

JAPFA

Feeding Emerging Asia

Japfa Ltd

Extraordinary General Meeting

25 June 2020







Meiji investment in our China operations

- On 15 April 2020, Japfa signed a conditional Sale and Purchase Agreement with Meiji for the sale of 25% of its dairy farming operations in China ("AIH") for a total cash consideration of US$254 million ("Proposed Transaction"). Target completion in July 2020
- Upon completion, Japfa will remain the single largest shareholder of AIH and continue to control and manage its farming operations in China
- Includes a contract for AIH to supply raw milk to Meiji on a 5-year rolling basis which will provide a stable revenue stream and help to diversify customer base for our raw milk
- This will build a strategic, synergistic partnership with one of our growing dairy customers and support AIH to grow into the largest independent raw milk producer in China
- The Proposed Transaction will also improve Japfa Ltd's gearing and strengthen its balance sheet as the proceeds will be applied towards the repayment of its syndicated loan facility
- Based on the Proposed Transaction, our upstream dairy business in China is valued at more than US$1 billion. This implied valuation does not include our Greenfields branding and downstream operations in SEA, which continues to be wholly-owned by Japfa

THANK YOU

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