

JAPFA LTD
AND ITS SUBSIDIARIES

(Registration Number: 200819599W)

SGXNET ANNOUNCEMENT
UNAUDITED FINANCIAL STATEMENT
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2015

JAPFA LTD.

(Registration Number: 200819599W)

UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

1 (a) (i) Income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Income Statement

	Jan - Dec		
	2015	2014	Change
	US$'000	US$'000	%
Revenue	2,787,061	2,947,468	-5%
Cost of Sales	(2,266,806)	(2,441,092)	-7%
Gross Profit	520,255	506,376	3%
Marketing and Distribution Costs	(109,049)	(106,893)	2%
Administrative Expenses	(194,561)	(208,028)	-6%
Operating Profit	216,645	191,455	13%
Interest Income	2,859	2,862	0%
Gain on Disposal of Asset Held for Sale	-	9,571	n/m
Finance Costs	(70,079)	(82,056)	-15%
Other Gains, Net	10,885	617	n/m
Share of Results of Joint Ventures	(798)	(470)	70%
Profit Before Foreign Exchange Adjustments and Changes in Fair Value of Biological Assets	**159,512**	**121,979**	31%
Foreign Exchange Adjustments Losses	(41,954)	(8,103)	418%
Loss from Changes in Fair Value of Biological Assets	(5,633)	(40,177)	-86%
Profit Before Tax from Continuing Operations	111,925	73,699	52%
Income Tax Expense	(20,159)	(14,512)	39%
Profit from Continuing Operations, Net of Tax	91,766	59,187	55%
Profit Attributable to Owners of the Parent, Net of Tax*	**64,696**	**31,228**	107%
Profit Attributable to Non-Controlling Interests, Net of Tax	27,070	27,959	-3%
Profit, Net of Tax	91,766	59,187	55%

n/m : not meaningful

Additional information:

Management believes that Core PATMI and EBITDA are important measures of performance, although these are not standard measures under FRS.

Profit Attributable to Owners of the Parent, Net of Tax, without Fair Value Changes of Biological Assets, Net of Tax ("**Core PATMI**")	63,997	51,815	24%

* We derived Core PATMI from "Profit Attributable to Owners of the Parent, Net of Tax" by excluding changes in fair value of biological assets attributable to owners of the parent (net of tax), and excluded extraordinary items (attributable to owners of the parent, net of tax) namely, a one-off gain from the disposal of asset held for sale in 2Q 2014 and a gain from the buyback of USD bonds in FY2015.

EBITDA	297,496	263,940	13%

We define EBITDA as profit before tax from continuing operations, excluding interest income, changes in fair value of biological assets and marketable securities, foreign exchange adjustments losses, finance costs, depreciation of property, plant and equipment, depreciation of investment properties and amortisation of intangible assets.

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1 (a) (ii) Net Profit is arrived at after (charging)/ crediting the following :

	Jan - Dec		
	2015	2014	Change
	US$'000	US$'000	%
Finance Costs	(70,079)	(82,056)	-15%
Foreign Exchange Adjustments Losses	(41,954)	(8,103)	418%
Depreciation of Property, Plant and Equipment and Investment Properties	(72,007)	(62,210)	16%
Amortisation of Intangible Assets	(1,254)	(911)	38%
Interest Income	2,859	2,862	0%
Loss from Changes in Fair Value of Biological Assets	(5,633)	(40,177)	-86%
Gain from Changes in Fair Value of Financial Assets	2,497	354	605%
Gain on Disposal of Property, Plant and Equipment and Investment Properties	317	118	169%
Gain on Disposal of Asset Held for Sale	-	9,571	n/m

n/m : not meaningful

1 (a) (iii) Statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Jan - Dec		
	2015	2014	Change
	US$'000	US$'000	%
Profit from Continuing Operations, Net of Tax	91,766	59,187	55%
Other Comprehensive Income/(Loss):			
Items that will not be reclassified to profit or loss:			
Remeasurement of the Net Defined Benefits Plan, Net of Tax	2,763	(4,519)	n/m
Items that may be reclassified subsequently to profit or loss:			
Exchange Differences on Translating Foreign Operations, Net of Tax	(82,402)	(11,382)	624%
Other Comprehensive Loss for the Year, Net of Tax	(79,639)	(15,901)	401%
Total Comprehensive Income	12,127	43,286	-72%
Total Comprehensive Income Attributable to Owners of Parent, Net of Tax	10,100	19,950	-49%
Total Comprehensive Income Attributable to Non-Controlling Interests, Net of Tax	2,027	23,336	-91%
Total Comprehensive Income	12,127	43,286	-72%

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1 (b) (i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	As at 31/12/2015 US$'000	As at 31/12/2014 US$'000	As at 31/12/2015 US$'000	As at 31/12/2014 US$'000
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	834,952	833,758	416	657
Investment Properties	924	2,670	-	-
Intangible Assets	8,525	9,440	-	-
Biological Assets	290,064	260,289	-	-
Investments in Subsidiaries	-	-	790,075	774,726
Investment in Joint Ventures	3,476	3,054	-	-
Deferred Tax Assets	12,729	16,190	-	-
Other Receivables	349	367	-	-
Other Assets	15,065	17,579	-	-
Total Non-Current Assets	1,166,084	1,143,347	790,491	775,383
Current Assets				
Inventories	609,437	598,118	-	-
Biological Assets	51,917	62,393	-	-
Trade and Other Receivables	132,381	150,616	177,177	148,118
Other Financial Assets	9,529	2,849	4,093	2,831
Other Assets	95,304	83,026	58	314
Cash and Cash Equivalents	147,935	286,661	14,258	87,683
Total Current Assets	1,046,503	1,183,663	195,586	238,946
Total Assets	2,212,587	2,327,010	986,077	1,014,329
EQUITY AND LIABILITIES				
Equity				
Share Capital	937,614	937,614	937,614	937,614
Retained Earnings	301,022	238,601	26,094	22,029
Other Reserves	(396,315)	(398,931)	-	-
Translation Reserve	(171,776)	(115,416)	-	-
Equity Attributable to Owners of the Parent	670,545	661,868	963,708	959,643
Non-Controlling Interests	338,071	332,406	-	-
Total Equity	1,008,616	994,274	963,708	959,643
Non-Current Liabilities				
Provisions	74,801	81,316	-	-
Deferred Tax Liabilities	4,512	7,317	-	-
Trade and Other Payables	642	352	-	-
Other Financial Liabilities	510,436	506,878	-	-
Other Liabilities	3,267	2,408	-	-
Total Non-Current Liabilities	593,658	598,271	-	-
Current Liabilities				
Income Tax Payable	13,045	7,885	-	828
Trade and Other Payables	259,971	233,129	2,119	27,608
Other Financial Liabilities	330,071	485,693	20,250	26,250
Other Liabilities	7,226	7,758	-	-
Total Current Liabilities	610,313	734,465	22,369	54,686
Total Liabilities	1,203,971	1,332,736	22,369	54,686
Total Equity and Liabilities	2,212,587	2,327,010	986,077	1,014,329

1 (b) (ii) Aggregate amount of group's borrowings and debt securities.

	As at 31/12/2015 US$'000	As at 31/12/2014 US$'000
Amount due within one year		
Secured	330,071	485,693
Total	330,071	485,693
Amount due more than one year		
Secured	204,008	166,583
Unsecured	306,428	340,295
Total	510,436	506,878

The secured borrowings are secured by property, plant and equipment, share certificates of certain subsidiaries, cash and cash equivalents, receivables, inventories, biological assets, assessment of insurance policies and corporate guarantees of subsidiaries.

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1 (c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Jan - Dec	
	2015	2014
	US$'000	US$'000
Cash Flows From Operating Activities		
Profit Before Tax	111,925	73,699
Adjustment for:		
Amortisation of Intangible Assets	1,254	911
Amortisation of Land Use Rights	23	25
Depreciation of Property, Plant and Equipment and Investment Properties	72,007	62,210
Loss from Changes in Fair Value of Biological Assets	5,633	40,177
Loss on Disposal of Other Financial Assets	63	-
(Gain)/ Loss from Changes in Fair Value of Derivative Financial Instruments	(350)	1,144
Gain from Changes in Fair Value of Financial Assets	(2,497)	(354)
Gain on Disposal of Property, Plant and Equipment and Investment Properties	(317)	(118)
Gain on Disposal of Assets Held for Sale	-	(9,571)
Gain on Disposal of Investment in Subsidiary	-	(119)
Gain on Buyback of Bonds Payable	(6,400)	-
Increase in Provision for Retirement Benefits	12,836	12,658
Interest Income	(2,859)	(2,862)
Interest Expense	70,079	82,056
Share Options Granted by Subsidiary	302	503
Share of Loss from Equity-Accounted Joint Ventures	798	470
Write-off of Property, Plant and Equipment	119	258
Net Effect of Exchange Rate Changes	5,188	(6,144)
Operating Cash Flows before Changes in Working Capital	267,804	254,943
Inventories	(11,319)	(55,114)
Biological Assets	(20,990)	(54,653)
Trade and Other Receivables	18,253	(16,419)
Other Assets	(7,119)	5,567
Trade and Other Payables	32,624	32,353
Provisions	(7,110)	(2,461)
Other Liabilities	326	(162)
Net Cash Flows From Operations	272,469	164,054
Income Taxes Paid	(18,056)	(37,825)
Net Cash Flows From Operating Activities	254,413	126,229
Cash Flows Used in Investing Activities		
Acquisition of Subsidiaries (Net of Cash Acquired)	6	(51,109)
Purchase of Property, Plant and Equipment	(152,866)	(249,949)
Purchase of Intangible Assets	(1,150)	(1,535)
Purchase of Other Financial Assets	(5,000)	(18)
Purchase of Biological Assets	(31,782)	(16,829)
Proceeds from Disposal of Property, Plant and Equipment	2,310	8,360
Proceeds from Disposal of Investment Properties	-	12
Proceeds from Disposal of Investment in Other Financial Assets	1,173	242
Proceeds from Disposal of Asset Held for Sale	-	11,774
Proceeds from Disposal of Subsidiaries, net of cash disposed of	-	651
Addition to Investment in Joint Venture	(1,460)	(3,003)
Interest Received	2,859	2,862
Net Cash Flows Used in Investing Activities	(185,910)	(298,542)

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1 (c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year. (Cont'd)

	Jan - Dec	
	2015	2014
	US$'000	US$'000
Cash Flows (Used in)/From Financing Activities		
Dividends Paid by Subsidiary to Non-Controlling Interests	-	(3,692)
Decrease in Other Financial Liabilities	(211,513)	(98,987)
Increase from New Bank Loans	93,246	164,145
Cash Restricted in Use	(1,697)	(1,793)
Buy back of Bonds Payable	(15,385)	-
Proceeds from Issue of New Shares	-	176,321
Proceeds from Issue of New Shares by Subsidiary to Non-Controlling Interests	9,590	35,832
Acquisition of Non-Controlling Interests Without Change in Control	(7,692)	(19,235)
Interest Paid	(70,079)	(82,056)
Issue of New Shares by Combining Entities under Restructuring Exercise	-	21,976
Net Movements in Shareholders' Loans	-	40,000
Net Cash Flows (Used in)/From Financing Activities	(203,530)	232,511
Net (Decrease)/Increase in Cash and Cash Equivalents	(135,027)	60,198
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(5,396)	(366)
Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance	281,192	221,360
Cash and Cash Equivalents, Statement of Cash Flows, Ending Balance	140,769	281,192

Notes:
(i) For the purpose of the Consolidated Statement of Cash Flows, the Consolidated Cash and Cash Equivalents comprise the following:

	Jan - Dec	
	2015	2014
	US$'000	US$'000
Cash and Bank Balances	147,935	286,661
Less: Bank Deposit Pledged	(7,166)	(5,469)
Cash and Cash Equivalents per Consolidated Statement of Cash Flows	140,769	281,192

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1 (d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholder, together with a comprehensive statement for the corresponding period of the immediately preceding financial year.

Group	Total Equity US$'000	Attributable to Parent Sub-total US$'000	Share Capital US$'000	Retained Earnings US$'000	Other Reserves US$'000	Translation Reserve US$'000	Non-Controlling Interests US$'000
Balance at 1 January 2015	994,274	661,868	937,614	238,601	(398,931)	(115,416)	332,406
Movements in Equity:							
Total Comprehensive Income for the Year	12,127	10,100	-	66,460	-	(56,360)	2,027
Issue of New Shares by Subsidiary to Non-Controlling Interests							
Without a Change in Control	9,590	-	-	-	-	-	9,590
Acquisition of Non-Controlling Interests Without Change in Control	(7,692)	(1,725)	-	-	(1,725)	-	(5,967)
Grant of Share Options	302	302	-	-	302	-	-
Non-Controlling Interests arising from Acquisition of Subsidiary	15	-	-	-	-	-	15
Transfer to Statutory Reserves	-	-	-	(4,039)	4,039	-	-
Balance at 31 December 2015	1,008,616	670,545	937,614	301,022	(396,315)	(171,776)	338,071
Balance at 1 January 2014	696,933	405,797	163,377	214,852	134,363	(106,795)	291,136
Movements in Equity:							
Total Comprehensive Income for the Year	43,286	19,950	-	28,571	-	(8,621)	23,336
Issue of New Shares by Subsidiary to Non-Controlling Interests							
Without a Change in Control	57,808	21,976	-	-	21,976	-	35,832
Non-Controlling interests arising from Acquisition of Subsidiary	-	-	-	-	-	-	-
Acquisition of Non-Controlling Interests Without Change in Control	(19,235)	(5,029)	-	-	(5,029)	-	(14,206)
Grant of Share Options	503	503	-	-	503	-	-
Issue of New Shares	774,237	774,237	774,237	-	-	-	-
Adjustment to Merger Reserves	(555,566)	(555,566)	-	-	(555,566)	-	-
Transfer to Statutory Reserves	-	-	-	(4,822)	4,822	-	-
Dividend Paid by Subsidiary to Non-Controlling Interests	(3,692)	-	-	-	-	-	(3,692)
Balance at 31 December 2014	994,274	661,868	937,614	238,601	(398,931)	(115,416)	332,406

1 (d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholder, together with a comprehensive statement for the corresponding period of the immediately preceding financial year. (Cont'd)

Company	Total Equity US$'000	Share Capital US$'000	Retained Earnings US$'000
Balance at 1 January 2015	959,643	937,614	22,029
Movements in Equity:			
Total Comprehensive Income for the Year	4,065	-	4,065
Balance at 31 December 2015	963,708	937,614	26,094
Balance at 1 January 2014	198,647	163,377	35,270
Movements in Equity:			
Total Comprehensive Loss for the Year	(13,241)	-	(13,241)
Issue of New Shares	774,237	774,237	-
Balance at 31 December 2014	959,643	937,614	22,029

1 (d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Number of Shares	
	31/12/2015	31/12/2014
Issued and fully paid ordinary shares:		
As at beginning of year	1,764,670,391	208,967,552
Issued during the year	-	1,555,702,839
As at end of year	1,764,670,391	1,764,670,391

1 (d) (iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 31/12/2015	As at 31/12/2014
Number of issued shares	1,764,670,391	1,764,670,391

1 (d) (iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The accounting policies and methods of computation applied by the Group are consistent with those used in its audited financial statements as at 31 December 2014 except for those as disclosed under item 5 below.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

On 1 January 2015, the Group adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application from that date. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Group's and Company's accounting policies and had no material effect on the amounts reported for the current or prior financial periods.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	2015 US Cents	2014 US Cents
Earnings per share for the year		
(a) Based on weighted average number of ordinary shares in issue	3.67	1.97
(b) Based on a fully diluted basis	3.67	1.97
Weighted Average Number of Ordinary Shares	1,764,670,391	1,585,634,775

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the current financial period reported on and immediately preceding financial year.

	Group		Company	
	As at 31/12/2015 US$	As at 31/12/2014 US$	As at 31/12/2015 US$	As at 31/12/2015 US$
Net asset value per ordinary share	0.38	0.38	0.55	0.54

Net asset value per ordinary share is based on the issued share capital of the Company at the end of the financial year.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of Group Performance

FY 2015 vs FY 2014

Revenue

	FY 2015	FY 2014	Variance
	US$'000	US$'000	US$'000
Animal Protein	2,348,546	2,512,694	(164,148)
Dairy	257,431	225,456	31,975
Consumer Food	181,084	200,183	(19,099)
Others	-	9,135	(9,135)
Total	2,787,061	2,947,468	(160,407)

The decrease in revenue was mainly from the Indonesian operations in the animal protein and consumer food segments due to depreciation of the Indonesia Rupiah against the US Dollar which resulted in a lower US dollar equivalent. This has been compensated by an increase in revenue from the Vietnam operations in the animal protein segment, as well as dairy operations in China.

Operating Profit

	FY 2015	FY 2014	Variance
	US$'000	US$'000	US$'000
Animal Protein	162,190	141,781	20,409
Dairy	45,113	52,727	(7,614)
Consumer Food	4,317	4,092	225
Others	5,025	(7,145)	12,170
Total	216,645	191,455	25,190

The increase in operating profit was mainly due to improvement in the profitability from the Indonesia operations in the animal protein segment. The poultry business in Indonesia turned around in second half 2015, mainly due to improvement in poultry market leading to better pricing environment.

The "Profit Before Foreign Exchange Adjustments and Changes in Fair Value of Biological Assets" was US$159.5 million in FY 2015 as compared to US$122.0 million in FY 2014.

Foreign exchange adjustments losses were US$42.0 million in FY 2015 as compared to US$8.1 million in FY 2014. The foreign exchange adjustments losses in FY 2015 were primarily due to the unrealised exchange losses on the US Dollar-Denominated Senior Notes (Due 2018) caused by the 12% depreciation of the Indonesia Rupiah against the US Dollar.

In FY 2014, there was a one-off gain of US$9.6 million from the disposal of an asset held for sale (property in Kallang, Singapore) in the dairy segment. In FY 2015, there was a gain of US$6.4 million from the buyback of USD bonds in animal protein segment.

As a result of the above, the Group recorded a profit after tax of US$91.8 million in FY 2015 as compared to US$59.2 million in FY 2014.

The profit attributable to owners of the parent was US$64.7 million in FY 2015 and US$31.2 million in FY 2014. If we exclude the fair value changes of biological assets and extraordinary items (a one-off gain from the disposal of asset held for sale in FY 2014 and a gain from the buyback of USD bonds in FY2015), the adjusted profit attributable to owners of the parent ("Core PATMI") will be US$64.0 million in FY 2015 as compared to US$51.8 million in FY 2014.
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Review of Financial Position

The Group's total assets as at 31 December 2015 decreased by US$114.4 million from US$2,327.0 million to US$2,212.6 million primarily due to decrease in cash and cash equivalents. The decrease in cash and cash equivalents was mainly due to use of IPO proceeds and construction of farm 6 in dairy China and reduction in bank borrowings.

The Group's total liabilities as at 31 December 2015 decreased by US$128.7 million from US$1,332.7 million to US$1,204.0 million primarily due to decrease in other financial liabilities. The decrease in other financial liabilities was mainly due to repayment of bank borrowings and buyback of US Dollar-Denominated Senior Notes (Due 2018).

The increase in Group's translation reserves of US$56.4 million as at 31 December 2015 was mainly due to translation loss caused by the depreciation of the Indonesia Rupiah against the US Dollar.

Review of Group Cash Flow

Net cash flows from operating activities were US$254.4 million in FY 2015, which mainly arose from operating cash flows before changes in working capital of US$267.8 million, changes in working capital of US$4.7 million and income tax paid of US$18.1 million.

Net cash flows used in investing activities were US$185.9 million in FY 2015 mainly represented by the purchase of property, plant and equipment of US$152.9 million.

Net cash flows used in financing activities were US$203.5 million in FY 2015 mainly arose from decrease in other financial liabilities of US$211.5 million, interest paid of US$70.1 million and consideration paid for the acquisition of non-controlling interests of US$7.7 million and partially offset by drawing of new bank loans of US$93.2 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

In the second half of 2015 ("2H 2015"), the poultry industry in Indonesia showed signs of recovery with a more balanced supply and demand of day-old chicks ("DOCs") and broiler chickens, which led to better selling prices. Due to the seasonality and cyclical nature of the poultry industry, fluctuations in DOC and broiler prices are expected as part of the Group's business.

In the near term, the Group expects the volatility of the Indonesian Rupiah to persist, which may potentially affect consumer consumption. Nonetheless, the Group is confident that PT Japfa Tbk's 40-year track record and leading position in the poultry industry will enable it to mitigate these challenges, and to tap on the eventual recovery of growth in consumption in Indonesia.

In addition, the Group will continue to keep a close watch on ongoing shifts in government policies across various sectors of the Indonesian economy, which can potentially impact the way the Group operates. The Group will also remain vigilant and ready to respond to any changes in the regulatory landscape.

In general, the Group's performance is impacted by the macroeconomic environment and currency fluctuations of the countries it operates in, as well as the market environment of the various protein industries. In view of the slowdown of the China economy, raw milk prices in China are expected to remain sluggish in the near term. The rest of the Asian markets could continue to see fluctuations in raw material costs and selling prices, which are determined by supply and demand.

Notwithstanding market volatilities, the Group believes in the long-term growth prospects of the emerging markets it operates in, which have a large population base but a low protein consumption. The Group remains confident that its diversified strategy across multiple proteins and geographies, together with its track record in replicating its industrialised and scaleable business across the region, will sustain its long-term growth momentum.

11. Dividend

(a) Current Financial Period Reported on

Final dividend
In relation to the financial year ended 31 December 2015, the Board of Directors has proposed a final dividend of 0.5 cents per ordinary share (tax exempt one-tier).

(b) Corresponding Period of the Immediately Preceding Financial Year
Nil

(c) Date Payable
The date of payment of the proposed dividends, if approved at the Annual General Meeting, will be announced at a later date.

(d) Books Closure Date
The books closure date will be announced at a later date.

12. If no dividend has been declared/ recommended, a statement to that effect.

Not applicable.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have any general mandate for interested person transaction(s) from the shareholders.

14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Twelve Months Ended 31 December 2015

	Animal Protein	Dairy	Consumer Food	Others	Group
	US$'000	US$'000	US$'000	US$'000	US$'000
Revenue by Segment					
External revenue	2,348,546	257,431	181,084	-	2,787,061
Inter-segment revenue	40,107	2,015	5,209	(47,331)	-
Total revenue	2,388,653	259,446	186,293	(47,331)	2,787,061
Segment results	188,803	46,451	10,327	7,623	253,204
Interest income	2,141	440	159	119	2,859
Finance costs	(53,768)	(8,607)	(5,216)	(2,488)	(70,079)
Depreciation	(51,498)	(15,486)	(4,739)	(284)	(72,007)
Amortisation	(652)	(261)	(84)	(257)	(1,254)
Share of results of joint venture	(584)	-	(214)	-	(798)
Profit before tax	84,442	22,537	233	4,713	111,925
Income tax (income)/expense	(17,579)	122	(2,607)	(95)	(20,159)
Profit after tax	66,863	22,659	(2,374)	4,618	91,766

Twelve Months Ended 31 December 2014

	Animal Protein	Dairy	Consumer Food	Others	Group
	US$'000	US$'000	US$'000	US$'000	US$'000
Revenue by Segment					
External revenue	2,512,694	225,456	200,183	9,135	2,947,468
Inter-segment revenue	50,311	2,206	8,808	(61,325)	-
Total revenue	2,563,005	227,662	208,991	(52,190)	2,947,468
Segment results	165,689	48,642	10,351	(8,198)	216,484
Interest income	1,736	214	832	80	2,862
Finance costs	(63,354)	(7,345)	(5,877)	(5,480)	(82,056)
Depreciation	(47,291)	(9,639)	(5,008)	(272)	(62,210)
Amortisation	(109)	(248)	(79)	(475)	(911)
Share of results of joint venture	(90)	-	(380)	-	(470)
Profit/(Loss) before tax	56,581	31,624	(161)	(14,345)	73,699
Income tax expense	(9,750)	405	(3,941)	(1,226)	(14,512)
Profit/(Loss) after tax	46,831	32,029	(4,102)	(15,571)	59,187

Note:
Others includes corporate office, central purchasing office and consolidation adjustments which are not directly attributable to a particular business segment above.

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Refer to notes 8 and 14.

16. A breakdown of sales

		GROUP		
		2015 US$'000	2014 US$'000	Change %
(a)	Sales reported for the first half year	1,379,928	1,457,422	-5%
(b)	Operating profit after tax before deducting non-controlling interests reported for first half year	6,417	61,028	-89%
(c)	Sales reported for second half year	1,407,133	1,490,046	-6%
(d)	Operating profit/(loss) after tax before deducting non-controlling interests reported for second half year	85,349	(1,841)	4,735%

17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:

	2015 US$'000	2014 US$'000
Ordinary, first and final	-	-

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13). If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Renaldo Santosa	25	Son of Director and Executive Deputy Chairman, Handojo Santosa	<u>2011 -2015</u> Business Development Executive Creating long-term value through its network in various Agri Food companies across the Group by developing and implementing growth opportunities by : - Continuous communicating with current customers to ensure strong deliverables - Managing deal pipeline of new business opportunities - Evaluating business opportunities beyond the existing scope - Developing and maintaining potential partnerships in agri-food space - Create long-term value through new opportunities for a strategic play to the Group; - Understanding new markets for the Group to consider expansion.	No change in duties and position for the financial year ended 31 December 2015 <u>With effect from 29 Feb 2016</u> Business Development Manager Role of BD mgr remains with expanded responsibilities and scope to include: - Locating or proposing potential business opportunities; discovering and exploring new growth areas. - Expanding our network and partnerships in the Agri-food space. - Explore new venture potential in both new growth areas and existing operations. - Focus resources to support technological efficiencies and innovation in current operational processes.

19. Update on Use of IPO Proceeds

As at the date of this announcement, the net proceeds from the Company's initial public offering has been utilised as follows:

Use of IPO Proceeds	Estimated Amount US$'000	Amount Utilised US$'000	Balance US$'000
Investment in our China dairy business and the construction of a second five-farm hub in Inner Mongolia	53,016	53,016	-
Investment in our animal protein business in our target markets	14,000	14,000	-
Repayment or prepayment of borrowings, including the prepayment charges, of our Group	70,000	70,000	-
Investment, reduction of liabilities, working capital and general corporate purposes beneficial to the Group	36,984	29,500	7,484
Total	174,000	166,516	7,484

20. Confirmation pursuant to Appendix 7.7 under Rule 720(1) of the Listing Manual

The Board of Directors of Japfa Ltd hereby confirms that the undertakings from all its directors and executive officers as required in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual were procured.

By Order of the Board
Japfa Ltd

Tan Yong Nang
Executive Director and
Chief Executive Officer
29 February 2016