personally or by post, be lodged at the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623; or

(ii) if by email, be received by the Company's Share Registrar at japfaegm2021@boardroomlimited.com,

in either case, by **2.00 p.m. on 23 January 2021** (being 72 hours before the time fixed for the EGM), and in default the instrument of proxy shall not be treated as valid.

Investors who wish to vote should approach their relevant intermediaries as soon as possible to specify his/her voting instructions. SRS Investors who wish to exercise their votes by appointing the Chairman of the EGM as proxy should approach their respective relevant intermediaries (including their respective SRS Operators) to submit their voting instructions by **5.00 p.m. on 15 January 2021** in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the EGM to vote on their behalf by 2.00 p.m. on 23 January 2021.

The Chairman of the EGM, as proxy, need not be a member of the Company.

The instrument appointing the Chairman of the EGM as proxy must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing the Chairman of the EGM as proxy is executed by a corporation, it must be executed either under its seal, executed as a deed in accordance with the Companies Act (Chapter 50) of Singapore or under the hand of an attorney or an officer duly authorised, or in some other manner approved by the Directors. Where the instrument appointing the Chairman of the EGM as proxy is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

The Company shall be entitled to reject the instrument appointing the Chairman of the EGM as proxy if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the EGM as proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing the Chairman of the EGM as proxy lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

Please refer to Section 8 of the Circular for more details on how members may attend and participate in the EGM.

The Company apologises for any inconvenience caused and seeks the understanding and cooperation of all members to minimise the risk of community spread of the COVID-19. The Company, Group, officers and employees shall have no liability whatsoever to members, their proxies, corporate representatives or any other attendees arising out of or in connection with any of them being infected or suspected of being infected with COVID-19 or suffering any losses arising out of or in connection with attendance at the EGM of the Company and/or the Company taking precautionary measures at the Company's discretion in response to the COVID-19 situation.

PERSONAL DATA PRIVACY

By submitting a proxy form appointing the Chairman of the EGM as proxy to attend and vote at the EGM and/or any adjournment thereof, and/or by registering to attend the EGM as detailed in Section 8 of the Circular, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

JAPFA LTD
(Incorporated in the Republic of Singapore)
(Company Registration No. 200819599W)

PROXY FORM
EXTRAORDINARY GENERAL MEETING

IMPORTANT:

1. Alternative arrangements relating to, among others, attendance, submission of questions in advance, voting by proxy at the EGM are set out in Section 8 of the Company's circular dated 11 January 2021 which has been uploaded together with the Notice of Extraordinary General Meeting dated 11 January 2021 on SGXNET on the same day.
2. A member will not be able to attend the EGM in person. If a member (whether individual or corporate) wishes to exercise his/her/its votes, he/she/it must submit a proxy form to appoint the Chairman of the EGM to vote on his/her/its behalf. A member (whether individual or corporate) appointing the Chairman of the Meeting as proxy must give specific instructions as to his/her/its manner of voting, or abstentions from voting, in the proxy form, failing which the appointment will be treated as invalid.
3. If a SRS investor wishes to appoint the Chairman of the EGM as proxy, he/she should approach his/her respective SRS Operators to submit his/her votes by 5.00 p.m. on 15 January 2021, being seven (7) working days before the date of the EGM.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 11 January 2021.

*I/We _____ (Name) _____ (NRIC/Passport Number)

of _____ (Address)
being a *member/members of Japfa Ltd ("the **Company**"), hereby appoint the Chairman of the Extraordinary General Meeting ("**EGM**"), as my/our proxy to vote for me/us on my/our behalf at the EGM to be held by way of electronic means on 26 January 2021 at 2.00 p.m. and at any adjournment thereof.

I/We direct my/our proxy to vote for or against the Ordinary Resolution to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, this Proxy Form shall be disregarded and the proxy shall abstain from voting on any matter arising at the EGM and at any adjournment thereof.

NOTE: The Chairman of the EGM will be exercising his right under Regulation 86(2)(a) of the Constitution of the Company to demand a poll in respect of the Ordinary Resolution to be put to the vote at the EGM and at any adjournment thereof. Accordingly, the Ordinary Resolution at the EGM will be voted on by way of a poll.

	For*	Against*	Abstain
ORDINARY RESOLUTION To approve the proposed disposal of an effective 80% interest in Greenfields Dairy Singapore Pte. Ltd.			

* If you wish to exercise all your votes "For", "Against" or to abstain from voting on the Ordinary Resolution, please indicate with a "√" within the box provided. Otherwise, please indicate the number of votes "For" or "Against" the Ordinary Resolution. In the absence of specific directions, the appointment of the Chairman of the EGM as your proxy will be treated as invalid.

Dated this _____ day of _____ 2021

Total Number of Shares Held

_____

Signature of member(s) or Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF

NOTES:–

1. If the member has Shares entered against his/her/its name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), he/she/it should insert that number of Shares. If the member has Shares registered in his/her/its name in the Register of Members, he/she/it should insert that number of Shares. If the member has Shares entered against his/her/its name in the Depository Register and Shares registered in his/her/its name in the Register of Members, he/she/it should insert the number of Shares entered against his/her/its name in the Depository Register and registered in his/her/its name in the Register of Members. If no number is inserted, this form of proxy will be deemed to relate to all the Shares held by the member.

2. Due to the current COVID-19 situation and the related safe distancing measures in Singapore, a member will not be able to attend the EGM in person. If a member (whether individual or corporate) wishes to exercise his/her/its voting rights at the EGM, he/she/it must submit an instrument of proxy to appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM. A member (whether individual or corporate) appointing the Chairman of the EGM as proxy must give specific instructions as to his/her/its manner of voting, or abstentions from voting, in the instrument of proxy, failing which the appointment will be treated as invalid.

3. The Chairman of the EGM, as proxy, need not be a member of the Company.

4. The instrument appointing the Chairman of the EGM as proxy, together with the letter or power of attorney or other authority under which it is signed (if applicable) or a duly certified copy thereof must:

   (a) if sent personally or by post, be lodged at the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623; or

   (b) if by email, be received by the Company's Share Registrar at japfaegm2021@boardroomlimited.com,

   in either case, by 2.00 p.m. on 23 January 2021 (being 72 hours before the time fixed for the EGM), in default the instrument of proxy shall not be treated as valid.

5. The instrument appointing the Chairman of the EGM as proxy must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing the Chairman of the EGM as proxy is executed by a corporation, it must be executed either under its seal, executed as a deed in accordance with the Companies Act (Chapter 50) of Singapore or under the hand of an attorney or officer duly authorised, or in some other manner approved by the Directors.

6. Where the instrument appointing the Chairman of the EGM as proxy is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

7. Relevant intermediaries shall also appoint the chairman of the EGM to act as proxy and direct the vote at the EGM. Together with the instrument appointing a proxy, the relevant intermediaries shall provide to the Company an official cover letter and a list of attendees in excel format who would like to attend the EGM by way of a "live" webcast and/or "live" audio feed with each attendee's full name, NRIC/Passport No./Company Registration No., address, email address and no. of shares for verification purposes. Upon successful registration, authenticated attendees will receive an email confirmation by 5.00 p.m. on 25 January 2021 with their user log-in details, access password and the link to access the "live" webcast and/or telephone number for "live" audio feed of the EGM proceedings.

8. "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act (Chapter 50 of Singapore).

9. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on and/or attached to the instrument of proxy. In addition, in the case of a member whose shares are entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.