JAPFA LTD
(Company Registration Number: 200819599W)
(Incorporated in Singapore)

SGX query:

Non-current assets: Right-of-use assets
Explain the 15.55% increase to US$211,563,000, noting that in the statement of cash flows, there was no acquisition of such assets and no fair value gain was booked on Right-of-use assets.

Japfa response:
The increase in the Right-of-use assets by 15.55% from US$183,088,000 to US$211,563,000 is mainly due to additional lease assets amounting to US$42,901,000, partially offset by the depreciation of the Right-of-use assets during the financial period. The additional lease assets are mainly land and/or farms in China and Vietnam to expand our operations.

The additional lease assets of US$42,901,000 include cash transactions of US$6,000,000 and non-cash transactions of US$36,901,000 through lease financing. In the statement of cash flows, the cash transactions of US$6,000,000 is included in the "Payment of principal portion of lease liabilities" of US$18,179,000.

As the Right-of-use assets are measured at cost, no fair value gain was booked in Right-of-use assets.

By Order of the Board
Japfa Ltd

Tan Yong Nang
Executive Director and Chief Executive Officer

Date: 10 August 2021