

JAPFA

Feeding Emerging Asia

JAPFA LTD

Investor Presentation

1Q2020 Financial Results







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GROUP OVERVIEW



Group Overview



Feeding Emerging Asia



- Established in 1975
- 5 animal protein businesses in 5 countries
- Japfa Ltd's market capitalisation: approx US$790 million[1]
- FY2019 revenue: US$3.9 billion

[1] As at 31 December 2019





Leading Pan-Asian Industrialised Agri-Food Company



WHAT WE DO

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



WHERE WE ARE

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



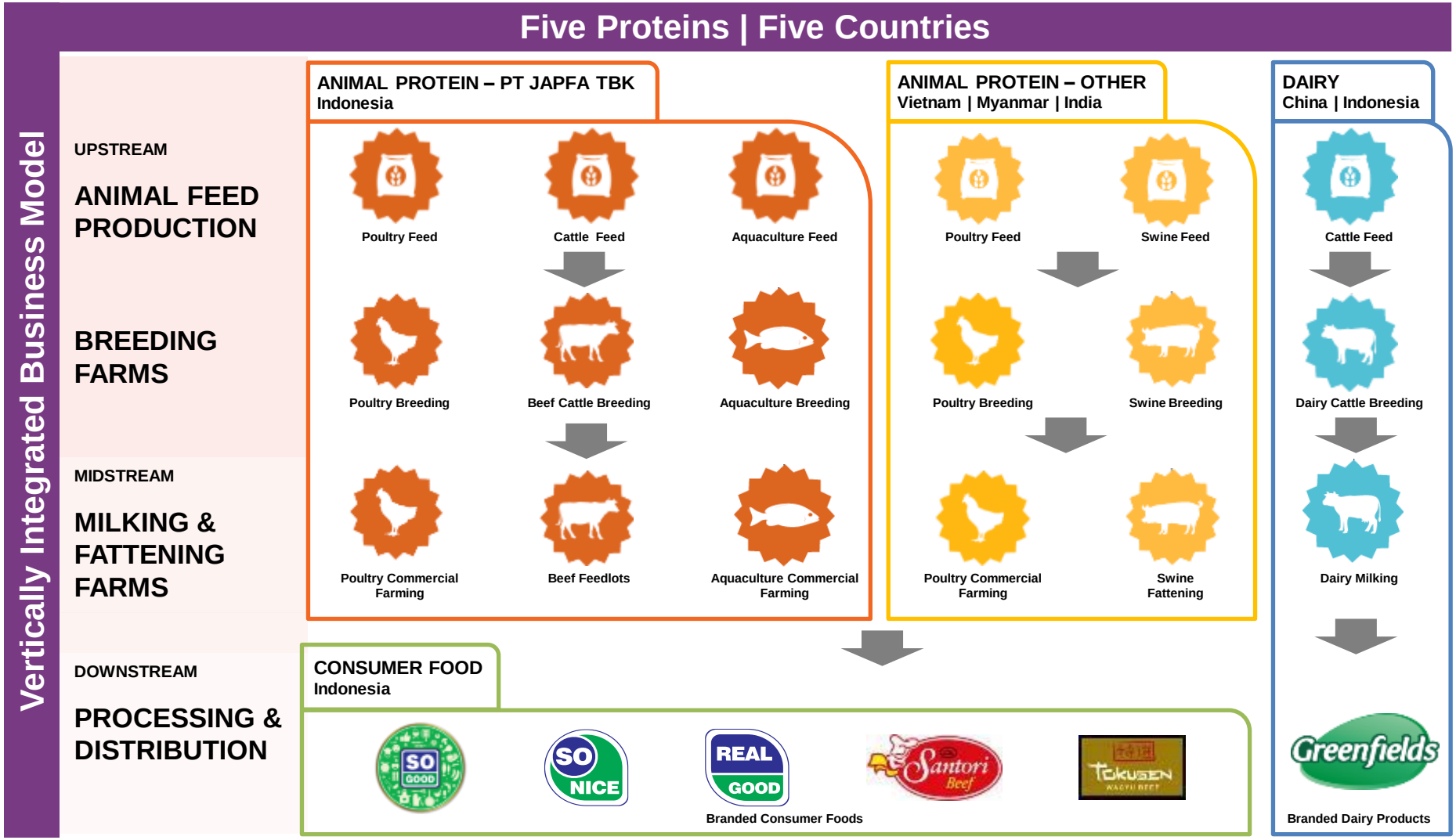
WHY WE DO IT

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's Core Competencies

Industrialized approach to farming and food production

Vertically Integrated Business Model

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

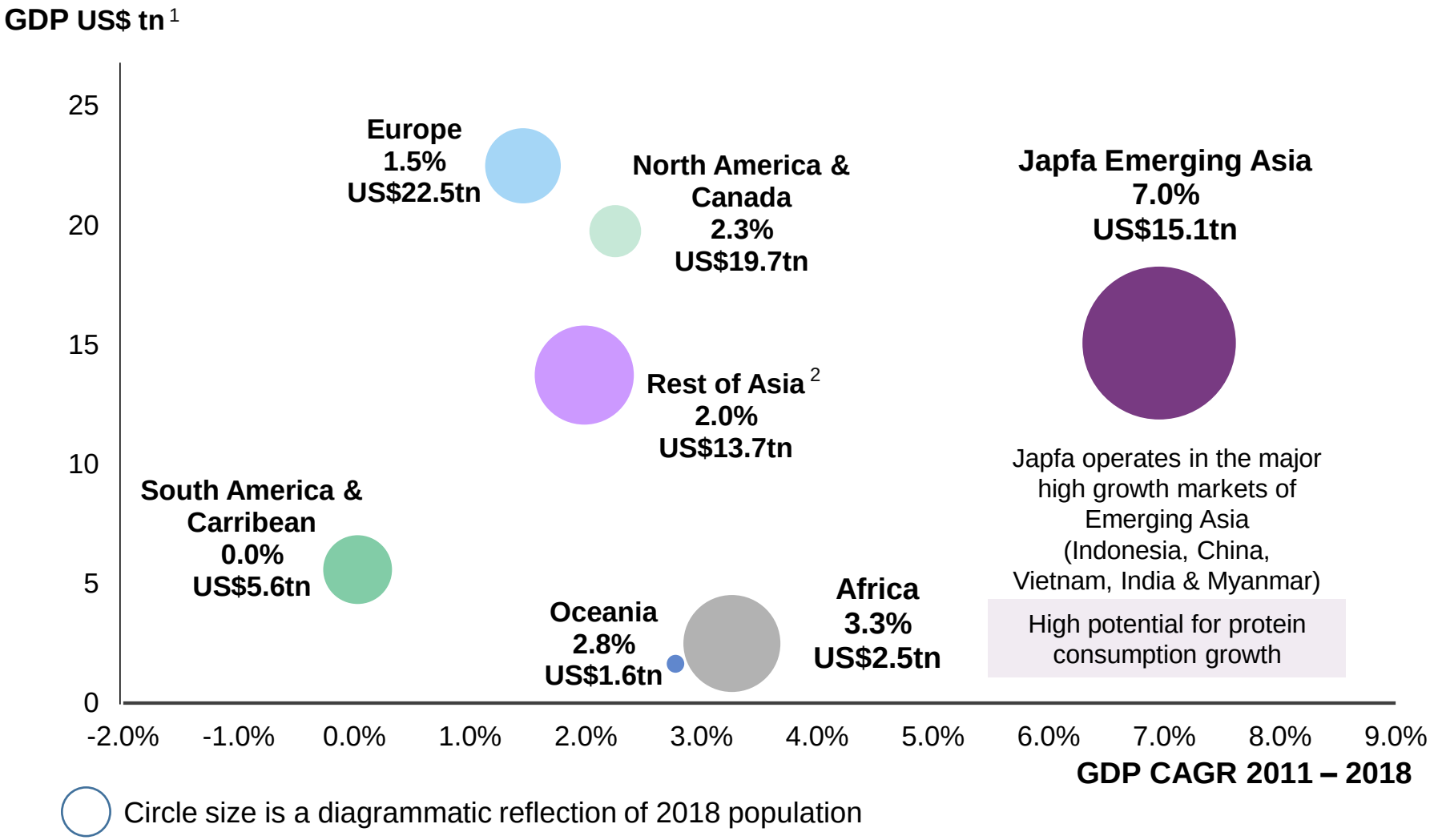
LARGE SCALE
- Ability to manage mega-scale farming operations; over 38,000 employees across five countries
- Scale of the Group's animal feed business provides stability to group revenue and profitability

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 1Q2020

- **As a staple protein producer, our day-to-day operations have not thus far been materially impacted by the Covid-19 lockdown measures**
- **Revenue grew across all business segments**
- **Profit increased as a result of:**
  - **high feed margin in Indonesia due to lower costs of key raw materials**
  - **strong swine fattening prices in Vietnam and raw milk prices in China due to supply shortages**

Revenue	Operating Profit	Operating Profit Margin
US$949.9 million	**US$87.1 million**	**9.2%**
+4.2% y-o-y	+47.1% y-o-y	+2.7ppt y-o-y

EBITDA	PATMI	Core PATMI w/o Forex
US$120.4 million	**US$35.5 million**	**US$49.9 million**
+31.0% y-o-y	+353.9% y-o-y	+164.2% y-o-y



Animal feed business remains a stable pillar of profitability



In Indonesia, low broiler ASPs due to demand supply imbalance and a depreciating IDR



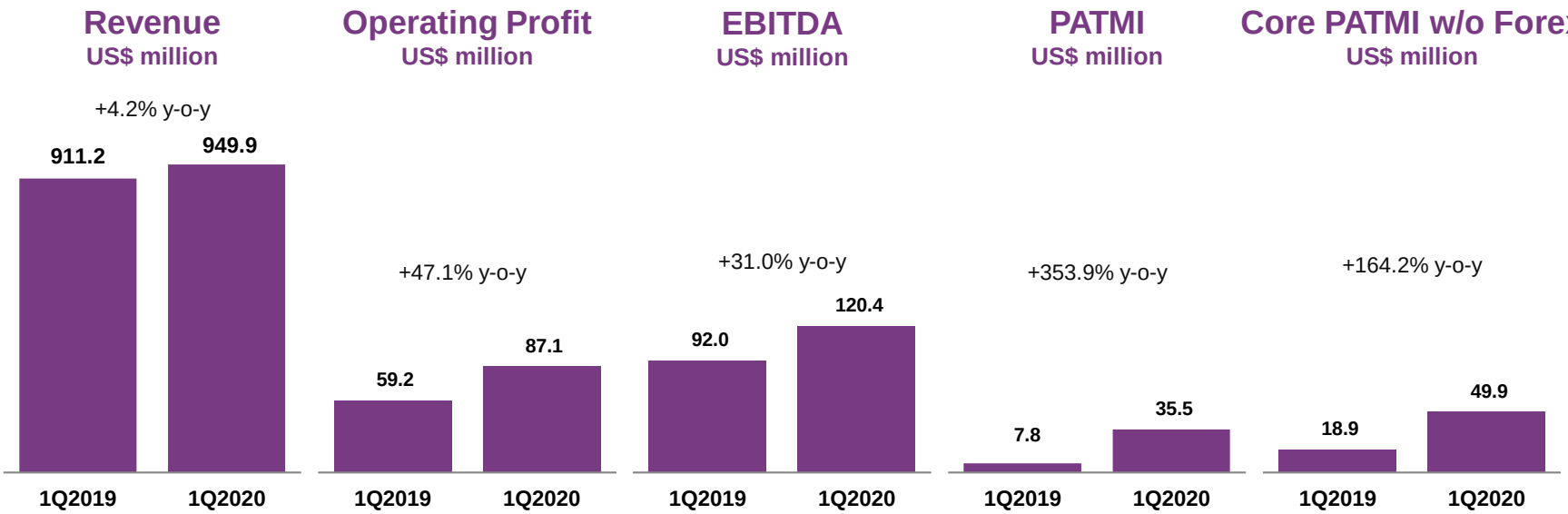
Strong swine ASPs more than compensate for the drop in sales volumes of swine fattening and feed



In China, raw milk prices remain strong since 2H2019 due to supply shortage

- We define "**EBITDA**" as profit before tax from continuing operations, excluding interest income, finance costs, depreciation and amortisation expenses, and also excluding changes in fair value of biological assets and derivatives, which relate to foreign exchange hedging and foreign exchange adjustment gains/(losses).
- We derived "Core PATMI" from "Profit Attributable to Owners of the Parent, Net of Tax" by excluding changes in fair value of biological assets (net of tax) and derivatives, and by excluding extraordinary items attributable to 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

1Q2020 Group Financials



We continue to produce and supply staple foods in these uncertain times for every market we operate in

- PT Japfa Tbk: Revenue and profitability stable on the back of higher sales volumes and strong margins for both poultry feed and aqua feed. The restrictions over people movement in Indonesia due to Covid-19 have reduced purchasing power and hence demand for poultry, which is reflected by the continuing low broiler ASP environment post 1Q2020
- APO: Revenue growth is mainly due to increases in swine fattening ASPs and poultry feed sales volumes in Vietnam. Swine fattening ASPs remained strong due to the significant drop of pork supply in the market as a result of ASF[1]
- Dairy: Revenue and profitability growth mainly driven by raw milk price increase in China due to a shortage of raw milk supply in China that we expect to continue over the medium term

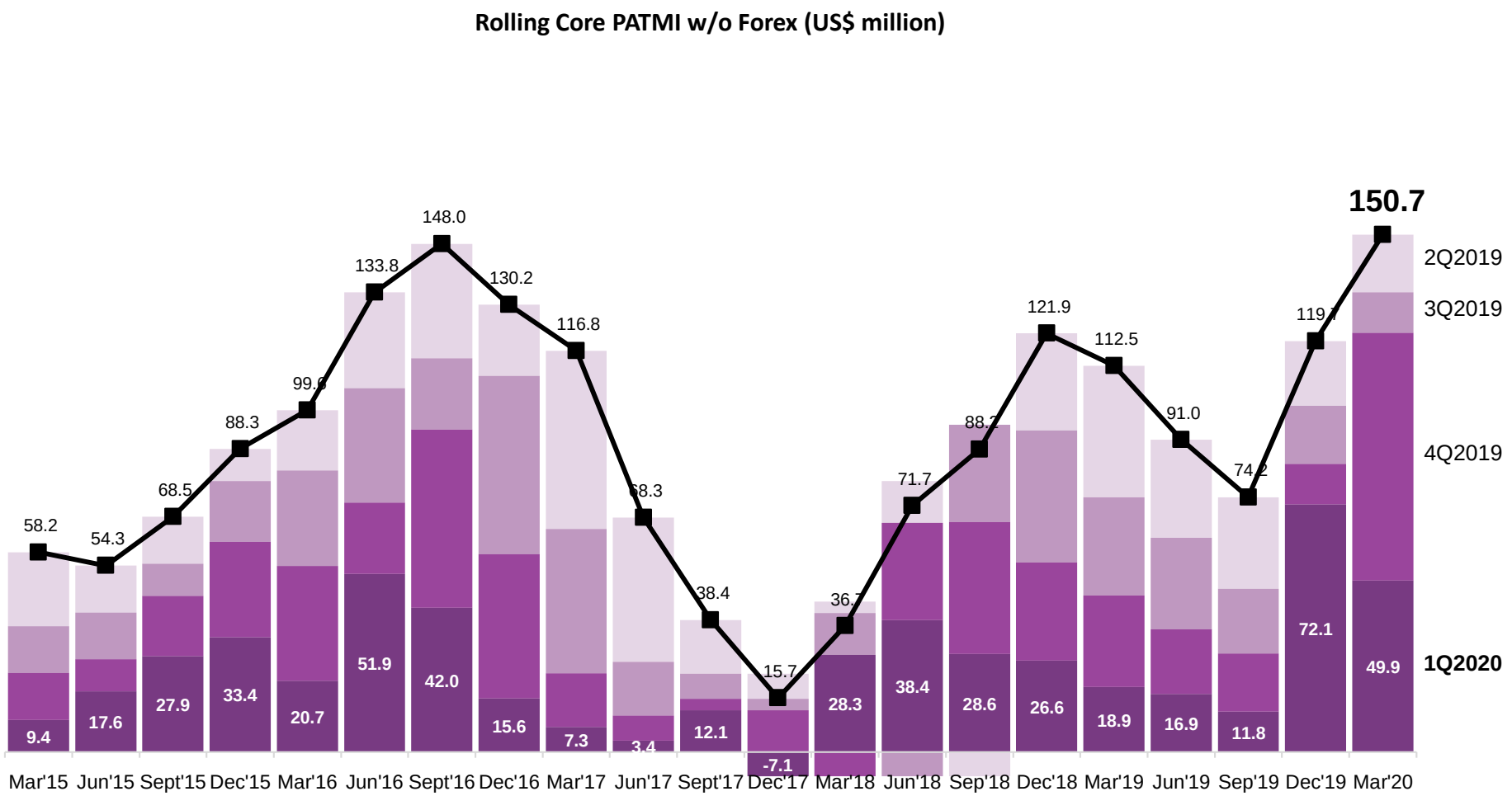
Against this Covid-19 backdrop, we focus on keeping costs down and remaining efficient, as well as adjusting our capex and deploying our resources appropriately in each market.

[1] ASF refers to African Swine Fever

CORE PATMI w/o FOREX
ROLLING BASIS

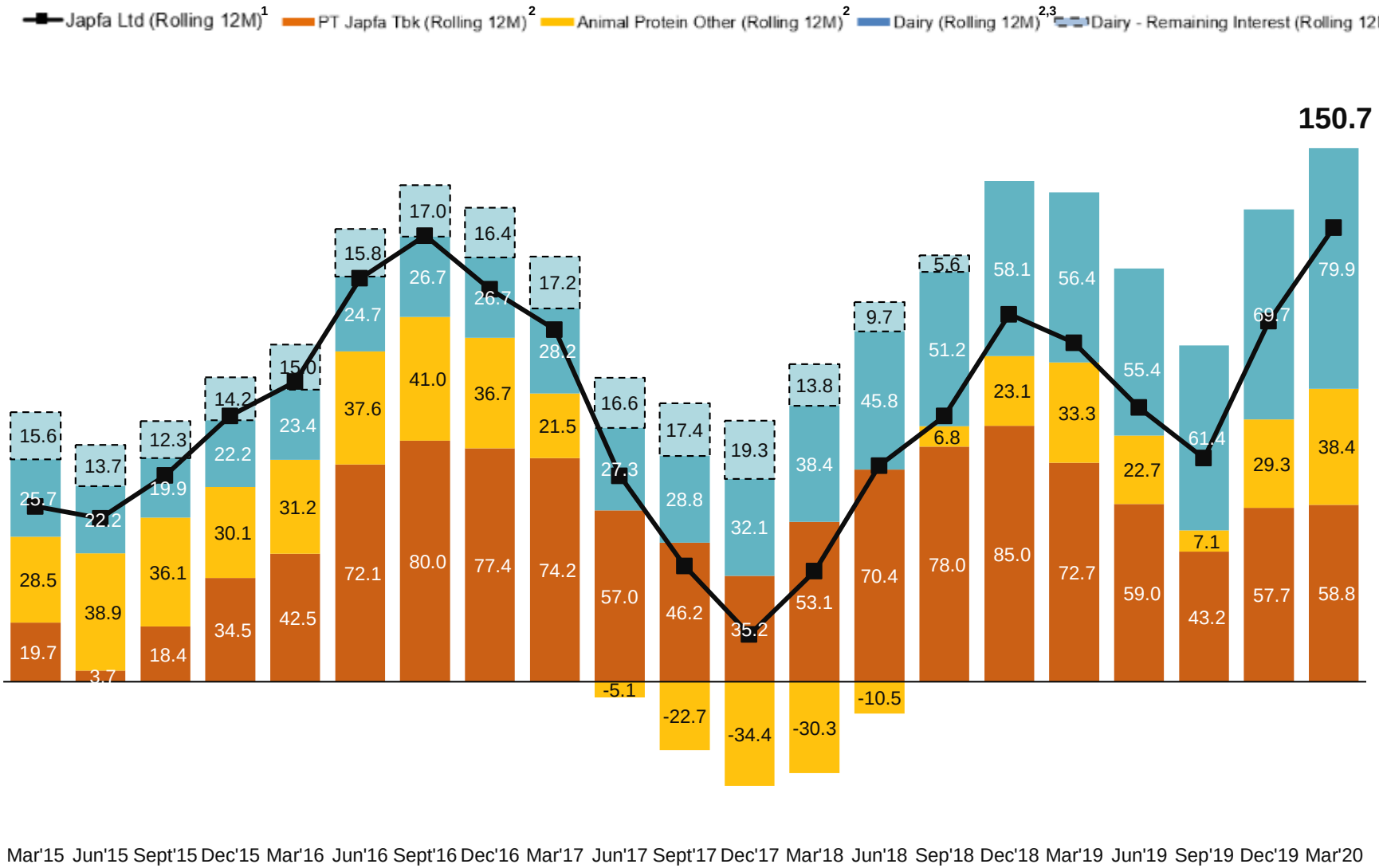


Rolling Core PATMI w/o Forex For The Group



Note: The bar 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.

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 darker colour represents Core PATMI w/o Forex of 62% attributable to Japfa Ltd. With effect from 1 Jan 2018, Japfa Ltd consolidates100% ofDairy.
[4] Dairy as a whole (darker and lighter colour) represents 100% Core PATMI w/o Forex.

1Q2020
FINANCIAL AND OPERATIONAL ANALYSIS



1Q2020 Segmental Overview

GROUP

Japfa Ltd

(US$m)	1Q2019	1Q2020	%change	
Revenue	911.2	949.9	4.2%	▲
Operating Profit	59.2	87.1	47.1%	▲
Operating Profit Margin	6.5%	9.2%	2.7 pts	▲
EBITDA	92.0	120.4	31.0%	▲
PAT	18.7	47.5	153.7%	▲
PATMI	7.8	35.5	353.9%	▲
Core PATMI w/o Forex	18.9	49.9	164.2%	▲

SEGMENTAL

(US$m)				
PT Japfa Tbk				
Revenue	605.4	614.6	1.5%	▲
Operating Profit	35.6	37.7	5.7%	▲
Operating Profit Margin	5.9%	6.1%	0.2 pts	▲
EBITDA	52.6	56.7	7.9%	▲
PAT	21.8	23.4	7.3%	▲
PATMI	10.9	11.5	5.8%	▲
Core PATMI w/o Forex	7.7	8.9	14.3%	▲
Animal Protein Other				
Revenue	157.1	176.7	12.4%	▲
Operating Profit	10.5	18.6	76.4%	▲
Operating Profit Margin	6.7%	10.5%	3.8 pts	▲
EBITDA	16.6	25.7	54.9%	▲
PAT	6.7	16.6	146.5%	▲
PATMI	6.8	16.4	143.0%	▲
Core PATMI w/o Forex	7.9	16.9	115.3%	▲
Dairy				
Revenue	111.8	120.5	7.8%	▲
Operating Profit	17.7	26.9	52.4%	▲
Operating Profit Margin	15.8%	22.4%	6.5 pts	▲
EBITDA	25.7	33.1	28.8%	▲
PAT	1.6	7.6	387.1%	▲
PATMI	1.6	7.6	387.1%	▲
Core PATMI w/o Forex	13.7	23.9	74.3%	▲
Consumer Food				
Revenue	49.0	49.0	0.1%	▲
Operating Profit	(2.9)	3.3	215.3%	▲
Operating Profit Margin	-5.8%	6.7%	12.6 pts	▲
EBITDA	(0.6)	5.6	1081.7%	▲
PAT	(4.0)	3.2	181.6%	▲
PATMI	(4.0)	3.2	181.6%	▲
Core PATMI w/o Forex	(3.8)	2.1	154.6%	▲

1 The combined revenue for PT Japfa Tbk and Animal Protein Other includes inter-segment revenue of US$10.6 million in 1Q2020 (1Q2019: US$11.0 million)
2 The Dairy segment revenue includes inter-segment revenue of US$0.0 million in 1Q2020 (1Q2019: US$2.0 million)
3 The Consumer Food segment revenue includes inter-segment revenue of US$0.3 million in 1Q2020 (1Q2019: US$0.1 million)

JAPFA

1Q2020 Segmental Attributable Income

PT JAPFA TBK
- 52.4% Japfa Ltd
- 47.6% Public

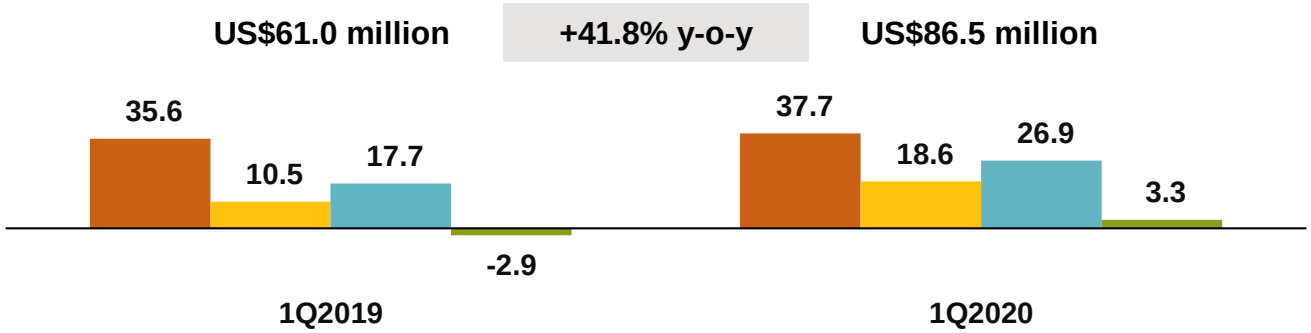
APO
- 100% Japfa Ltd

DAIRY
- 100% Japfa Ltd

CONSUMER FOOD
- 100% Japfa Ltd

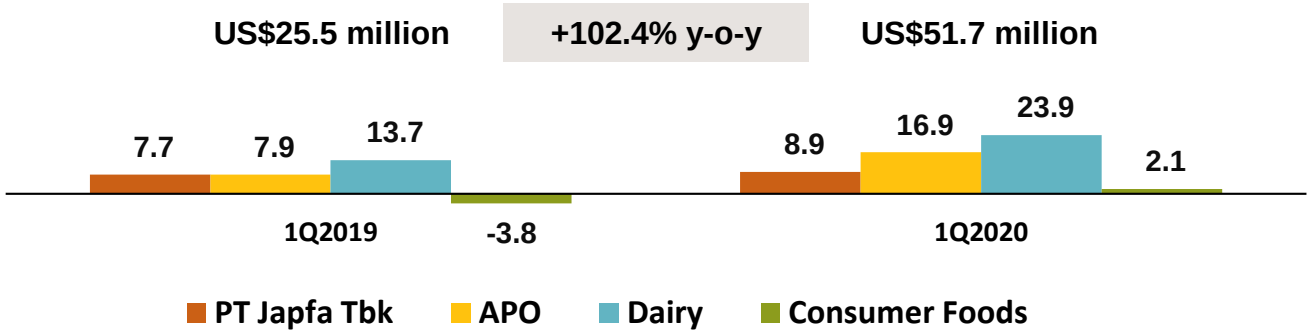
Operating Profit[1] (US$ million)

Group financials on consolidated basis



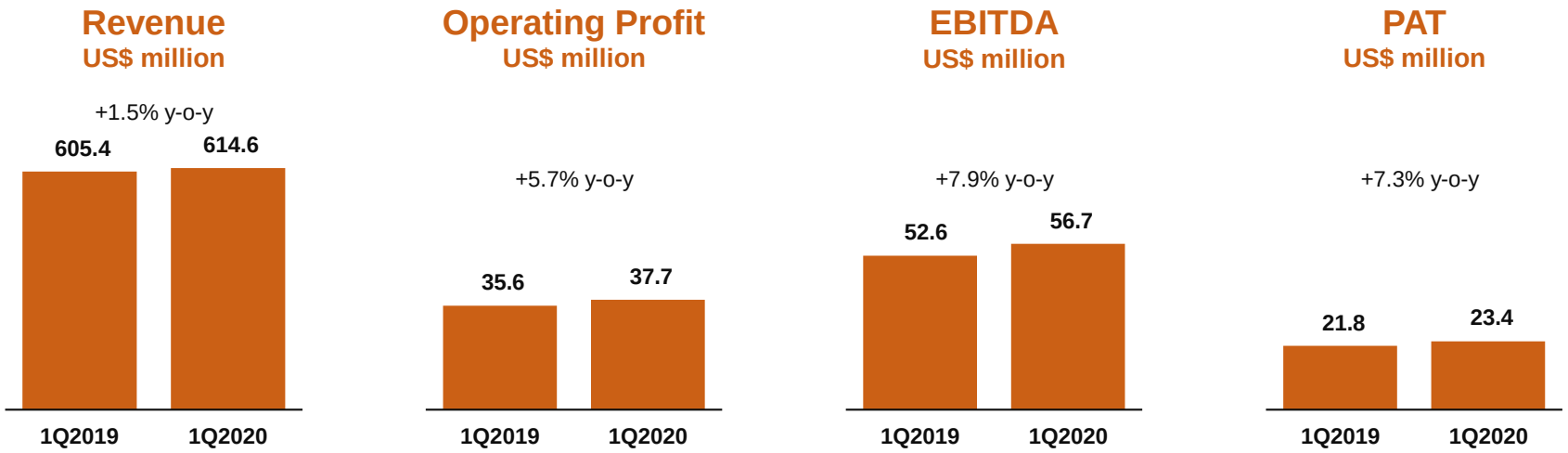
Core PATMI w/o Forex[1] (US$ million)

Attributable income to Japfa Ltd



[1] The Operating Profit and Core PATMI w/o Forex exclude the central purchasing subsidiary, headquarter costs and elimination adjustments between segments

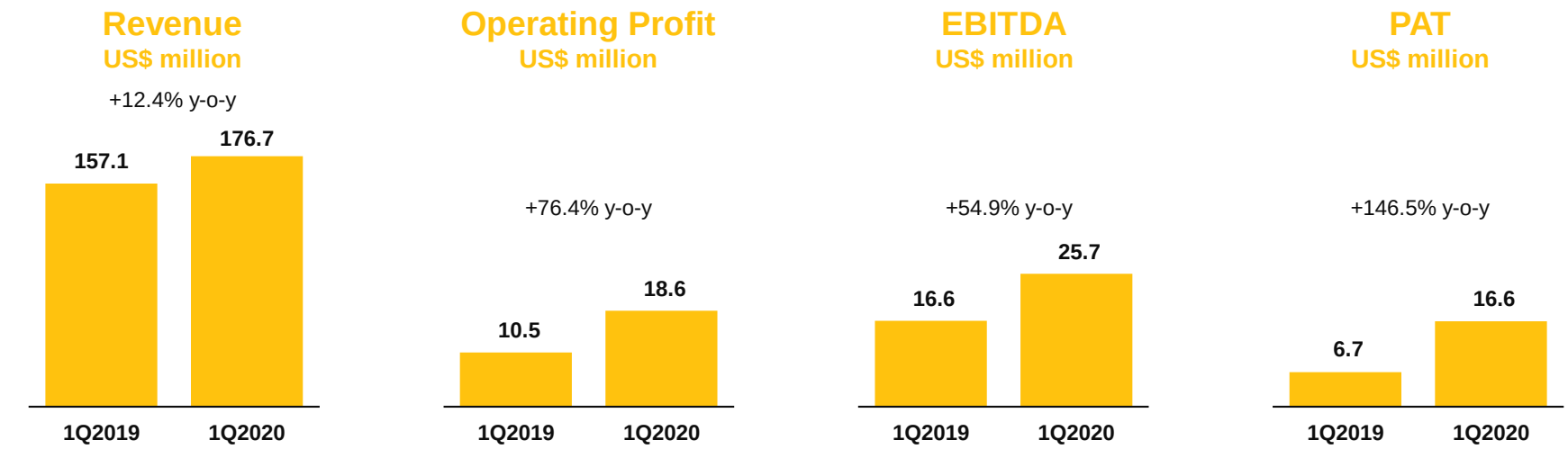
PT Japfa Tbk – Financial Performance



Revenue and profitability stable on the back of strong feed margins

- Revenue increased 6.0% in IDR terms, however, in USD terms the increase was only 1.5% due to the depreciation of Indonesian Rupiah. The increase was mainly contributed by higher poultry feed and aqua feed sales volumes
- Steady profits as a result of strong feed margins, due to our ability to manage cost of key raw materials
- Commercial farm operations recorded an operating loss of US$10.6 million due to a demand supply imbalance, which has resulted in low broiler ASPs that are expected to continue post 1Q2020
- Forex exposure from its USD bonds has been hedged for its principal and coupon payments up till maturity. The unrealised forex translation losses on the underlying USD bonds are offset against unrealised gains from the currency hedge contracts under hedge accounting
- The Covid-19 situation in Indonesia is fluid. This unprecedented outbreak has reduced purchasing power and, as a result, reduced demand for many consumer products. As we mainly supply chicken, which is a staple and affordable protein food, hopefully the impact on demand will not be drawn-out. In addition, our experience, scale and industrialised approach will better enable us to ride out the demand drop due to Covid-19
- Since Covid-19 outbreak, we have taken action to freeze non-essential new Capex and revise the original budgeted Capex for FY2020

APO – Financial Performance



Strong growth in revenue and profitability mainly driven by swine operations in Vietnam

Vietnam

- Revenue growth is mainly due to increases in swine fattening ASPs and poultry feed sales volumes
- Swine fattening ASPs remained strong due to the significant drop of pork supply in the market as a result of ASF
- The early Covid-19 precautionary measures introduced in Vietnam impacted the demand for poultry causing low broiler ASPs in 1Q2020
- 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. As a result, we were able to capitalise on the rebound of swine fattening ASP since 4Q19 and record strong profits for this quarter
- Higher swine fattening ASPs more than compensated for the drop in sales volumes of swine fattening and swine feed

Myanmar

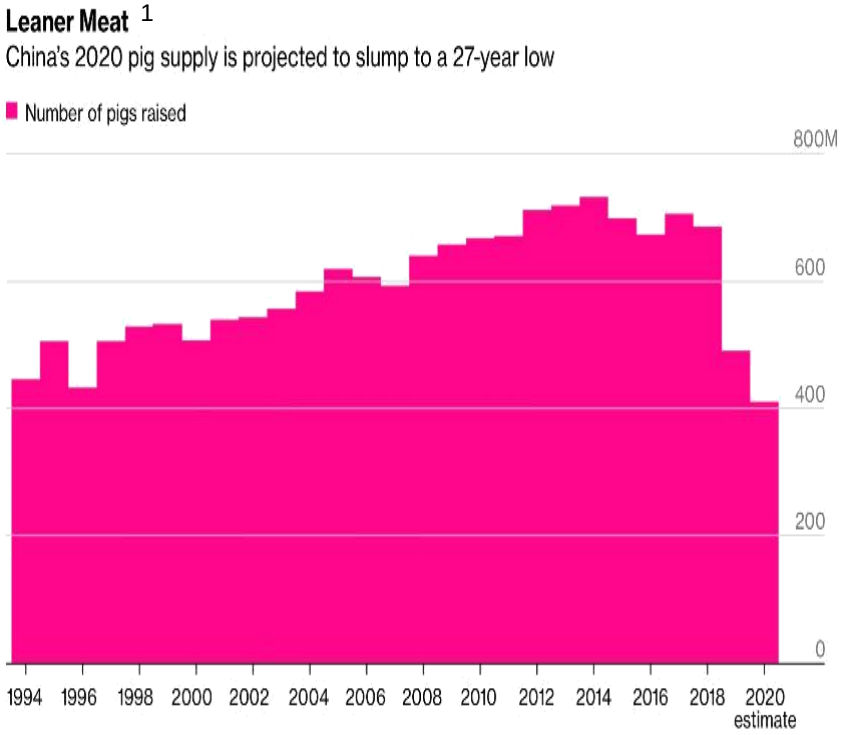
- The demand for poultry was impacted by Covid-19 measures introduced in Myanmar causing low poultry prices in 1Q2020

India

- Feed operations represent more than 80% of India's revenue and this helps to buffer the impact of Covid-19

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

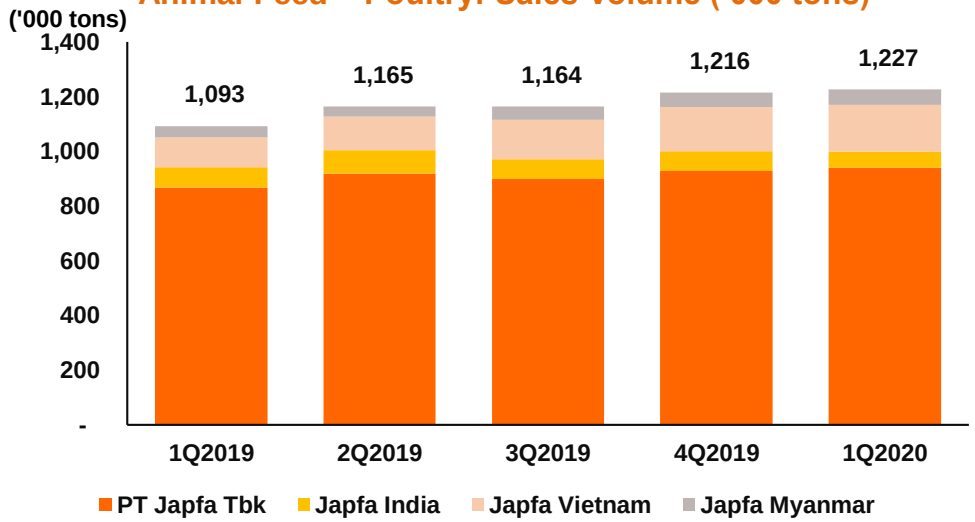
In 2020, APO-Vietnam has started to import highly selected pure line breeders from its partner Hypor as part of a 3-year plan to further improve performance and swine genetics

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

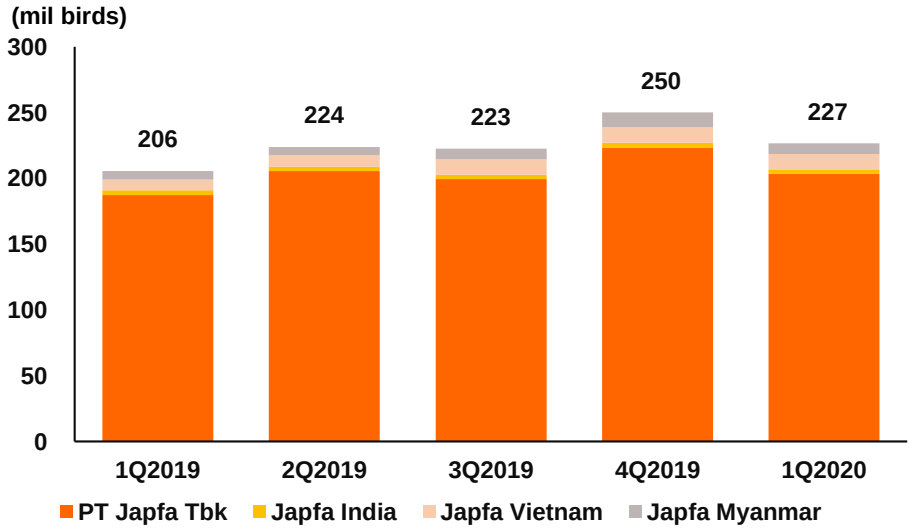
[1] Chart extracted from Bloomberg, 6 June 2019 citing USDA
[2] China's Recovery From African Swine Fever: Rebuilding, Relocating, and Restructuring – Rabobank, November 2019

Animal Protein – Operational Performance

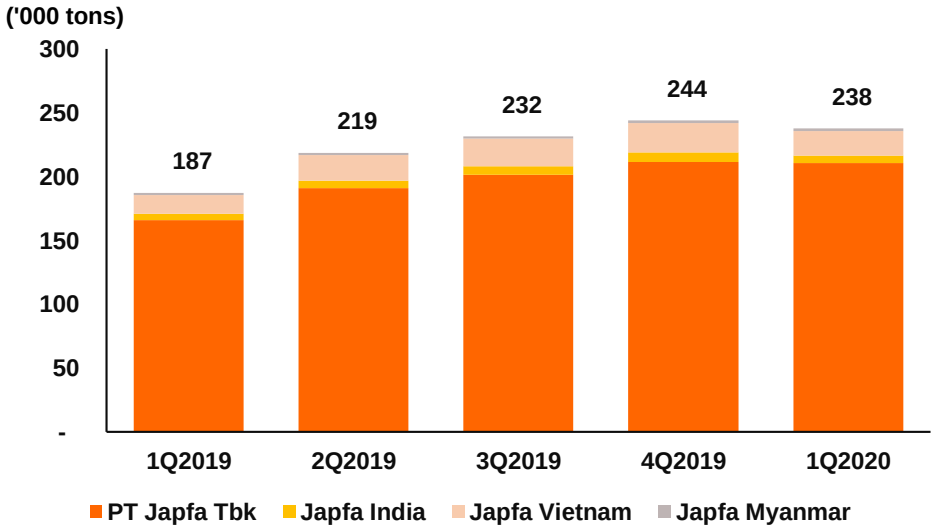
Animal Feed – Poultry: Sales Volume (‘000 tons)



DOC – Broiler: Sales Volume (mil birds)

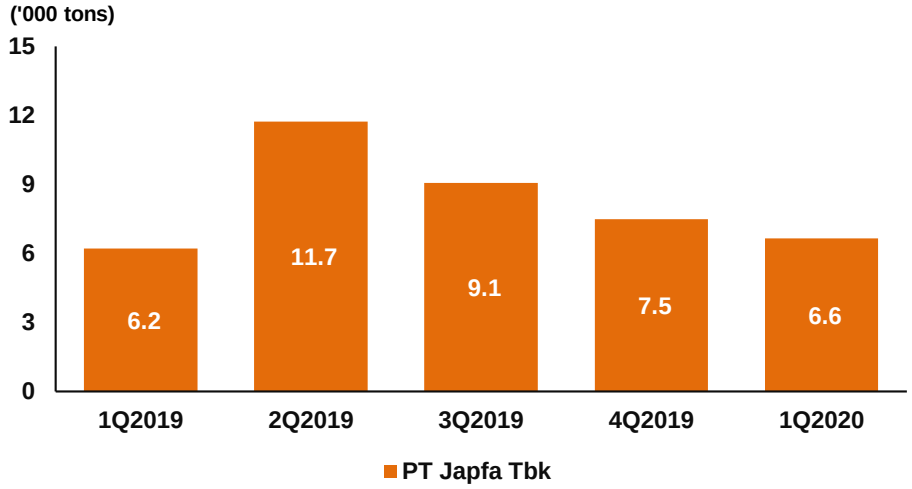


Commercial Farm – Live Birds: Sales Volume (‘000 tons)

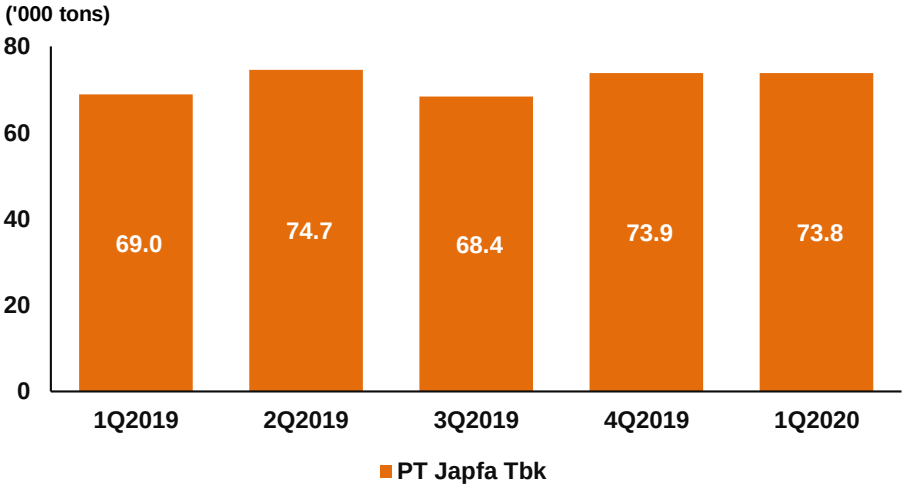


Animal Protein – Operational Performance

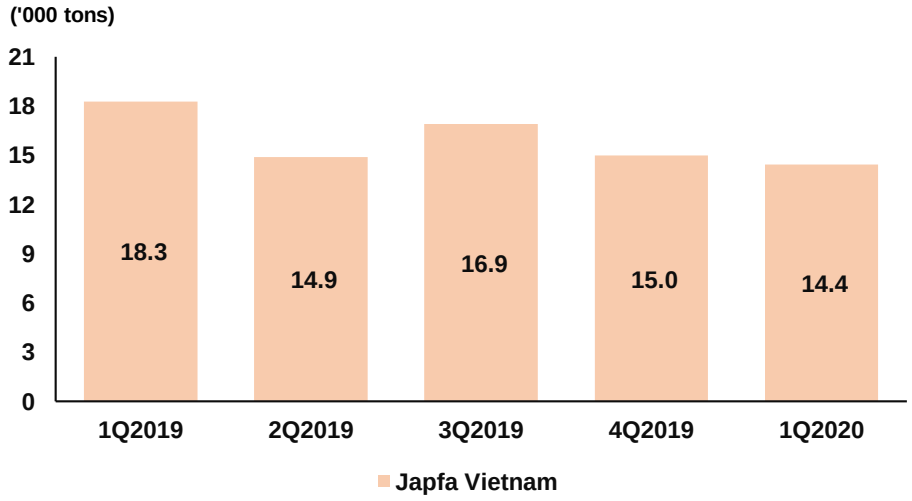
Beef – Live Cattle: Sales Volume ('000 tons)



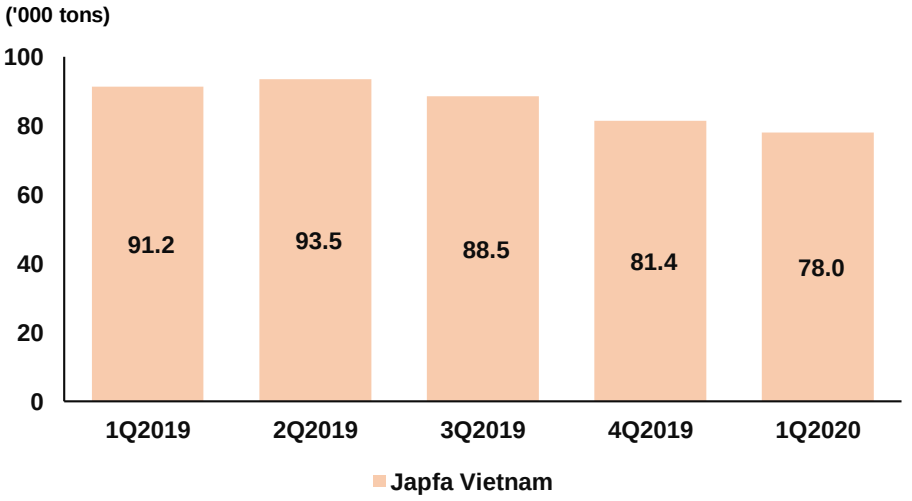
Aquaculture – Aqua-feed: Sales Volume ('000 tons)



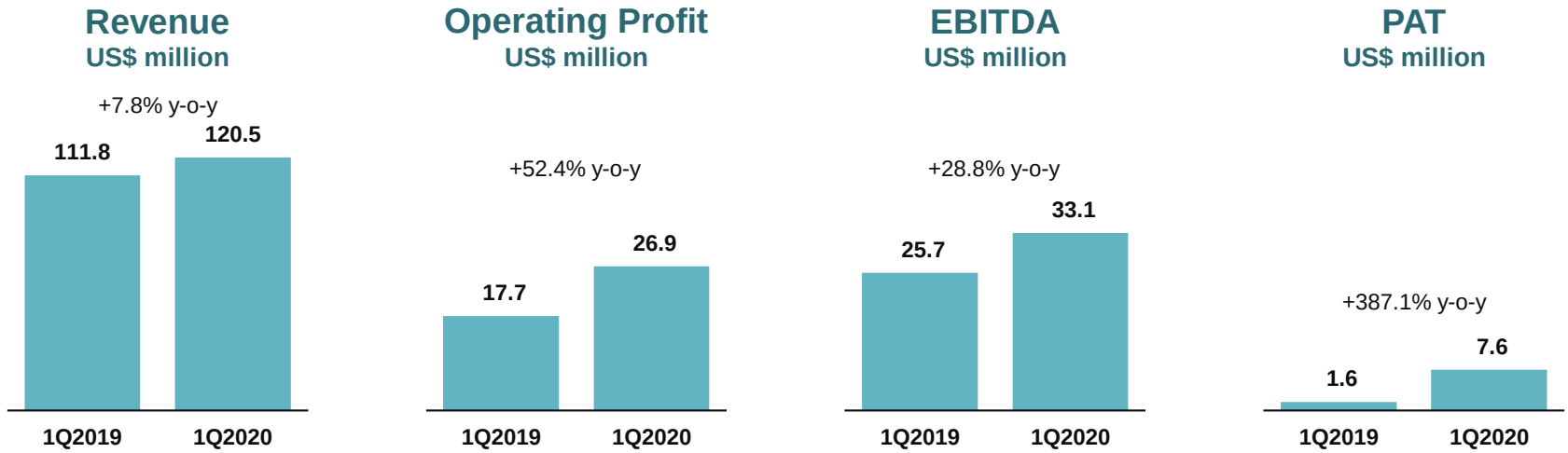
Swine Fattening: Sales Volume ('000 tons)



Animal Feed – Swine: Sales Volume ('000 tons)



Dairy – Financial Performance



Strong growth in revenue and profit driven by higher raw milk price and volume growth in China

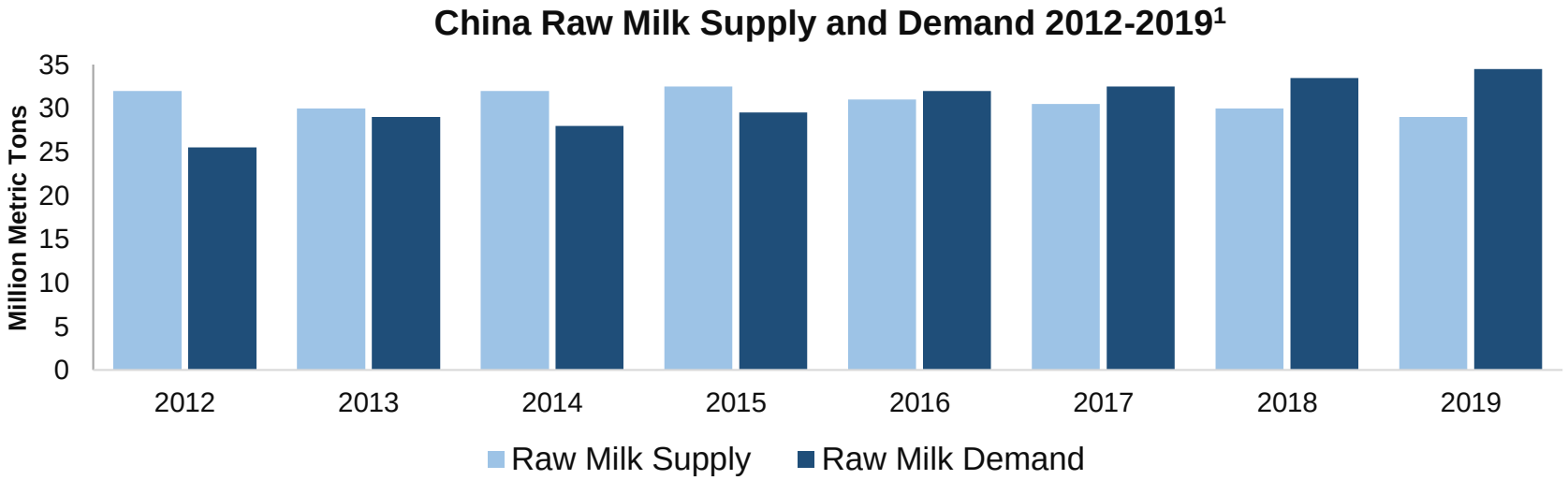
China

- Revenue growth +8.9% y-o-y mainly driven by raw milk price increase
- Profitability has leapt on the back of higher raw milk prices +4.4% y-o-y although lower compared to 2H2019 due to a shortage of raw milk in China
- 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

- Sales volume on our branded milk increased +28.4% in 1Q2020. Measures implemented to curb the Covid-19 outbreak on 10 April 2020 are expected to have a significant impact on our sales volumes to food services customers (coffee chains and bubble tea stores) in the near term
- Since Covid-19 outbreak, we have taken action to postpone certain capex projects

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

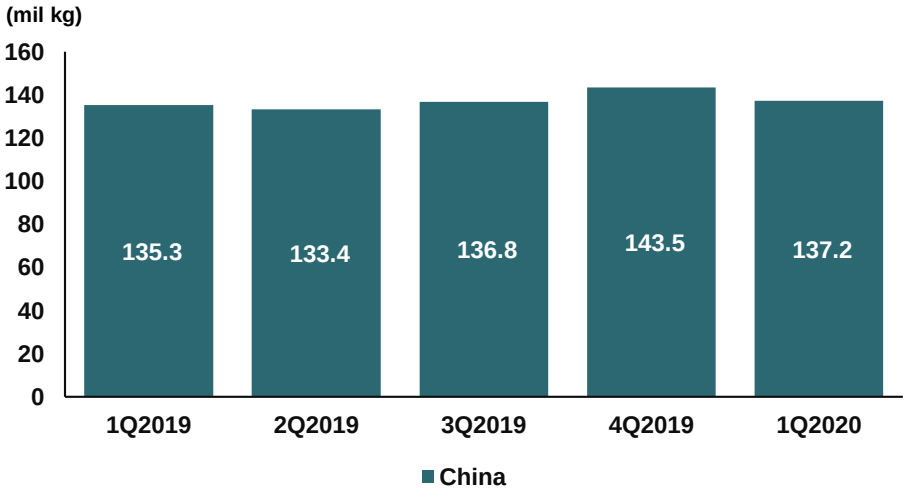
As indicated in a UOBKayHian report: "According to China Modern Dairy (CMD) management, the raw milk shortage may last for another 2-3 years as more and more independent dairy farmers give up cow-raising."[3]

[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

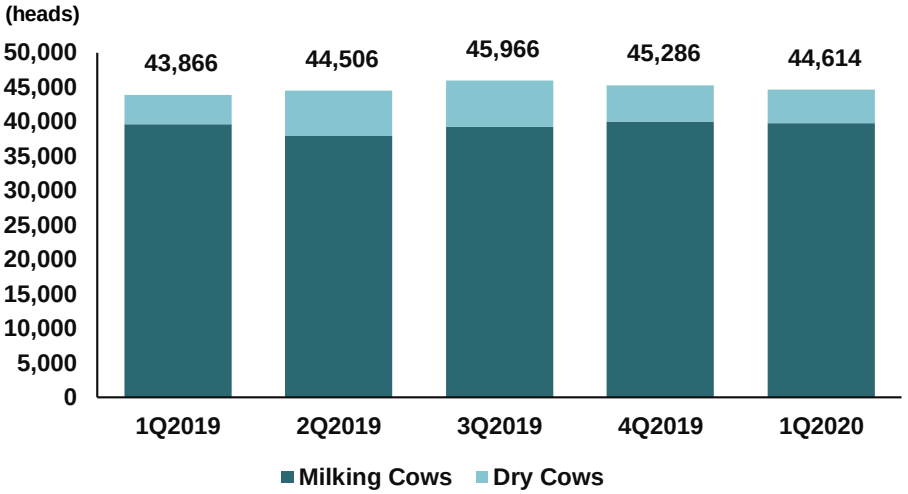
JAPFA

Dairy – Operational Performance

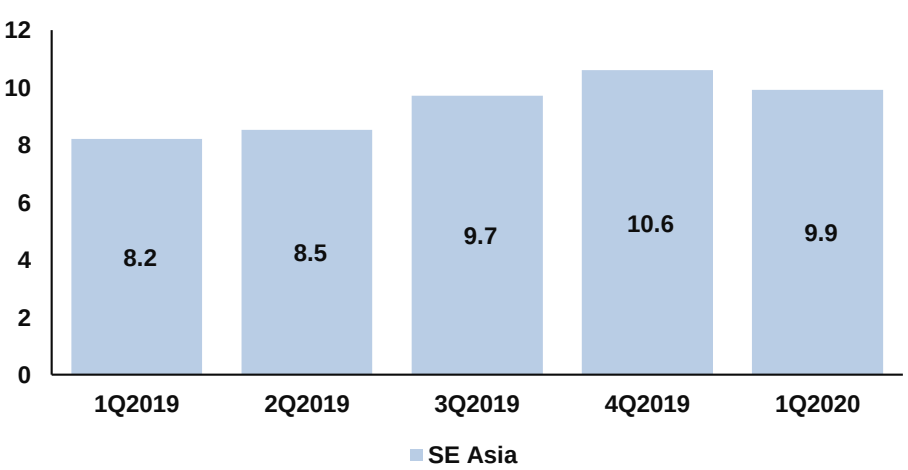
China Raw Milk: Sales Volume (mil kg)



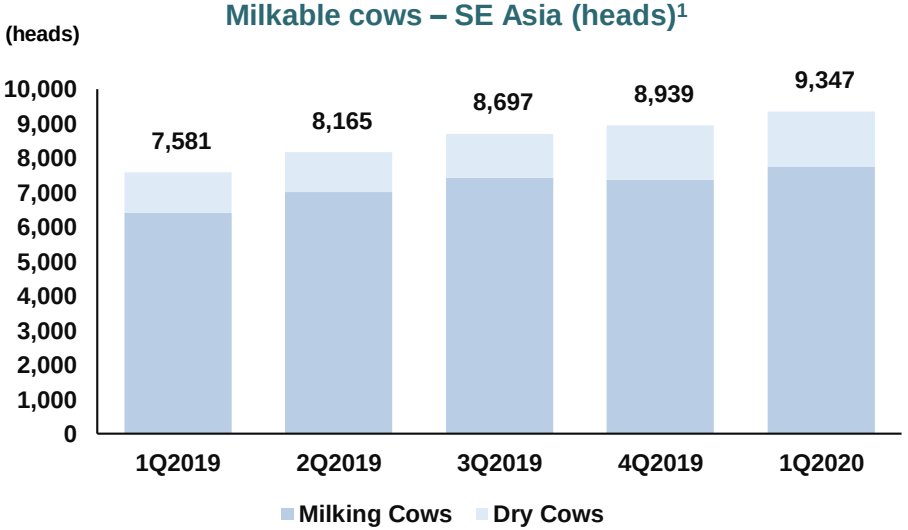
Milkable cows – China (heads)[1]



SE Asia Extended Shelf Life Branded Milk: Sales Volume (mil litres)



Milkable cows – SE Asia (heads)[1]

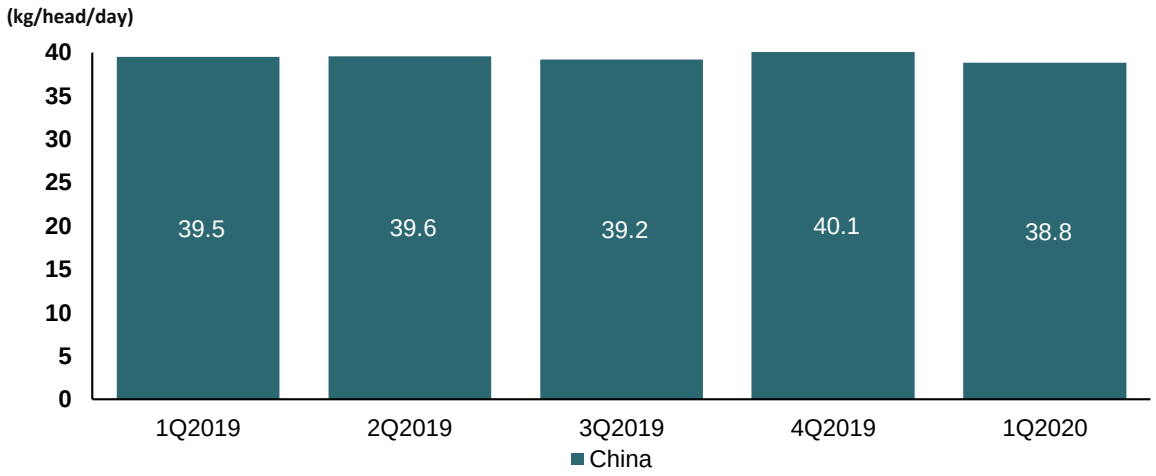


[1] Number of milkable cows as at the end of each quarter in question.

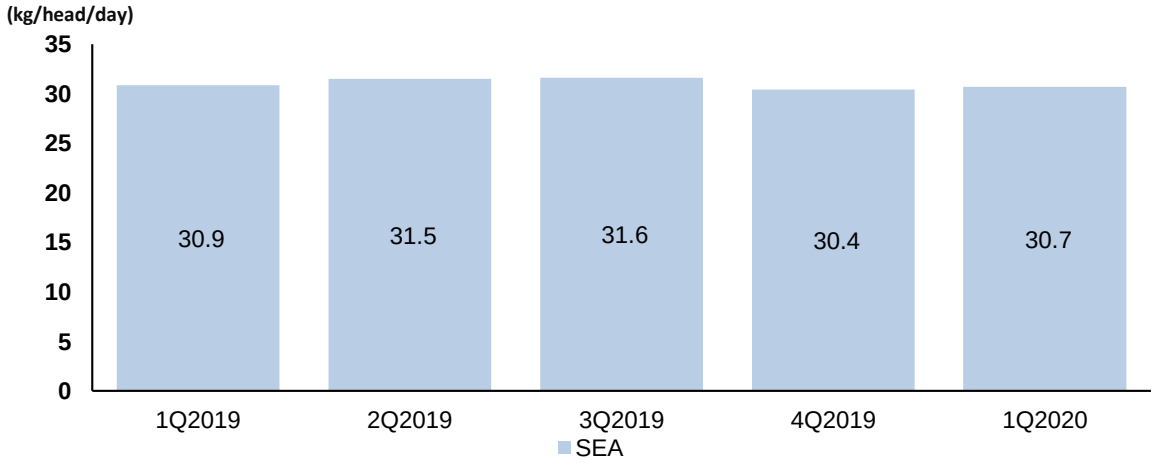
Note: Total dairy herd population (which includes heifers and calves) in China and Indonesia as at end of 1Q2020: 96,020 heads.

Dairy – Operational Performance

Average Daily Milking – China (kg/head/day)

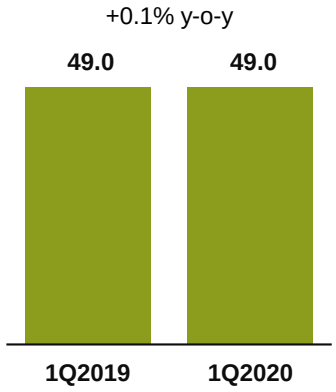


Average Daily Milking – SEA (kg/head/day)

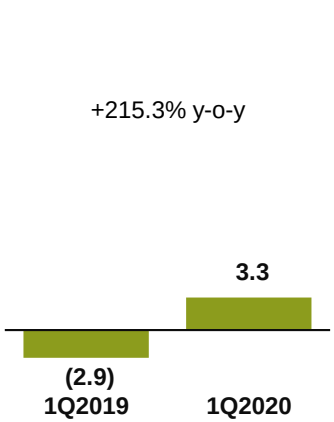


Consumer Food – Financial Performance

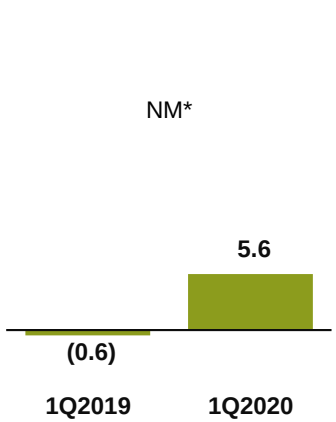
Revenue
US$ million



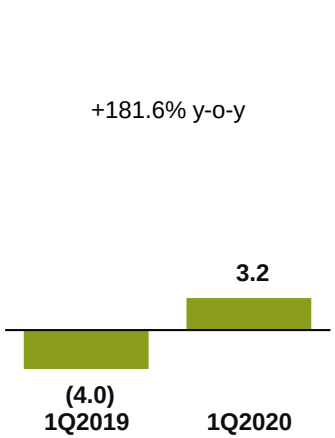
Operating Profit
US$ million



EBITDA
US$ million



PAT
US$ million

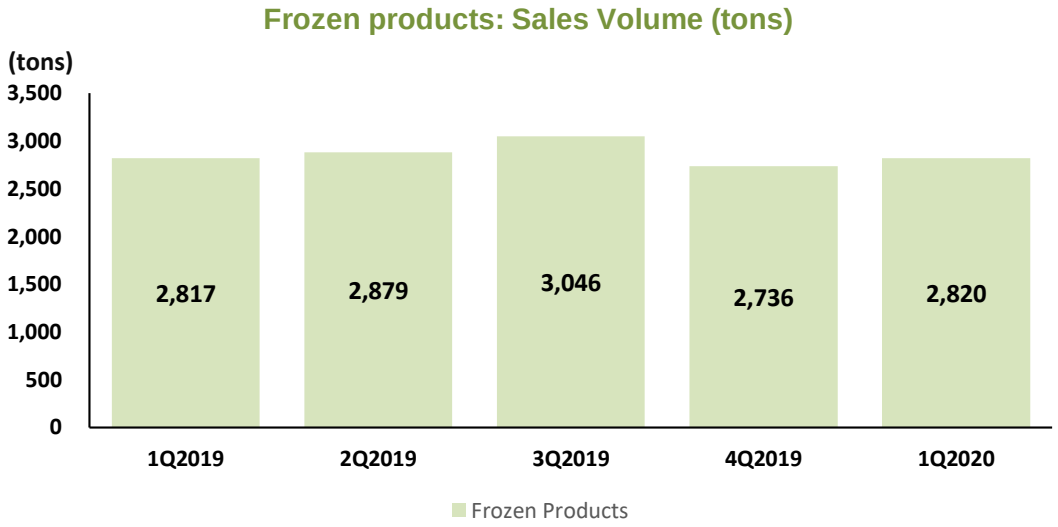


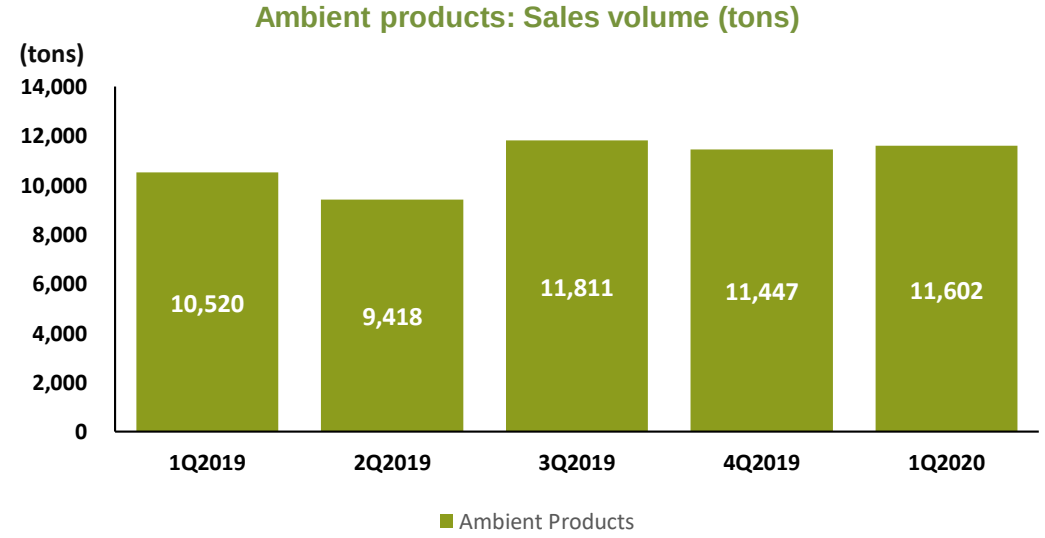
Operating landscape in Indonesia remains competitive, especially in the ambient food sector, where the Group's dominant position continues to be contested

- Revenue increased 5.7% in IDR terms, however, in USD terms the increase was minimal due to depreciation of Indonesian Rupiah. The increase was mainly contributed by higher sales volumes and ASPs
- The Covid-19 restriction on people movement in Greater Jakarta has increased demand for frozen and ambient consumer food products.
- Strategies to lift the performance of Consumer Food:
  - To sharpen our competitive edge, we have embarked on various long-term strategic initiatives including brand rejuvenation and expansion of our market position for ambient products
  - Implemented cost efficiency measures in supply chain and distribution
  - Refocusing advertising and promotion efforts

* NM refers to not meaningful

Consumer Food – Operational Performance





OTHER FINANCIAL HIGHLIGHTS



Other Financial Highlights

Balance Sheet Highlights (US$m)	As at 31 Mar 20	As at 31 Dec 19	% change
Total Assets	**3,108.1**	**3,310.4**	**-6.1%**
Cash and cash equivalent	226.8	208.7	8.6%
Total Inventory	708.0	794.8	-10.9%
- Inventory (excluding fattening livestock)	*534.7*	*598.7*	***-10.7%***
- Inventory - Fattening Livestock	*173.3*	*196.1*	***-11.6%***
Total Liabilities	**1,865.1**	**2,023.7**	**-7.8%**
Total Debt	1,435.0	1,482.4	-3.2%
- Loan and borrowings [1]	*1,324.1*	*1,376.9*	*-3.8%*
- Lease liabilities [2]	*110.8*	*105.5*	*5.0%*
Total Equity	**1,243.0**	**1,286.7**	**-3.4%**
Key Ratios			
Net Debt / Equity Ratio (x)	1.0	1.0	
Net Debt (w/o lease liabilities) / Equity Ratio (x)	0.9	0.9	
Inventory Turnover days[3]	85.0	93.0	
NAV per share (US$)	0.43	0.47	
NAV per share (S$)	*0.62*	*0.64*	

In 1Q2020, the Group recorded a profit after tax of US$47.5 million and raised US$67.1 million from a rights issue. However total equity as at 31 Mar 2020 was lower than 31 Dec 2019 due to a US$138.2 million forex translation loss arising mainly from the drop in net worth of PT Japfa Tbk in USD terms (i.e. translation of foreign operations in Indonesian Rupiah to reporting currency in USD).

As a result, Net Debt (w/o lease liabilities) / Equity Ratio remains unchanged at 0.9x

[1] This includes the debt of (i) Annona Pte Ltd (the Group's central purchasing subsidiary) amounting to US$69.1 million for working capital purposes and (ii) Japfa Ltd's acquisition loan of US$252.8 million being the syndicated loan for the acquisition of the remaining interest in its Dairy Segment (AustAsia) and an additional interest in PT Japfa Tbk

[2] The Group has adopted the new SFRS(I) 16 Leases, which took effect from 1 January 2019

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

Indonesian Rupiah depreciation in 1Q2020

In 1Q2020, there was a significant IDR depreciation against the USD of ~18% from 13,901 as at 31 December 2019 to 16,637 as at 31 March 2020.

Operations

- In accordance with Bank Indonesia requirements, we hedge 70% of the net foreign currency exposure arising primarily from raw material imports
- In general, PT Japfa Tbk has been able to minimize its operational currency exposure as a result of the ability to pass on increases in raw material costs to feed selling prices. This is reflected in our stable feed margins in the past.

USD Debt

- The main foreign currency debt is the US$250 million bonds at PT Japfa Tbk. The USD bond principal and coupon payments are hedged up to the bond maturity in 2022
- In the P&L, unrealised forex translation losses on the underlying USD bonds are offset against unrealised gains from the currency hedge contracts under hedge accounting[1]

Consumer Purchasing Power / Demand

- The depreciation of the IDR is likely to reduce overall consumer purchasing power and, as a result, demand for many consumer products

Net worth of Indonesian subsidiaries in USD terms

- The IDR depreciation caused a significant reduction in net worth of Indonesian subsidiaries when translated into USD. This translation loss is recorded under Other Comprehensive Income/(Loss) which affects Total Equity at Japfa Ltd

[1] In 1Q2020, PT Japfa Tbk applied hedge accounting under a new Indonesian accounting standard which came into effect on 1 January 2020. No changes have been made to comparative numbers at PT Japfa Tbk and Japfa Ltd

Net Debt Profile

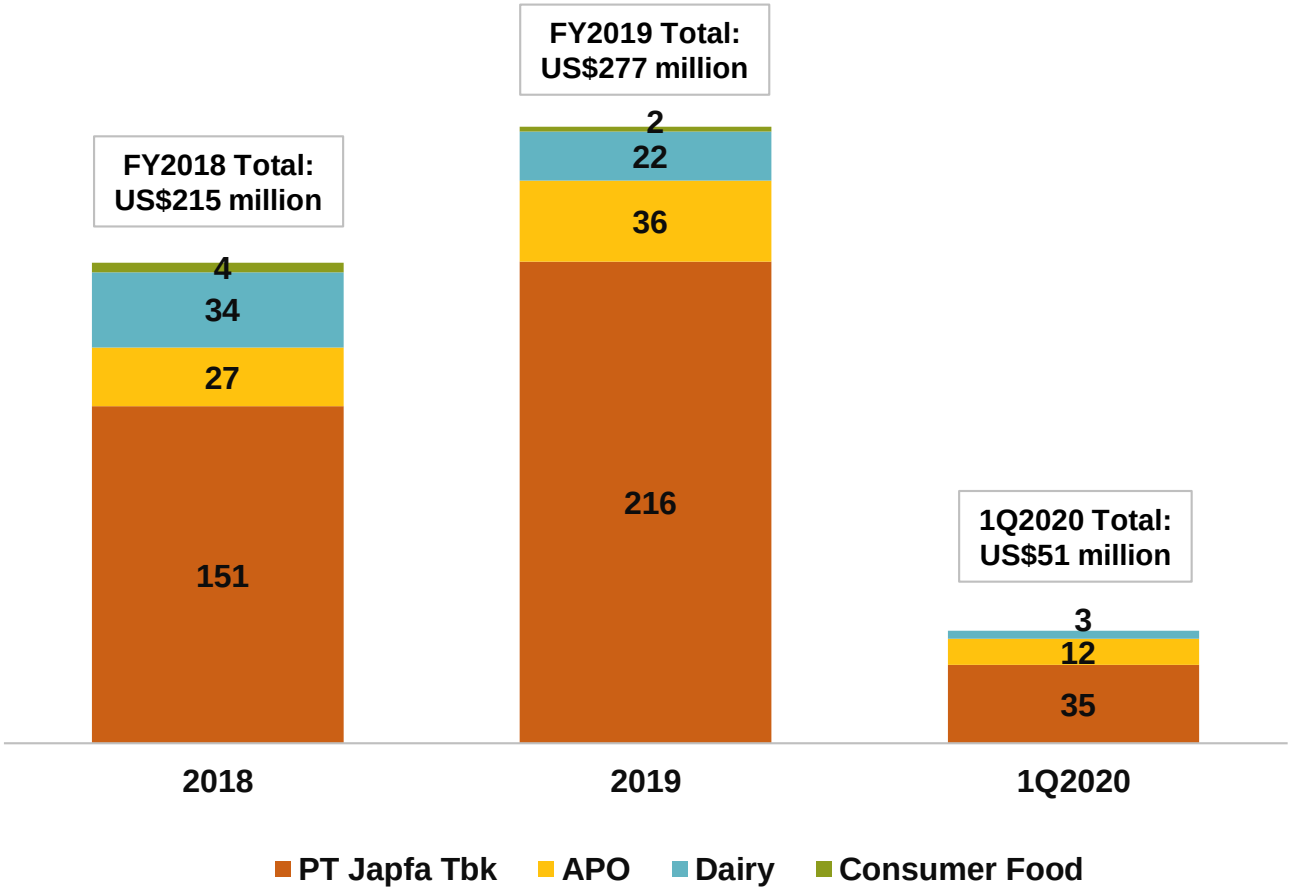
	PT Japfa Tbk	Animal Protein Other	Dairy	Consumer Food	Others	Total
Bonds & other Term loans	453[1]	25	144[2]	16		639
Working capital loans	220	96	13	10	93[3]	432
Cash	136	52	10	4	25[3]	227
Net Debt	**537**	**69**	**147**	**23**	**68**	**845**
Acquisition Loan					253[4]	253
Total	**537**	**69**	**147**	**23**	**321**	**1,097**

Additional information as of 31 March 2020:

1. *This comprises of USD and IDR bonds. The main foreign currency debt is the US$250 million bonds at PT Japfa Tbk. The USD bond principal and coupon payments are hedged up to the bond maturity in 2022*
2. *This comprises of USD and RMB loans. The USD loans of US$80 million 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$69 million is for working capital purposes, costs of which are fully charged out to its customers*
4. *Japfa Ltd's Acquisition Loan refers to the syndicated loan for the acquisition of the remaining interest in its Dairy Segment (AustAsia) and an additional interest in PT Japfa Tbk. The acquisition loan of US$253 million is fully hedged via interest rate swaps*

Note:
Net Debt Profile above excludes lease liabilities of US$111 million
Due to a change in accounting standard on lease liabilities, it affects interest expense

Capex FY2018 – 1Q2020



The chart above refers to capital expenditure for property, plant and equipment

Covid-19 Update
1Q2020



Covid-19 Update

Impact on Operations and Supply Chain

As Japfa provides an essential service by supplying staple protein foods largely to the domestic markets in which they are produced, the day-to-day operations of the Group have not thus far been materially impacted by the lockdown

Impact on Demand

The issue is more how demand will be affected in our three major pillars:

- 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. The fact that Meiji will acquire a stake in our subsidiary in China even during this pandemic is a strong indication of the market's potential as well as our strong position in the market
- 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 ASF and pork prices remain strong We have minimised the adverse effect of ASF through strict biosecurity protocols and set a strong base for the future growth
- Poultry Indonesia: The situation in Indonesia is fluid. Ramadan is typically expected to drive demand for poultry, but this year as a result of the Covid-19 situation the typical boost in demand and broiler prices during the Ramadan season is unlikely to materialise. The restrictions over people movement in Indonesia due to Covid-19 have reduced purchasing power and hence demand for poultry, which is reflected by the continuing low broiler ASP environment post 1Q2020. As we mainly supply chicken, which is a staple and affordable protein food, hopefully the impact will not be drawn-out. In addition, our experience, scale and industrialised approach will better enable us to ride out the demand drop due to Covid-19.

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

CORPORATE ACTIONS
1Q2020



Japfa Ltd Rights Issue

- On 31 January 2020, Japfa Ltd (“Japfa”) successfully closed its 1-for-10 renounceable non-underwritten rights issue at an issue price of S$0.50 per rights share
- The rights issue was oversubscribed by 34%
- Japfa received net proceeds of ~US$67.1m from the rights issue, which was used to pare down its existing debt
- Aim of the rights issue was to de-leverage and strengthen its balance sheet, enhance its financial flexibility so as to allow the group to capitalise on potential growth opportunities

Strategic Partnership with Meiji

- 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$254m (“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 the group’s leverage ratio and strengthen its balance sheet as the proceeds will be applied towards the repayment of its acquisition loan of US$253m
- Based on the Proposed Transaction, our upstream dairy business in China is valued at more than US$1bn. This implied valuation does not include our Greenfields branding and downstream operations in SEA, which continues to be wholly-owned by Japfa

APPENDIX



Agri-food Business Cyclicality

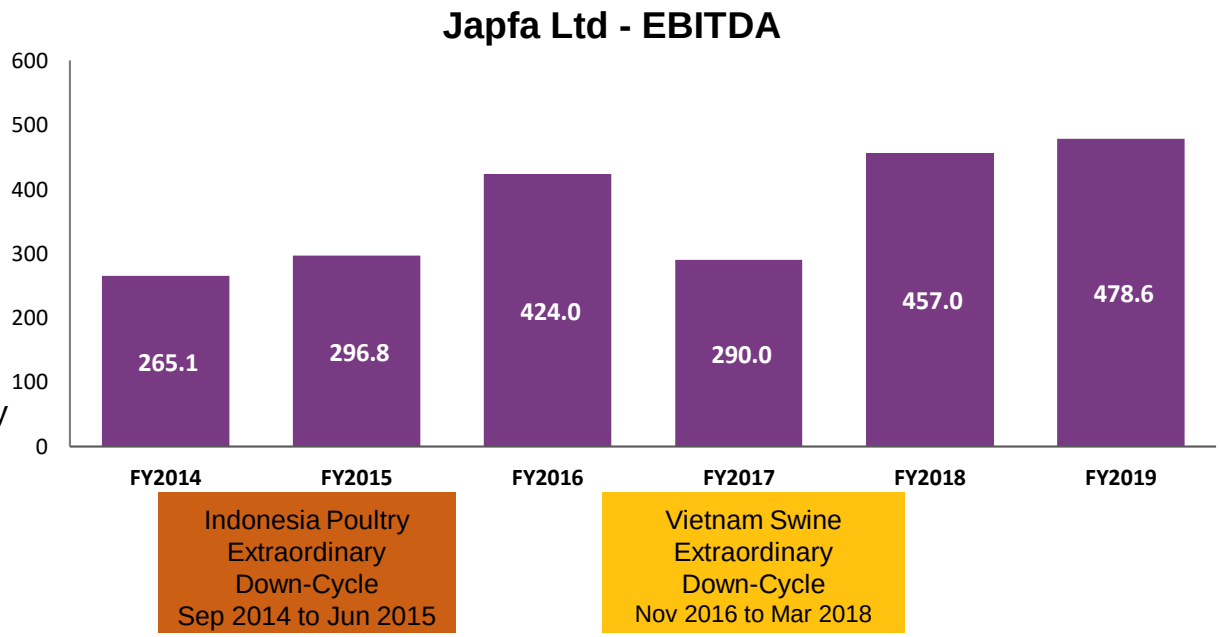
- The agri-food business is inevitably subject to cyclicality which impacts revenue and profitability. Cyclicality is dependent on a variety of external factors which are beyond the Group's control including the seasonality of harvests and festivals, as well as macroeconomic factors that affect purchasing 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 recent major down-cycles:

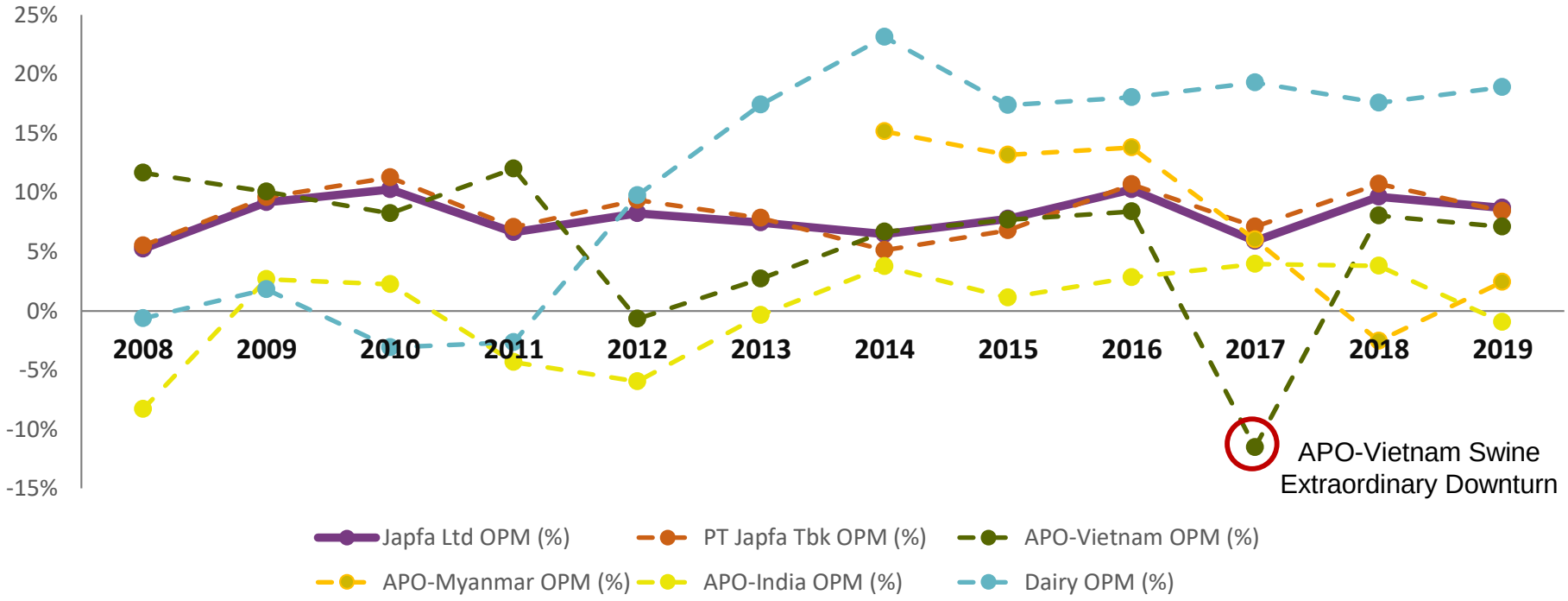
1. Indonesia Poultry
2. Vietnam Swine

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



Diversification Smoothens Agri-business Cyclicality

Operating Profit Margin FY2008-FY2019



- Agri-food business is subject to cyclicality which impacts revenue and profitability. Cyclicality is dependent on a variety of external factors which are beyond the Group's control (seasonality of harvest and festivals, macroeconomic factors that affect purchasing power and government policies)
- Diversification evens out the impact of cyclicality in any one market or protein group

Note: OPM refers to Operating Profit Margin

Segment Information – FY2019

JAPFA	YTD DEC Y2019						
	ANIMAL PROTEIN			DAIRY	CONSUMER FOOD	OTHERS	TOTAL
	TBK	AP Other	Total				
External Revenue	2,554.9	681.4	3,236.3	459.1	190.1	5.0	3,890.5
Inter Segment Sales	42.4	10.7	53.1	12.4	0.6	(66.1)	**(0.0)**
TOTAL REVENUE	**2,597.4**	**692.0**	**3,289.4**	**471.5**	**190.7**	**(61.1)**	**3,890.5**
OPERATING PROFIT	**219.0**	**39.6**	**258.6**	**89.2**	**(5.7)**	**(3.0)**	**339.0**
% to sales	*8.4%*	*5.7%*	*7.9%*	*18.9%*	*-3.0%*	*4.9%*	*8.7%*
EBITDA	**291.4**	**63.9**	**355.3**	**123.3**	**4.7**	**(4.7)**	**478.6**
	11.2%	*9.2%*	*10.8%*	*26.2%*	*2.5%*	*7.7%*	*12.3%*
Depreciation & Amortization	(72.2)	(23.9)	(96.1)	(32.9)	(8.6)	(0.6)	**(138.2)**
Net Interest Expense	(51.9)	(10.4)	(62.4)	(17.9)	(4.6)	(19.6)	**(104.4)**
PBT before Forex & Bio-Asset & Derivative related to Forex	**167.3**	**29.5**	**196.8**	**72.6**	**(8.4)**	**(25.0)**	**236.0**
Forex Gain(loss)	11.7	1.0	12.7	(3.1)	(0.3)	0.1	**9.4**
Fair Value Gain(Loss) Derivative for forex hedging	(2.9)	0.0	(2.9)	2.5	0.0	(0.0)	**(0.4)**
Fair Value Gain(Loss) Bio A	(0.1)	13.2	13.0	(10.9)	0.0	0.0	**2.1**
PBT	**175.9**	**43.7**	**219.5**	**61.1**	**(8.7)**	**(24.9)**	**247.1**
Tax	(48.8)	(1.6)	(50.5)	(5.8)	(0.8)	(5.3)	**(62.4)**
PAT	127.0	42.0	169.1	55.3	(9.5)	(30.2)	**184.6**
PAT w/o Bio A	127.2	30.2	157.4	67.1	(9.5)	(30.2)	**184.7**
% ownership	*52.4%*	*100.0%*		*100.0%*	*100.0%*	*100.0%*	
PATMI	62.2	42.2	104.4	55.3	(9.5)	(30.2)	**120.0**
Core PATMI	63.8	30.3	94.2	66.6	(9.5)	(27.8)	**123.5**
Core PATMI w/o Forex	57.7	29.3	87.0	69.7	(9.3)	(27.8)	**119.7**

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.*
- *Consumer Food refers to the operation in Indonesia.*
- *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 from continuing operations, excluding interest income, finance costs, depreciation and amortisation expenses, and also excluding changes in fair value of biological assets and derivatives, which relate to foreign exchange hedging and foreign exchange adjustment gains/(losses).*
- *We derived "**Core PATMI**" from "Profit Attributable to Owners of the Parent, Net of Tax" by excluding changes in fair value of biological assets (net of tax) and derivatives and by excluding extraordinary items, attributable to 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 – FY2018

JAPFA	YTD DEC Y2018						
	ANIMAL PROTEIN			DAIRY	CONSUMER FOOD	OTHERS	TOTAL
	TBK	AP Other	Total				
External Revenue	2,337.7	580.4	2,918.1	397.3	202.6	15.3	3,533.3
Inter Segment Sales	44.9	2.7	47.6	11.4	0.8	(59.8)	**(0.0)**
TOTAL REVENUE	**2,382.6**	**583.1**	**2,965.7**	**408.7**	**203.3**	**(44.5)**	**3,533.3**
OPERATING PROFIT	**256.0**	**33.1**	**289.2**	**71.8**	**(16.6)**	**(2.6)**	**341.8**
% to sales	*10.7%*	*5.7%*	*9.7%*	*17.6%*	*-8.2%*	*5.8%*	*9.7%*
EBITDA	**321.1**	**43.5**	**364.6**	**102.9**	**(7.9)**	**(2.7)**	**457.0**
	13.5%	*7.5%*	*12.3%*	*25.2%*	*-3.9%*	*6.0%*	*12.9%*
Depreciation & Amortization	(60.0)	(10.5)	(70.4)	(27.9)	(7.8)	(0.1)	**(106.3)**
Net Interest Expense	(35.6)	(6.4)	(42.1)	(15.8)	(5.3)	(15.1)	**(78.3)**
PBT before Forex & Bio-Asset & Derivative related to F	**225.5**	**26.6**	**252.1**	**59.2**	**(21.0)**	**(17.9)**	**272.4**
Forex Gain(loss)	(23.4)	(3.1)	(26.5)	(7.6)	1.7	(0.3)	**(32.7)**
Fair Value Gain(Loss) Derivative for forex hedging	11.3	0.0	11.3	4.2	0.0	(0.0)	**15.5**
Fair Value Gain(Loss) Bio A	(2.8)	4.5	1.7	(13.3)	0.0	(0.0)	**(11.6)**
PBT	**210.6**	**27.9**	**238.5**	**42.5**	**(19.3)**	**(18.2)**	**243.6**
Tax	(54.6)	(4.6)	(59.2)	(0.5)	(0.1)	(5.5)	**(65.4)**
PAT	156.0	23.3	179.3	42.1	(19.5)	(23.7)	**178.2**
PAT w/o Bio A	158.2	19.4	177.6	55.6	(19.5)	(23.7)	**190.0**
% ownership	*52.4%*	*100.0%*		*100.0%*	*100.0%*	*100.0%*	
PATMI	77.6	23.9	101.5	42.1	(19.5)	(23.7)	**100.4**
Core PATMI	72.8	20.0	92.8	50.6	(19.5)	(23.4)	**100.5**
Core PATMI w/o Forex	85.0	23.1	108.1	58.1	(21.1)	(23.1)	**121.9**

Notes:

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Segment Information – 1Q2020

	1Q Y2020						
	ANIMAL PROTEIN			DAIRY	CONSUMER FOOD	OTHERS	TOTAL
	TBK	AP Other	Total				
External Revenue	604.0	176.7	780.6	120.5	48.7	0.0	**949.9**
Inter Segment Sales	10.6	0.0	10.6	0.0	0.3	(10.9)	**(0.0)**
TOTAL REVENUE	**614.6**	**176.7**	**791.3**	**120.5**	**49.0**	**(10.9)**	**949.9**
GROSS PROFIT	**107.9**	**31.0**	**139.0**	**40.8**	**16.1**	**4.4**	**200.2**
	17.6%	*17.6%*	*17.6%*	*33.9%*	*32.8%*	*-39.9%*	*21.1%*
OPERATING PROFIT	**37.7**	**18.6**	**56.2**	**26.9**	**3.3**	**0.6**	**87.1**
% to sales	*6.1%*	*10.5%*	*7.1%*	*22.4%*	*6.7%*	*-5.6%*	*9.2%*
EBITDA	**56.7**	**25.7**	**82.5**	**33.1**	**5.6**	**(0.8)**	**120.4**
	9.2%	*14.6%*	*10.4%*	*27.5%*	*11.5%*	*7.6%*	*12.7%*
Depreciation & Amortization	(19.5)	(6.4)	(25.9)	(5.9)	(2.0)	(0.2)	**(34.0)**
Net Interest Expense	(11.9)	(2.4)	(14.3)	(4.5)	(0.9)	(4.4)	**(24.0)**
PBT before Forex & Bio-Asset & Derivative related to Forex	**25.4**	**16.9**	**42.3**	**22.7**	**2.8**	**(5.3)**	**62.4**
Forex Gain(loss)	6.0	0.1	6.1	(4.7)	1.2	0.1	**2.7**
Fair Value Gain(Loss) Derivative for forex hedging	0.0	0.0	0.0	1.4	0.0	(0.0)	**1.4**
Fair Value Gain(Loss) Bio A	(1.1)	(0.8)	(1.8)	(11.3)	0.0	(0.0)	**(13.2)**
PBT	**30.3**	**16.3**	**46.6**	**8.1**	**3.9**	**(5.2)**	**53.4**
Tax	(6.9)	0.2	(6.6)	(0.6)	(0.7)	2.0	**(5.9)**
PAT	23.4	16.6	40.0	7.6	3.2	(3.3)	**47.5**
PAT w/o Bio A	24.4	17.2	41.6	19.5	3.2	(3.3)	**61.1**
% ownership	*52.4%*	*100.0%*		*100.0%*	*100.0%*	*100.0%*	
PATMI	11.5	16.4	27.9	7.6	3.2	(3.3)	**35.5**
Core PATMI	12.0	17.0	29.0	19.3	3.2	(1.7)	**49.9**
Core PATMI w/o Forex	8.9	16.9	25.8	23.9	2.1	(1.8)	**49.9**

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Segment Information – 4Q2019

JAPFA	4Q Y2019						
	ANIMAL PROTEIN			DAIRY	CONSUMER FOOD	OTHERS	TOTAL
	TBK	AP Other	Total				
External Revenue	671.4	208.7	880.1	124.0	47.2	0.7	**1,052.1**
Inter Segment Sales	10.5	1.8	12.3	3.9	0.2	(16.4)	**(0.0)**
TOTAL REVENUE	**681.9**	**210.5**	**892.4**	**127.9**	**47.4**	**(15.7)**	1,052.1
GROSS PROFIT	171.2	48.7	**219.9**	48.1	12.5	1.7	**282.2**
	25.1%	*23.2%*	*24.6%*	*37.6%*	*26.3%*	*-10.8%*	*26.8%*
OPERATING PROFIT	88.4	32.8	**121.2**	33.2	(1.5)	1.7	**154.6**
% to sales	*13.0%*	*15.6%*	*13.6%*	*26.0%*	*-3.3%*	*-10.9%*	*14.7%*
EBITDA	**106.8**	**36.7**	**143.6**	**41.1**	**1.3**	**2.3**	**188.3**
	15.7%	*17.5%*	*16.1%*	*32.1%*	*2.7%*	*-14.9%*	*17.9%*
Depreciation & Amortization	(20.9)	(3.9)	(24.8)	(8.4)	(2.0)	(0.2)	**(35.4)**
Net Interest Expense	(14.3)	(3.6)	(17.9)	(4.1)	(1.1)	(5.2)	**(28.2)**
PBT before Forex & Bio-Asset & Derivative related to Forex	**71.6**	**29.2**	**100.9**	**28.6**	**(1.8)**	**(3.0)**	**124.7**
Forex Gain(loss)	4.3	0.6	4.8	1.4	(0.2)	0.0	**6.1**
Fair Value Gain(Loss) Derivative for forex hedging	(7.0)	0.0	(7.0)	(2.2)	0.0	0.0	**(9.3)**
Fair Value Gain(Loss) Bio A	(0.1)	14.7	14.6	14.6	0.0	0.0	**29.2**
PBT	**68.8**	**44.5**	**113.3**	**42.4**	**(1.9)**	**(3.0)**	**150.8**
Tax	(19.6)	(1.6)	(21.3)	(4.8)	(1.0)	(2.4)	**(29.4)**
PAT	49.2	42.8	92.0	37.6	(2.9)	(5.4)	**121.3**
PAT w/o Bio A	49.2	29.8	78.9	23.8	(2.9)	(5.4)	**94.4**
% ownership	*52.4%*	*100.0%*		*100.0%*	*100.0%*	*100.0%*	
PATMI	25.5	42.7	68.2	37.6	(2.9)	(5.4)	**97.5**
Core PATMI	29.2	29.7	58.8	26.0	(2.9)	(5.7)	**76.2**
Core PATMI w/o Forex	26.9	29.1	56.0	24.6	(2.8)	(5.7)	**72.1**

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Segment Information – 3Q2019

	3Q Y2019						
	ANIMAL PROTEIN			DAIRY	CONSUMER FOOD	OTHERS	TOTAL
	TBK	AP Other	Total				
External Revenue	619.0	163.1	782.1	119.0	50.2	0.9	**952.2**
Inter Segment Sales	11.9	6.2	18.1	3.8	0.2	(22.0)	**(0.0)**
TOTAL REVENUE	**630.8**	**169.3**	**800.1**	**122.7**	**50.4**	**(21.1)**	**952.2**
OPERATING PROFIT	29.8	(3.6)	**26.2**	22.1	1.3	(1.5)	**48.1**
% to sales	*4.7%*	*-2.1%*	*3.3%*	*18.0%*	*2.6%*	*7.0%*	*5.1%*
EBITDA	**50.4**	**4.1**	**54.5**	**31.0**	**3.5**	**(1.2)**	**87.8**
	8.0%	*2.4%*	*6.8%*	*25.2%*	*7.0%*	*5.8%*	*9.2%*
Depreciation & Amortization	(17.8)	(7.8)	(25.7)	(8.2)	(2.1)	(0.2)	**(36.1)**
Net Interest Expense	(14.5)	(2.5)	(17.0)	(4.6)	(1.1)	(4.9)	**(27.6)**
PBT before Forex & Bio-Asset & Derivative related to Fo	**18.0**	**(6.2)**	**11.8**	**18.2**	**0.3**	**(6.3)**	**24.1**
Forex Gain(loss)	(0.6)	0.1	(0.4)	(3.9)	0.2	(0.0)	**(4.2)**
Fair Value Gain(Loss) Derivative for forex hedging	4.9	0.0	4.9	4.2	0.0	(0.0)	**9.2**
Fair Value Gain(Loss) Bio A	(1.0)	4.2	3.2	(7.3)	0.0	0.0	**(4.1)**
PBT	**21.4**	**(1.9)**	**19.5**	**11.2**	**0.5**	**(6.4)**	**24.9**
Tax	(6.8)	(0.5)	(7.3)	(0.6)	0.1	(0.3)	**(8.1)**
PAT	14.6	(2.4)	12.2	10.7	0.6	(6.7)	**16.7**
PAT w/o Bio A	15.7	(5.7)	10.0	18.4	0.6	(6.7)	**22.2**
% ownership	*52.4%*	*100.0%*		*100.0%*	*100.0%*	*100.0%*	
PATMI	7.3	(2.2)	5.1	10.7	0.6	(6.7)	**9.6**
Core PATMI	5.3	(5.6)	(0.2)	14.3	0.6	(6.8)	**7.9**
Core PATMI w/o Forex	5.6	(5.7)	(0.1)	18.2	0.4	(6.8)	**11.8**

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Segment Information – 2Q2019

JAPFA	2Q Y2019						
	ANIMAL PROTEIN			DAIRY	CONSUMER FOOD	OTHERS	TOTAL
	TBK	AP Other	Total				
External Revenue	670.2	152.5	822.6	106.3	43.8	2.3	**975.0**
Inter Segment Sales	9.1	2.7	11.8	2.7	0.1	(14.6)	**0.0**
TOTAL REVENUE	**679.2**	**155.1**	**834.4**	**109.0**	**43.9**	**(12.3)**	**975.0**
OPERATING PROFIT	**65.2**	**(0.1)**	**65.0**	**16.2**	**(2.6)**	**(1.4)**	**77.2**
% to sales	*9.6%*	*-0.1%*	*7.8%*	*14.9%*	*-6.0%*	*11.8%*	*7.9%*
EBITDA	**81.5**	**6.4**	**87.9**	**25.6**	**0.5**	**(3.4)**	**110.5**
	12.0%	*4.1%*	*10.5%*	*23.5%*	*1.0%*	*27.9%*	*11.3%*
Depreciation & Amortization	(17.2)	(6.2)	(23.4)	(8.2)	(2.4)	(0.2)	**(34.3)**
Net Interest Expense	(12.2)	(2.2)	(14.4)	(4.6)	(1.2)	(4.8)	**(24.9)**
PBT before Forex & Bio-Asset & Derivative related to Fo	**52.1**	**(2.0)**	**50.1**	**12.8**	**(3.2)**	**(8.3)**	**51.3**
Forex Gain(loss)	2.9	(0.0)	2.9	(2.3)	(0.1)	0.1	**0.7**
Fair Value Gain(Loss) Derivative for forex hedging	(1.8)	0.0	(1.8)	2.2	0.0	0.0	**0.5**
Fair Value Gain(Loss) Bio A	0.9	(4.0)	(3.1)	(7.0)	0.0	0.0	**(10.1)**
PBT	**54.2**	**(6.0)**	**48.2**	**5.7**	**(3.3)**	**(8.2)**	**42.4**
Tax	(12.7)	0.8	(11.9)	(0.2)	0.1	(2.5)	**(14.6)**
PAT	41.5	(5.2)	36.3	5.5	(3.2)	(10.8)	**27.8**
PAT w/o Bio A	40.5	(2.0)	38.5	12.2	(3.2)	(10.8)	**36.7**
% ownership	*52.4%*	*100.0%*		*100.0%*	*100.0%*	*100.0%*	
PATMI	18.6	(5.1)	13.4	5.5	(3.2)	(10.8)	**5.0**
Core PATMI	19.0	(1.9)	17.0	10.9	(3.2)	(8.6)	**16.1**
Core PATMI w/o Forex	17.4	(1.9)	15.5	13.2	(3.1)	(8.7)	**16.9**

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Segment Information – 1Q2019

JAPFA	1Q Y2019						
	ANIMAL PROTEIN			DAIRY	CONSUMER FOOD	OTHERS	TOTAL
	TBK	AP Other	Total				
External Revenue	594.3	157.1	751.5	109.8	48.8	1.1	**911.2**
Inter Segment Sales	11.0	0.0	11.0	2.0	0.1	(13.2)	**(0.0)**
TOTAL REVENUE	**605.4**	**157.1**	**762.5**	**111.8**	**49.0**	**(12.0)**	**911.2**
OPERATING PROFIT	**35.6**	**10.5**	**46.1**	**17.7**	**(2.9)**	**(1.8)**	**59.2**
% to sales	*5.9%*	*6.7%*	*6.1%*	*15.8%*	*-5.8%*	*14.9%*	*6.5%*
EBITDA	**52.6**	**16.6**	**69.2**	**25.7**	**(0.6)**	**(2.4)**	**92.0**
	8.7%	*10.6%*	*9.1%*	*23.0%*	*-1.2%*	*20.0%*	*10.1%*
Depreciation & Amortization	(16.2)	(6.0)	(22.2)	(8.1)	(2.0)	(0.2)	**(32.5)**
Net Interest Expense	(10.9)	(2.1)	(13.1)	(4.6)	(1.2)	(4.7)	**(23.6)**
PBT before Forex & Bio-Asset & Derivative related to Fo	**25.5**	**8.5**	**33.9**	**13.0**	**(3.8)**	**(7.3)**	**35.9**
Forex Gain(loss)	5.0	0.3	5.4	1.7	(0.2)	(0.0)	**6.8**
Fair Value Gain(Loss) Derivative for forex hedging	0.9	0.0	0.9	(1.7)	0.0	(0.0)	**(0.8)**
Fair Value Gain(Loss) Bio A	(0.0)	(1.8)	(1.8)	(11.2)	0.0	(0.0)	**(13.0)**
PBT	**31.5**	**7.0**	**38.5**	**1.8**	**(4.0)**	**(7.3)**	**29.0**
Tax	(9.6)	(0.3)	(9.9)	(0.2)	0.0	(0.1)	**(10.3)**
PAT	21.8	6.7	28.5	1.6	(4.0)	(7.4)	**18.7**
PAT w/o Bio A	21.9	8.1	30.0	12.7	(4.0)	(7.4)	**31.4**
% ownership	*52.4%*	*100.0%*		*100.0%*	*100.0%*	*100.0%*	
PATMI	10.9	6.8	17.6	1.6	(4.0)	(7.4)	**7.8**
Core PATMI	10.4	8.2	18.6	15.4	(4.0)	(6.6)	**23.3**
Core PATMI w/o Forex	7.7	7.9	15.6	13.7	(3.8)	(6.6)	**18.9**

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THANK YOU

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