



JAPFA LTD

(Company Registration Number: 200819599W)

(Incorporated in Singapore)

DISCLOSURE PURSUANT TO RULE 704(31) AND RULE 728 OF THE LISTING MANUAL

Japfa Ltd (the “Company”) wishes to announce that the following Indonesian subsidiaries:

- PT Japfa Comfeed Indonesia Tbk;
- PT Ciomas Adisatwa;
- PT Santosa Agrindo;
- PT Austasia Stockfeed;
- PT Suri Tani Pemuka; and
- PT Vaksindo Satwa Nusantara

(collectively the “Borrowers”),

have entered into an agreement (effective date 2 September 2019) with:

- (1) PT Bank Central Asia Tbk;
- (2) PT Bank Mandiri (Persero) Tbk; and
- (3) PT Bank Maybank Indonesia Tbk.

to upsize and convert their 2017 Rp 3 Trillion Loan Facility (about US\$211m) to a Rp 5 Trillion (about US\$351m) Loan Facility.

The upsized facility will be utilised in the following manner:

- (i) A Rp 3 Trillion Revolving Loan to repay in full the 2017 Rp 3 Trillion Loan Facility;
- (ii) A Rp 850 Billion Term Loan to repay in full Japfa Series A IDR Bonds due 2 December 2019; and
- (iii) A Rp 1.15 Trillion Term Loan for capital expenditure.

There is no change to the covenant restricting change of control of the Company tied to the Handojo Santosa Family and its affiliates (“Santosa Family”) as set out below:

- (a) the Santosa Family (directly or indirectly) to beneficially and collectively own at least 30% (thirty per cent.) of the issued capital of Japfa Ltd and to remain the single largest shareholder of Japfa Ltd throughout the term of the Facility Agreement;
- (b) Japfa Ltd to beneficially own shares representing more than 50% (fifty per cent.) of the issued and paid-up capital of PT Japfa Comfeed Indonesia Tbk throughout the term of the Facility Agreement; and
- (c) The majority of the board of directors and of the board of commissioners of PT Japfa Comfeed Indonesia Tbk to comprise nominees appointed by Japfa Ltd that are not objected to by the Santosa Family.

The above restrictive covenant tied to the Santosa Family is a historical requirement of the Group's Indonesian bankers.

With the said upside and conversion, the total aggregate amount of bank facilities that may be affected by a breach of the Santosa Family covenants is about USD1.2b.

In compliance with Rule 728 of the Listing Manual of the SGX-ST, the Company had on 29 July 2014 obtained an undertaking from its controlling shareholders Mr. Handojo Santosa and Ms. Rachel Anastasia Kolonas to notify the Company as soon as he or she becomes aware, of any share pledging arrangements by the Scuderia Trust and the Capital Two Trust (directly and/or indirectly) respectively and of any event which may result in a breach of the provisions under the then existing or any future banking facilities, where the shareholdings of the Controlling Shareholders are referenced.

Save as disclosed above, none of the Directors or Controlling Shareholders of the Company has an interest, directly or indirectly, in the above transaction, save through their shareholdings (if any) in the Company.

**By Order of the Board
Japfa Ltd**

Tan Yong Nang
Executive Director and Chief Executive Officer

Date: 30 August 2019