

JAPFA

Feeding Emerging Asia

Japfa Ltd

Investor Presentation

FY2020







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GROUP OVERVIEW



Group Overview



Feeding Emerging Asia



- Established in 1971
- 5 animal protein businesses in 5 countries
- Japfa Ltd's market capitalisation: approx. US$1.4 billion[1]
- FY2020 revenue: US$3.9 billion

[1] As at 31 December 2020







Leading Pan-Asian Industrialised Agri-Food Company



WHAT WE DO

We produce quality protein staples, dairy, and packaged food that nourish ms of people



WHERE WE ARE

We employ over 40,000 people across Singapore, Indonesia, Vietnam, Myanmar, India and China



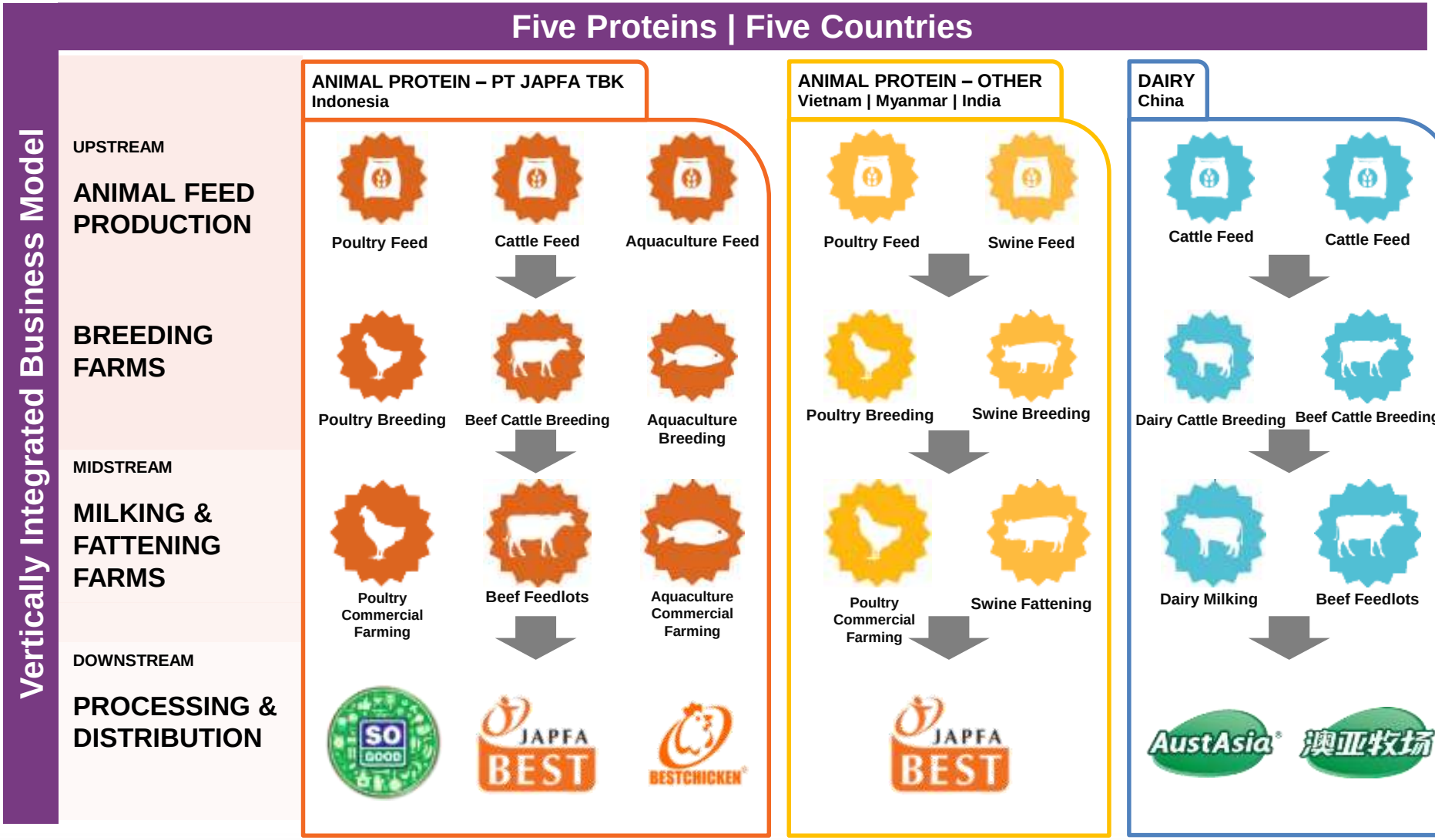
WHY WE DO IT

3 billion people living in our target markets

More than 40% of the world's total population

A leading pan-Asian, industrialised agri-food company dedicated to feeding emerging Asia with essential proteins

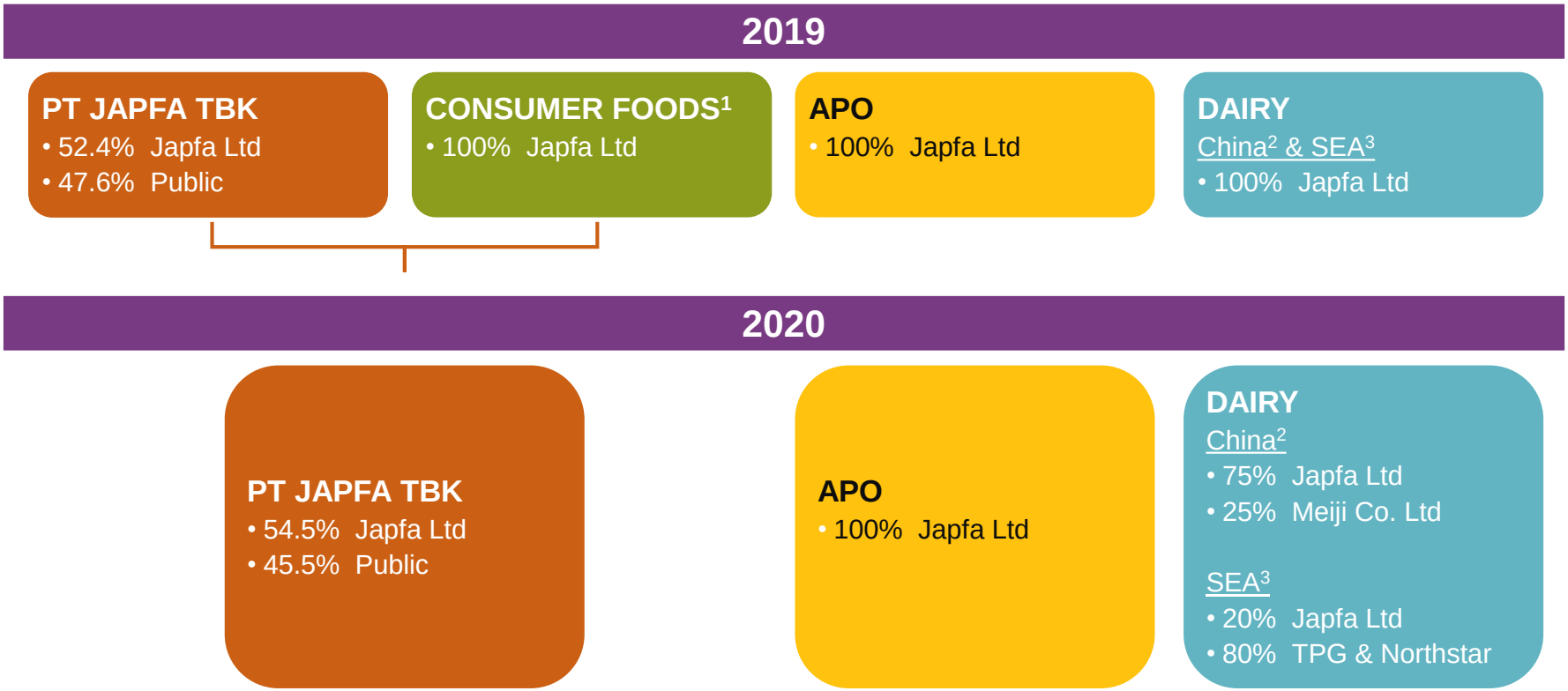
Vertically Integrated Business Across Entire Value Chain



Notes:

- **Five Proteins** refers to Poultry, Beef, Aquaculture, Swine and Dairy.
- **Five Countries** refers to Indonesia, Vietnam, Myanmar, India and China.

Japfa Ltd Ownership & Consolidation of Segments



Throughout this presentation, we have combined the Consumer Food segment into the PT Japfa Tbk segment for FY2019 to allow comparability with FY2020 segments

Key changes in shareholding in FY2020:

1. Consumer Foods transferred to PT Japfa Tbk as part of an intragroup reorganisation
2. Disposal of 25% interest in Dairy-China to Meiji Co. Ltd
3. Disposal of Dairy Southeast Asia ("SEA") to TPG & Northstar Group, post-transaction Japfa Ltd will continue to own 20%

The chart above is intended for illustrative purposes

Japfa's Core Competencies

Vertically Integrated Business Model

Industrialized approach to farming and food production

UPSTREAM

ANIMAL FEED PRODUCTION

BREEDING FARMS

MIDSTREAM

MILKING & FATTENING FARMS

DOWNSTREAM

PROCESSING & DISTRIBUTION

FEED

Enjoys economies of scale and an established network

LIVESTOCK FARMING

Strong livestock farming experience and expertise

BRANDED CONSUMER FOODS

Future growth driver

CORE COMPETENCIES

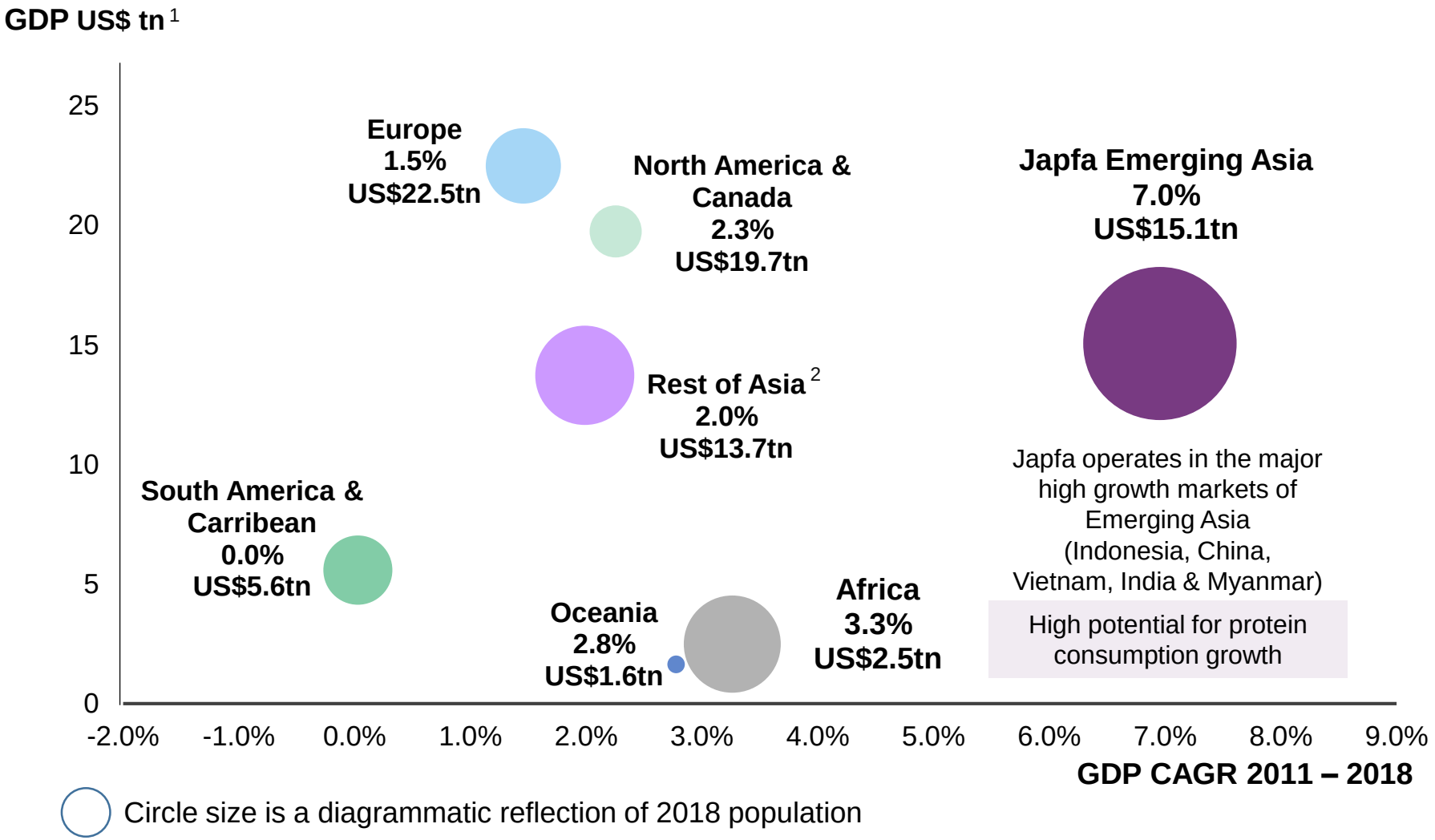
LARGE SCALE
- Ability to manage mega-scale farming operations; over 40,000 employees across five countries
- Scale of the Group's animal feed business provides stability to group revenue and profitability

TECHNOLOGY
- JVs with leading genetics companies (Aviagen and Hypor) for superior breeds and genetics
- Advanced feed technology
- Combined with best farm management practices

ANIMAL HEALTH
- Best in class bio-security using stringent operating procedures
- In-house vaccine production firm PT Vaksindo

STANDARDISATION AND REPLICATION
- Replication of best practices and infrastructure design across five protein groups and five countries
- Replication of farm design model in dairy farms, DOC breeding farms, feedmills, etc

Japfa's Emerging Asia: Market Growth



- All percentages (%) above refers to 2011- 2018 GDP CAGR
- GDP US$ trillion in each circle shows the 2018 GDP constant US$ value

[1] World Bank Data

[2] Rest of Asia refers to Asian countries excluding Japfa's Emerging Asia countries

KEY HIGHLIGHTS



Key Highlights for FY2020

- **Japfa continues to deliver a solid bottom-line with a 63.3% increase in Core PATMI w/o Forex, proving resilience during Covid-19**
- **Group's diversification strategy is effective: strong results of swine in Vietnam and dairy in China more than offset the weaker performance of PT Japfa Tbk in Indonesia**
- **Two major transactions in the Dairy segment resulted in cash inflow of almost US$500m. On the basis of these transactions, the combined implied equity value of the Dairy segment is over US$1.3bn. This demonstrates Japfa's ability to build scalable market leading businesses**
- **From the sale of Dairy-SEA, an extraordinary net gain of US$140.2m was recorded, increasing EBITDA and PATMI. The Company recommends a special interim dividend of 10 Singapore cents per share for FY2020**
- **Even excluding the extraordinary net gain, EBITDA exceeded the US$500m mark for the first time since IPO in 2014**
- **In addition, the Company recommends a final dividend of 1 Singapore cent per share for FY2020**

Revenue	Operating Profit	Operating Profit Margin
US$3.9bn	**US$363.8m**	**9.4%**
-0.6% y-o-y	+7.3% y-o-y	+0.7ppt y-o-y
EBITDA	**PATMI**	**Core PATMI w/o Forex**
US$683.1m	**US$322.0m**	**US$195.4m**
+42.7% y-o-y	+168.4% y-o-y	+63.3% y-o-y



Animal feed business remains a stable pillar of profitability



Covid-19 impacted consumer demand in Indonesia and resulted in poultry price volatility



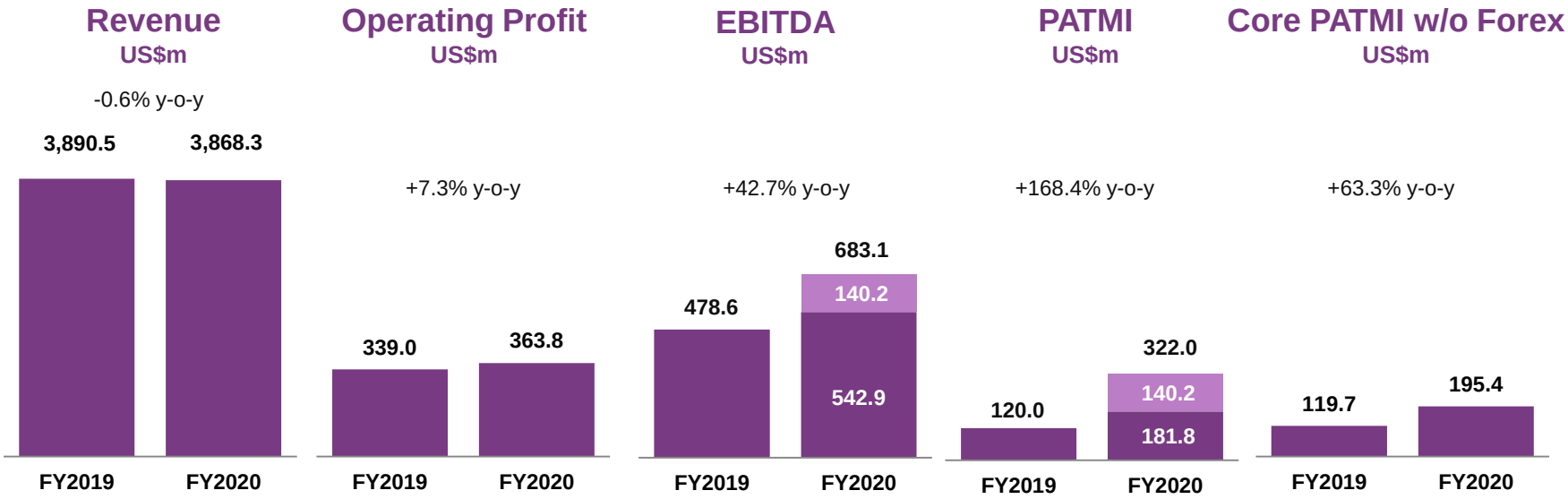
Swine fattening ASPs remain strong due to the supply shortage resulting from African Swine Fever ("ASF")



Raw milk prices remain strong since 2H2019 due to supply shortage in China

- We define "**EBITDA**" as profit before tax, excluding interest income, finance costs, depreciation and amortisation expenses. We also exclude (a) foreign exchange adjustments gains/(losses), (b) changes in fair value of derivatives relating to foreign exchange hedging, and (c) fair value of biological assets, other than gains/(losses) from the sale of beef in China.
- We derived "Core PATMI" from "Profit Attributable to Owners of the Parent, Net of Tax" by excluding (a) changes in fair value of biological assets (net of tax), other than gains/(losses) from the sale of beef in China, (b) changes in fair value of derivatives, and (c) extraordinary items, attributable to the owners of the parent.
- **"Core PATMI w/o Forex"** is an estimate derived from Core PATMI by excluding foreign exchange gains/losses (before tax) attributable to the owners of the parent. We have not made an estimate of the tax impact on foreign exchange gains/losses. This is because the majority of the gains/losses are unrealised and arise from the translation of USD bonds in PT Japfa Tbk and USD loans in Dairy, which have no tax implication

FY2020 Group Financials



We continue to produce and supply staple protein foods in every market we operate in, even during Covid-19

Segments

- PT Japfa Tbk: revenue and profits remained respectable, albeit lower than FY2019, due to Covid-19 impact on consumer purchasing power, which lowered poultry ASPs
- APO-Vietnam: delivered an exceptional performance as a result of high swine fattening ASPs due to supply shortage caused by African Swine Fever ("ASF") and reaping the benefits of Japfa long-term strategy in swine breeding
- Dairy: Strong growth in revenue and profit driven by higher raw milk price in China and strong milk yields

Overall

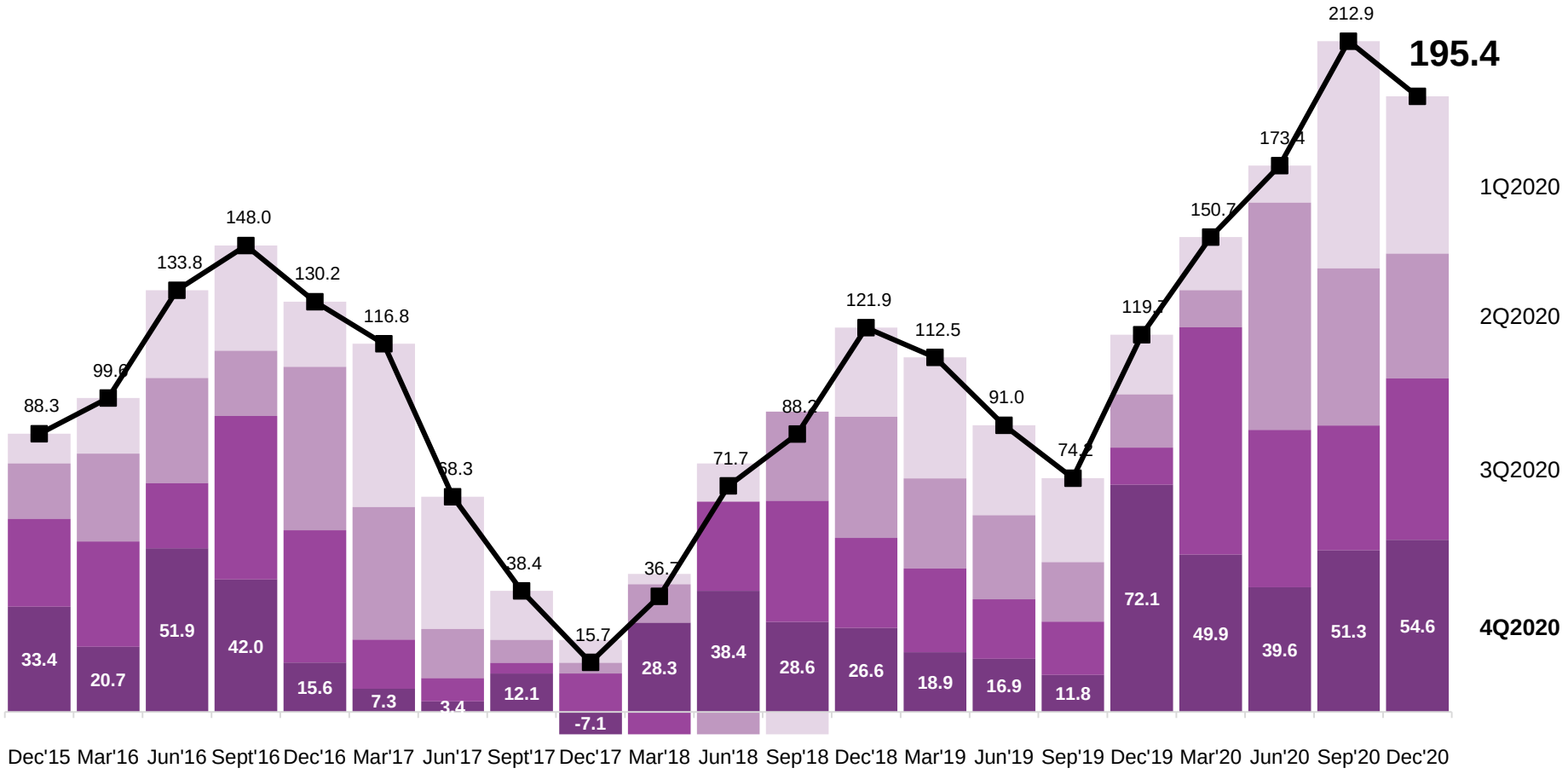
- Profits across the board improved significantly compared to FY2019 on the back of strong performances from APO-Vietnam and Dairy-China
- Group's diversification strategy is showing results in mitigating major down-cycles in particular markets, including Covid-19
- EBITDA and PATMI in FY2020 includes an extraordinary net gain of US$140.2m from the sale of Dairy-SEA. Even excluding the extraordinary net gain, EBITDA exceeded the US$500m mark for the first time since IPO in 2014
- Total Equity increased to almost US$2.0bn driven by a FY2020 PAT of US$371.6m, the rights issue of US$66.7m and Meiji investment into Dairy-China of US$254.4m. This has strengthened the Group's balance sheet and lowered net gearing ratio

Extraordinary items in FY 2020 comprises of a gain from the sale of Dairy-SEA including realization of translation reserve and fair value of the remaining shareholding, as well as related transaction costs. The extraordinary net gain in the P&L amounting to US$140.2 million

CORE PATMI w/o FOREX
ROLLING BASIS



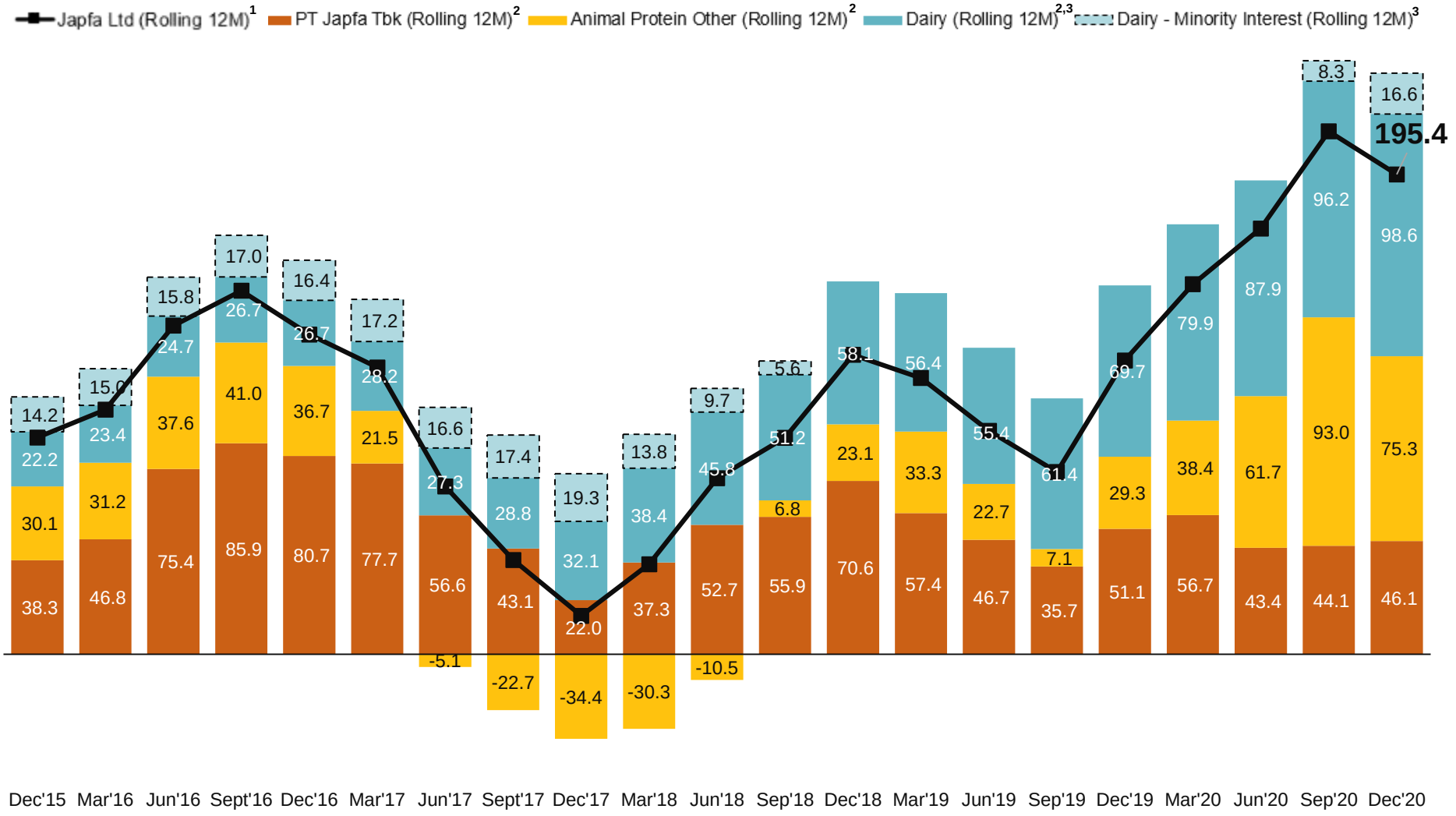
Rolling Core PATMI w/o Forex For The Group



Rolling Core PATMI w/o Forex (US$m)

Note: The bar chart shown above comprises the Group's segments (PT Japfa Tbk, Animal Protein Other, and Dairy) plus its central purchasing subsidiary, headquarter costs and elimination adjustments between segments.

Rolling Core PATMI w/o Forex For The Core Pillars



[1] **Japfa Ltd (Rolling 12M)** line chart shown above comprises the Group's segments (PT Japfa Tbk, Animal Protein Other, Dairy and Consumer Food) plus its central purchasing subsidiary, headquarter costs and elimination adjustments between segments.
[2] The **Three Core Pillars** (PT Japfa Tbk, Animal Protein Other and Dairy) bar chart shown above excludes the Consumer Food segment, the Group's central purchasing subsidiary, headquarter costs and elimination adjustments between segments.
[3] Dairy in dark blue represents Core PATMI w/o Forex attributable to Japfa Ltd and the light blue represents minority interest

FY2020
FINANCIAL AND OPERATIONAL ANALYSIS



FY2020 Segmental Overview

GROUP

Japfa Ltd

(US$m)	FY2019	FY2020	%change
Revenue	3,890.5	3,868.3	-0.6% ▼
Operating Profit	339.0	363.8	7.3% ▲
Operating Profit Margin	8.7%	9.4%	0.7 pts ▲
EBITDA[1]	478.6	683.1	42.7% ▲
PAT[1]	184.6	371.6	101.3% ▲
PATMI[1]	120.0	322.0	168.4% ▲
Core PATMI w/o Forex	119.7	195.4	63.3% ▲

SEGMENTAL

(US$m)			
PT Japfa Tbk			
Revenue [2]	2,750.9	2,527.5	-8.1% ▼
Operating Profit	215.3	173.9	-19.2% ▼
Operating Profit Margin	7.8%	6.9%	-0.9 pts ▼
EBITDA	298.0	257.5	-13.6% ▼
PAT	120.2	77.3	-35.7% ▼
PATMI	55.3	45.2	-18.3% ▼
Core PATMI w/o Forex	51.1	46.1	-9.7% ▼
Animal Protein Other			
Revenue [2]	692.0	796.0	15.0% ▲
Operating Profit	39.6	98.0	147.4% ▲
Operating Profit Margin	5.7%	12.3%	6.6 pts ▲
EBITDA	63.9	127.3	99.2% ▲
PAT	42.0	78.4	86.6% ▲
PATMI	42.2	78.1	85.2% ▲
Core PATMI w/o Forex	29.3	75.3	156.5% ▲
Dairy			
Revenue [3]	471.5	547.5	16.1% ▲
Operating Profit	89.2	114.3	28.2% ▲
Operating Profit Margin	18.9%	20.9%	2.0 pts ▲
EBITDA	123.3	159.5	29.3% ▲
PAT	55.3	103.7	87.6% ▲
PATMI	55.3	86.5	56.4% ▲
Core PATMI w/o Forex	69.7	98.6	41.4% ▲

1 EBITDA, PAT, and PATMI in FY2020 includes an extraordinary net gain of US$140.2m from the sale of Dairy-SEA

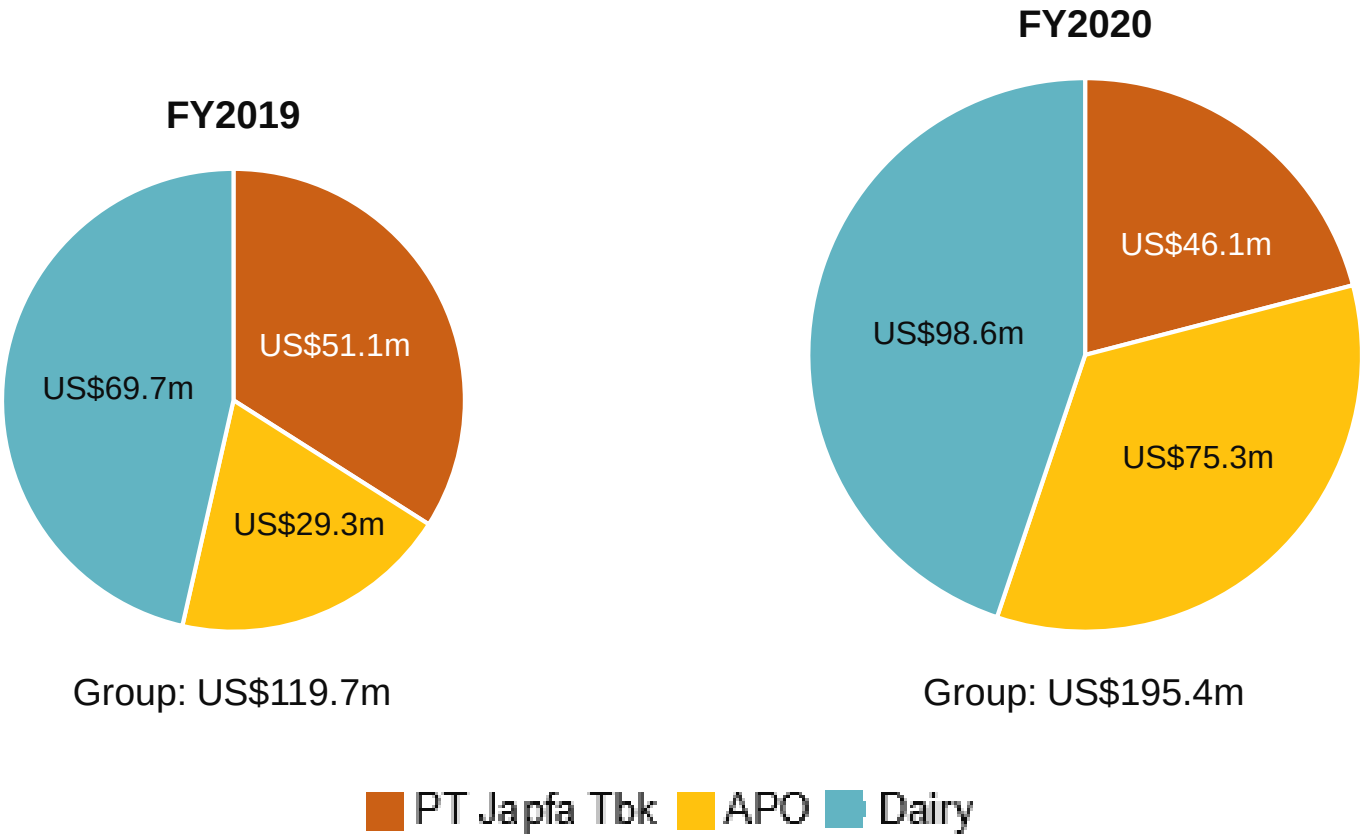
2 The combined revenue for PT Japfa Tbk & Animal Protein Other includes inter-segment revenue of US$5.4m in FY2020 (FY2019: US$17.2m)

3 The Dairy segment revenue includes inter-segment revenue of nil in FY2020 (FY2019: US$12.4m)

Japfa's Business Segments: Core PATMI wo Forex attributable to Japfa Ltd

Group's diversification strategy is effective:

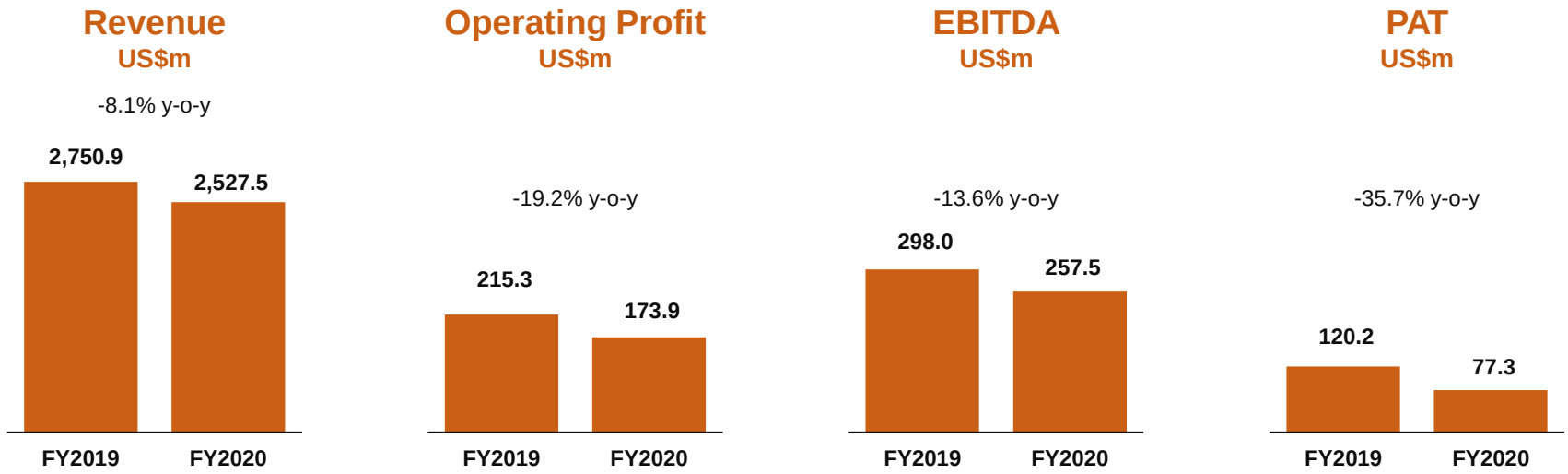
Strong results of swine in APO-Vietnam and Dairy-China more than offset the weaker performance of PT Japfa Tbk in Indonesia



Note:

- Group include Others which comprises of corporate office, central purchasing office in Singapore and consolidation adjustments between segments, including elimination of dividends received by Japfa Ltd from subsidiaries
- FY2020 Core PATMI wo Forex attributable to Japfa Ltd excludes an extraordinary net gain of US$140.2m from the sale of Dairy-SEA

PT Japfa Tbk – Financial Performance

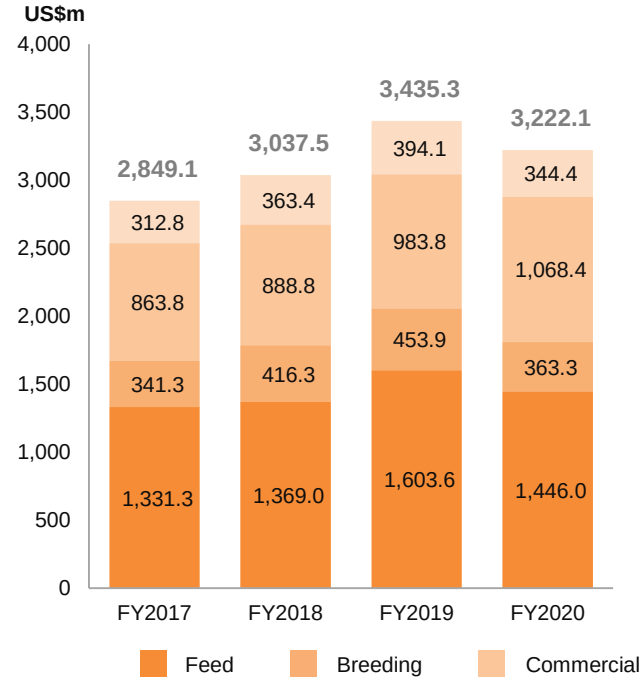


Solid results in challenging Covid-19 year

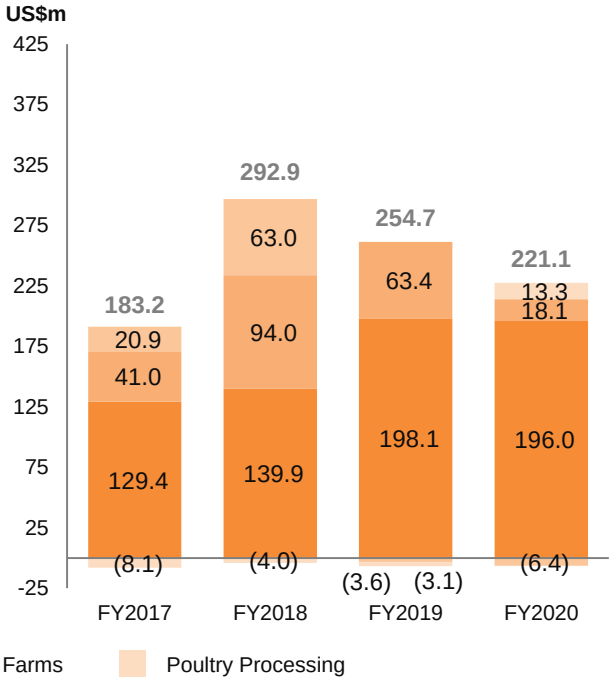
- Revenue and profitability decreased mainly due to lower demand for poultry affected by Covid-19 related disruptions. Covid-19 has lowered GDP per capita of the mid/lower income band in Indonesia, reducing demand for consumer staples including poultry. This has resulted in drop in sales volumes of feed and DOC and lower poultry prices
- In August 2020 government initiatives were introduced to balance the demand and supply dynamics in the poultry industry. As a result of the strict enforcement of these initiatives, poultry prices stabilised in 4Q2020
- A successful procurement during corn harvest and the ability to manage raw material costs have boosted the poultry feed operating profit margin to 13.6% in 2020. As a vertically integrated business, a strong profit from feed operation helped buffer the weaker performance from DOC and broiler
- Aquaculture division delivers robust results on the back of higher sales volumes and margins of aqua feed
- Movement restrictions linked to the pandemic are changing consumer patterns towards processed foods. Sales volumes in frozen products under So Good brand have increased more than 10% in FY2020 compared to last year
- PT Japfa Tbk delivered a solid EBITDA of US$257.5m for FY2020 amid a challenging Covid-19 environment

Segmental Trends: PT Japfa Tbk (Poultry)

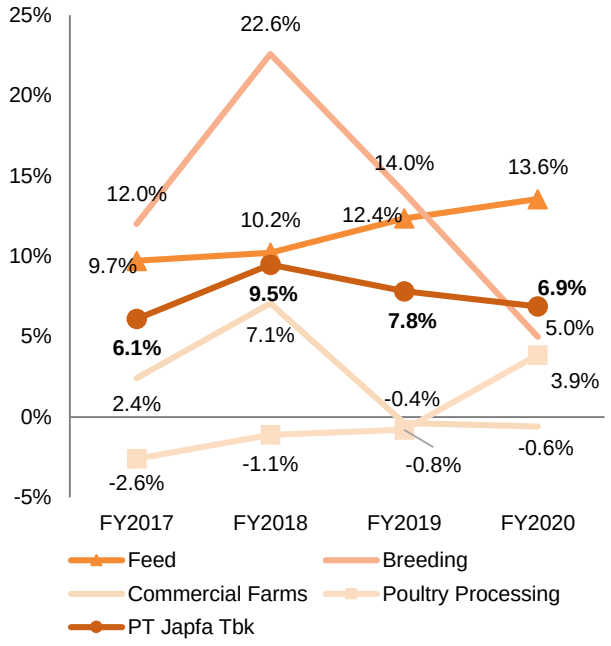
Revenue



Operating Profit



Operating Profit Margin

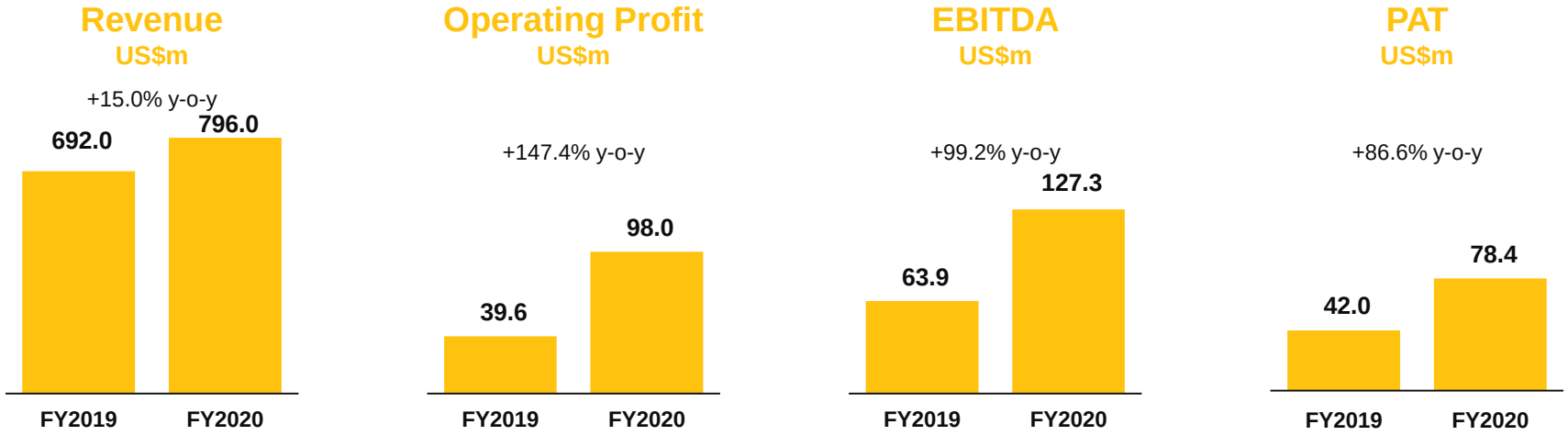


Feed business continues to be a stable pillar of profitability in PT Japfa Tbk

- The poultry business (feed, breeding, commercial farms and poultry processing) represents the bulk of PT Japfa Tbk's revenue
- Operating profit in FY2019 weakened due to low broiler prices in the first three quarters of 2019. This was compensated by feed volume growth and feed operating profit
- Operating profit in FY2020 has decreased due to the low DOC and broiler price environment in 2Q2020 and 3Q2020 affected by Covid-19 related disruptions
- Our ability to generally pass on raw material costs increases in our feed selling prices is reflected in our stable feed operating margins, even during the periods of Rupiah volatility and the poultry market downturn

Note: The revenue figures for the poultry operational units shown above include inter-segment sales.

APO – Financial Performance



Swine operations in Vietnam drove exceptional growth in profitability, reaping the benefits of long-term strategy

Vietnam

- Revenue and profitability growth was mainly due to the high swine fattening ASPs and increased in feed sales volume
- Feed sales volume surpassed the 1 million ton milestone in FY2020 and feed remains a stable pillar of profitability
- Swine fattening ASPs remained strong due to the significant drop of pork supply in the market as a result of African Swine Fever ("ASF"). Swine fattening ASPs in 2019 were low due to the emergence of ASF at that time
- With our industrialised business model, which encompasses strict bio-security protocols, we have been able to contain the adverse effects of ASF, allowing us to replenish our swine stocks faster than most competitors. This was reflected by our full-year fattening volumes being maintained amid a general swine population decline in Vietnam. As a result, we were able to capitalise on the rebound of swine fattening ASP since 4Q19 and continue to record strong profits

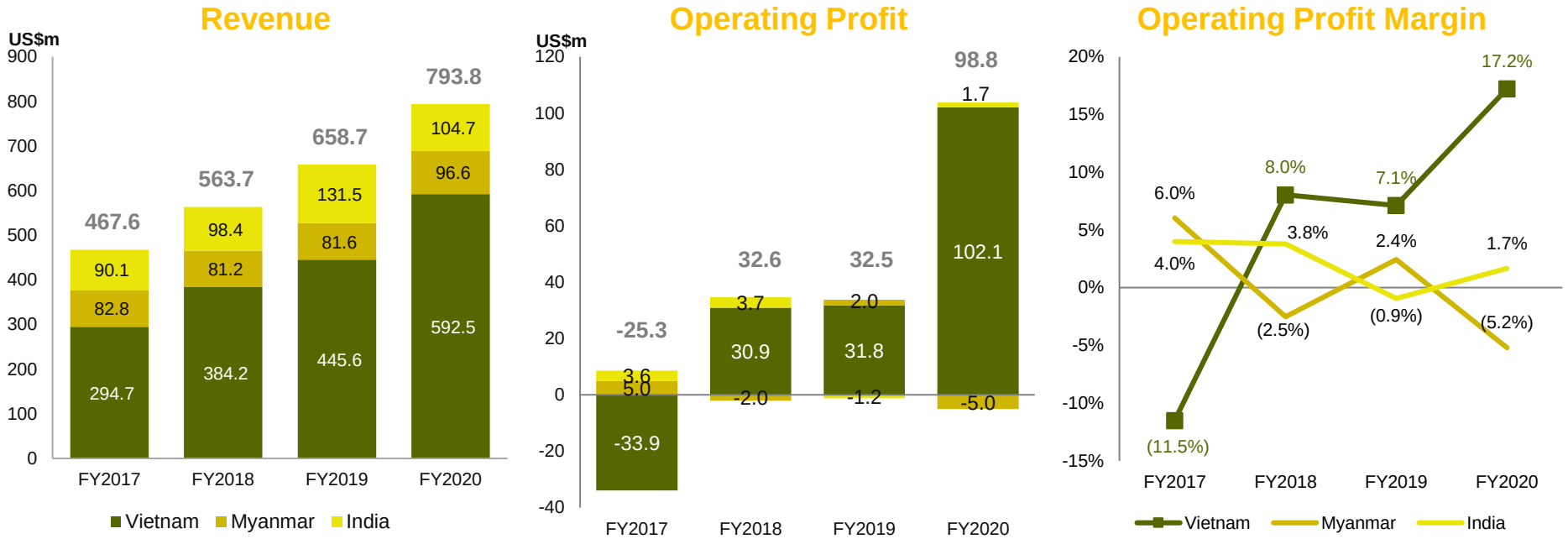
Myanmar

- DOC and broiler prices remain low due to the impact of Covid-19 on the demand for poultry
- APO-Myanmar represents less than 3% of Group revenue. In relation to the recent news on Myanmar, we will continue to monitor the situation as it develops

India

- With feed as a major contributor to revenue and profitability, APO-India turned in a profit despite Covid-19 challenges

Segmental Trends: APO



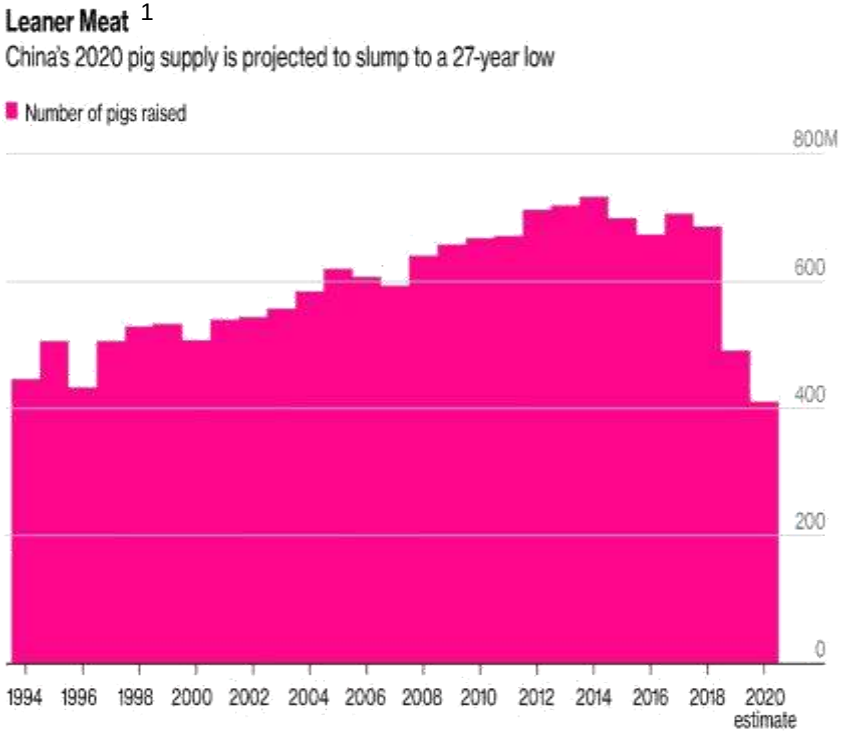
Our ability to replicate our industrialised business model, across proteins and geographies, is showing tangible results

- FY2017 was affected by an extraordinary event in the Vietnam market, when China imposed import restrictions on swine causing a significant oversupply in Vietnam. As a result, APO-Vietnam recorded a significant loss in FY2017 which turned around in In FY2018 after the recovery of Vietnam swine prices
- Vietnam was hit by ASF[1] in 2019, which significantly reduced the total domestic swine population. With its stringent biosecurity, APO-Vietnam managed to minimize the negative effect of the ASF. A rebound of swine fattening ASP in 4Q2019 led to the strong revenue and profit in 2019 and continued to grow in 2020. Our strategy to build a swine breeding pyramid, starting from our own Great Grand Parent (GGP) farms, allows us to quickly replenish our swine breeding stock. This was reflected by our full-year fattening volumes being maintained amid a swine population decline in Vietnam, allowing us to take advantage of high ASPs
- APO-Vietnam surpassed the 1 million ton milestone in feed sales volume in FY2020
- APO-Myanmar is still in the developing phase and we continue to focus on growing the feeding and breeding businesses as our long-term strategy
- APO-India is seen as another key growth market in the longer term, and our current focus is on growing the feed business

[1] ASF refers to African Swine Fever

Swine Supply Shortage and Recovery

In a Bloomberg report, the number of pigs raised in 2020 is estimated to drop > 40% from before ASF



A Rabobank report on China's Recovery from ASF noted that "It will likely take around five years of restocking for the whole farming sector to recover."[2]

Japfa Vietnam Swine Operation

ASF has significantly reduced the total domestic swine population in Vietnam and the lack of supply has increased swine fattening ASPs

Through our strong farm management and stringent biosecurity, the adverse effect of ASF on our swine population has been minimized

Our strategy to build a swine breeding pyramid, starting from our own Great Grand Parent (GGP) farms, allows us to replenish our swine breeding stock faster than the competition

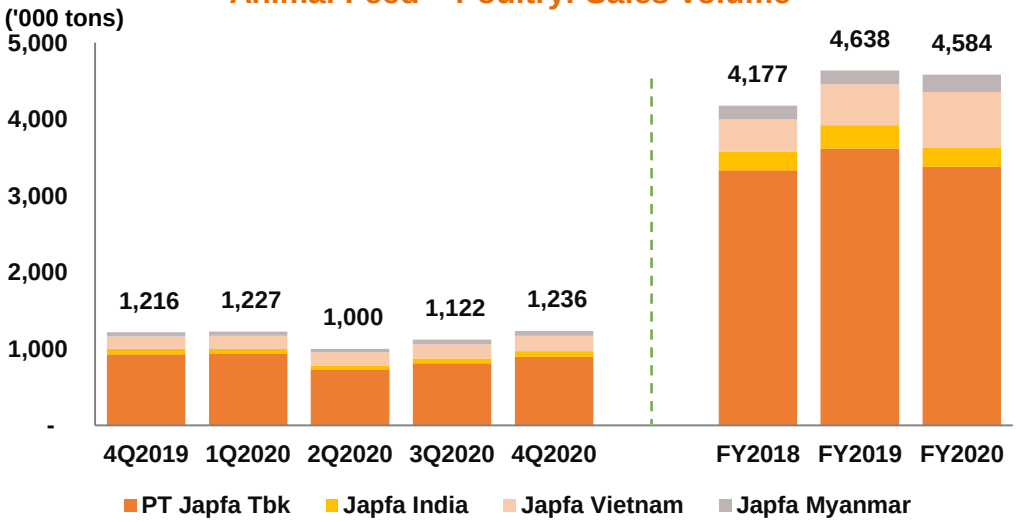
In 2020, APO-Vietnam imported highly selected pure line breeders from its partner Hypor as part of a 3-year plan to enhance performance and swine genetics

With these strategic initiatives, APO-Vietnam has set a strong base for growth

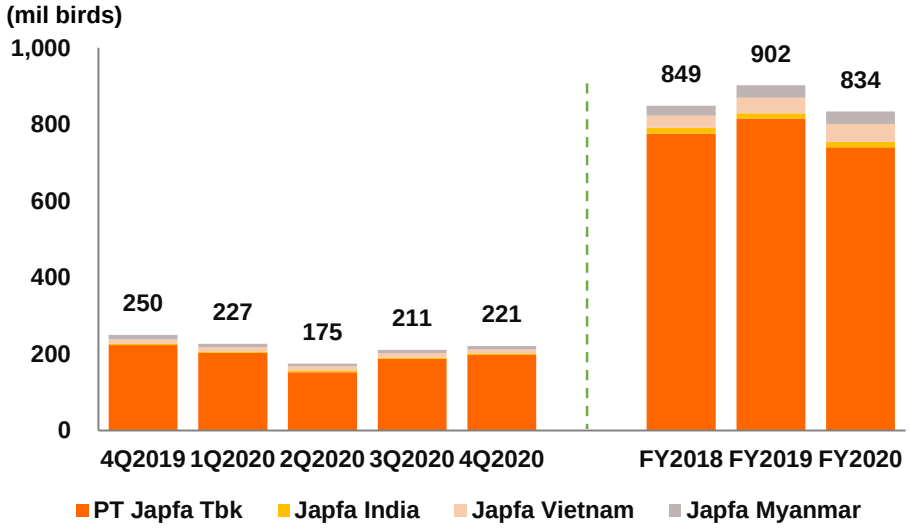
[1] Chart extracted from Bloomberg, 6 June 2019 citing USDA
[2] China's Recovery From African Swine Fever: Rebuilding, Relocating, and Restructuring – Rabobank, November 2019

Animal Protein – Operational Performance

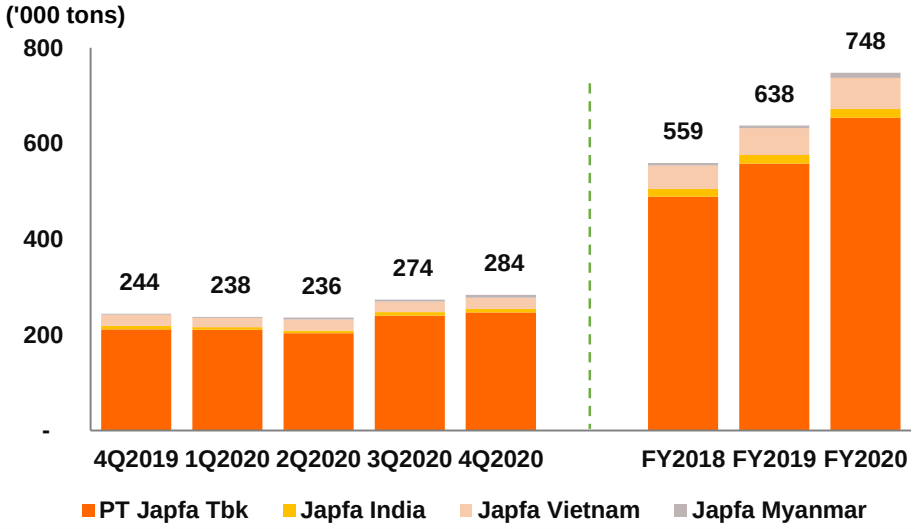
Animal Feed – Poultry: Sales Volume



DOC – Broiler: Sales Volume

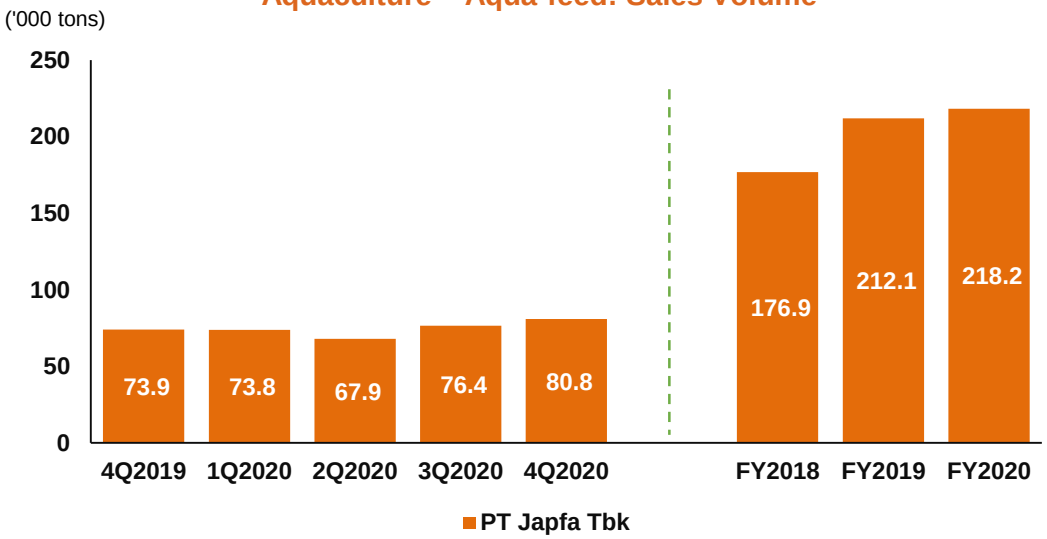


Commercial Farm – Live Birds: Sales Volume

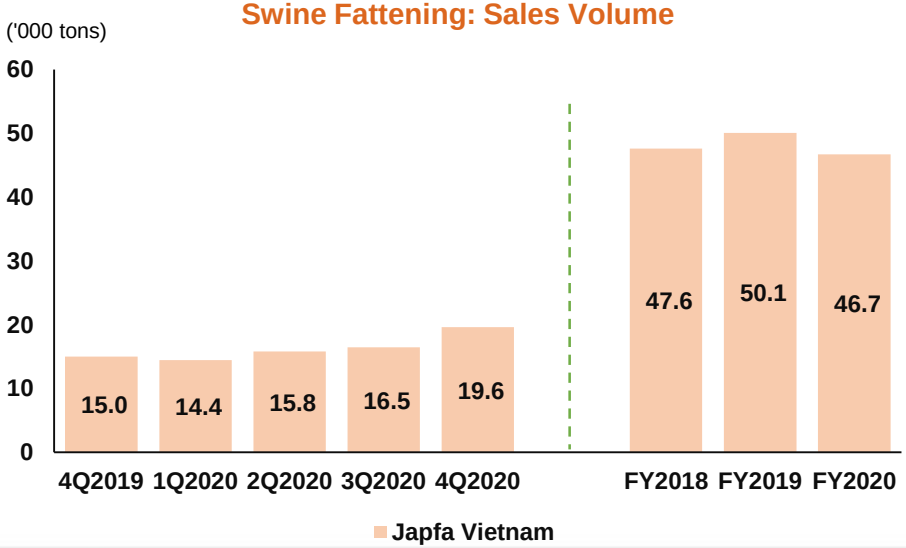


Animal Protein – Operational Performance

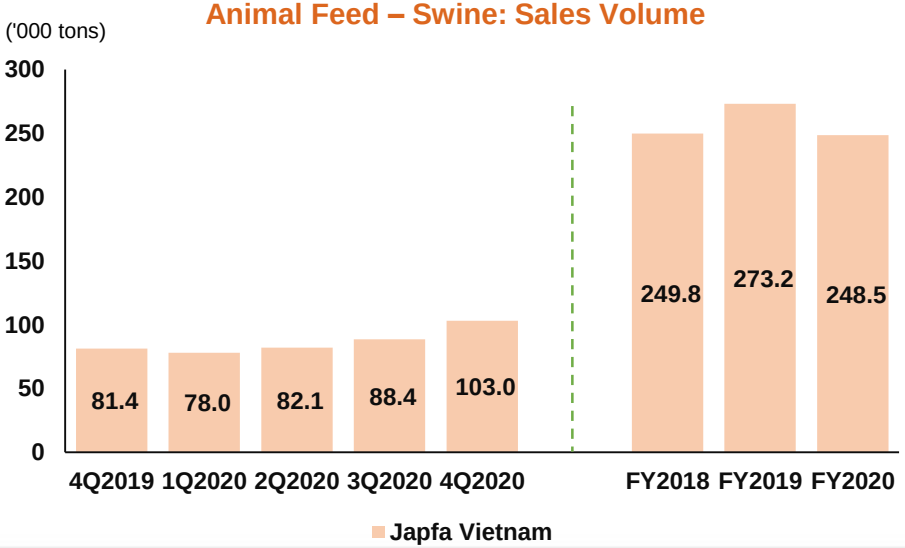
Aquaculture – Aqua-feed: Sales Volume



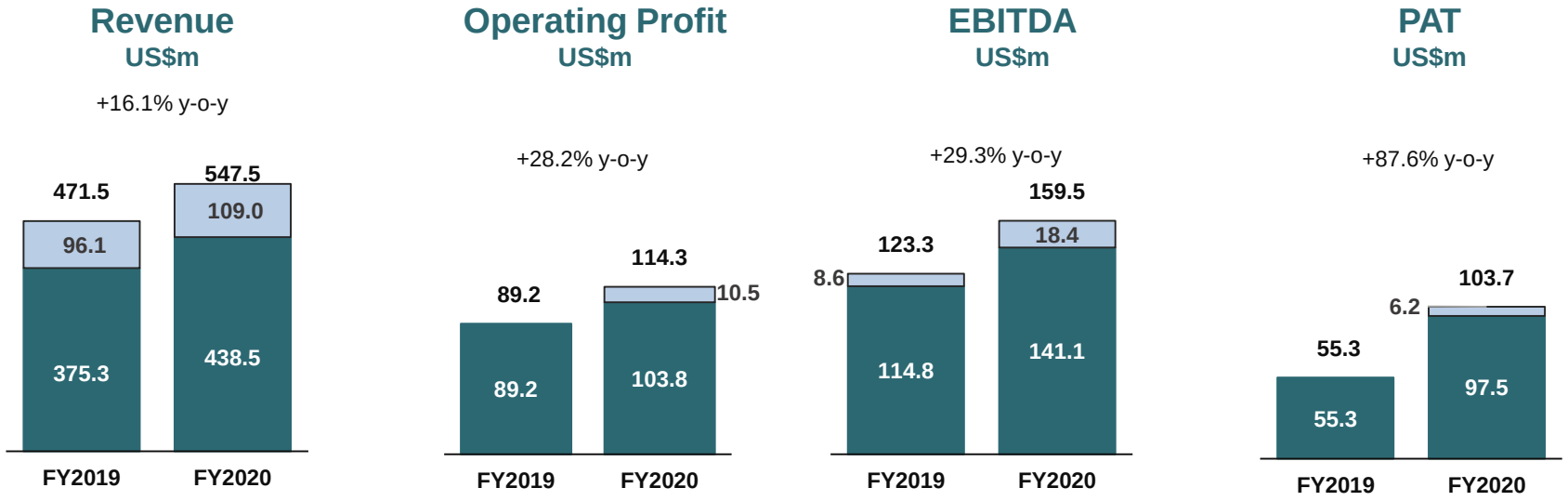
Swine Fattening: Sales Volume



Animal Feed – Swine: Sales Volume



Dairy – Financial Performance



Dairy – a proven strong pillar for revenue and profitability

China

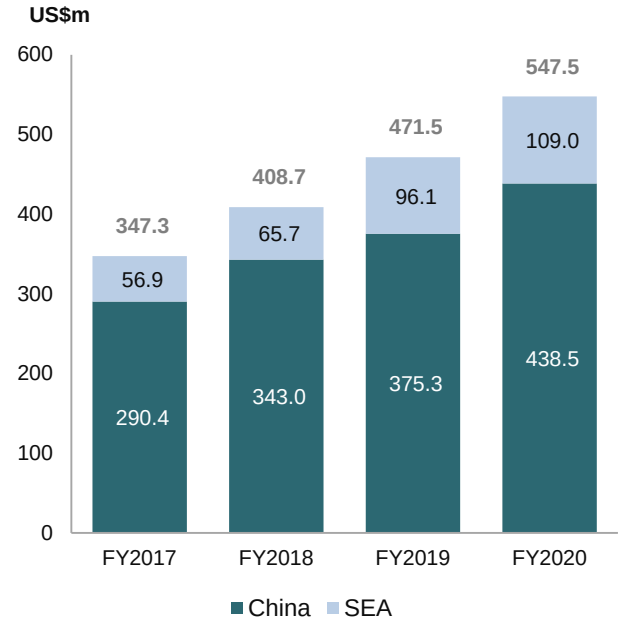
- Revenue and profitability grew driven by higher raw milk price (+8% y-o-y) in a supply shortage environment, coupled with strong ADM which surpassed 40kg/head/day in FY2020
- Beef operations boosted revenue and PAT by US$60.0m and US$17.8m respectively in FY2020
- Continuing growth in revenue and profitability delivered strong EBITDA for FY2020
- We believe the supply shortage and the strong raw milk price environment will continue over the medium term as it takes time for the industry to build new dairy farms and reach the “fully milking” stage
- Covid-19 has had a minimal impact on day-to-day operations and demand of raw milk in China

SEA

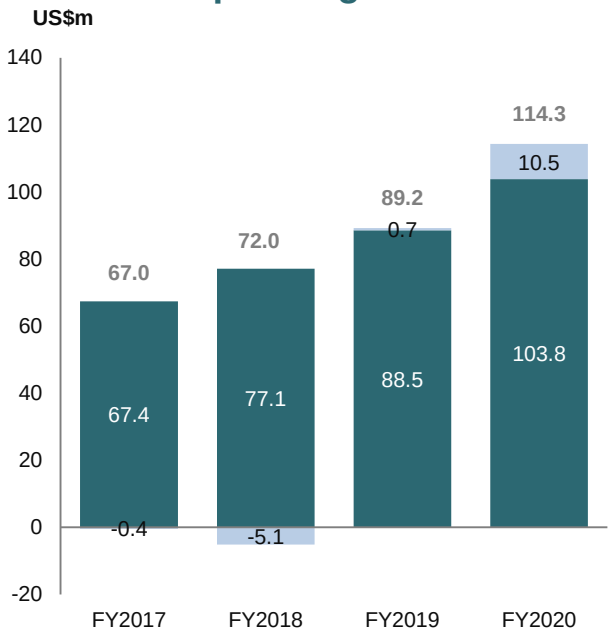
- In SEA, dairy products sales volumes increased y-o-y improving profitability
- Due to the sale of Dairy-SEA, from 1 January 2021 equity accounting will be applied for the 20% stake retained

Segmental Trends: Dairy

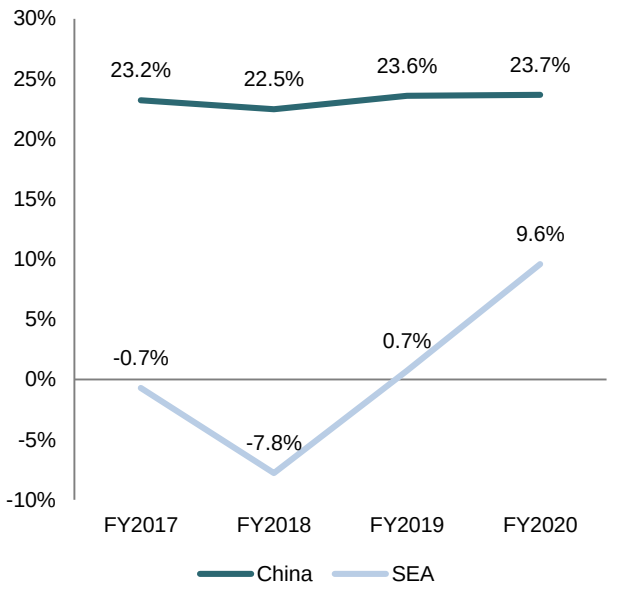
Revenue



Operating Profit



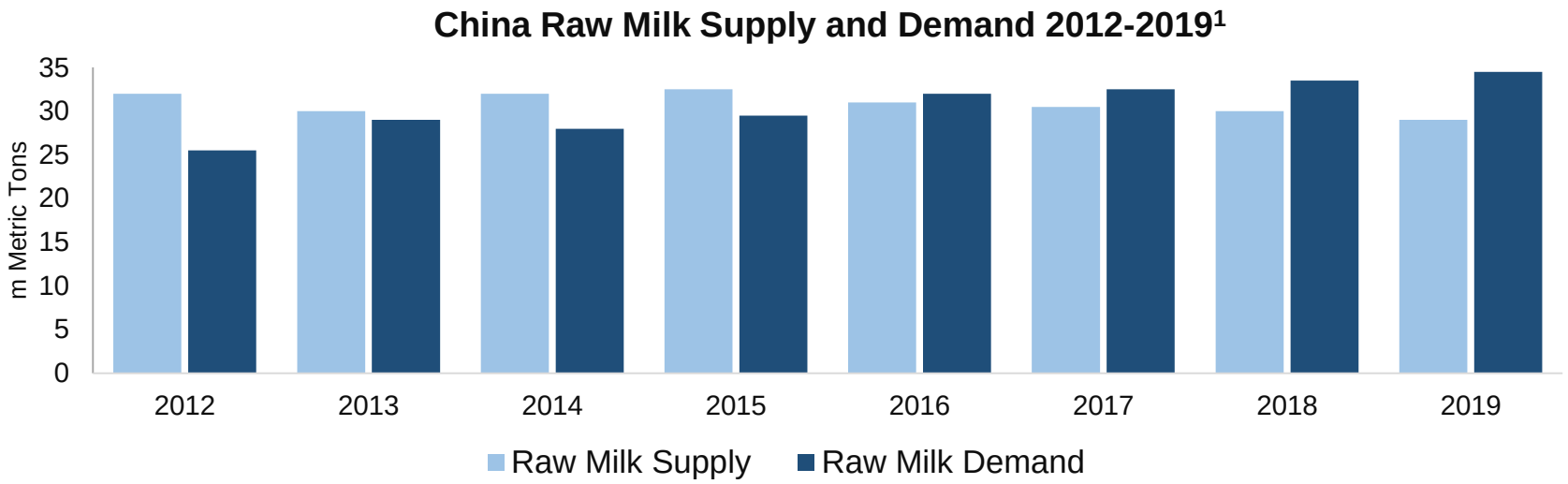
Operating Profit Margin



Raw milk price increase in China and continued focus on productivity bode well for the growth of our Dairy segment

- In the past few years, we grew our Dairy segment in China by increasing our raw milk production with new farms as well continuous improvements in our milk yields, on the back of our industrialised business model. In FY2020, ADM surpassed 40kg/day/head. This now put us in a strong position to take advantage of a higher raw milk price environment
- China raw milk prices started to gain upward momentum in 2H2019 due to a shortage in milk supply in China. This trend continued into 2020, driving profitability for the Dairy segment. The strong raw milk price environment in China is expected to stay over the medium term as it takes time for the industry to build new dairy farms and reach the “fully milking” stage, except for any unforeseen fallout that could arise from the coronavirus outbreak
- In December 2020, Japfa sold its Dairy business in South East Asia (“Dairy-SEA”). Accordingly, from 1 January 2021 equity accounting will be applied for the 20% stake retained

China's Raw Milk Supply Remain in Shortage as Demand Continues to Grow



Extracted from Moody's[2]:

Domestic demand for raw milk is growing, while supply continues to decline, due to:

- Rising feed costs
- Stricter environmental requirements implemented by the Chinese government

Thus, despite the increasing demand for dairy products, the domestic production of dairy products sees a rather anemic growth.

China's per-capita milk consumption is low compared with other countries, indicating there is room to grow

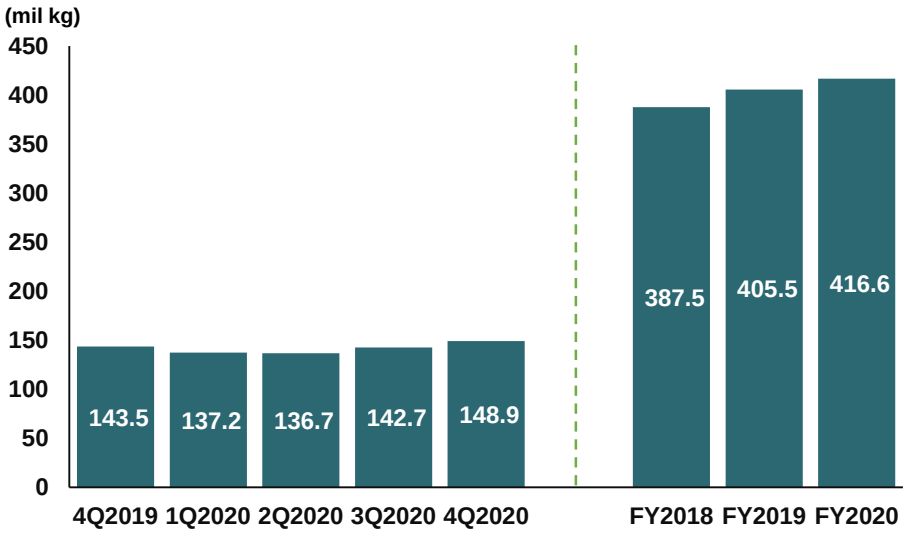
- Rising awareness on personal health in China and benefits of milk
- Elimination of "one-child" policy boosts consumption

As indicated in a UOBKayHian report: "According to China Modern Dairy (CMD) management, the raw milk shortage may last for another 2-3 years as more and more independent dairy farmers give up cow-raising."[3]

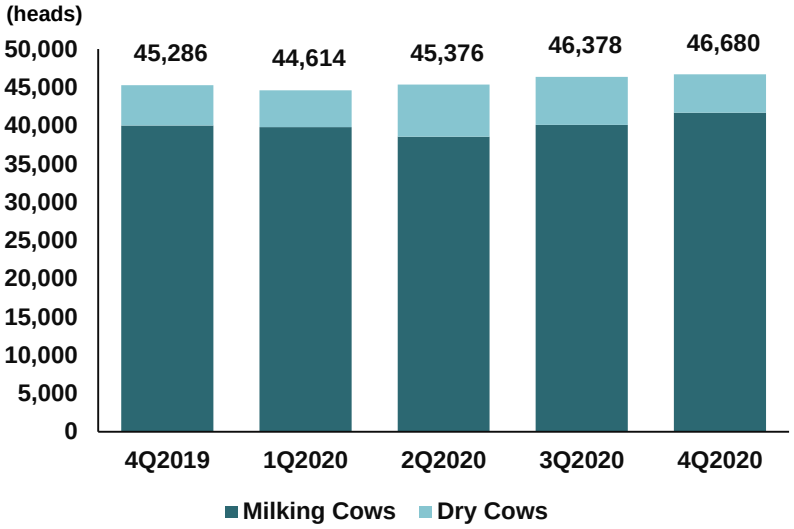
[1] Moody's Investors Service, Sector In-Depth, Raw milk - China, 27 June 2019 citing Bloomberg, Chinese National Bureau of Statistics, and Company estimates
[2] Moody's Investors Service, Sector In-Depth, Raw milk - China, 27 June 2019
[3] UOB KayHian, Sector Update Dairy-China, 23 January 2020

Dairy-China – Operational Performance

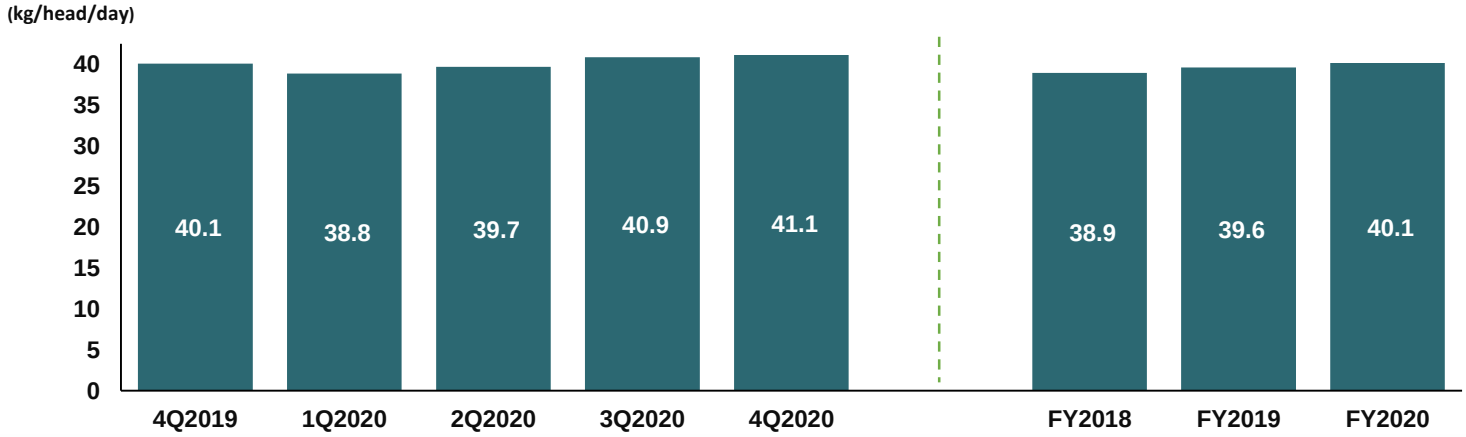
Raw Milk: Sales Volume



Milkable cows[1]



Average Daily Milking



[1] Number of milkable cows as at the end of each quarter in question.

Note: Total dairy herd population (which includes heifers and calves) in China as at 31 December 2020: 84,160 heads.

Dairy: Major Transactions in FY2020

Strategic Partnership with Meiji

- Sale of 25% of China dairy operations (“AIH”) completed 3 July 2020 for a total cash consideration of US$254.4m
- Japfa remains the single largest shareholder with a 75% shareholding and continues to control and manage its farming operations in China. This strategic and synergistic partnership with Meiji, one of our growing dairy customers, will support AIH to grow into the largest independent raw milk producer in China
- Based on this transaction, the implied valuation of our upstream dairy business in China is more than US$1bn
- The proceeds have strengthened the Group’s balance sheet and lowered gearing

Strategic Partnership with TPG

- On 6 December 2020, Japfa entered into a Share Purchase Agreement for the sale of its vertically integrated branded dairy business in SEA
- Post-transaction, Japfa retains 20% interest in Greenfields Dairy and continues to benefit from the upside potential from this strategic partnership. TPG and Northstar Group brings funding and management expertise to Greenfields Dairy
- Based on this transaction, Dairy-SEA has an implied equity valuation of US$295m
- Part of the proceeds will be used to pay an interim special dividend of S$0.10 per share to shareholders and pay down existing bank loans to further strengthen the balance sheet

Dairy: Major Transactions in FY2020

The Group's dairy segment (China and SEA) has grown considerably and there is potential for further significant growth

Based on both transactions, the combined implied equity value of the dairy businesses across China and SEA is over US$1.3bn

This demonstrates Japfa's ability to build scalable market leading businesses and unlock significant value for our shareholders





OTHER FINANCIAL HIGHLIGHTS



Other Financial Highlights

Balance Sheet Highlights (US$m)	As at 31 Dec 19	As at 31 Dec 20	% change
Total Assets	**3,310.4**	**3,667.9**	**10.8%**
Cash and cash equivalent	208.7	224.7	7.6%
Total Inventory	794.8	787.9	-0.9%
- Inventory (excluding fattening livestock)	*598.7*	*616.9*	***3.0%***
- Inventory - Fattening Livestock	*196.1*	*171.0*	***-12.8%***
Total Liabilities	**2,023.7**	**1,705.9**	**-15.7%**
Total Debt	1,482.4	1,164.1	-21.5%
- Loan and borrowings	*1,376.9*	*1,001.1*	*-27.3%*
- Lease liabilities	*105.5*	*163.0*	*54.5%*
Total Equity	**1,286.7**	**1,962.0**	**52.5%**
Equity attributable to the Owners of the Parent	**880.6**	**1,419.7**	**61.2%**
Key Ratios			
Net Debt / Equity Ratio (x)	1.0	0.5	
Net Debt (w/o lease liabilities) / Equity Ratio (x)	0.9	0.4	
Inventory Turnover days [1]	93.0	94.2	
NAV per share (US$) [2]	0.47	0.70	
NAV per share (S$)[2]	*0.64*	*0.93*	

Equity attributable to the Owners of the Parent increased by US$539.1m (+61.2% y-o-y) mainly from:

- the Rights Issue of US$66.7m;
- a gain of US$121.6m from the sale of 25% stake in Dairy-China to Meiji recorded in Equity;
- an extraordinary net gain of US$140.2m from the sale of Dairy-SEA recorded in P&L; and
- PATMI of US$181.8m without the extraordinary net gain

[1] Inventory turnover days is calculated based on the total inventory

[2] NAV per share has increased by US$0.23 (S$0.29) which include a US$0.07 (S$0.09) contributed from a sale of Dairy-SEA

Net Debt Profile

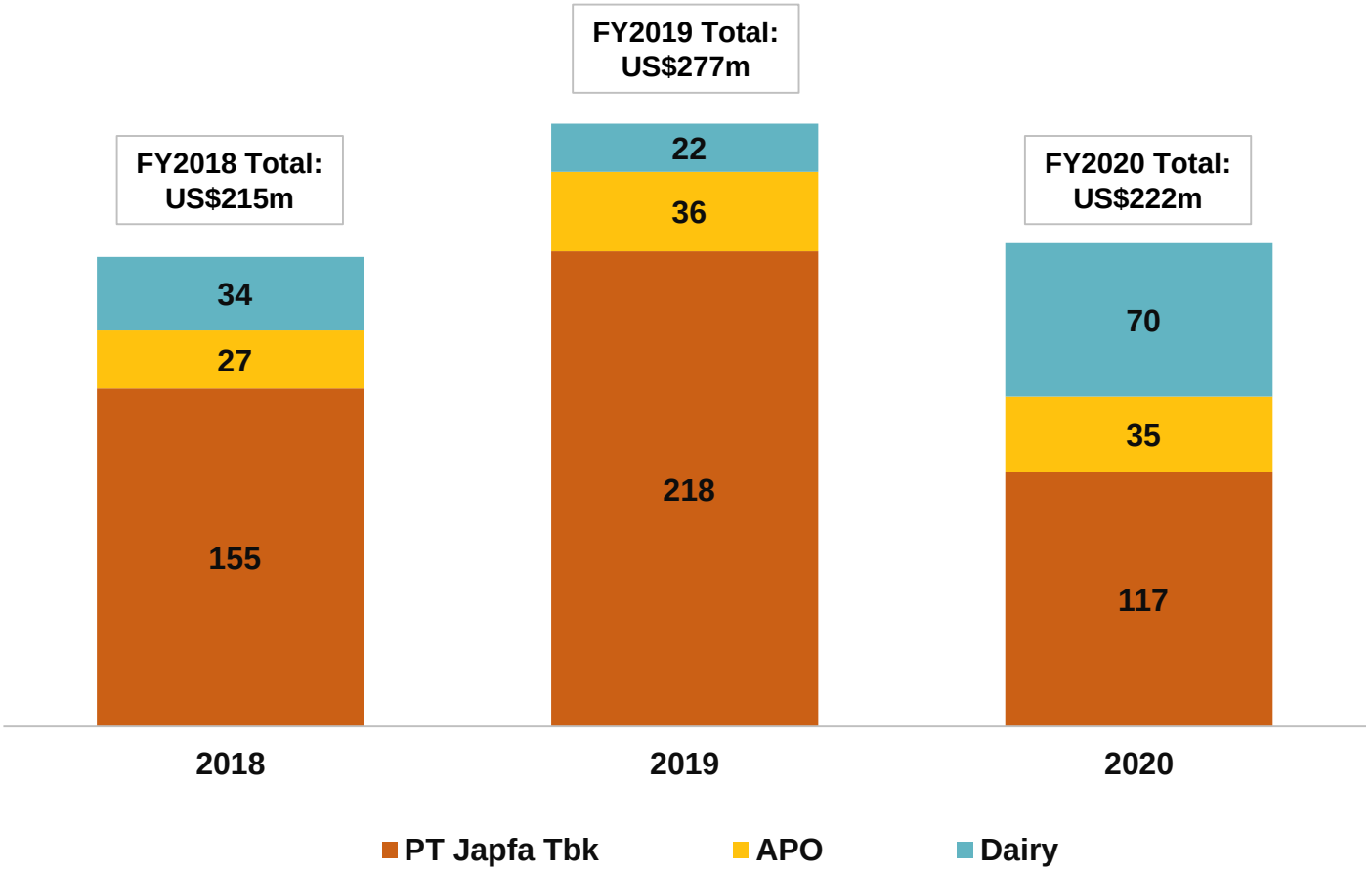
	PT Japfa Tbk	Animal Protein Other	Dairy	Others	Total
Bonds & other term loans	527 [1]	23	131 [2]		680
Working capital loans	30	86	12	193 [3]	321
Total Debt	**557**	**109**	**143**	**193** [3]	**1,001**
Cash	95	66	45	19	225
Net Debt	**462**	**43**	**98**	**174**	**776**

Additional information as of 31 December 2020:

1. *This comprises of USD and IDR bonds. The US$250m bonds is fully hedged, covering principal and coupon payments up to USD/IDR 20,000 amid recent market volatility. All the hedge contracts cover up to the USD bond maturity in 2022.*
2. *This comprises of mainly USD and RMB loans. The USD loans of US$36m are hedged against RMB and also hedged via interest rate swaps*
3. *Others refers to the debt and cash of Japfa Ltd and its subsidiary Annona Pte Ltd. The debt of Annona Pte Ltd (the central purchasing subsidiary in Singapore) of US$114m is for working capital purposes, costs of which are fully charged out to its customers*

Note:
Net Debt Profile above excludes lease liabilities of US$62m
Dairy Debt above does not include Dairy-SEA as it was disposed in 2020

Capex FY2018 – FY2020



The chart above refers to capital expenditure for new property, plant and equipment as well as maintenance capex

Covid-19 Update



Covid-19 Impact on Operations and Supply Chain

On the back of a business model and a strategy that are built to handle market's challenges and cyclicality, Japfa was able to manage an extraordinary challenging year marked by the Covid-19 pandemic

- With the Covid-19 outbreak, continuity of food supply has been a major concern of most people. As Japfa supplies about 20-25% of animal protein foods[1] in many countries where we operate, we play an essential role in maintaining supply of staple foods in these unprecedented times
- In providing an essential service which is supported by respective governments, our supply chains and logistics have not been significantly disrupted by movement restrictions and we continued to operate our farms and feed mills safely
- As a result, our day-to-day operations and supply chains have not been materially impacted by Covid-19

We have been able to continue to produce safe and affordable proteins even during Covid-19 on the strength of our three key strategies:

Industrialised Business Model

Diversification Across 5 Proteins, 5 Countries

Prudent Growth

1. Indonesia: 24% Poultry Feed Production (Frost & Sullivan 2015); 29% DOC production (as per Company's on estimates)
   Vietnam: 20% DOC production (as per Company's own estimates)
   Myanmar: 27% Poultry Feed Production and 26% DOC production (as per Company's own estimates)

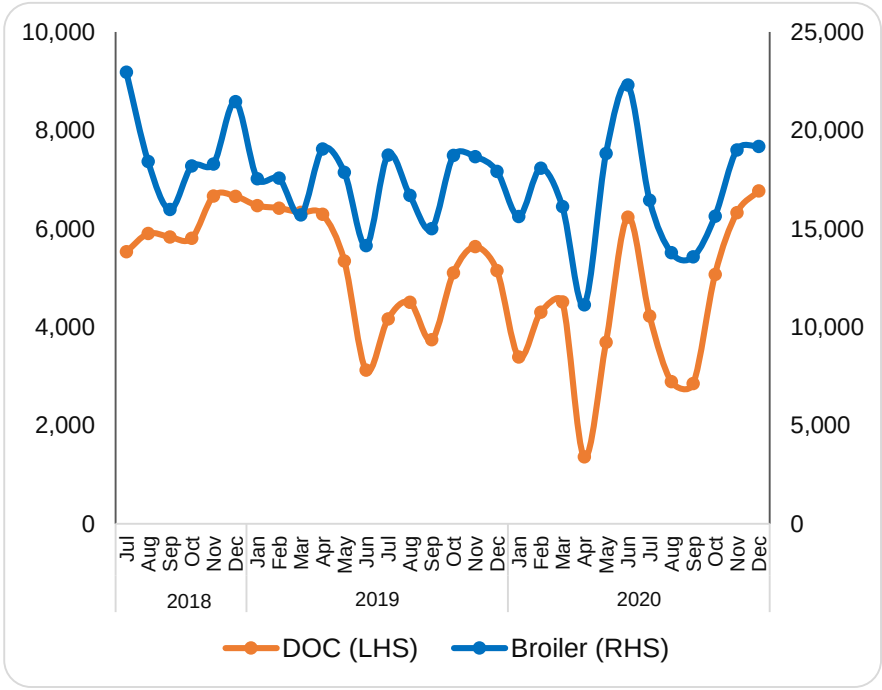
Covid-19 Impact on Demand

While our operations and supply chain have not thus far been materially impacted, the demand has been affected as a consequence of the weakened economy and reduced purchasing power.

Poultry Indonesia

- In April 2020, broiler and DOC[2] prices dropped to one of the lowest levels since Japfa Ltd IPO in 2014. This was likely due to an industry oversupply in anticipation of Ramadan coupled with a lower demand due to Covid-19. This widened the demand-supply gap causing prices to drop dramatically in April
- As the demand and supply imbalance persists in the market, broiler and DOC prices remain volatile
- The Government took culling initiatives to reduce supply and stabilise poultry prices, which saw a recovery in 4Q2020
- Such government's initiatives have continued in 1Q2021

Average Monthly Prices of Broiler & DOC[1]



- As the effects of Covid-19 are still unfolding in Indonesia, consumer purchasing power and hence demand for poultry may be impacted in the next few months
- However, as we mainly supply chicken, which is a staple and affordable protein food, hopefully the impact will be short-lived. We believe that we are well placed to manage the situation due to our experience, scale and industrialised approach

1. Average monthly prices of West Java, based on market data collected by the Company
   Broiler prices refer to prices of live birds in the weight range of 1.6 kg to 1.8 kg. LHS and RHS refer to IDR price per bird.
2. DOC refers to day-old-chicks.

Covid-19 Impact on Demand

- **Dairy-China**: We see a recovery in the demand for raw milk and we believe that there should not be a major impact over the medium and long-term. With the general shortage of raw milk in China, as an independent raw milk producer, we are poised to benefit in future.
- **Swine Vietnam**: The Covid-19 situation appears to be relatively under control. Demand for pork is relatively stable as a consequence of the substantial drop in pork supply due to African Swine Fever ("ASF") and pork prices remain strong. We have minimised the adverse effect of ASF through strict biosecurity protocols, and replenished our swine breeding stock faster than most competitors, thus setting a strong base for the future growth.

The performance of Japfa is mainly driven by the above mentioned key three pillars: Poultry Indonesia, Dairy-China and Swine Vietnam.

Our two key pillars Swine Vietnam and Dairy-China have delivered strong results that more than offset the weaker performance of Poultry Indonesia.

However, as this outbreak is an unprecedented event, the impact going forward cannot be reliably estimated with certainty. The Group continues to keep a close watch on the evolving situation

APPENDIX



Agri-food Business Cyclicality

- The agri-food business is inevitably subject to cyclicality which impacts revenue and profitability. Cyclicality is dependent on a variety of external factors which are beyond the Group's control including the seasonality of harvests and festivals, as well as macroeconomic factors that affect purchasing power, and government policies
- Japfa focuses on being one of the most efficient animal protein producers in each of the countries in which it operates
  - Efficiency is achieved from Japfa's large-scale operations, use of technology to raise productivity, and being one of the lowest cost producers in the region
- Diversification across 5 proteins and 5 countries cushions the Group against cyclicality in any one market or protein group

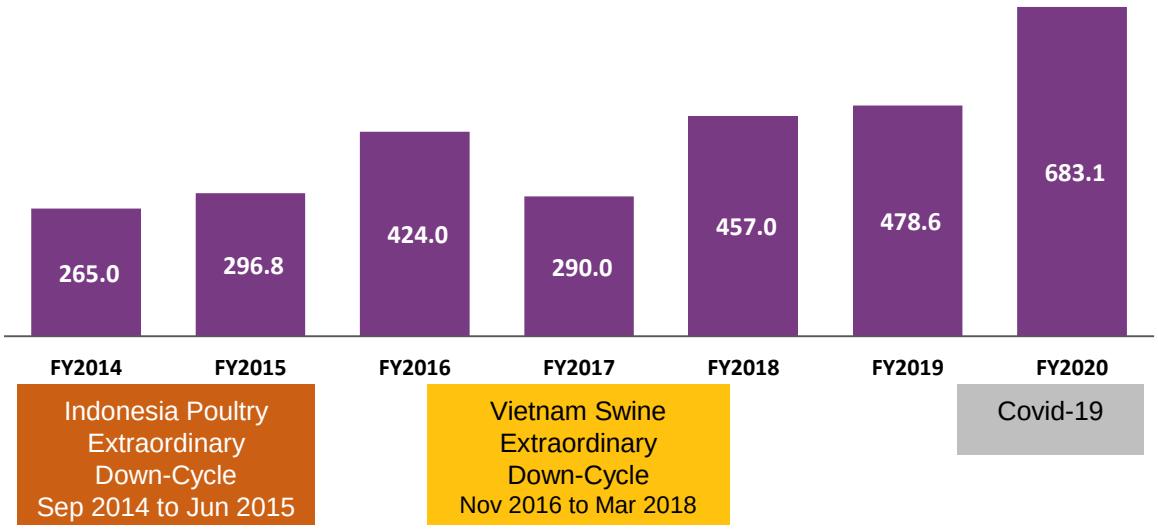
By being one of the most efficient and lowest cost producers, Japfa is able to ride through agri-business cyclicality

Japfa Ltd has gone through 2 major down-cycles:

1. Indonesia Poultry
2. Vietnam Swine

Despite these major down-cycles, Japfa Ltd managed to deliver healthy EBITDA each year

Japfa Ltd - EBITDA



Segment Information – FY2020

	YTD DEC Y2020					
	ANIMAL PROTEIN			DAIRY	OTHERS	TOTAL
	TBK	AP Other	Total			
External Revenue	2,522.1	796.0	3,318.1	547.5	2.7	**3,868.3**
Inter Segment Sales	5.4	0.0	5.4	0.0	(5.4)	**0.0**
TOTAL REVENUE	**2,527.5**	**796.0**	**3,323.5**	**547.5**	**(2.7)**	**3,868.3**
OPERATING PROFIT	**173.9**	**98.0**	**271.9**	**114.3**	**(22.4)**	**363.8**
% to sales	*6.9%*	*12.3%*	*8.2%*	*20.9%*	*820.8%*	*9.4%*
EBITDA	**257.5**	**127.3**	**384.7**	**159.5**	**138.9**	**683.1**
	10.2%	*16.0%*	*11.6%*	*29.1%*	*-5093.9%*	*17.7%*
Depreciation & Amortization	(92.3)	(28.2)	(120.5)	(24.8)	(0.6)	**(145.9)**
Net Interest Expense	(54.9)	(10.7)	(65.5)	(18.6)	(15.3)	**(99.5)**
Forex Gain(loss)	(0.1)	2.0	1.8	0.1	(1.9)	**0.1**
Fair Value Gain(Loss) Derivative for forex hedging	0.0	0.0	0.0	(0.8)	(3.6)	(4.4)
Fair Value Gain(Loss) Bio A	(1.6)	1.4	(0.2)	(10.8)	0.0	**(11.0)**
PBT	**108.5**	**91.8**	**200.4**	**104.7**	**117.4**	**422.4**
Tax	(31.3)	(13.4)	(44.6)	(1.0)	(5.2)	**(50.8)**
PAT	77.3	78.4	155.7	103.7	112.1	**371.6**
PAT w/o Bio A	78.8	77.5	156.3	114.3	112.1	**382.7**
% ownership	*54.5%*	*100.0%*		*75.0%*	*100.0%*	
PATMI	45.2	78.1	123.3	86.5	112.1	**322.0**
Core PATMI	46.0	77.2	123.2	98.4	(27.2)	**194.5**
Core PATMI w/o Forex	46.1	75.3	121.3	98.6	(24.6)	**195.4**

Notes:

- *Animal Protein – PT Japfa Tbk refers to animal protein operations through IDX-listed PT Japfa Comfeed Indonesia Tbk ("PT Japfa Tbk").*
- *Animal Protein – Other (APO) refers to the animal protein operations in Vietnam, India, and Myanmar.*
- *Dairy refers to the dairy farming business in China and the dairy downstream business in Southeast Asia. Dairy ownership of 75% refers to Dairy-China and ownership of Dairy-SEA is 100%.*
- *Others include corporate office, central purchasing office in Singapore and consolidation adjustments between segments, including elimination of dividends received by Japfa Ltd from subsidiaries.*
- *We define **"EBITDA"** as profit before tax, excluding interest income, finance costs, depreciation and amortisation expenses. We also exclude a) foreign exchange adjustments gains/(losses), b) changes in fair value of derivatives relating to foreign exchange hedging, and c) fair value of biological assets, other than gains/(losses) from the sale of beef in China.*
- *We derived **Core PATMI** from "Profit Attributable to Owners of the Parent, Net of Tax" by excluding a) changes in fair value of biological assets (net of tax), other than gains/(losses) from the sale of beef in China, b) changes in fair value of derivatives, and c) any extraordinary items, attributable to the owners of the parent.*
- *"**Core PATMI w/o Forex**" is an estimate derived from Core PATMI by excluding foreign exchange gains/losses (before tax) attributable to the owners of the parent. We have not made an estimate of the tax impact on foreign exchange gains/losses. This is because the majority of the gains/losses are unrealised and arise from the translation of USD bonds in PT Japfa Tbk and USD loans in Dairy, which have no tax implication.*

Segment Information – FY2019

JAPFA	YTD DEC Y2019					
	ANIMAL PROTEIN			Dairy	OTHERS	TOTAL
	TBK	AP Other	Total			
External Revenue	2,744.4	681.4	3,236.3	459.1	195.1	**3,890.5**
Inter Segment Sales	43.1	10.7	243.3	12.4	(255.6)	**(0.0)**
TOTAL REVENUE	**2,787.5**	**692.0**	**3,479.5**	**471.5**	**(60.5)**	**3,890.5**
OPERATING PROFIT	**215.3**	**39.6**	**254.9**	**89.2**	**(5.0)**	**339.0**
% to sales	*7.7%*	*5.7%*	*7.3%*	*18.9%*	*8.3%*	*8.7%*
EBITDA	**298.0**	**63.9**	**361.8**	**123.3**	**(6.6)**	**478.6**
	10.7%	*9.2%*	*10.4%*	*26.2%*	*10.9%*	*12.3%*
Depreciation & Amortization	(80.6)	(23.9)	(104.6)	(32.9)	(0.8)	**(138.2)**
Net Interest Expense	(55.8)	(10.4)	(66.3)	(17.9)	(20.3)	**(104.4)**
Forex Gain(loss)	11.4	1.0	12.4	(3.1)	0.1	**9.4**
Fair Value Gain(Loss) Derivative for forex hedging	(2.9)	0.0	(2.9)	2.5	(0.0)	(0.4)
Fair Value Gain(Loss) Bio A	(0.1)	13.2	13.0	(10.9)	0.0	**2.1**
PBT	**169.8**	**43.7**	**213.5**	**61.1**	**(27.5)**	**247.1**
Tax	(49.7)	(1.6)	(51.3)	(5.8)	(5.3)	**(62.4)**
PAT	120.2	42.0	162.2	55.3	(32.9)	**184.6**
PAT w/o Bio A	120.3	30.2	150.5	67.1	(32.9)	**184.7**
% ownership	*52.4%*	*100.0%*		*100.0%*	*100.0%*	
PATMI	55.3	42.2	97.5	55.3	(32.9)	**120.0**
Core PATMI	56.9	30.3	87.3	66.6	(30.4)	**123.5**
Core PATMI w/o Forex	51.1	29.3	80.4	69.7	(30.5)	**119.7**

Notes:

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Segment Information – 4Q2020

	4Q Y2020					
	ANIMAL PROTEIN			DAIRY	OTHERS	TOTAL
	TBK	AP Other	Total			
External Revenue	717.4	223.6	941.0	156.5	1.9	**1,099.5**
Inter Segment Sales	1.2	0.0	1.2	0.0	(1.2)	**0.0**
TOTAL REVENUE	**718.7**	**223.6**	**942.3**	**156.5**	**0.7**	**1,099.5**
OPERATING PROFIT	95.3	19.1	**114.4**	33.7	(21.1)	**127.0**
% to sales	*13.3%*	*8.5%*	*12.1%*	*21.6%*	*-3073.8%*	*11.5%*
EBITDA	**110.4**	**27.6**	**138.0**	**45.8**	**136.8**	**320.6**
	15.4%	*12.3%*	*14.6%*	*29.3%*	*19918.1%*	*29.2%*
Depreciation & Amortization	(24.2)	(8.0)	(32.2)	(6.7)	(0.6)	**(39.5)**
Net Interest Expense	(13.0)	(2.8)	(15.8)	(4.7)	(0.7)	**(21.1)**
Forex Gain(loss)	(1.8)	(0.0)	(1.8)	2.8	(1.9)	**(0.9)**
Fair Value Gain(Loss) Derivative for forex hedging	0.0	0.0	0.0	(1.8)	(3.6)	**(5.4)**
Fair Value Gain(Loss) Bio A	(1.7)	(2.9)	(4.6)	7.6	0.0	**3.0**
PBT	**69.7**	**13.8**	**83.5**	**43.1**	**130.1**	**256.7**
Tax	(22.7)	(5.2)	(27.9)	1.3	(5.5)	**(32.0)**
PAT	47.0	8.7	55.7	44.4	124.6	**224.7**
PAT w/o Bio A	48.2	11.1	59.4	36.5	124.6	**220.5**
% ownership	*54.5%*	*100.0%*		*75.0%*	*100.0%*	
PATMI	24.4	8.8	33.2	34.3	124.6	**192.0**
Core PATMI	25.1	11.3	36.3	29.6	(12.0)	**53.9**
Core PATMI w/o Forex	26.2	11.3	37.5	27.1	(10.0)	**54.6**

Notes:

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Segment Information – 3Q2020

	3Q Y2020					
	ANIMAL PROTEIN			DAIRY	OTHERS	TOTAL
	TBK	AP Other	Total			
External Revenue	581.2	207.8	788.9	146.5	(0.0)	**935.5**
Inter Segment Sales	1.6	0.0	1.6	0.0	(1.6)	**0.0**
TOTAL REVENUE	**582.8**	**207.8**	**790.5**	**146.5**	**(1.6)**	**935.5**
OPERATING PROFIT	26.1	31.5	**57.6**	34.0	(1.4)	**90.2**
% to sales	*4.5%*	*15.2%*	*7.3%*	*23.2%*	*86.5%*	*9.6%*
EBITDA	**52.7**	**38.5**	**91.2**	**47.3**	**3.1**	**141.6**
	9.0%	*18.5%*	*11.5%*	*32.3%*	*-191.2%*	*15.1%*
Depreciation & Amortization	(23.7)	(7.0)	(30.7)	(6.3)	(0.0)	**(37.1)**
Net Interest Expense	(14.9)	(2.6)	(17.5)	(5.0)	(6.3)	**(28.9)**
Forex Gain(loss)	1.3	1.1	2.4	0.5	(0.2)	**2.6**
Fair Value Gain(Loss) Derivative for forex hedging	0.0	0.0	0.0	(0.4)	0.0	**(0.4)**
Fair Value Gain(Loss) Bio A	1.0	(0.3)	0.7	(5.5)	0.0	**(4.7)**
PBT	**16.4**	**29.7**	**46.0**	**30.6**	**(3.5)**	**73.1**
Tax	(4.5)	(3.0)	(7.5)	(0.6)	(0.7)	**(8.8)**
PAT	11.9	26.6	38.5	30.0	(4.2)	**64.3**
PAT w/o Bio A	11.3	26.9	38.2	35.4	(4.2)	**69.4**
% ownership	*53.5%*	*100.0%*		*75.0%*	*100.0%*	
PATMI	7.9	26.5	34.4	22.9	(4.2)	**53.1**
Core PATMI	7.6	26.8	34.4	26.9	(8.4)	**52.9**
Core PATMI w/o Forex	6.9	25.7	32.5	26.6	(7.8)	**51.3**

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- *We define **"EBITDA"** as profit before tax, excluding interest income, finance costs, depreciation and amortisation expenses. We also exclude a) foreign exchange adjustments gains/(losses), b) changes in fair value of derivatives relating to foreign exchange hedging, and c) fair value of biological assets, other than gains/(losses) from the sale of beef in China.*
- *We derived **Core PATMI** from "Profit Attributable to Owners of the Parent, Net of Tax" by excluding a) changes in fair value of biological assets (net of tax), other than gains/(losses) from the sale of beef in China, b) changes in fair value of derivatives, and c) any extraordinary items, attributable to the owners of the parent.*
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Segment Information – 2Q2020

	2Q Y2020					
	ANIMAL PROTEIN			DAIRY	OTHERS	TOTAL
	TBK	AP Other	Total			
External Revenue	570.8	188.0	758.8	124.0	0.7	**883.4**
Inter Segment Sales	1.1	(0.0)	1.0	0.0	(1.0)	**0.0**
TOTAL REVENUE	**571.8**	**188.0**	**759.8**	**124.0**	**(0.3)**	**883.4**
OPERATING PROFIT	**11.6**	**28.8**	**40.4**	**22.9**	**(0.5)**	**62.9**
% to sales	*2.0%*	*15.3%*	*5.3%*	*18.5%*	*154.8%*	*7.1%*
EBITDA	**32.1**	**0.0**	**32.1**	**33.1**	**35.3**	**100.4**
	5.6%	*0.0%*	*4.2%*	*26.7%*	*-11367.7%*	*11.4%*
Depreciation & Amortization	(22.9)	(6.7)	(29.6)	(5.9)	0.1	**(35.3)**
Net Interest Expense	(14.4)	(2.9)	(17.2)	(4.4)	(3.8)	**(25.5)**
Forex Gain(loss)	(6.8)	0.8	(6.0)	1.6	0.1	**(4.4)**
Fair Value Gain(Loss) Derivative for forex hedging	0.0	0.0	0.0	0.0	0.0	**0.0**
Fair Value Gain(Loss) Bio A	0.1	5.4	5.5	(1.5)	0.0	**3.9**
PBT	**(11.8)**	**(3.4)**	**(15.3)**	**22.9**	**31.6**	**39.2**
Tax	3.5	(5.4)	(2.0)	(1.1)	(1.0)	**(4.1)**
PAT	(8.4)	(8.9)	(17.2)	21.8	30.6	**35.1**
PAT w/o Bio A	(8.5)	22.3	13.8	22.8	(4.9)	**31.7**
% ownership	*52.4%*	*100.0%*		*100.0%*	*100.0%*	
PATMI	(1.9)	26.4	24.5	21.8	(4.9)	**41.4**
Core PATMI	(2.0)	22.1	20.1	22.7	(5.0)	**37.7**
Core PATMI w/o Forex	2.0	21.4	23.3	21.1	(4.9)	**39.6**

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Segment Information – 1Q2020

	1Q Y2020					
	ANIMAL PROTEIN			DAIRY	OTHERS	TOTAL
	TBK	AP Other	Total			
External Revenue	652.7	176.7	829.4	120.5	0.0	**949.9**
Inter Segment Sales	1.5	0.0	1.5	0.0	(1.5)	**0.0**
TOTAL REVENUE	**654.2**	**176.7**	**830.9**	**120.5**	**(1.5)**	**949.9**
OPERATING PROFIT	**41.0**	**18.6**	**59.5**	**23.6**	**0.6**	**83.7**
% to sales	*6.3%*	*10.5%*	*7.2%*	*19.6%*	*-40.2%*	*8.8%*
EBITDA	**62.4**	**61.2**	**123.6**	**33.1**	**(36.3)**	**120.4**
	9.5%	*34.6%*	*14.9%*	*27.5%*	*2420.0%*	*12.7%*
Depreciation & Amortization	(21.5)	(6.4)	(27.9)	(5.9)	(0.2)	**(34.0)**
Net Interest Expense	(12.6)	(2.4)	(15.0)	(4.5)	(4.5)	**(24.0)**
Forex Gain(loss)	7.2	0.1	7.3	(4.7)	0.1	**2.7**
Fair Value Gain(Loss) Derivative for forex hedging	0.0	0.0	0.0	1.4	0.0	**1.4**
Fair Value Gain(Loss) Bio A	(1.1)	(0.8)	(1.8)	(11.3)	0.0	**(13.2)**
PBT	**34.3**	**51.8**	**86.1**	**8.1**	**(40.8)**	**53.4**
Tax	(7.6)	0.2	(7.3)	(0.6)	2.0	**(5.9)**
PAT	26.8	52.0	78.8	7.6	(38.8)	**47.5**
PAT w/o Bio A	27.7	17.2	44.9	19.5	(3.4)	**61.1**
% ownership	*52.4%*	*100.0%*		*100.0%*	*100.0%*	
PATMI	14.8	16.4	31.3	7.6	(3.4)	**35.5**
Core PATMI	15.3	17.0	32.4	19.3	(1.8)	**49.9**
Core PATMI w/o Forex	11.0	16.9	27.9	23.9	(2.0)	**49.9**

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Segment Information – 4Q2019

	4Q Y2019					
	ANIMAL PROTEIN			DAIRY	OTHERS	TOTAL
	TBK	AP Other	Total			
External Revenue	718.7	208.7	927.3	124.0	0.7	**1,052.1**
Inter Segment Sales	1.5	1.8	3.3	3.9	(7.3)	**(0.0)**
TOTAL REVENUE	**720.2**	**210.5**	**930.7**	**127.9**	**(6.6)**	**1,052.1**
OPERATING PROFIT	**86.9**	**32.8**	**119.7**	**33.2**	**1.7**	**154.6**
% to sales	*12.1%*	*15.6%*	*12.9%*	*26.0%*	*-26.0%*	*14.7%*
EBITDA	**108.1**	**36.7**	**144.9**	**41.1**	**2.3**	**188.3**
	15.0%	*17.5%*	*15.6%*	*32.1%*	*-35.6%*	*17.9%*
Depreciation & Amortization	(22.9)	(3.9)	(26.8)	(8.4)	(0.2)	**(35.4)**
Net Interest Expense	(15.2)	(3.6)	(18.8)	(4.1)	(5.3)	**(28.2)**
Forex Gain(loss)	4.1	0.6	4.7	1.4	0.0	**6.1**
Fair Value Gain(Loss) Derivative for forex hedging	(7.0)	0.0	(7.0)	(2.2)	(0.0)	**(9.3)**
Fair Value Gain(Loss) Bio A	(0.1)	14.7	14.6	14.6	0.0	**29.2**
PBT	**67.0**	**44.5**	**111.5**	**42.4**	**(3.1)**	**150.8**
Tax	(20.7)	(1.6)	(22.3)	(4.8)	(2.4)	**(29.4)**
PAT	46.3	42.8	89.2	37.6	(5.5)	**121.3**
PAT w/o Bio A	46.4	29.8	76.1	23.8	(5.5)	**94.4**
% ownership	*51.0%*	*100.0%*		*61.9%*	*100.0%*	
PATMI	22.6	42.7	65.4	37.6	(5.5)	**97.5**
Core PATMI	26.3	29.7	56.0	26.0	(5.8)	**76.2**
Core PATMI w/o Forex	24.3	29.1	53.4	24.6	(5.8)	**72.1**

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THANK YOU

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