

JAPFA

Feeding Emerging Asia

Nurturing a Brighter Future

JAPFA LTD

Investor Presentation
FY2018 Financial Results

Agenda

1. Key Highlights
2. FY2018 Financial and Operational Analysis
3. Other Financial Highlights
4. Appendix: Segment Information and Other Information

Group Overview





Feeding Emerging Asia



- Established in 1975
- 5 animal protein businesses in 5 countries
- Japfa Ltd's market capitalisation: approx US$1.0 billion[1]
- FY2018 revenue: US$3.5 billion









[1] As at 31 December 2018

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 38,000 people across Singapore, Indonesia, Vietnam, Myanmar, India and China



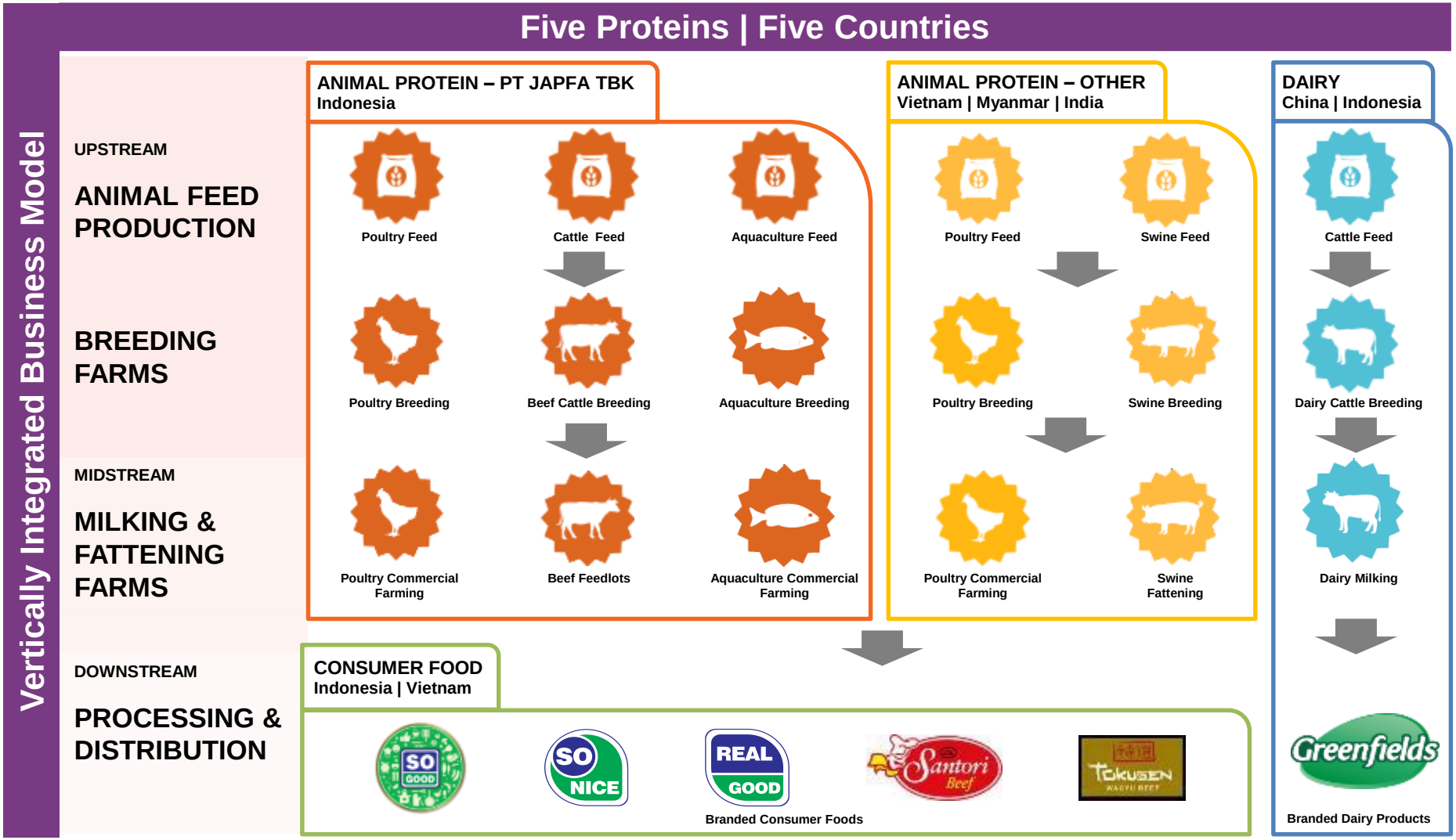
WHY WE DO IT

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

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

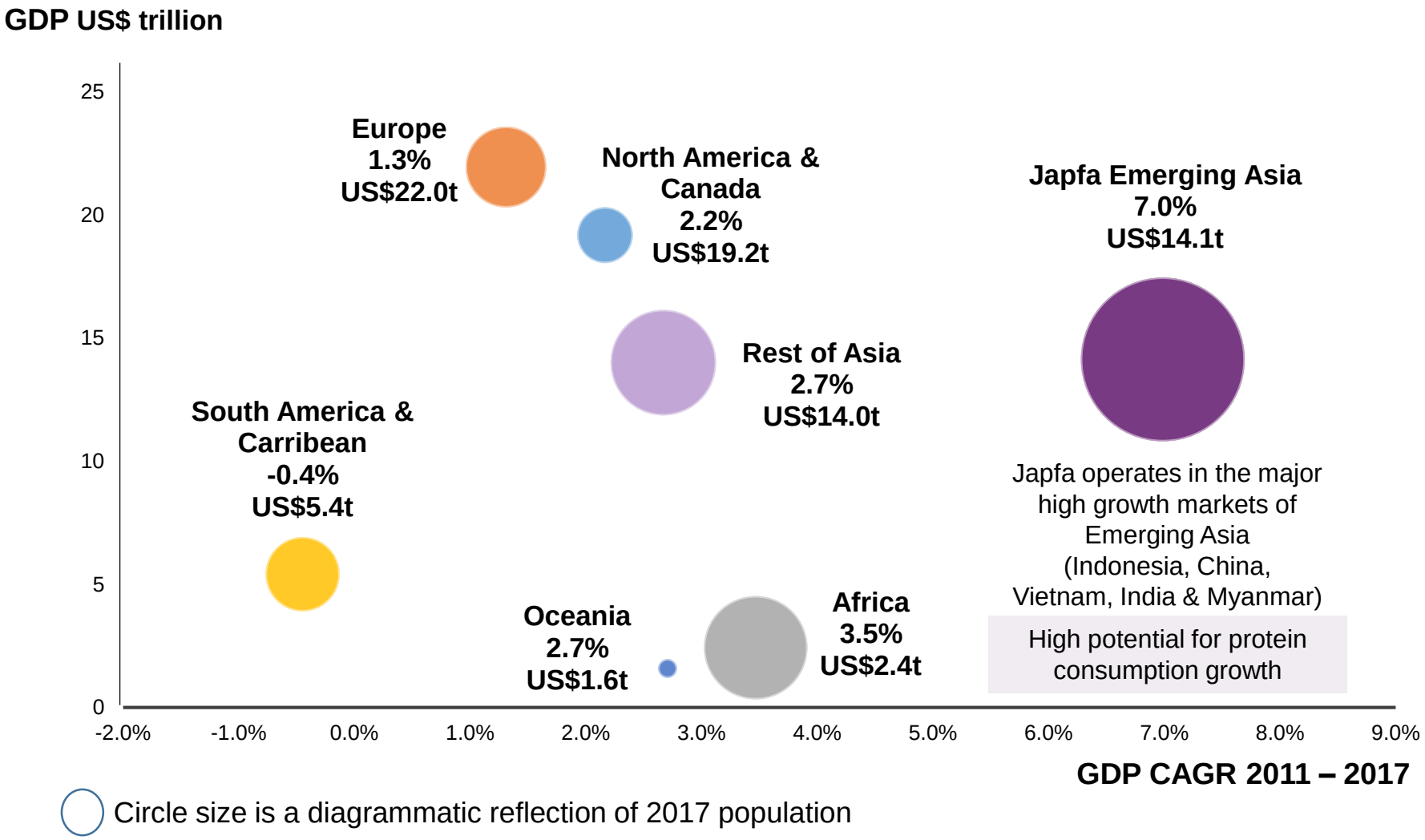
LARGE SCALE
- Ability to manage mega-scale farming operations; over 38,000 employees across five countries
- Scale of the Group's animal feed business provides stability to group revenue and profitability

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- 2017 GDP CAGR
*GDP US$ trillion in each circle shows the 2017 GDP constant US$ value

KEY HIGHLIGHTS



Key Highlights for FY2018

Japfa delivers strong revenue and earnings growth across core business pillars, driven by:

- **Indonesian poultry recorded higher feed sales volume and higher ASPs**
- **Marked turnaround in APO profit with recovery of swine prices in 2Q2018**
- **Full ownership of Dairy segment enables Japfa to recognize 100% contribution in FY2018**

Revenue	Operating Profit	Operating Profit Margin
US$3.5 billion	**US$341.8 million**	**9.7%**
+10.8% y-o-y	+81.2% y-o-y	+3.8ppt y-o-y

EBITDA	PATMI	Core PATMI w/o Forex
US$457.0 million	**US$100.4 million**	**US$121.9 million**
+57.6% y-o-y	+7,494.7% y-o-y	+676.5% y-o-y



Animal feed business remains one of our core stable strengths and profitability



In Indonesia, higher profits led by strong ASPs for DOC and broiler



APO turnaround in profit with recovery of Vietnam swine prices reflecting the readjustment of domestic demand-supply



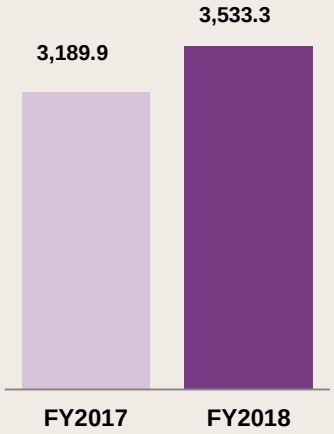
Continued improvement in milk yields and sales volume

- We define "**EBITDA**" as profit before tax from continuing operations, excluding interest income, finance costs, depreciation of property, plant and equipment, depreciation of investment properties and amortisation of intangible assets, and also excluding changes in fair value of biological assets and derivatives which relate to foreign exchange hedging and foreign exchange adjustments 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.

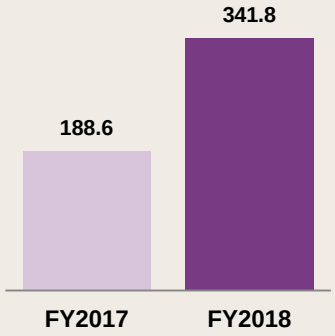
"Core PATMI w/o Forex" is an estimate derived from Core PATMI by excluding foreign exchange gains/losses (before tax) attributable to the owners of the parent. We have not made an estimate of the tax impact on foreign exchange gains/losses. This is because the majority of the gains/losses are unrealised and arise from the translation of USD bonds in PT Japfa Tbk and USD loans in Dairy, which have no tax implication

FY2018 Group Financials

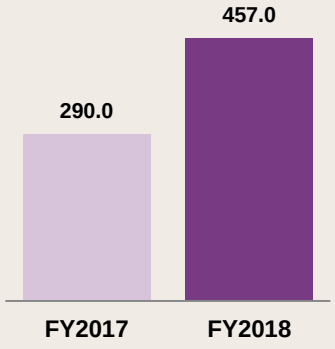
Revenue
US$ million
+10.8% y-o-y



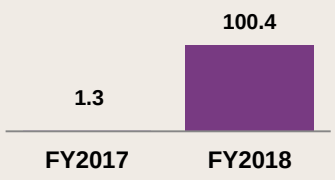
Operating Profit
US$ million
+81.2% y-o-y



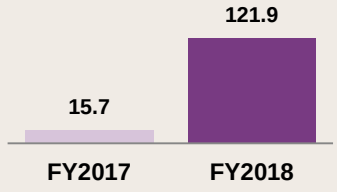
EBITDA
US$ million
+57.6% y-o-y



PATMI
US$ million
+7,494.7% y-o-y



Core PATMI w/o Forex
US$ million
+676.5% y-o-y



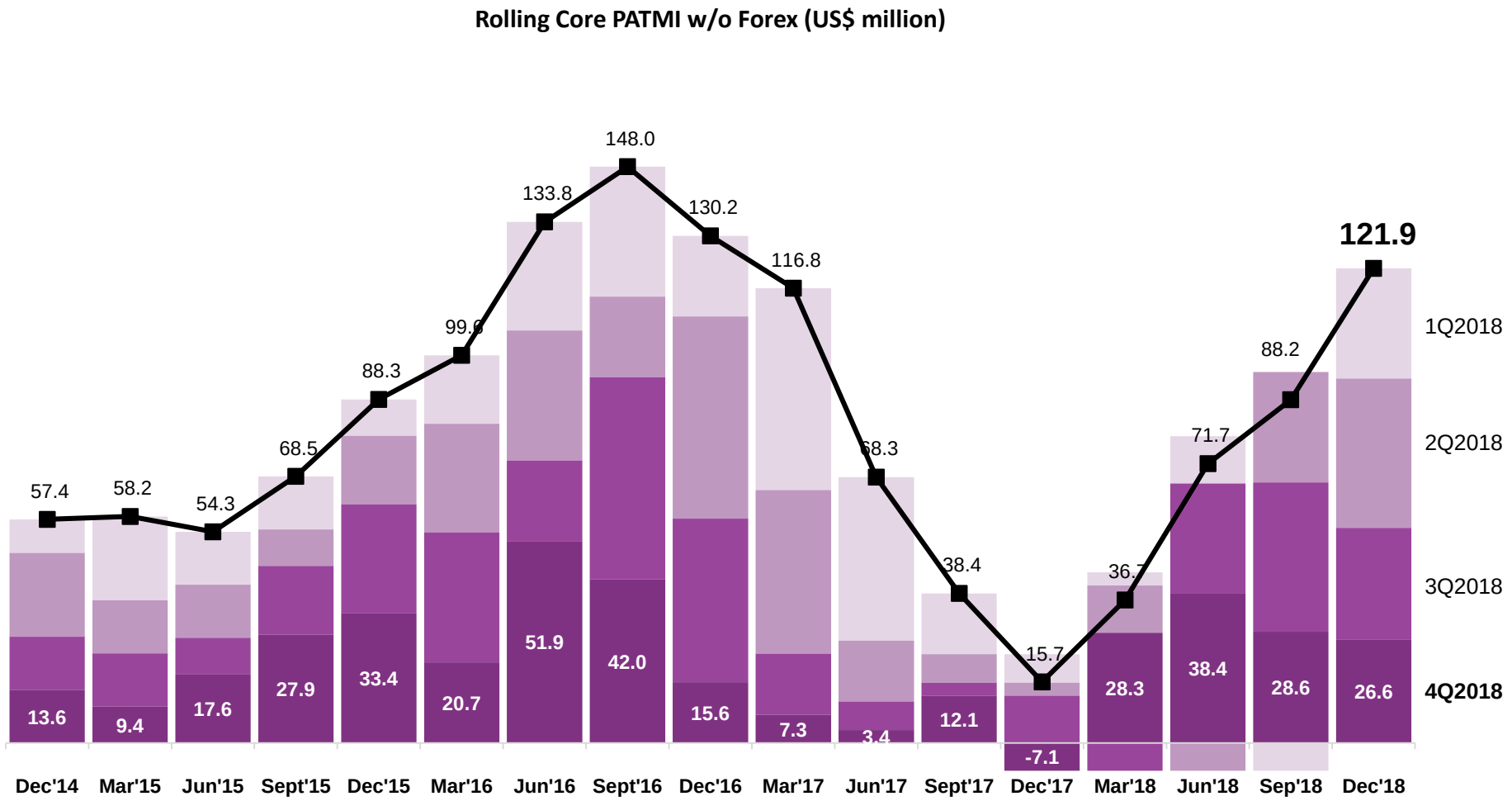
Higher revenue and profitability were recorded in FY2018

- Continued growth in revenue, driven mainly by higher ASP for both poultry in Indonesia and swine fattening in APO-Vietnam as well as higher sales volumes from Dairy and poultry feed in Indonesia and Vietnam
- Operating profit increased by US$152.5 million mainly due to
  - PT Japfa Tbk: US$99.0 million growth in operating profit driven by strong prevailing DOC and broiler ASPs
  - APO: turnaround to operating profit of US$33.1 million in FY2018 from operating loss of US$26.9 million in FY2017 on the back of higher ASP for swine fattening as well as higher sales volume for poultry feed
- Dairy continues to generate consistent operating profits despite pressure on raw milk prices due to higher milk yields and volumes
- Consumer Food segment is reviewing its strategy and business focus to sharpen its competitive edge and lift performance

CORE PATMI w/o FOREX
Rolling BASIS

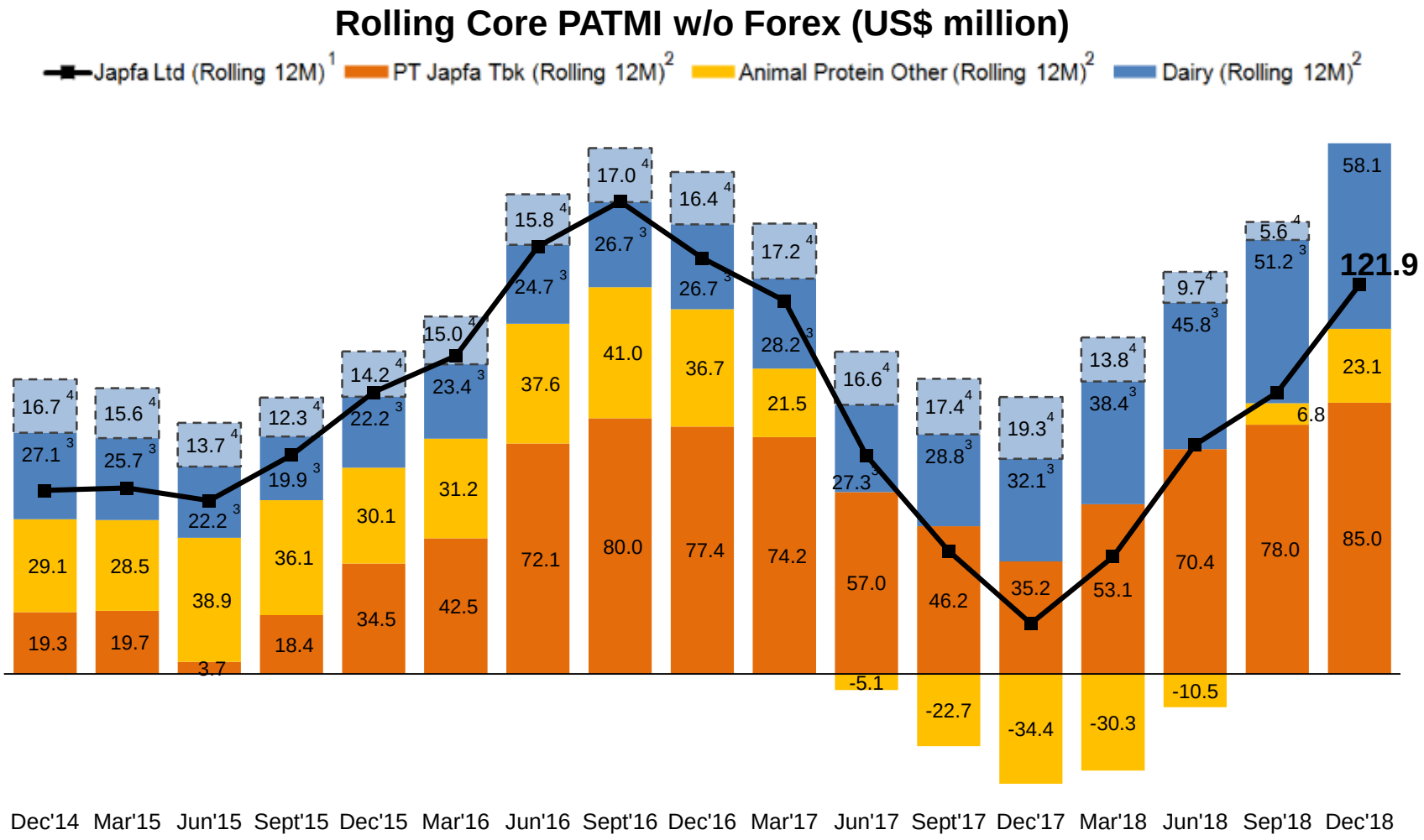


Rolling Core PATMI w/o Forex for the Group



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% of Dairy.

4 Dairy as a whole (darker and lighter colour) represents 100% Core PATMI w/o Forex.

FY2018
Financial and Operational Analysis



4Q2018 and FY2017 Segmental Overview

GROUP

Japfa Ltd

(US$m)	4Q2017	4Q2018	%change	FY2017	FY2018	%change
Revenue	849.3	909.3	7.1% ▲	3,189.9	3,533.3	10.8% ▲
Operating Profit	44.1	77.3	75.4% ▲	188.6	341.8	81.2% ▲
Operating Profit Margin	5.2%	8.5%	3.3 pts ▲	5.9%	9.7%	3.8 pts ▲
EBITDA	70.0	100.6	43.7% ▲	290.0	457.0	57.6% ▲
PAT	15.1	53.4	253.3% ▲	56.2	178.2	216.9% ▲
PATMI	(0.4)	39.9	11275.9% ▲	1.3	100.4	7494.7% ▲
Core PATMI w/o Forex	(7.1)	26.6	275.0% ▲	15.7	121.9	676.5% ▲

SEGMENTAL

(US$m)						
PT Japfa Tbk						
Revenue	583.7	590.4	1.2% ▲	2,205.9	2,382.6	8.0% ▲
Operating Profit	37.7	47.7	26.5% ▲	157.1	256.0	63.0% ▲
Operating Profit Margin	6.5%	8.1%	1.6 pts ▲	7.1%	10.7%	3.6 pts ▲
EBITDA	53.6	61.9	15.4% ▲	216.5	321.1	48.3% ▲
PAT	11.9	29.9	151.1% ▲	78.0	156.0	100.0% ▲
PATMI	6.3	15.9	153.1% ▲	35.6	77.6	118.2% ▲
Core PATMI w/o Forex	5.5	12.4	126.6% ▲	35.2	85.0	141.1% ▲
Animal Protein Other						
Revenue	129.2	164.4	27.2% ▲	475.4	583.1	22.7% ▲
Operating Profit	(1.8)	11.5	744.5% ▲	(26.9)	33.1	223.1% ▲
Operating Profit Margin	-1.4%	7.0%	8.4 pts ▲	-5.7%	5.7%	11.3 pts ▲
EBITDA	(0.0)	13.8	64598.3% ▲	(18.7)	43.5	332.4% ▲
PAT	(9.7)	7.3	176.0% ▲	(37.5)	23.3	162.2% ▲
PATMI	(9.7)	7.9	181.5% ▲	(37.5)	23.9	163.6% ▲
Core PATMI w/o Forex	(9.5)	6.9	172.1% ▲	(34.4)	23.1	167.1% ▲
Dairy						
Revenue	100.4	112.2	11.8% ▲	347.3	408.7	17.7% ▲
Operating Profit	19.1	20.4	7.1% ▲	67.0	71.8	7.3% ▲
Operating Profit Margin	19.0%	18.2%	-0.8 pts ▼	19.3%	17.6%	-1.7 pts ▼
EBITDA	26.5	26.7	0.4% ▲	93.9	102.9	9.6% ▲
PAT	26.4	26.7	1.0% ▲	33.7	42.1	24.9% ▲
PATMI	16.6	26.7	60.6% ▲	21.2	42.1	98.0% ▲
Core PATMI w/o Forex	9.3	16.3	74.7% ▲	32.1	58.1	81.0% ▲
Consumer Food						
Revenue	45.1	49.5	9.7% ▲	201.3	203.3	1.0% ▲
Operating Profit	(12.3)	(3.7)	70.1% ▲	(16.0)	(16.6)	-4.2% ▼
Operating Profit Margin	-27.3%	-7.4%	19.8 pts ▲	-7.9%	-8.2%	-0.3 pts ▼
EBITDA	(10.2)	(1.7)	83.2% ▲	(8.2)	(7.9)	4.0% ▲
PAT	(12.7)	(5.3)	58.0% ▲	(19.9)	(19.5)	2.5% ▲
PATMI	(12.7)	(5.3)	58.0% ▲	(19.9)	(19.5)	2.5% ▲
Core PATMI w/o Forex	(12.9)	(5.0)	61.4% ▲	(20.3)	(21.1)	-4.1% ▼

1 The combined revenue for PT Japfa Tbk and Animal Protein Other includes inter-segment revenue of US$8.2 million in 4Q2018 (4Q2017: US$8.6 million) and US$47.6 million in FY2018 (FY2017: US$38.8 million).

2 The Dairy segment revenue includes inter-segment revenue of US$2.8 million in 4Q2018 (4Q2017: US$0.5 million) and US$11.4 million in FY2018 (FY2017: US$2.0 million).

3 The Consumer Food segment revenue includes inter-segment revenue of US$0.2 million in 4Q2018 (4Q2017: US$0.2 million) and US$0.8 million in FY2018 (FY2017: US$0.7 million).

FY2018 Segmental Attributable Income

PT JAPFA TBK
- 52% Japfa Ltd
- 12% KKR
- 36% Public

ANIMAL PROTEIN OTHER
- 100% Japfa Ltd

DAIRY
- 100% Japfa Ltd

CONSUMER FOOD
- 100% Japfa Ltd

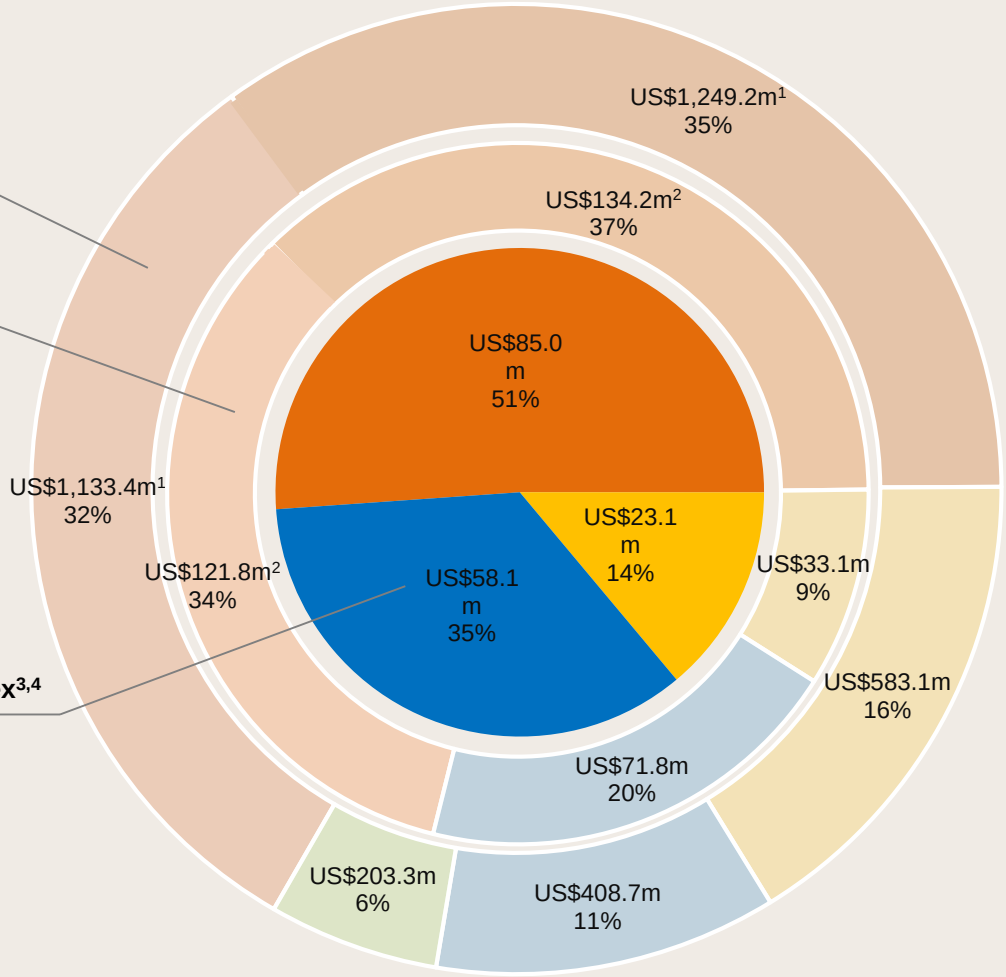
Group financials on consolidated basis

Revenue[3]

Operating Profit[3,4]

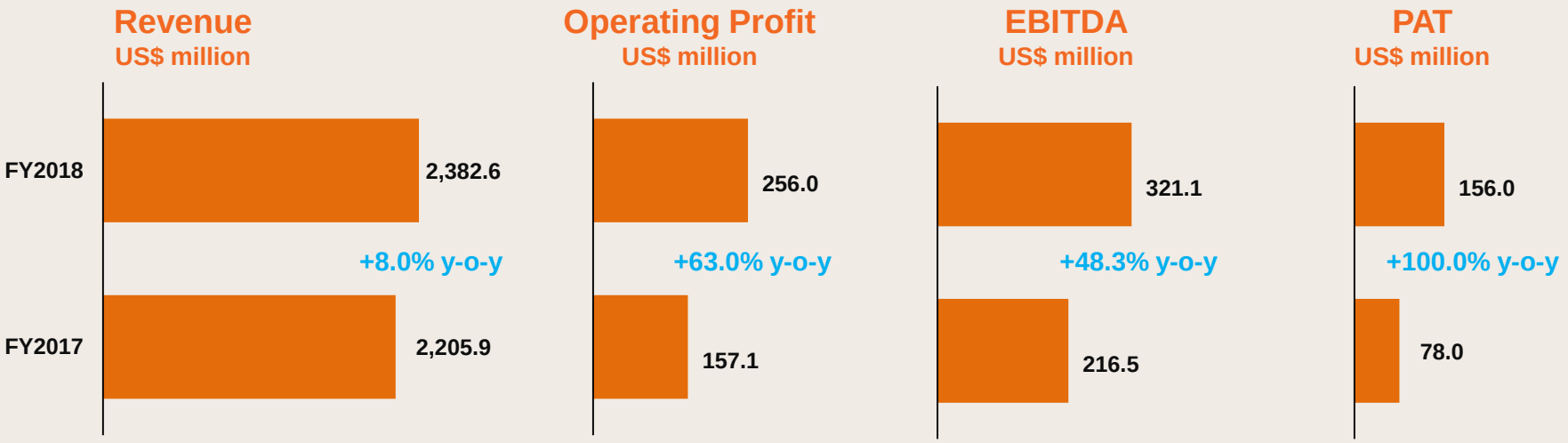
Attributable income to Japfa Ltd

Core PATMI w/o Forex[3,4]



[1]PT Japfa Tbk's total revenue is US$2,382.6 million of which US$1,249.2 million is attributable to Japfa Ltd
[2]PT Japfa Tbk's total operating profit is US$256.0 million of which US$134.2 million is attributable to Japfa Ltd
[3] The graphs for Operating Profit and Core PATMI w/o Forex exclude the Group's central purchasing subsidiary, headquarter costs and elimination adjustments between segments.
[4] Operating Profit and Core PATMI w/o Forex excludes US$17.3 million and US$21.1 million loss, respectively in Consumer Food

PT Japfa Tbk – Financial Performance



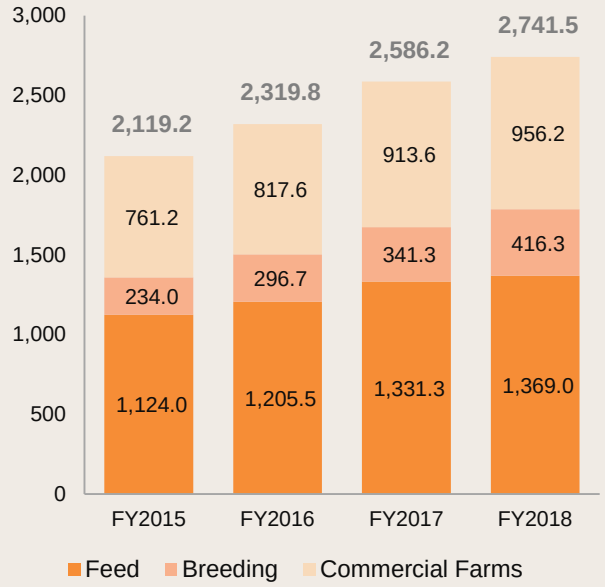
PT Japfa Tbk recorded stronger profitability lifted by higher poultry ASPs and breeding productivity

- Revenue increased 14.9% in IDR terms, however, in USD terms the increase was 8.0% due to depreciation of Indonesian Rupiah. This was mainly contributed by higher sales volumes for poultry feed and DOC as well as higher ASPs across the poultry business
- Poultry feed business continued to be the key profitability pillar with a growth in sales volumes of approximately 6%
- Breeding operations recorded exceptionally strong profits in FY2018 with higher DOC ASP due to lack of supply in Indonesia
- Key factors underpinning the volume growth of Japfa's breeding operations in 2017/2018 – high productivity of our breeding farms and quality of our DOC breed
- Commercial farm operations also recorded exceptionally strong profits due to higher broiler ASP
- Aquaculture feed sales volumes grew by more than 20%
- PAT grew US$78.0 million despite a US$23.4 million foreign exchange loss, of which US$16.3 million resulted from unrealised forex translation losses on USD bonds[1] due to the weaker Indonesian Rupiah

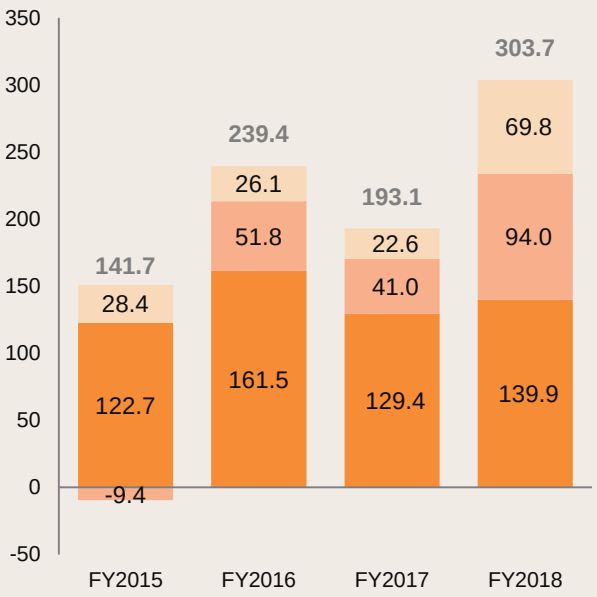
[1]The Group has taken up foreign exchange option contracts to hedge against adverse movements of the Indonesian Rupiah in relation to the USD bonds. For the FY2018, a fair value gain of US$11.3 million was recognized on these hedging instruments. Had 31 December 2018 been the maturity date of these options, a total fair value gain of US$23.8 million would have been recognized which would have offset the unrealized forex translation losses.

Segmental Trends: PT Japfa Tbk (Poultry)

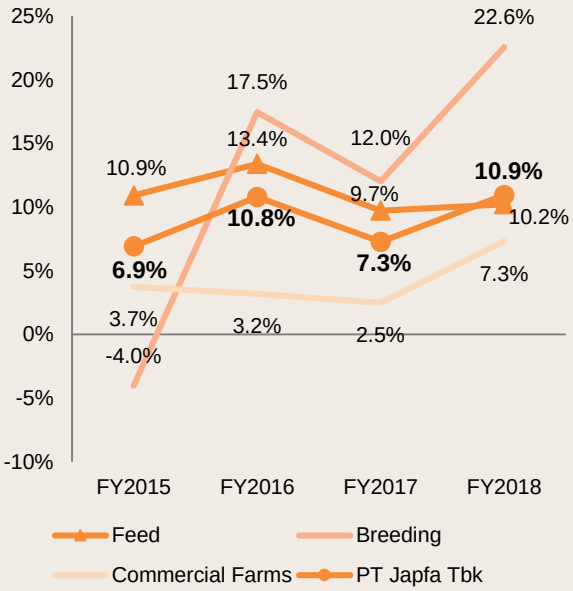
Revenue
US$ million



Operating Profit
US$ million



Operating Profit Margin
%

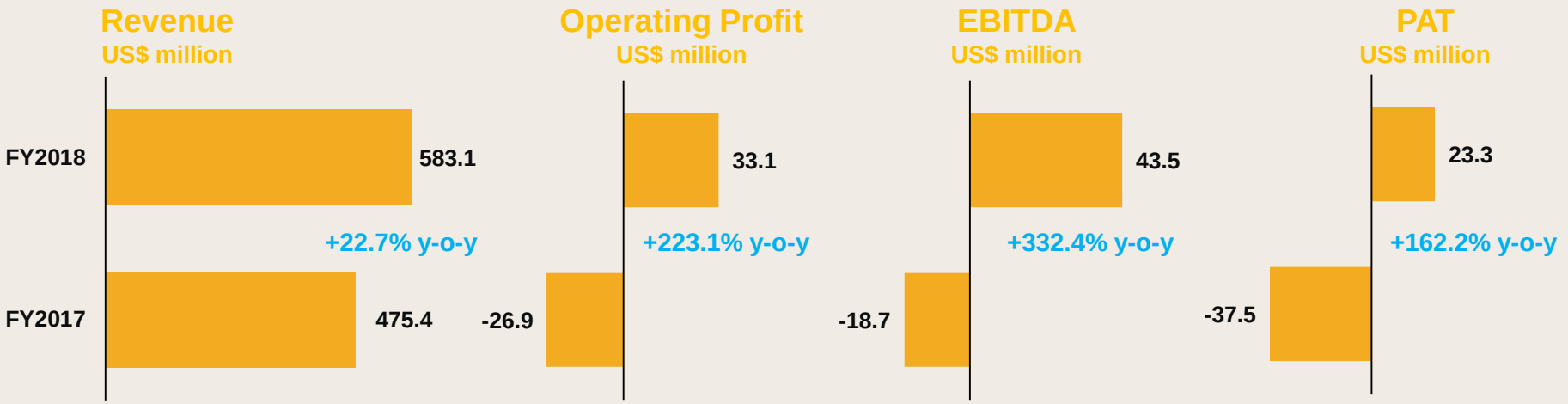


PT Japfa Tbk is one of the core pillars of the Group's business

- The poultry business (feed, breeding and commercial farms) represents the bulk of PT Japfa Tbk's revenue
- Revenue and profitability in FY2015 were affected by the poultry market downturn
- The high operating profit in FY2016 was mainly due to feed driven by the exceptionally high poultry feed operating margin of 13.4% arising from a lower COGS
- The high operating profit in FY2018 was mainly due to high ASPs for DOC and broiler driven by lack of DOC supply
- 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
- Feed business continues to be the stable pillar of our profitability

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

Animal Protein Other – Financial Performance



Animal Protein Other profitability improved with the turnaround of Vietnam's operating profit

Vietnam

- Vietnam represents the bulk of APO business. Revenue increased by US$89.5 million (~30%) driven by higher sales volume for poultry feed (~23%) as well as higher ASP for swine fattening (~57%)
- With the recovery of swine prices, Vietnam turnaround to operating profit of US$30.9 million in FY2018 from operating loss of US$33.9 million in FY2017
  - Swine prices declined to below cost levels since 4Q2016 when China restricted swine imports from Vietnam
  - Swine prices recovered above cost in 2Q2018
  - The current recovery trend in prices reflects the re-balancing of demand-supply in Vietnam's domestic swine market, without any exports to China

Myanmar

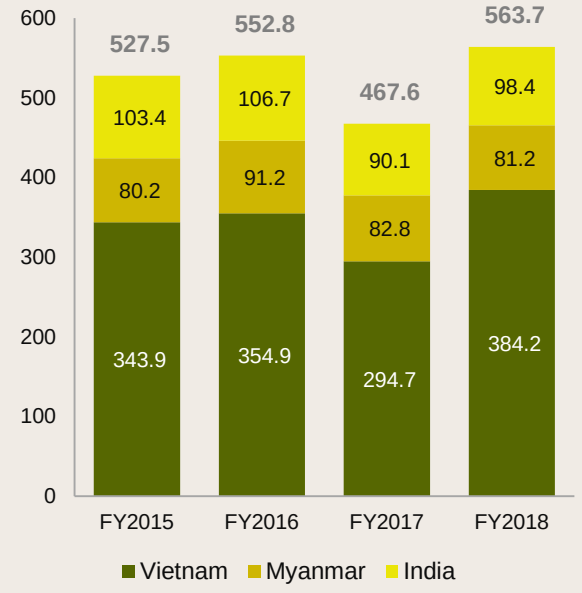
- Myanmar recorded an operating loss of US$2.0 million. Higher local corn prices increased the COGS of feed which led to higher DOC and Broiler production cost. As a result, DOC and Broiler recorded operating losses due to an inability to pass on the higher productions costs in an increasingly competitive poultry environment in Myanmar

India

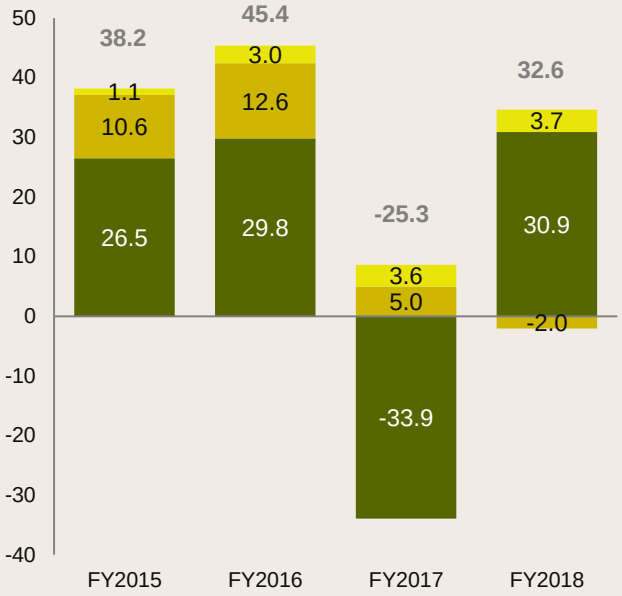
- With a solid growth of ~17% in its feed sales volume, India recorded an operating profit of US$3.7 million

Segmental Trends: Animal Protein Other

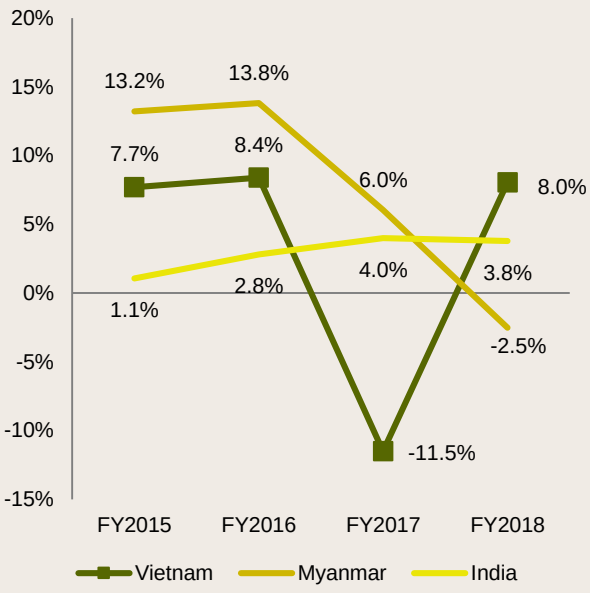
Revenue
US$ million



Operating Profit
US$ million



Operating Profit Margin
%



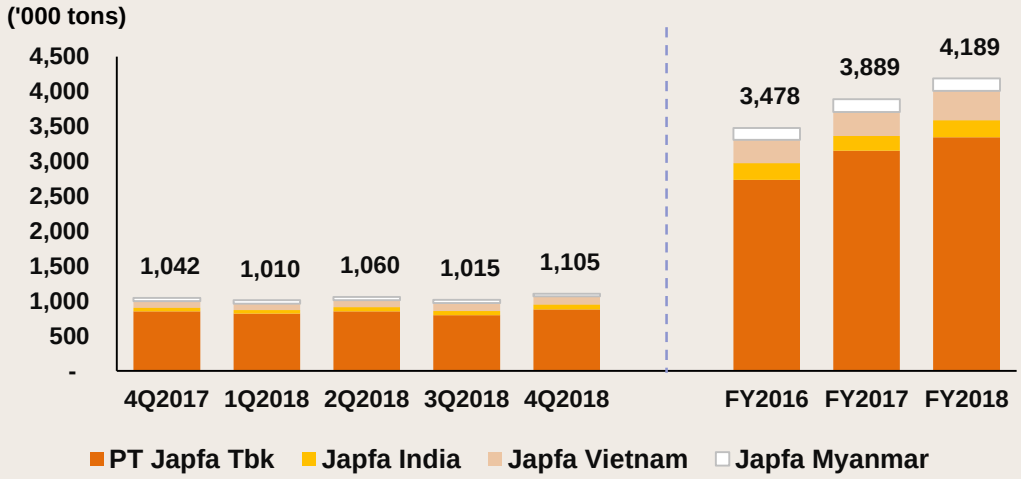
APO turnaround to an operating profit in FY2018 after the recovery of swine prices in Vietnam

- FY2017 was an extraordinary year for APO-Vietnam when China imposed an import restriction in 4Q2016 which significantly reduced demand in the overall Vietnam market. As a result , APO-Vietnam recorded a significant loss
- APO-Vietnam turnaround to an operating profit in FY2018 after the recovery of Vietnam swine prices in 2Q2018 reflects the re-balancing of demand-supply in Vietnam's domestic swine market
- Myanmar recorded an operating loss in FY2018 due to higher local corn prices as well as inability to pass on the higher productions costs in an increasingly competitive poultry environment
- In the longer term, India is seen as another key growth market and our current focus in growing the feed business

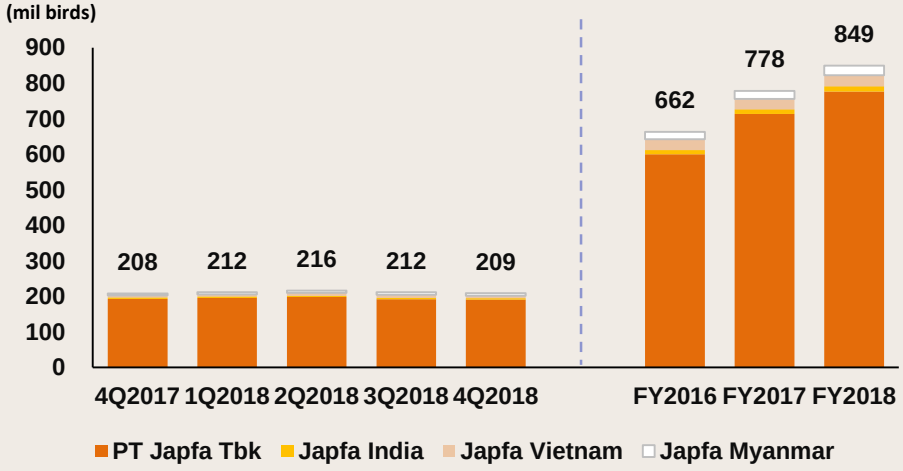
Note: Operational units shown above exclude beef operations in China.

Animal Protein – Operational Performance

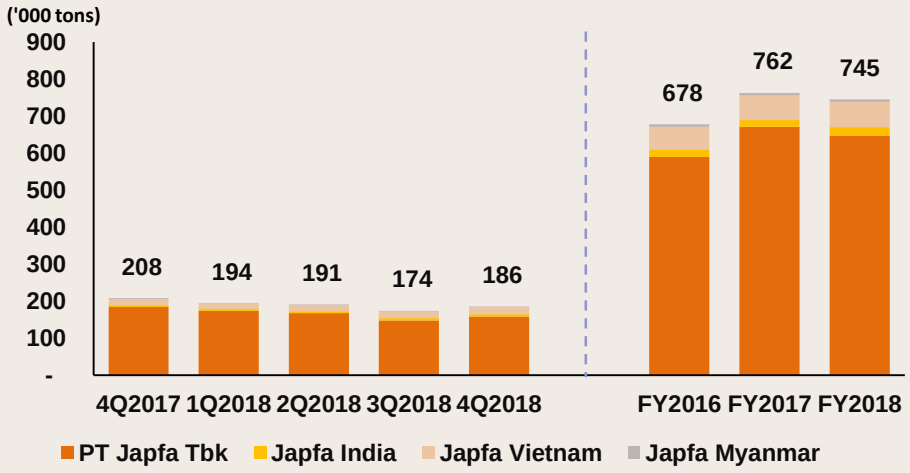
Animal Feed – Poultry: Sales Volume ('000 tons)



DOC – Broiler: Sales Volume (mil birds)

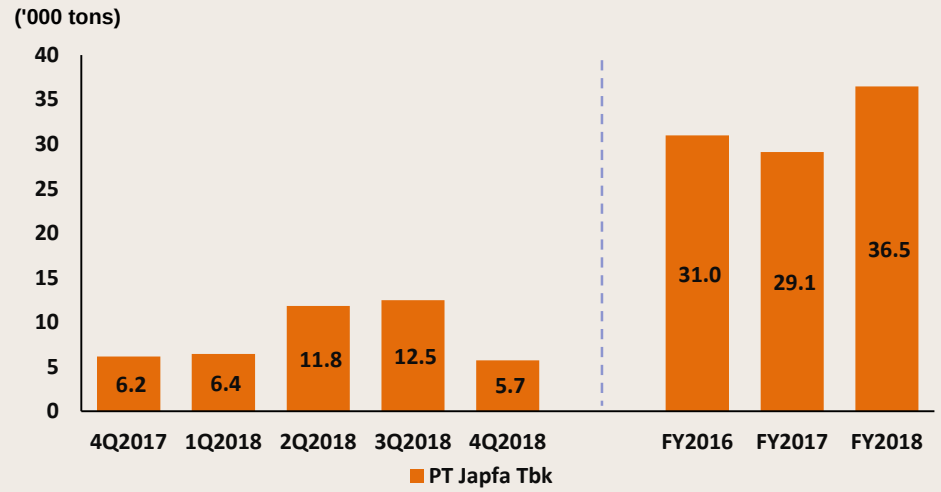


Commercial Farm – Live Birds: Sales Volume ('000 tons)

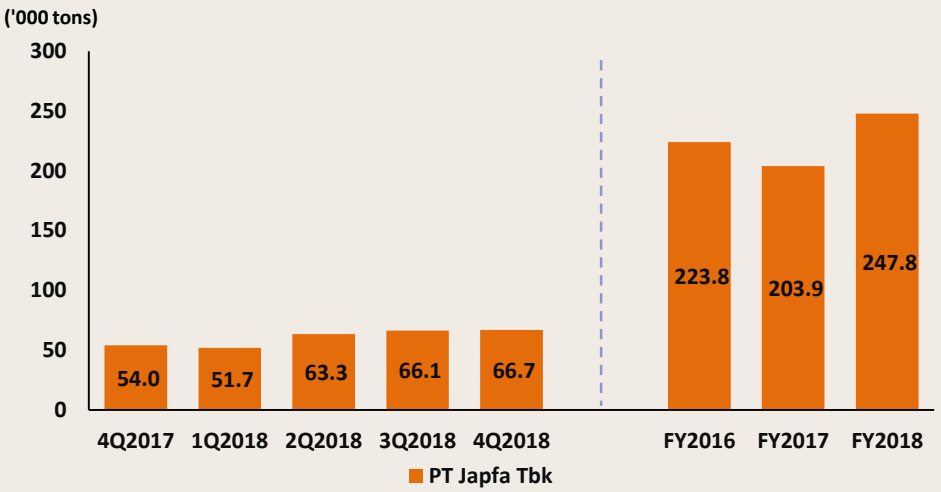


Animal Protein – Operational Performance

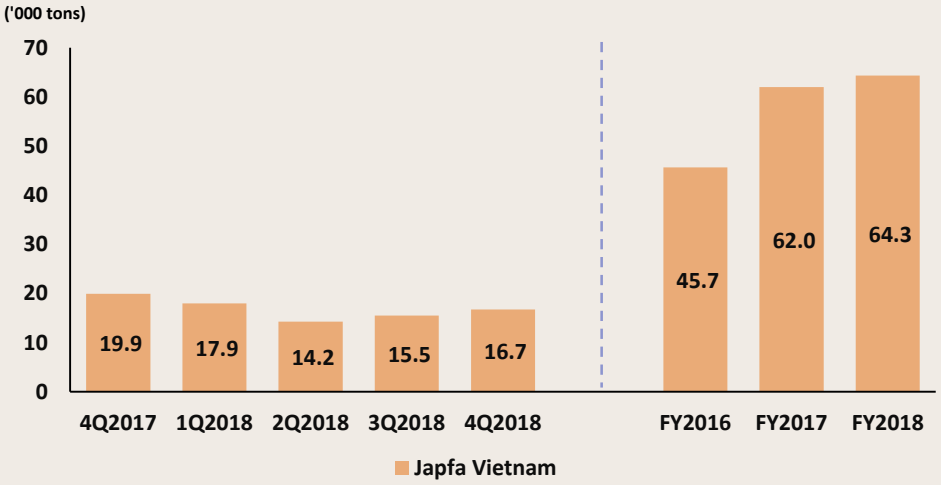
Beef – Live Cattle: Sales Volume ('000 tons)



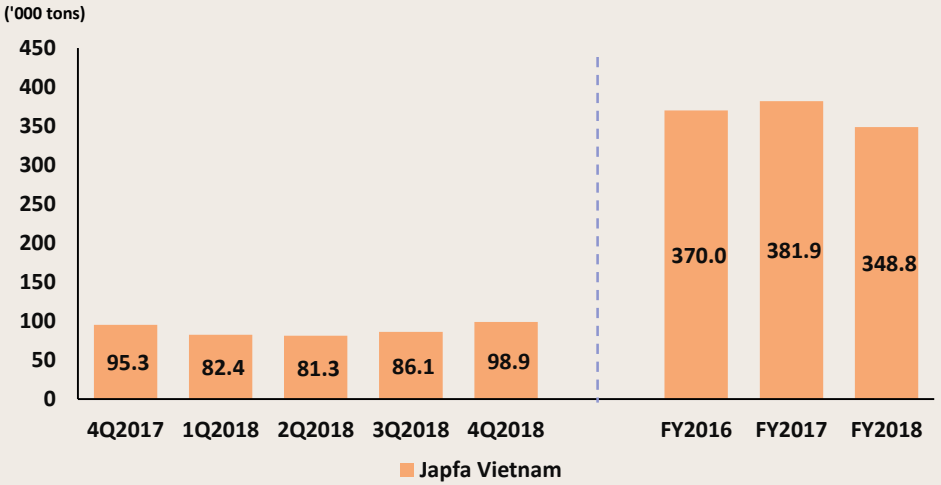
Aquaculture – Aqua-feed: Sales Volume ('000 tons)



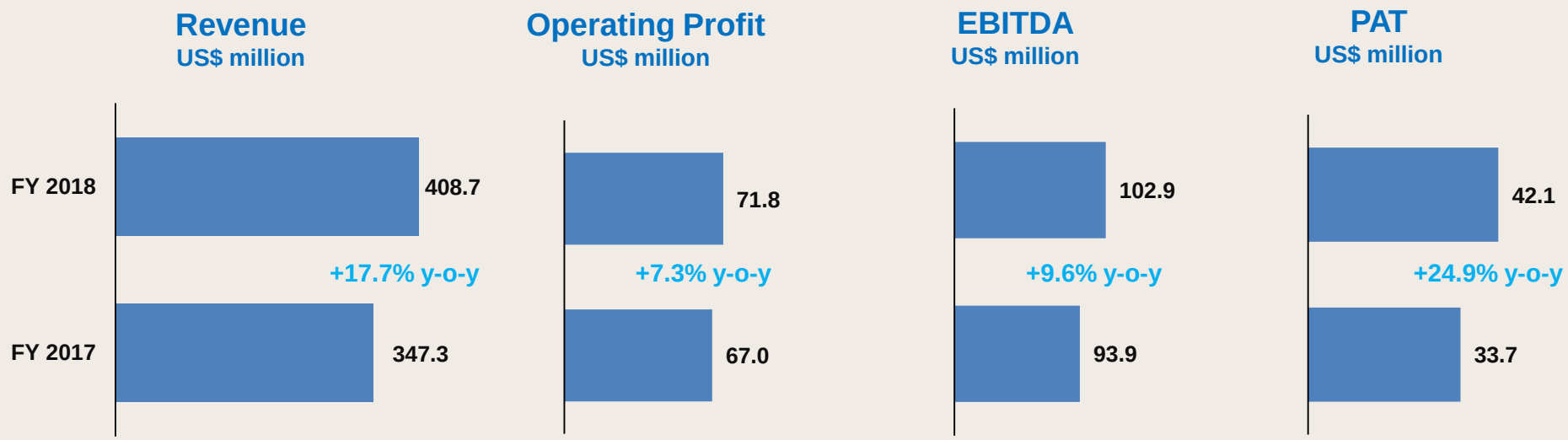
Swine Fattening: Sales Volume ('000 tons)



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



Dairy– Financial Performance



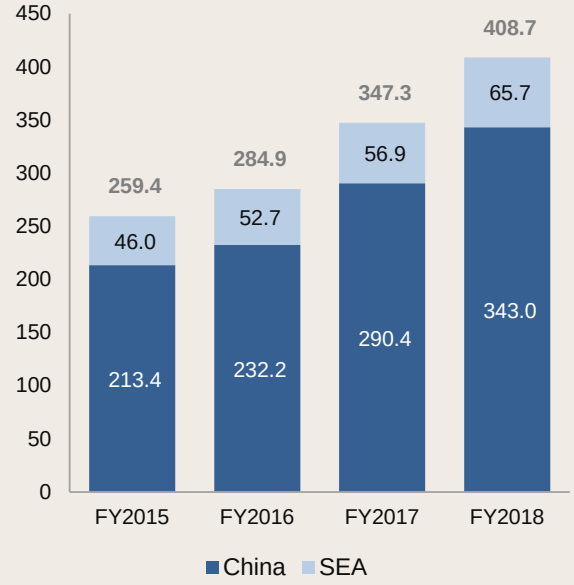
Dairy generated consistent profits, driven by higher milk yields and volumes

- Continued focus on improving milk yields and volumes in China to mitigate price fluctuations and improve profitability
- ESL[1] sales volumes in South East Asia increased through higher A&P investments in downstream products to greater brand visibility and enhanced market share.
- The higher selling expenses in FY2018 were due to the launch of the new range of dairy products in Indonesia and resulted in a tightening of the operating margins
- Stirred yogurt under the Greenfields brand has been successfully launched in Indonesia
- In Indonesia, we continue to invest into brand building and widening our range of Greenfields dairy products to capture a larger target segment
- Overall, operating profit, EBITDA and PAT improved in line with the higher revenue

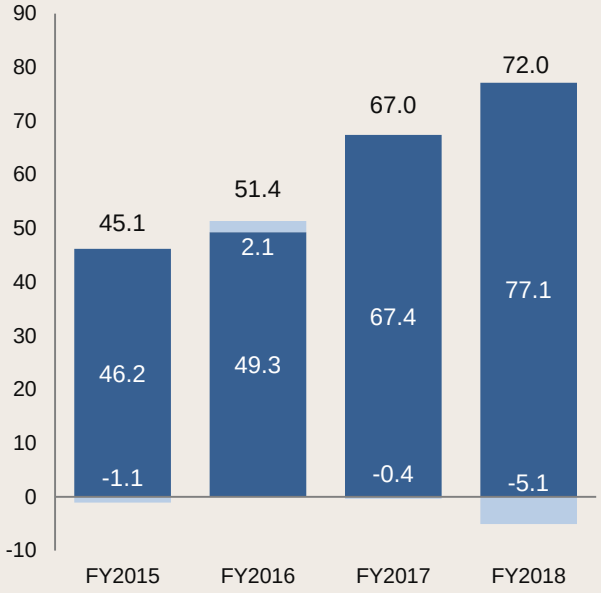
[1] ESL refers to extended shelf life of milk

Segmental Trends: Dairy

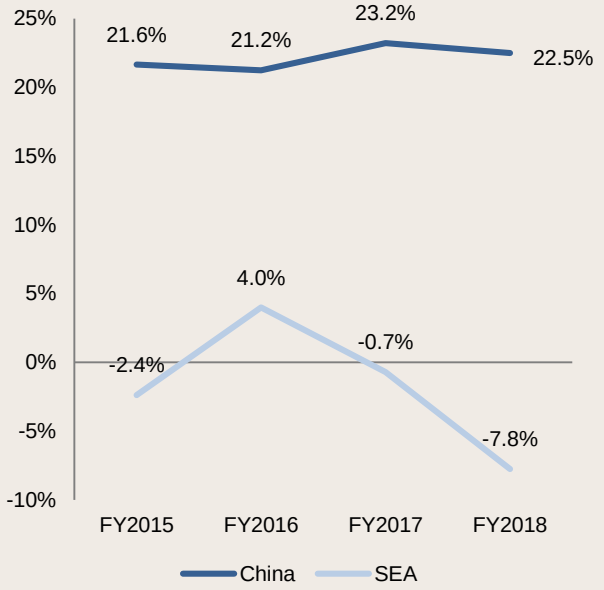
Revenue
US$ million



Operating Profit
US$ million



Operating Profit Margin
%

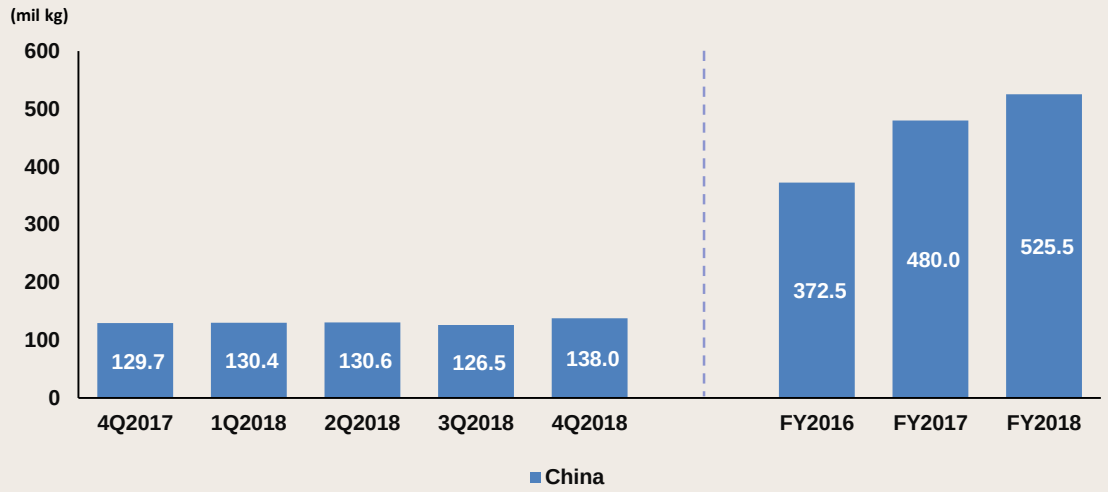


Dairy business generated consistent profitability and is poised to be a strong pillar for the Group

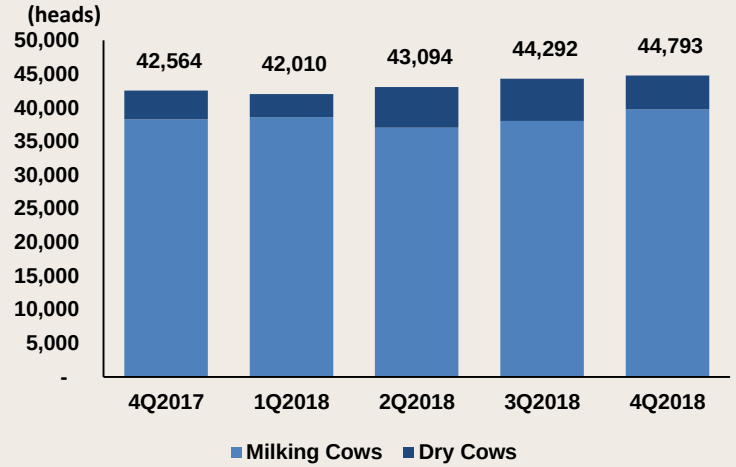
- Raw milk sales in China drove the growth in revenue and consolidated profit of our dairy business
- The prevailing low raw milk price environment in China presents upside potential
- Our South East Asia business has moved beyond dairy farming to downstream processing and the building of our Greenfields brand
- In South East Asia, we invest in advertising and promotion to expand our new dairy products range as part of our long term brand-building strategy

Dairy – Operational Performance

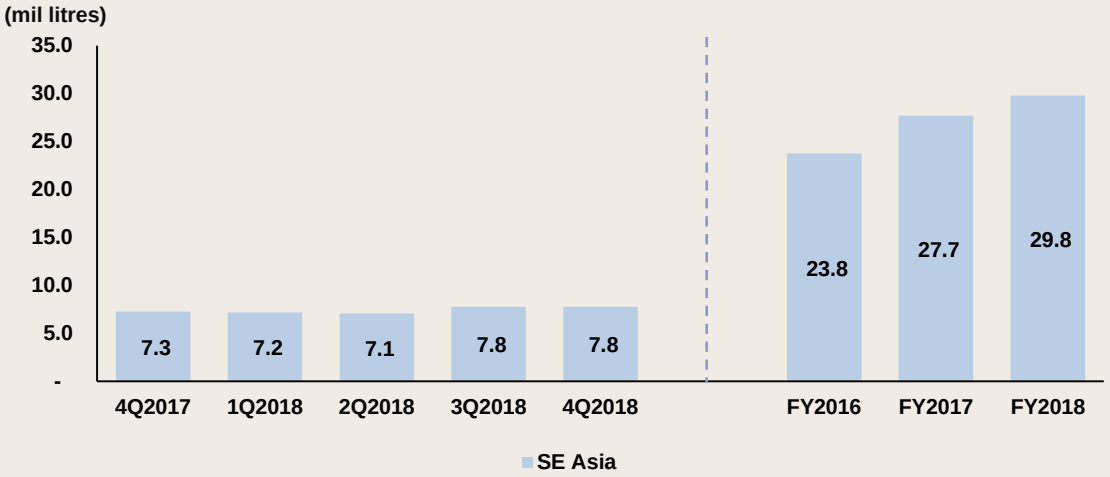
China Raw Milk: Sales Volume (mil kg)



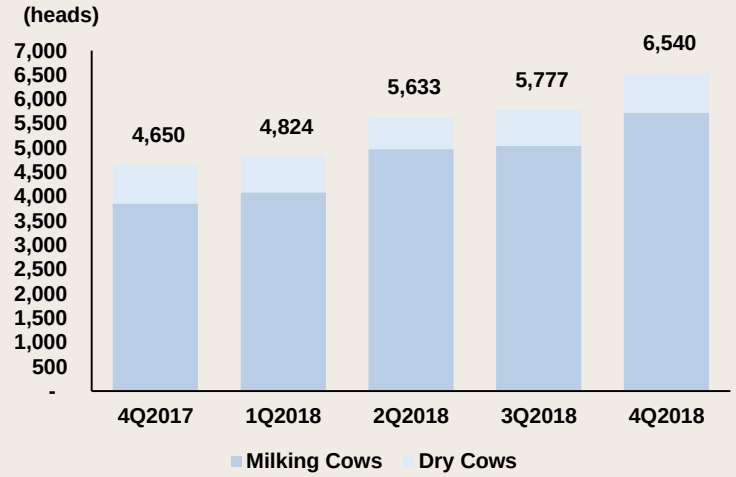
Milkable cows – China (heads)[1]



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



Milkable cows – SE Asia (heads)[1]

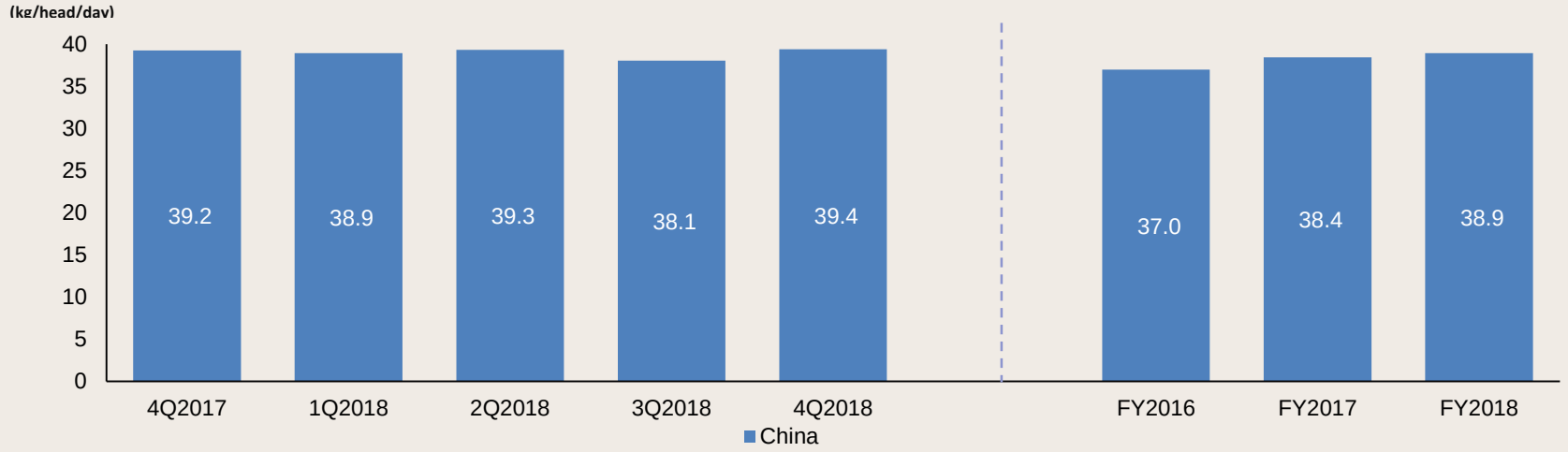


[1] Number of milkable cows as at the end of each quarter in question.

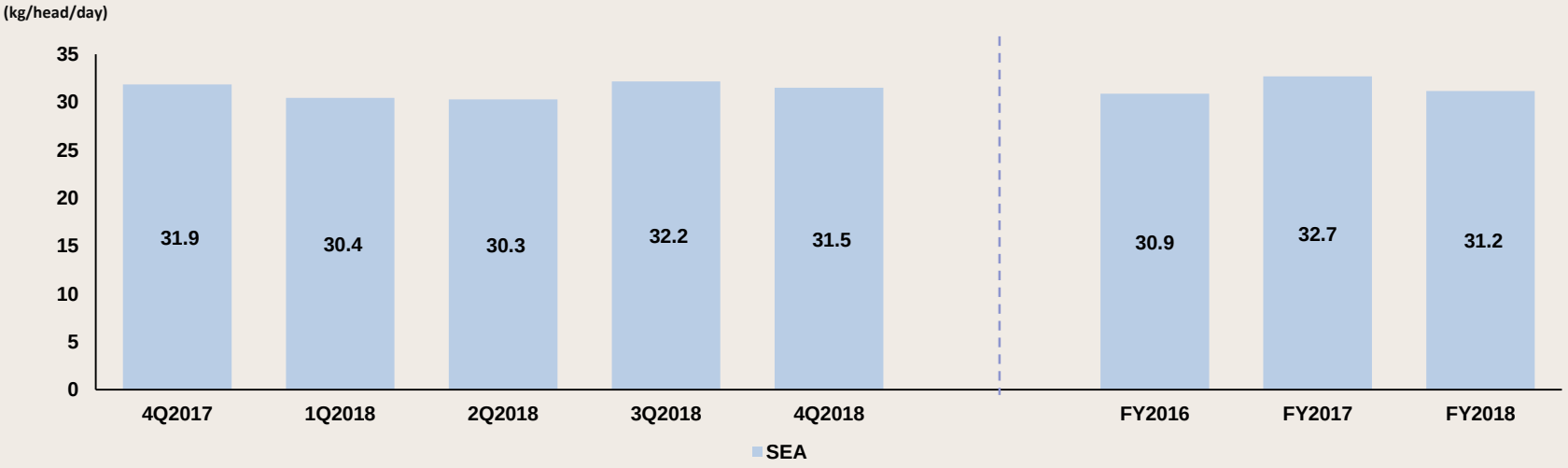
Note: Total dairy herd population (which includes heifers and calves) in China and Indonesia as at end of 4Q2018: 91,840 heads.

Dairy – Operational Performance

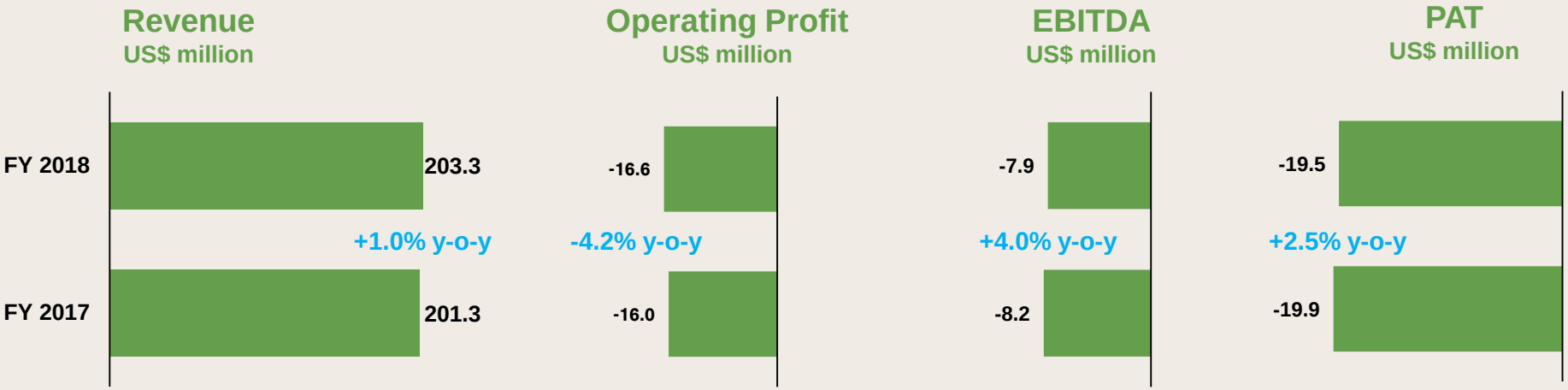
Average Daily Milking – China (kg/head/day)



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



Consumer Food – Financial Performance



Operating landscape in Indonesia remains competitive, especially in the ambient food sector

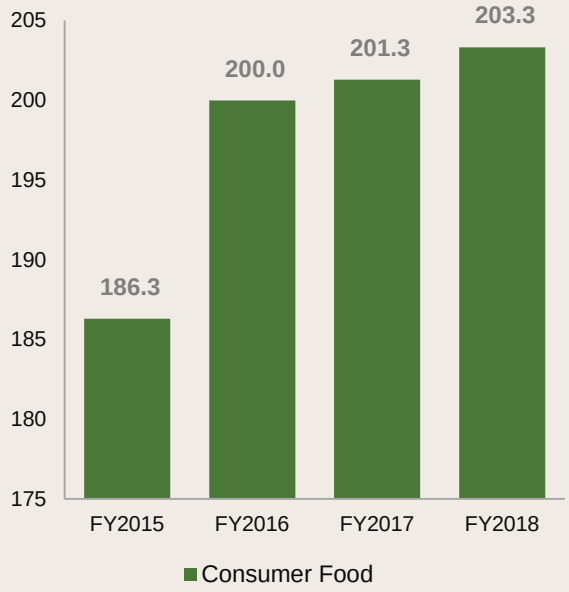
- Revenue increased 8.6% in IDR terms, however, in USD terms the increase is lower due to depreciation of Indonesian Rupiah
- Sales volumes for frozen and ambient food products increased by ~8% and ~29% respectively
- The Group's dominant position in the ambient food in Indonesia continues to be contested. This led to negative operating profit resulting from:
  - Lower ASP of ambient food products due to intense market competition
  - Inability to pass on the increased production costs arising from higher chicken raw material prices and
  - Continued investment in advertising and promotion to maintain market share

Strategies to lift the performance of Consumer Food:

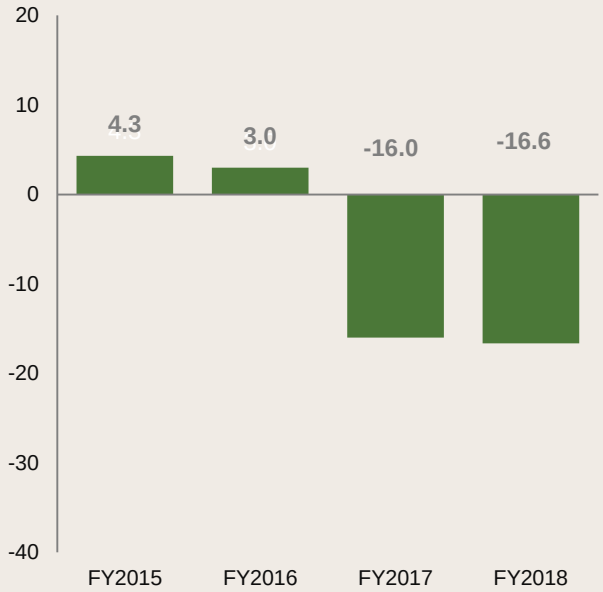
- To sharpen our competitive edge, we have embarked on various long-term strategic initiatives including:
  i. brand rejuvenation with clearer packaging and brand positioning
  ii. widen market positioning for our ambient products from existing "snacks" category to the broader general grocery market
  iii. improve taste and product quality of our "So Good" products
  iv. improve our logistics and distribution system
- In the near term, management will monitor the situation closely.

Segmental Trends: Consumer Food

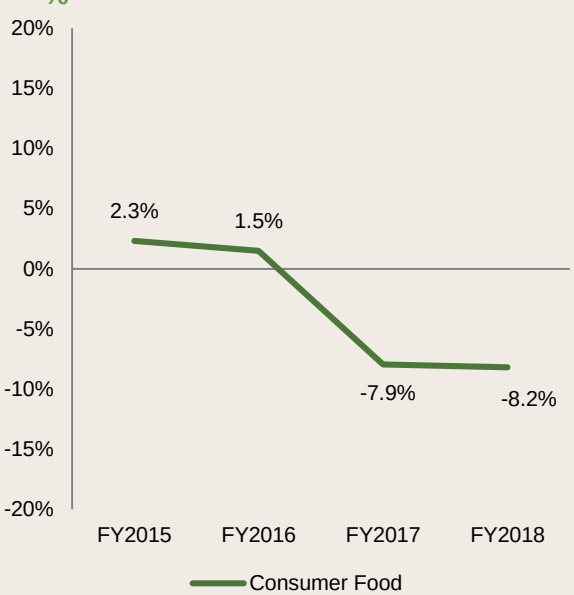
Revenue
US$ million



Operating Profit
US$ million



Operating Profit Margin
%



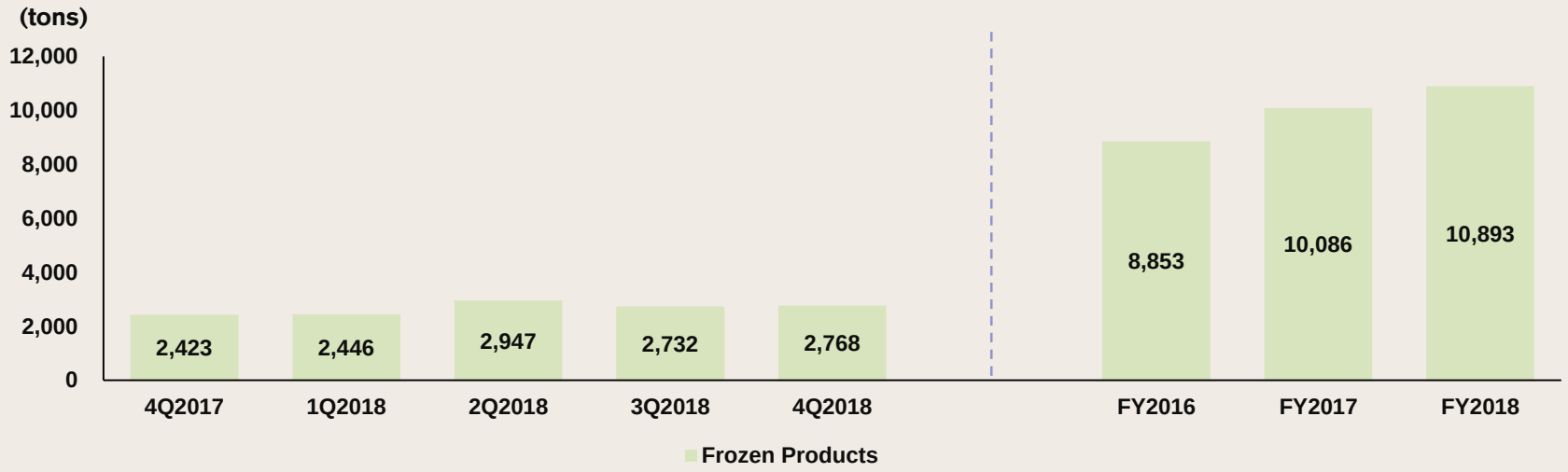
Tap the changing consumer dynamics for downstream consumer food products by investing strategically to build brands in Indonesia

- "So Good" and "So Nice" are gaining market share in frozen ready to cook and shelf-stable sausage categories even though the FMCG market growth is slowing down in past 2 years (FMCG growth : +3% in 2017 and +1% in 2018)[1]
- The decline in profitability in 2017/2018 was primarily due to higher cost of major raw materials and heightened competition in Indonesia's ambient food sector
- We continue to invest in A&P to promote and strengthen our brands in Indonesia market
- Moving forward, the changing consumption preference in emerging economies will see a shift from wet markets to chilled and frozen distribution channels and growing consumption trend of healthy and convenience food products. This augurs well for the Group's Consumer Food segment in the long term

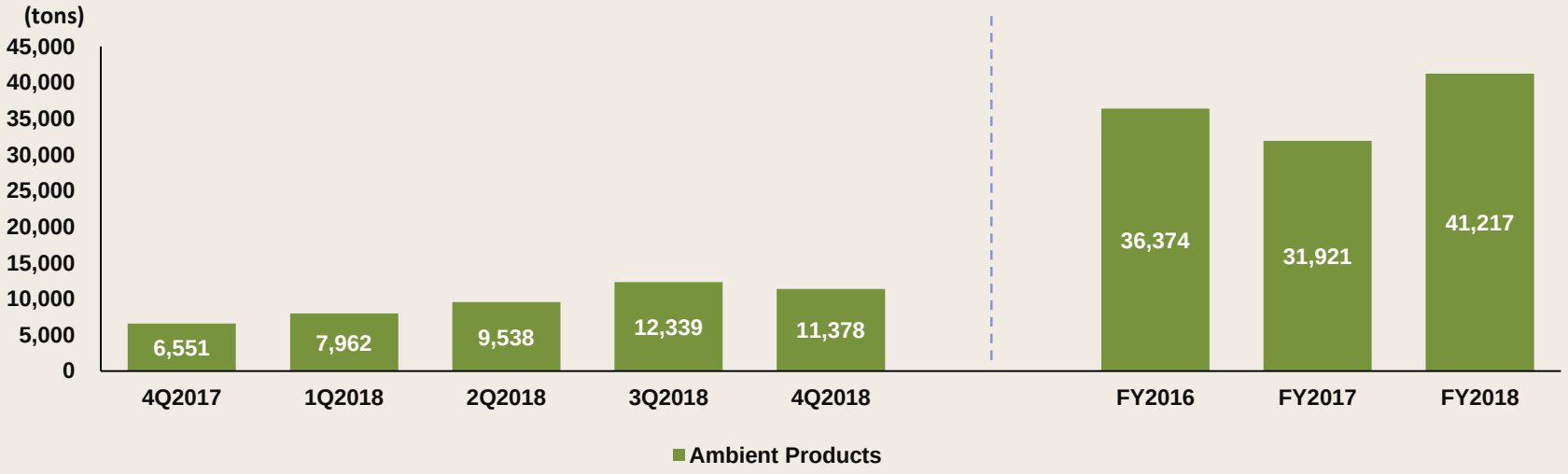
[1]Nielsen Retail Audit (top 58 FMCG categories)

Consumer Food – Operational Performance

Frozen products: Sales Volume (tons)



Ambient products: Sales volume (tons)



Other Financial Highlights



Other Financial Highlights

Balance Sheet Highlights (US$m)	As at 31 Dec 18	As at 31 Dec 17	% change
Total Assets	**2,889.3**	**2,743.1**	**5.3%**
Cash and cash equivalent	168.3	234.9	-28.3%
Inventory	817.3	670.6	21.9%
Total Liabilities	**1,758.9**	**1,720.3**	**2.2%**
Debt*	1,217.6	944.2	29.0%
Total Equity	**1,130.4**	**1,022.8**	**10.5%**
Key Ratios			
Net Debt / Equity Ratio (x)	0.9	0.7	
Inventory Turnover days	106.5	92.3	
NAV per share (US$)	0.42	0.39	
NAV per share (S$)	0.58	0.53	

Cash Flows (US$m)	FY2018	FY2017
Net Cash Flows From Operating Activities	256.0	140.5
Net Cash Flows Used in Investing Activities	(235.0)	(236.8)
Net Cash Flows Used in Financing Activities	(83.6)	(1.2)
Net Decrease in Cash and Cash Equivalents	**(62.6)**	**(97.5)**

*This includes the debt of (i) Annona Pte Ltd (the Group's central purchasing subsidiary) amounting to US$109.0 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.

Debt Profile

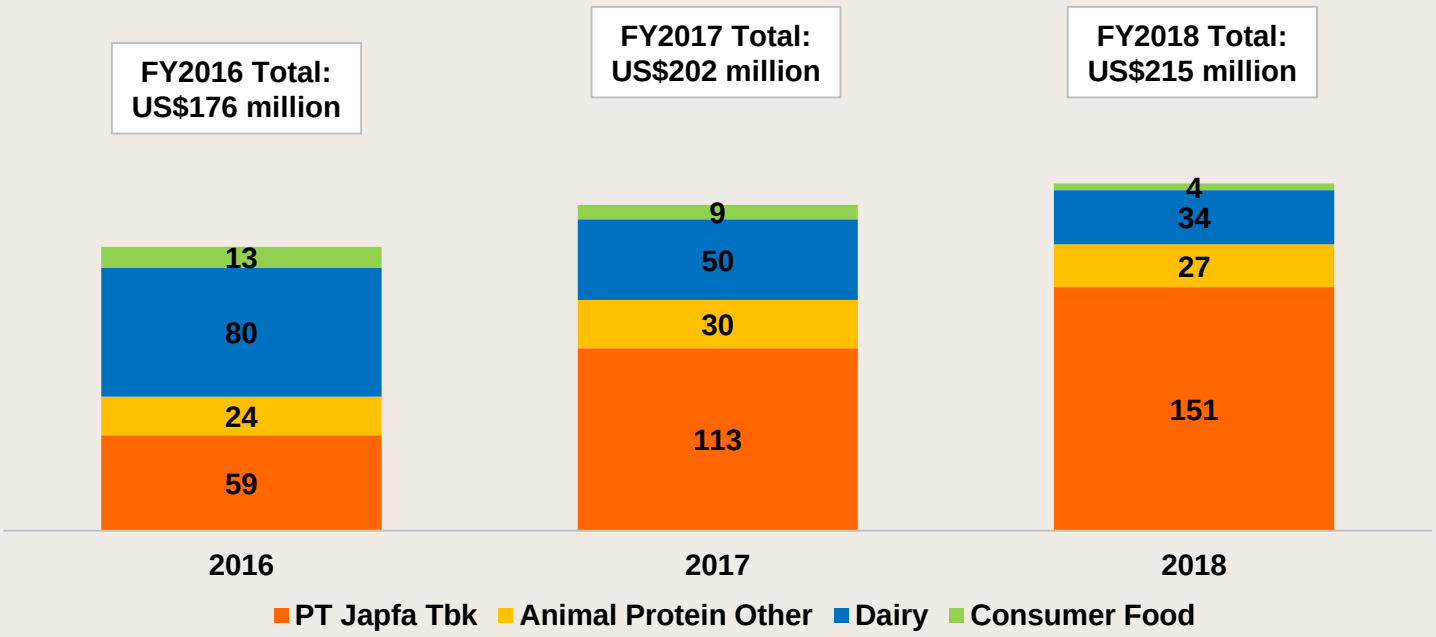
	PT Japfa Tbk	Animal Protein Other	Dairy	Consumer Food	Others	Total
Bonds & other Term loans	398[1]	18	194[2]	27		638
Working capital loans	81	74	19	19	133[3]	327
Cash	75	36	30	7	20[3]	168
Net Debt	**404**	**57**	**183**	**40**	**113**	**797**
Acquisition Loan					253[4]	253
Total	**404**	**57**	**183**	**40**	**366**	**1,049**

As of 31 December 2018, the net gearing ratio of Japfa stands at 0.9x

Notes:

1. *This comprises of USD and IDR bonds. The USD bonds of US$250 million are hedged up to all time high of USD/IDR at 16,650*
2. *This comprises of USD and RMB loans. The USD loans of US$118 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) 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. As the Acquisition Loan is on a floating interest rate basis, we have hedged US$180 million at a fixed interest rate*

Capex FY2016 – FY2018



APPENDIX



Agri-food Business Cyclicality

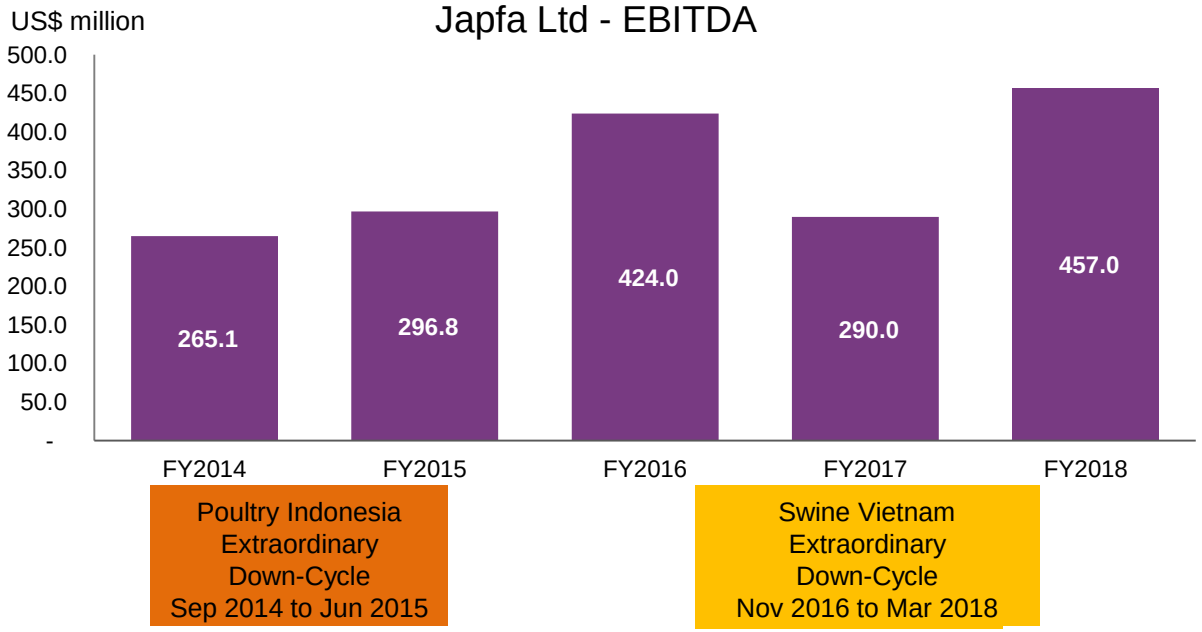
- The agri-food business is inevitably subject to cyclicality which impacts revenue and profitability. Cyclicality is dependent on a variety of external factors which are beyond the Group's control including the seasonality of harvests and festivals, as well as macroeconomic factors that affect purchasing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

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



Segment Information – FY2018

	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:

- *Animal Protein – where PT Japfa Comfeed Indonesia Tbk (TBK) is shown separately from Animal Protein Other (AP Other).*
- *Animal Protein Other (AP Other) – refers to the animal protein operations in Vietnam, India, Myanmar and China.*
- *Dairy – includes the operations in China, Indonesia and Southeast Asia.*
- *Consumer Food – includes the operations in Indonesia and Vietnam.*
- *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 of property, plant and equipment, depreciation of investment properties and amortisation of intangible assets, and also excluding changes in fair value of biological assets and derivative relates to foreign exchange hedging and foreign exchange adjustments 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 – FY2017

JAPFA	YTD DEC Y2017						
	ANIMAL PROTEIN			DAIRY	CONSUMER FOOD	OTHERS	TOTAL
	TBK	AP Other	Total				
External Revenue	2,167.1	475.4	2,642.5	345.2	200.6	1.6	**3,189.9**
Inter Segment Sales	38.8	0.0	38.8	2.0	0.7	(41.6)	**(0.0)**
TOTAL REVENUE	**2,205.9**	**475.4**	**2,681.3**	**347.3**	**201.3**	**(40.0)**	**3,189.9**
OPERATING PROFIT	**157.1**	**(26.9)**	**130.2**	**67.0**	**(16.0)**	**7.5**	**188.6**
% to sales	*7.1%*	*-5.7%*	*4.9%*	*19.3%*	*-7.9%*	*-18.7%*	*5.9%*
EBITDA	**216.5**	**(18.7)**	**197.8**	**93.9**	**(8.2)**	**6.5**	**290.0**
	9.8%	*-3.9%*	*7.4%*	*27.0%*	*-4.1%*	*-16.4%*	*9.1%*
Depreciation & Amortization	(56.7)	(9.2)	(65.9)	(24.3)	(7.2)	(0.3)	**(97.7)**
Net Interest Expense	(35.2)	(5.2)	(40.4)	(15.6)	(5.7)	(1.4)	**(63.2)**
PBT before Forex & Bio-Asset & Derivative related to F	**124.6**	**(33.1)**	**91.4**	**54.0**	**(21.2)**	**4.9**	**129.2**
Forex Gain(loss)	(3.7)	0.8	(3.0)	7.5	0.4	0.2	**5.1**
Fair Value Gain(Loss) Derivative for forex hedging	4.7	0.0	4.7	(9.4)	0.0	0.0	(4.7)
Fair Value Gain(Loss) Bio A	(0.4)	(4.8)	(5.2)	(16.9)	0.0	0.0	**(22.1)**
PBT	**125.1**	**(37.1)**	**88.0**	**35.2**	**(20.8)**	**5.1**	**107.5**
Tax	(47.1)	(0.3)	(47.5)	(1.5)	0.8	(3.1)	**(51.3)**
PAT	78.0	(37.5)	40.5	33.7	(19.9)	2.0	**56.2**
PAT w/o Bio A	78.3	(33.6)	44.7	50.7	(19.9)	2.0	**77.4**
% ownership	*51.0%*	*100.0%*		*61.9%*	*100.0%*	*100.0%*	
PATMI	35.6	(37.5)	(1.9)	21.2	(19.9)	2.0	**1.3**
Core PATMI	33.3	(33.7)	(0.3)	36.8	(19.9)	3.3	**19.9**
Core PATMI w/o Forex	35.2	(34.4)	0.8	32.1	(20.3)	3.1	**15.7**

Notes:

- *Animal Protein – where PT Japfa Comfeed Indonesia Tbk (TBK) is shown separately from Animal Protein Other (AP Other).*
- *Animal Protein Other (AP Other) – refers to the animal protein operations in Vietnam, India, Myanmar and China.*
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- *Consumer Food – includes the operations in Indonesia and Vietnam.*
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Quarterly Segment Information – 4Q2018

JAPFA	4Q Y2018						
	ANIMAL PROTEIN			DAIRY	CONSUMER FOOD	OTHERS	TOTAL
	TBK	AP Other	Total				
External Revenue	582.9	163.8	746.6	109.4	49.3	4.0	**909.3**
Inter Segment Sales	7.5	0.6	8.2	2.8	0.2	(11.2)	**0.0**
TOTAL REVENUE	**590.4**	**164.4**	**754.8**	**112.2**	**49.5**	**(7.2)**	**909.3**
OPERATING PROFIT	47.7	11.5	**59.2**	20.4	(3.7)	1.4	**77.3**
% to sales	*8.1%*	*7.0%*	*7.8%*	*18.2%*	*-7.4%*	*-18.9%*	*8.5%*
EBITDA	**61.9**	**13.8**	**75.6**	**26.7**	**(1.7)**	**(0.0)**	**100.6**
	10.5%	*8.4%*	*10.0%*	*23.8%*	*-3.5%*	*0.0%*	*11.1%*
Depreciation & Amortization	(15.9)	(2.7)	(18.7)	(7.2)	(1.8)	(0.0)	**(27.7)**
Net Interest Expense	(8.8)	(1.5)	(10.3)	(3.9)	(1.3)	(5.1)	**(20.6)**
PBT before Forex & Bio-Asset & Derivative related to Fo	**37.1**	**9.5**	**46.6**	**15.5**	**(4.8)**	**(5.1)**	**52.3**
Forex Gain(loss)	9.0	0.1	9.1	0.6	(0.4)	(0.0)	**9.3**
Fair Value Gain(Loss) Derivative for forex hedging	(0.5)	0.0	(0.5)	(0.7)	0.0	(0.0)	**(1.3)**
Fair Value Gain(Loss) Bio A	(2.0)	0.8	(1.2)	12.2	0.0	(0.0)	**11.0**
PBT	**43.6**	**10.4**	**54.0**	**27.6**	**(5.2)**	**(5.1)**	**71.3**
Tax	(13.7)	(3.1)	(16.7)	(0.9)	(0.2)	(0.1)	**(17.9)**
PAT	29.9	7.3	37.3	26.7	(5.3)	(5.2)	**53.4**
PAT w/o Bio A	31.7	6.4	38.1	15.2	(5.3)	(5.2)	**42.7**
% ownership	*52.4%*	*100.0%*		*100.0%*	*100.0%*	*100.0%*	
PATMI	15.9	7.9	23.8	26.7	(5.3)	(5.2)	**39.9**
Core PATMI	17.1	7.0	24.1	16.9	(5.3)	(3.9)	**31.7**
Core PATMI w/o Forex	12.4	6.9	19.3	16.3	(5.0)	(3.9)	**26.6**

Notes:

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- *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 of property, plant and equipment, depreciation of investment properties and amortisation of intangible assets, and also excluding changes in fair value of biological assets and derivative relates to foreign exchange hedging and foreign exchange adjustments 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.*

Quarterly Segment Information – 3Q2018

	3Q Y2018						
	ANIMAL PROTEIN			DAIRY	CONSUMER FOOD	OTHERS	TOTAL
	TBK	AP Other	Total				
External Revenue	573.7	151.8	725.4	94.2	53.6	4.1	**877.4**
Inter Segment Sales	13.5	2.1	15.6	7.7	0.2	(23.4)	**(0.0)**
TOTAL REVENUE	**587.2**	**153.8**	**741.0**	**101.9**	**53.8**	**(19.4)**	**877.4**
OPERATING PROFIT	62.3	11.7	**74.0**	15.3	(5.6)	(1.3)	**82.4**
% to sales	*10.6%*	*7.6%*	*10.0%*	*15.0%*	*-10.4%*	*6.8%*	*9.4%*
EBITDA	**78.2**	**14.4**	**92.6**	**23.3**	**(2.7)**	**(0.6)**	**112.6**
	13.3%	*9.4%*	*12.5%*	*22.9%*	*-5.1%*	*3.0%*	*12.8%*
Depreciation & Amortization	(14.2)	(2.6)	(16.8)	(6.9)	(1.9)	(0.0)	**(25.6)**
Net Interest Expense	(7.4)	(1.5)	(8.9)	(4.0)	(1.4)	(5.0)	**(19.3)**
PBT before Forex & Bio-Asset & Derivative related to Fo	**56.5**	**10.3**	**66.8**	**12.5**	**(6.0)**	**(5.6)**	**67.6**
Forex Gain(loss)	(11.2)	(2.6)	(13.7)	(3.8)	0.5	(0.1)	**(17.1)**
Fair Value Gain(Loss) Derivative for forex hedging	6.7	0.0	6.7	4.3	0.0	(0.0)	**11.0**
Fair Value Gain(Loss) Bio A	1.0	2.1	3.1	(14.1)	0.0	0.0	**(11.0)**
PBT	**53.1**	**9.8**	**62.9**	**(1.1)**	**(5.6)**	**(5.7)**	**50.5**
Tax	(14.1)	(0.7)	(14.8)	0.7	(0.2)	(2.5)	**(16.8)**
PAT	39.0	9.1	48.0	(0.4)	(5.8)	(8.2)	**33.7**
PAT w/o Bio A	38.2	7.4	45.6	13.0	(5.8)	(8.2)	**44.6**
% ownership	*52.4%*	*100.0%*		*100.0%*	*100.0%*	*100.0%*	
PATMI	19.5	9.0	28.6	(0.4)	(5.8)	(8.2)	**14.3**
Core PATMI	15.6	7.4	23.0	8.4	(5.8)	(8.9)	**16.8**
Core PATMI w/o Forex	21.5	9.9	31.4	12.2	(6.2)	(8.8)	**28.6**

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Quarterly Segment Information – 2Q2018

	2Q Y2018						
	ANIMAL PROTEIN			DAIRY	CONSUMER FOOD	OTHERS	TOTAL
	TBK	AP Other	Total				
External Revenue	616.1	139.3	755.4	94.6	50.1	1.0	**901.0**
Inter Segment Sales	12.6	0.0	12.6	0.5	0.2	(13.4)	**0.0**
TOTAL REVENUE	**628.7**	**139.3**	**768.0**	**95.2**	**50.3**	**(12.3)**	**901.0**
OPERATING PROFIT	**89.5**	**10.1**	**99.6**	**16.8**	**(6.0)**	**(2.4)**	**108.1**
% to sales	*14.2%*	*7.2%*	*13.0%*	*17.7%*	*-11.9%*	*19.3%*	*12.0%*
EBITDA	**107.5**	**12.6**	**120.1**	**25.1**	**(3.7)**	**(2.0)**	**139.5**
	17.1%	*9.1%*	*15.6%*	*26.4%*	*-7.4%*	*16.6%*	*15.5%*
Depreciation & Amortization	(15.5)	(2.6)	(18.1)	(6.8)	(2.0)	(0.0)	**(27.0)**
Net Interest Expense	(10.2)	(1.8)	(12.1)	(3.9)	(1.4)	(3.7)	**(21.1)**
PBT before Forex & Bio-Asset & Derivative related to Fo	**81.7**	**8.2**	**90.0**	**14.4**	**(7.1)**	**(5.8)**	**91.5**
Forex Gain(loss)	(15.8)	(1.4)	(17.2)	(8.6)	1.2	(0.2)	**(24.8)**
Fair Value Gain(Loss) Derivative for forex hedging	1.7	0.0	1.7	5.2	0.0	0.0	**6.9**
Fair Value Gain(Loss) Bio A	1.1	1.5	2.6	0.0	0.0	0.0	**2.7**
PBT	**68.7**	**8.4**	**77.1**	**11.0**	**(5.9)**	**(6.0)**	**76.2**
Tax	(19.0)	0.1	(19.0)	0.0	0.3	(2.6)	**(21.2)**
PAT	49.7	8.5	58.2	11.1	(5.6)	(8.6)	**55.0**
PAT w/o Bio A	48.9	7.2	56.1	11.2	(5.6)	(8.6)	**53.1**
% ownership	*52.4%*	*100.0%*		*100.0%*	*100.0%*	*100.0%*	
PATMI	24.2	8.5	32.7	11.1	(5.6)	(8.6)	**29.6**
Core PATMI	22.8	7.3	30.1	5.6	(5.6)	(8.9)	**21.2**
Core PATMI w/o Forex	31.0	8.6	39.7	14.2	(6.8)	(8.7)	**38.4**

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Quarterly Segment Information – 1Q2018

JAPFA	1Q Y2018						
	ANIMAL PROTEIN			DAIRY	CONSUMER FOOD	OTHERS	TOTAL
	TBK	AP Other	Total				
External Revenue	565.1	125.6	690.7	99.1	49.6	6.2	**845.5**
Inter Segment Sales	11.3	0.0	11.3	0.4	0.2	(11.9)	**(0.0)**
TOTAL REVENUE	**576.3**	**125.6**	**702.0**	**99.5**	**49.8**	**(5.7)**	**845.5**
OPERATING PROFIT	**56.4**	**(0.1)**	**56.3**	**19.3**	**(1.4)**	**(0.3)**	**73.9**
% to sales	*9.8%*	*-0.1%*	*8.0%*	*19.4%*	*-2.8%*	*4.6%*	*8.7%*
EBITDA	**73.6**	**2.6**	**76.3**	**27.8**	**0.3**	**(0.1)**	**104.4**
	12.8%	*2.1%*	*10.9%*	*28.0%*	*0.6%*	*0.9%*	*12.3%*
Depreciation & Amortization	(14.4)	(2.5)	(16.9)	(7.0)	(2.0)	(0.0)	**(25.9)**
Net Interest Expense	(9.1)	(1.6)	(10.7)	(4.0)	(1.4)	(1.3)	**(17.4)**
PBT before Forex & Bio-Asset & Derivative related to Fo	**50.1**	**(1.4)**	**48.7**	**16.9**	**(3.1)**	**(1.4)**	**61.1**
Forex Gain(loss)	(5.4)	0.7	(4.8)	4.2	0.4	0.0	**(0.1)**
Fair Value Gain(Loss) Derivative for forex hedging	3.4	0.0	3.4	(4.6)	0.0	0.0	**(1.2)**
Fair Value Gain(Loss) Bio A	(2.9)	0.1	(2.8)	(11.4)	0.0	0.0	**(14.2)**
PBT	**45.2**	**(0.6)**	**44.5**	**5.0**	**(2.7)**	**(1.4)**	**45.5**
Tax	(7.8)	(0.9)	(8.7)	(0.4)	(0.1)	(0.3)	**(9.4)**
PAT	37.4	(1.6)	35.9	4.7	(2.7)	(1.7)	**36.1**
PAT w/o Bio A	39.5	(1.7)	37.8	16.2	(2.7)	(1.7)	**49.6**
% ownership	*51.0%*	*100.0%*		*100.0%*	*100.0%*	*100.0%*	
PATMI	18.0	(1.6)	16.4	4.7	(2.7)	(1.7)	**16.7**
Core PATMI	17.3	(1.6)	15.6	19.7	(2.7)	(1.7)	**30.9**
Core PATMI w/o Forex	20.0	(2.3)	17.7	15.5	(3.1)	(1.7)	**28.3**

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Quarterly Segment Information – 4Q2017

JAPFA	4Q Y2017						
	ANIMAL PROTEIN			DAIRY	CONSUMER FOOD	OTHERS	TOTAL
	TBK	AP Other	Total				
External Revenue	575.1	129.2	704.3	99.9	44.9	0.2	**849.3**
Inter Segment Sales	8.6	0.0	8.6	0.5	0.2	(9.3)	**(0.0)**
TOTAL REVENUE	**583.7**	**129.2**	**712.9**	**100.4**	**45.1**	**(9.1)**	**849.3**
OPERATING PROFIT	**37.7**	**(1.8)**	**35.9**	**19.1**	**(12.3)**	**1.4**	**44.1**
% to sales	*6.5%*	*-1.4%*	*5.0%*	*19.0%*	*-27.3%*	*-15.1%*	*5.2%*
EBITDA	**53.6**	**(0.0)**	**53.6**	**26.5**	**(10.2)**	**0.1**	**70.0**
	9.2%	*-0.0%*	*7.5%*	*26.4%*	*-22.6%*	*-0.6%*	*8.2%*
Depreciation & Amortization	(13.8)	(2.5)	(16.3)	(6.5)	(2.0)	(0.0)	**(24.9)**
Net Interest Expense	(10.5)	(1.4)	(12.0)	(4.0)	(1.4)	(0.6)	**(18.0)**
PBT before Forex & Bio-Asset & Derivative related to Fc	**29.3**	**(4.0)**	**25.3**	**16.0**	**(13.6)**	**(0.6)**	**27.1**
Forex Gain(loss)	(1.3)	0.3	(1.1)	2.2	0.1	0.0	**1.3**
Fair Value Gain(Loss) Derivative for forex hedging	0.7	0.0	0.7	(3.3)	0.0	0.0	**(2.6)**
Fair Value Gain(Loss) Bio A	2.8	(0.6)	2.2	11.6	0.0	0.0	**13.8**
PBT	**31.4**	**(4.3)**	**27.2**	**26.5**	**(13.5)**	**(0.6)**	**39.7**
Tax	(19.5)	(5.4)	(24.9)	(0.1)	0.7	(0.3)	**(24.6)**
PAT	11.9	(9.7)	2.3	26.4	(12.7)	(0.9)	**15.1**
PAT w/o Bio A	9.7	(9.2)	0.5	14.9	(12.7)	(0.9)	**1.8**
% ownership	*51.0%*	*100.0%*		*61.9%*	*100.0%*	*100.0%*	
PATMI	6.3	(9.7)	(3.4)	16.6	(12.7)	(0.9)	**(0.4)**
Core PATMI	4.8	(9.2)	(4.4)	10.7	(12.7)	0.5	**(5.9)**
Core PATMI w/o Forex	5.5	(9.5)	(4.0)	9.3	(12.9)	0.5	**(7.1)**

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- *Dairy ownership of 61.9% refers to AIH. Ownership of AIH2 is 64.5%.*

THANK YOU

