

Unofficial Translation
DISCLOSURE OF INFORMATION TO THE SHAREHOLDERS OF
PT JAPFA COMFEED INDONESIA Tbk.
(“Company”)

This information is made and addressed to the Shareholders in compliance with OJK Regulation No. 38/POJK.04/2014 dated 29 December 2014 regarding Increase of Capital for Public Companies Without Pre-emptive Rights.



PT JAPFA COMFEED INDONESIA Tbk

Business Activities:

Engages in the business of agriculture, livestock, fishery industry and general trading

Head Office:

Wisma Millenia, 7th Floor
Jl. M.T. Haryono Kav. 16
Jakarta 12810, Indonesia

Telephone: (021) 285 45 680 (hunting)

Fax: (021) 831 0309

Email: corsec@japfacomfeed.co.id

Website: www.japfacomfeed.co.id

If you experience difficulty in understanding the information as contained herein, or hesitation in making a decision, you should consult with a stock broker, investment manager, legal counsel, public accountant or other professional advisor.
--

The Company's Board of Commissioners and Board of Directors, both individually and jointly, are fully responsible for the completeness and accuracy of the whole information or material facts contained herein, and emphasize that the information stated herein is correct and that no unstated material facts can cause the material information herein to be untrue or misleading.
--

TABLE OF CONTENTS

DEFINITIONS	3
I. GENERAL.....	4
II. INFORMATION REGARDING PLAN TO INCREASE CAPITAL WITHOUT PRE-EMPTIVE RIGHTS.....	6
III. STATEMENT OF THE BOARD OF DIRECTORS AND THE BOARD OF COMMISSIONERS.....	10
IV. EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS	10
V. ADDITIONAL INFORMATION	10

DEFINITIONS

- “Bapepam & LK”** : Capital Markets Supervisory Body and Financial Institution (*Badan Pengawas Pasar Modal* and *Lembaga Keuangan*) as referred to in the Ministry of Finance of the Republic of Indonesia Regulation No. 184/PMK.01/2010 dated 11 October 2010 regarding Organization and Work Procedures of the Ministry of Finance.
- “Indonesia Stock Exchange (IDX)”** : A stock exchange as defined in Article 1 Number 4 of the Capital Markets Law, in this case organized by PT Bursa Efek Indonesia, domiciled in Jakarta, or other exchanges determined later where Shares are registered.
- “Trading Day”** : Day on which the Stock Exchange or a substituting legal body conducts stock exchange activities according to the prevailing laws and regulations and the provisions of the abovementioned stock exchange, and on which Banks conduct clearings.
- “Calendar Day”** : Every day in 1 (one) year according to the Gregorian Calendar without exceptions, including Sundays and national holidays set from time to time by the Government of the Republic of Indonesia and normal work days that due to certain conditions is set by the Government of the Republic of Indonesia as not a normal working day.
- “KSEI”** : Abbreviation for PT Kustodian Sentral Efek Indonesia, domiciled in Jakarta, which is a Securities Depository in accordance with the Capital Markets Law.
- “MOLHR”** : Ministry of Law and Human Rights of the Republic of Indonesia.
- “Financial Services Authority or OJK”** : An independent institute as understood in Law No. 21 of 2011 regarding the Financial Services Authority (“**OJK Law**”), whose duties and authority include the regulation and supervision of financial services activities in the banking, capital markets, insurance, pension funds, financing institutes and other financial institutions sectors. Where since 31 December 2012, the OJK is the institute that replaced and received the rights and obligations to conduct regulatory and supervisory functions from Bapepam and/or Bapepam-LK in accordance with the provisions of Article 55 of the OJK Law.
- “Shareholders”** : Parties that own interests over the Company’s Shares, whether in the form of a clearing account letter or collective escrow account that is stored and administered in the securities account of KSEI, that is listed in the Company’s Shareholders Register that is administered by the Securities Administration Bureau PT Adimitra Jasa Korpora.
- “Regulation No. I-A”** : IDX Regulation No. I-A regarding the Listing of Shares and Equity Securities Other Than Shares Issued by Listed Companies, Attachments and Decision of the Director of PT Bursa Efek Indonesia No. Kep-0001/BEI/01-2014, dated 20 January 2014.
- “POJK No. 32”** : OJK Regulation No. 32/POJK.04/2014 regarding Planning and Convening of General Meeting of Shareholders of Public Companies.
- “POJK No. 38”** : OJK Regulation No. 38/POJK.04/2014 dated 29 December 2014 regarding Increase of Capital for Public Companies Without Preemptive Rights.

- “PMTHMETD”** : Increase of Capital for Public Companies Without Pre-emptive Rights (*Penambahan Modal Tanpa Memberikan Hak Memesan Efek Terlebih Dahulu*) as defined in POJK No. 38 and contemplated under this Disclosure.
- “EGMS”** : The Company’s Extraordinary General Meeting of Shareholders that will be held on 1 July 2016 in accordance with the provisions of the Company’s Articles of Association, the Companies Law and the Capital Markets Law, as well as their implementing regulations.
- “Shares”** : All shares that have been issued and paid in full in the Company.
- “New Shares”** : Up to 1,066,052,291 shares amounting to a maximum of 10% of the company’s total issued share capital of 10,660,522,910 that will be newly issued from the Company’s unissued authorized capital with a nominal value of Rp200 per “A” ordinary shares and Rp40 per “B” ordinary share, as the case may be.
- “Capital Markets Law”** : Law No. 8 of 1995 dated 10 November 1995 regarding Capital Markets, the Republic of Indonesia Circular No. 64 of 1995, Supplement No. 3608, and its implementing regulations.
- “Companies Law”** : Law No. 40 of 2007 dated 16 August 2007 regarding Limited Liability Companies, the Republic of Indonesia Circular No. 106 of 2007, Supplement No. 4746.

I. GENERAL

The Company is a limited liability company incorporated under and is subject to the laws of the Republic of Indonesia, based on Deed of Incorporation No. 59 dated 18 January 1971 and is amended by Deed No. 60 dated 15 February 1972, both are made in the presence of Djojo Muljadi, S.H., Notary in Jakarta, having received the approval of Ministry of Justice of the Republic of Indonesia based on Decision No. Y.A.5/39/8 dated 4 October 1972 and having been announced in the State Gazette of the Republic of Indonesia No. 86 dated 25 October 1974, Supplement No. 641.

The Company is domiciled in South Jakarta, with the office addressed in Wisma Millenia, Lantai 7, Jl. M.T. Haryono Kav. 16 Jakarta 12810, Indonesia, Telephone No. (021) 285 45680 and Fax: (021) 831 0309.

The Company’s Articles of Association has been amended several times, most recently based on Deed of Resolution of Minutes of Meeting No. 109 dated 14 April 2015, made in the presence of Irawan Soerodjo, S.H., M.Si, Notary in Jakarta, having received the approval of MOLHR based on Decision No. AHU-0935154.AH.01.02.TAHUN 2015 dated 13 May 2015 and registered in the Company Register No. AHU-3504437.AH.01.11.TAHUN 2015 dated 13 May 2015 and MOLHR having been notified of the Deed based on Notification of Amendment to the Articles of Associations No. AHU-AH.01.03-0931777 dated 13 May 2015 and registered in the Company Register No. AHU-3504437.AH.01.11.TAHUN 2015 dated 13 May 2015, (**“Deed No. 109/2015”**). Based on Deed No. 109/2015, the Company’s shareholders have agreed to change the whole articles of association in adjustments to the POJK No. 32 and Bapepam-LK Rule No. IX.J.1 regarding Principles of the Articles of Association of the Company conducting a Public Offering of Equity Securities and Public Company.

Based on article 3 of the Company’s Articles of Association, the Company’s business activity is to establish companies in agriculture, livestock, fishery, industry and general trading.

To achieve the purpose and objective as stated above, the Company can conduct business activities in:

1. Core business activities:
 - a. Industry, in the field of processing any and all kinds of materials for manufacturing fodder/feed, copra and other materials containing vegetable oil, cassava, etc;
 - b. To undertake the farming and breeding of grand-parent stock, DOC and other kinds of poultry;
 - c. Cultivation of animal husbandry of any kinds of four-legged animals and cultivation of fishery; and
 - d. Industry, in the field of post-harvest of the said undertakings, such as slaughtering chickens and slaughtering four-legged animals, cold storage and processing of the products mentioned above including their by-products and supporting industries of the said products, such as plastic bags and other packaging materials.

2. Supporting business activities:
 - a. Industry, in medicines, vaccines, vitamins and pharmaceutical materials as well as devices related to the said businesses;
 - b. To conduct trading of raw materials, pharmaceutical materials, devices, feed, and medicines related to the said businesses, both nationally and internationally, export and import, on the Company's account or under cooperation with other parties (acting as commissioner, supplier, agent/representative, wholesaler and distributor, franchisor) as well as operating in the warehousing and transportation business to support the said businesses; and
 - c. To conduct other businesses related to and supporting the business activities mentioned in point 1 above in accordance with the prevailing laws and regulations.

a. Company's Capital and Shareholding Structure

Based on the Company's Shareholder Register arranged by the Securities Administration Bureau PT Adimitra Jasa Korpora, the Company's shareholding structure as of 30 April 2016 is as follows:

EXPLANATION	SHARES	%
Authorized Capital		
Class A Shares	10.000.000.000	
Class B Shares	25.000.000.000	
Amount	35.000.000.000	
Issued and Paid-Up Capital		
- CREDIT SUISSE AG SINGAPORE TRUSET AC CL JAPFA LTD-2023904010	6.261.031.335	58,73%
- CITIBANK SINGAPORE A/C CBSG-UBP SA-GSCG2	1.013.644.195	9,51%
- Stock in Treasury	20.324.740	0,19%
- Public	3.365.522.640	31,57%
Total Issued Shares	10.660.522.910	100%
Portfolio (Unissued) Class A Shares	2.251.067.090	
Portfolio (Unissued) Class B Shares	22.088.410.000	
Total Portfolio (Unissued) Shares	24.339.477.090	

b. Structure of the Company's Board of Commissioners and the Board of Directors

Based on Deed No. 108 dated 14 April 2015, made in the presence of Irawan Soerodjo, S.H., M.Si, Notary in Jakarta, MOLHR having been notified of the Deed based on Notification of Change in Company Data No. AHU-AH.01.03-0926704 dated 23 April 2015 and registered in the Company Register No. AHU-3496317.AH.01.11.TAHUN 2015 dated 23 April 2015, the structures of the Company's Board of Commissioners and the Board of Directors on the date of this Disclosure of Information are as follows:

Board of Commissioners

President Commissioner : Syamsir Siregar
Vice President Commissioner : Hendrick Kolonas
Independent Commissioner : Retno Astuti Wibisono
Independent Commissioner : Ignatius Herry Wibowo

Board of Directors

President Director : Handojo Santosa
Vice President Director : Bambang Budi Hendarto
Director : Tan Yong Nang
Director : Koesbyanto Setyadharma
Independent Director : Rachmat Indrajaya

II. INFORMATION REGARDING PLAN TO INCREASE CAPITAL WITHOUT PRE-EMPTIVE RIGHTS

Purpose and Objective of the PMTHMETD

In respect of the line of business of the Company and its subsidiaries, the management of the Company views that the Company needs to strengthen its capital structure. In light of this, the Company anticipates to issue the New Shares through the implementation PMTHMETD based on the Shareholders's approval in the EGMS. Through the PMTHMETD, the Company is expected to obtain an alternative source of funding for the benefit of the Company and its subsidiaries.

The New Shares and the Price of the New Shares

In accordance with the POJK No. 38, the increase of capital without giving any pre-emptive to the shareholder or the PMTHMETD shall only be carried out by the Company upon the obtaining approval from the shareholders via the general meeting of shareholders or the EGMS. The EGMS of the Company will be held with due observance of certain procedures as regulated under POJK No. 32. The PMTHMETD shall be completed within 2 years as of the date of EGMS approving the PMTHMETD. Further, the Company may only increase a maximum of 10% of the total issued and paid-up capital of the Company as at the date hereof.

The price of the New Shares issued in the PMTHMETD will be determined in accordance with Regulation No. I-A. The price of the Company's New Shares is at least the same as the average closing price of the Company's shares in 25 (twenty-five) consecutive Trading Dates in the regular market before the date hereof. Accordingly, the PMTHMETD price will be at least Rp. 935.6 (nine hundred thirty five point six Rupiah) per share, namely following the average closing price for traded shares from 18 April 2016 to 24 May 2016.

The following is the closing price data of the Company's shares traded at the IDX:

NO.	TRADING DATE	CLOSING PRICE (IDR)
1.	18/4/2016	935
2.	19/4/2016	940
3.	20/4/2016	995
4.	21/4/2016	1,010
5.	22/4/2016	985
6.	25/4/2016	985
7.	26/4/2016	955
8.	27/4/2016	965
9.	28/4/2016	970
10.	29/4/2016	925
11.	2/5/2016	900
12.	3/5/2016	895
13.	4/5/2016	905
14.	9/5/2016	905
15.	10/5/2016	940
16.	11/5/2016	950
17.	12/5/2016	955
18.	13/5/2016	930
19.	16/5/2016	910
20.	17/5/2016	910
21.	18/5/2016	915
22.	19/5/2016	895
23.	20/5/2016	900
24.	23/5/2016	905
25.	24/5/2016	910

The Capital and Shareholding Structure Before and After the Completion of the PMTHMETD

In connection with the PMTHMETD, the Company can issue up to a maximum of 1,066,052,291 new shares or representing 10% of the total issued and paid-up capital of the Company as at the date hereof. Such new shares will be issued from the Company's unissued authorized capital with a nominal value of Rp. 200 per share or a nominal value of Rp40 per share, as the case may be. For the purpose of the illustrative table below, the Company has assumed the issue of "A" shares of Rp200 per share.

	Before PMTHMETD		After PMTHMETD	
	Share Amount	Share Value Amount (Rp)	Share Amount	Share Value Amount (Rp)
Authorized Capital				
Class A Shares	10.000.000.000	2.000.000.000.000	10.000.000.000	2.000.000.000.000
Class B Shares	25.000.000.000	1.000.000.000.000	25.000.000.000	1.000.000.000.000
Issued and Fully-Paid Shares				
Class A Shares	7.748.932.910	1,549,786,582,000	8,814,985,201	1,762,997,040,200
Class B Shares	2.911.590.000	116,463,600,000	2,911,590,000	116,463,600,000
Total Unissued Shares				
Class A Shares	2.251.067.090	450.213.418.000	1.185.014.799	237.002.959.800
Class B Shares	22.088.410.000	883.536.400.000	22.088.410.000	883.536.400.000

Indicative Timeline of PMTHMETD

The selective forecasted key dates in the PMTHMETD are as follows:

- | | | |
|----|--|--------------|
| 1. | Notification of the Plan to Convene an EGMS to the OJK | 18 May 2016 |
| 2. | Notification of the Plan to Convene an EGMS to the IDX | 20 May 2016 |
| 3. | Announcement of the Notice of the Plan to Convene the EGMS on the Investor Daily Indonesia and The Jakarta Post newspaper, IDX's website and the Company's website in accordance with POJK No. 32. | 25 May 2016 |
| 4. | Disclosure of Information to the Shareholders regarding PMTHMETD on the IDX's website and the Company's website in accordance with POJK No. 38 | 25 May 2016 |
| 5. | The latest day for the shareholder(s) who represents more than 1/20 of the total Shares with valid voting rights to submit the proposal on EGMS agenda | 2 June 2016 |
| 6. | The Issuance of the List of Shareholders Entitled to Attend the EGMS (Recording Date) | 8 June 2016 |
| 7. | Advertisement of the Invitation to the EGMS on the newspaper, IDX's website and the Company's website | 9 June 2016 |
| 8. | Latest date for the announcement of additional information of Capital Increase Without Pre-emptive Rights on the IDX website and the Company's website in accordance with POJK No. 38 (if any) | 29 June 2016 |
| 9. | Holding of the EGMS | 1 July 2016 |

Furthermore, in line with POJK No. 38, the implementation of the issuance of the New Shares through the PMTHMETD shall be completed within 2 years as of the date of EGMS approving the PMTHMETD.

The Company's benefit of having New Shares Issuance through PMTHMETD

In accordance with the background of the PMTHMETD, the management of the Company views that the PMTHMETD will generate the following benefits to the Company:

1. The Company will obtain additional funds to strengthen the capital structure, which at the end will support the business of the Company and its subsidiaries; and
2. The PMTHMETD will increase the amount of shares traded publicly, thus, following the expiration of the mandatory lock-up period of 12 (twelve) months, it will eventually increase the shares liquidity of the Company.

Requirements for the New Shares Issuance through PMTHMETD:

The key requirements for the PMTHMETD are the following:

1. The Company has to obtain the approval of the EGMS, which will be held with reference to POJK No. 38;
2. The Company has to obtain the additional share listing approval from IDX;
3. At the latest, 5 (five) business days before the PMTHMETD, the Company is obliged to notify the OJK and announce to the public through 1 (one) daily, nationally circulated Indonesian language newspaper or on the IDX website and the Company's website, regarding the

transaction of the PMTHMETD. Proof of such announcement must be delivered to the OJK at the latest 2 (two) business days after the announcement takes place;

4. At the latest, 2 (two) business days after the PMTHMETD, the Company is required to notify the OJK and the public through 1 (one) daily, nationally circulated Indonesian language newspaper or on the IDX website and the Company's website, regarding the execution of the capital increase that will include information on, among other things, the parties making the subscription, the amount and price of issued shares, and the plan for the use of the proceeds;
5. Based on the provision of point V.1.4 of Regulation No. I-A, a lock-up period will be imposed on the New Shares to be issued by the Company via PMHMETD, hence, the New Shares will not be able to be sold or traded within 1 year as of the listing date of the New Shares at the IDX.

Use of Proceeds of the PMTHMETD

The Company will apply proceeds of the new shares issuance through the PMTHMETD for general corporate purposes.

The Impact of the PMTHMETD

The issuance of the New Shares in the context of PMTHMETD will increase the amount of issued shares of the Company. Presumably the Company issued the maximum 1,066,052,291 new shares or representing 10% of the total issued capital of the Company as at the date hereof, and then the share ownership of the existing shareholders of the Company will be diluted 9.09%. However, the amount of shares owned by the existing shareholders will not be affected by the implementation of PMTHMETD.

Management's Analysis and Discussion on the Company's Financial Condition before and after the Increase in Capital without Preemptive Rights

The Company's consolidated financial proforma as described below is prepared by the Company's management based on Financial Statement, with the following assumptions:

- The minimum price of the Company's new shares is Rp. 935.6 per share.
- The total amount of the Company's new shares is 1,066,052,291 shares.

Information of the Company's Financial Proforma before and after the exercise of PMTHMETD is as follows (for the purpose of the illustrative table below, the Company has assumed the issue of "A" shares of Rp200 per share):

REMARKS	PROFORMA BASED ON CONSOLIDATED FINANCIAL STATEMENT ON 31 DECEMBER 2015	
	BEFORE PMTHMETD (IN MILLION RUPIAH)	AFTER PMTHMETD (IN MILLION RUPIAH)
Cash and cash equivalents	901.207	1.898.605
Total Asset	17.159.466	18.156.864
Total Liabilities	11.049.774	11.049.774
Total Equity	6.109.692	7.107.090

After the exercise of the PMTHMETD, the Company's equity will increase to Rp. 7.107.090.000.000 which consist of paid-up capital so it will obtain additional funds to strengthen the capital structure, which at the end will support the business of the Company and its subsidiaries.

The Information on the Candidate Investor(s)

The Company is looking for any investor(s) to subscribe for the New Shares issued by the Company through the PMTHMETD, such as financial investor(s) or existing shareholder(s).

III. STATEMENT OF THE BOARD OF DIRECTORS AND THE BOARD OF COMMISSIONERS

The information described in this Disclosure have been approved by the Board of Commissioners and Board of Directors, who are responsible for the validity of the information. The Board of Commissioners and Board of Directors declare that all material information and opinions expressed in this Information Disclosure is true and can be accounted for and there is no other information that has not been disclosed that can cause the information to be incorrect or misleading. The Board of Commissioners and Directors of the Company have reviewed the PMTHMETD, including assessing the risks and benefits of the plan for the Company and all shareholders, and accordingly believe that the PMTHMETD is the best option for the Company and all shareholders. Therefore, based on the trust and confidence that the PMTHMETD is indeed the best option to achieve the benefits mentioned above, the Board of Directors and Board of Commissioners of the Company hereby recommend to the shareholders to approve the PMTHMETD as described in this Information Disclosure.

IV. EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

In accordance with the provisions of the prevailing laws and regulations, the PMHMETD must be approved by the Shareholders of the Company through the EGMS, which will be held on:

- Day and Date : Friday, 1 July 2016
- Time : 10:00am - finish
- Place : Harris Hotel, Unique Room
Jl. Dr. Saharjo No. 191, Jakarta 12960.
- Agenda : Approval of Increase Capital Without Pre-emptive Rights in the amount of maximum 10% (ten percent) of the paid-up capital of the Company.

The shareholders who are entitled to attend the EGMS are shareholders whose names are listed in the Company's Shareholders Register at the closing of the Company's shares trading on 8 June 2016.

One or more Shareholders who are representing more than 1/20 of the total Shares with valid voting rights may have a right to propose the EGMS agenda in writing to the Directors of the Company. Such proposal must be submitted to the Directors of the Company at the latest 7 Calendar Days before the announcement of EGMS invitation.

The EGMS must be attended by Shareholders representing more than 1/2 of the total Shares with valid voting rights, and the resolution can only be adopted if approved by the shareholders representing more than 1/2 votes validly casted at the EGMS.

V. ADDITIONAL INFORMATION

For additional information regarding the above matter, please contact the Company during working hours at this address:

Head Office:

Wisma Millenia, 7th Floor

Jl. M.T. Haryono Kav. 16

Jakarta 12810, Indonesia

Telephone: (021) 285 45 680 (hunting)

Fax: (021) 831 0309

Email: corsec@jafacomfeed.co.id

Website: www.japfacomfeed.co.id