JAPFA LTD

(Company Registration No. 200819599W)
(Incorporated in Singapore)
(the "**Company**")

DAIRY SEGMENT RESTRUCTURING EXERCISE

The Board of Directors ("**Directors**") of Japfa Ltd ("**Company**") wishes to announce that the Company has today transferred all the ordinary shares in the Company's wholly-owned subsidiary, AIH2 Pte Ltd ("**AIH2**"), to Austasia Investment Holdings Pte Ltd ("**AIH**"), for a total transfer consideration of US$130,467,484.34 satisfied in full by AIH by way of the allotment and issuance of 88,864,820 new shares in the share capital of AIH to the Company at an issue price of US$1.4682 per consideration share on 1 January 2018 ("**Restructuring**").

The consideration of US$130,467,484.34 was derived based on the Company's cost of investment in AIH2.

This Restructuring exercise will streamline the corporate structure of the Company's dairy segment. On 30 April 2018, the remaining shareholding interests in AIH and AIH2 were acquired from the Black River Funds wherein the Company now owns 100% of its dairy subsidiaries, AIH and AIH2. Accordingly, there is no longer a requirement to segregate the holding of the dairy subsidiaries under 2 separate Singapore holding companies.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Restructuring (other than through their respective shareholding interests in the Company, if any).

The Company does not expect the Restructuring to have any material impact on the net tangible assets per share and earnings per share of the Company or the Group for the current financial year.

By Order of the Board of Directors
JAPFA LTD

Tan Yong Nang
Executive Director and Chief Executive Officer

1 January 2019