

## PRESS RELEASE

24 January 2025  
For Immediate Release

# PROPOSED PRIVATISATION OF JAPFA LTD. BY WAY OF A SCHEME OF ARRANGEMENT

*All capitalised terms which are used in this press release but not otherwise defined herein shall have the meanings ascribed to them in the Joint Announcement dated 24 January 2025. This press release should be read in conjunction with the full text of the Joint Announcement, copies of which are available on <https://www.sgx.com/securities/company-announcements>.*

- Scheme Consideration of **S\$0.620** in cash for each Scheme Share.
- This represents a premium of approximately:
  - 34.8% to the last traded price on 15 January 2025, being the Last Undisturbed Trading Day;
  - 39.0%, 51.2%, 70.3%, 80.2% and 93.1% over the VWAP per Share for the one (1)-month, three (3)-month, six (6)-month, nine (9)-month and 12-month periods, respectively, up to and including the Last Undisturbed Trading Day; and
  - 12.7% to the the Company's unaudited NAV per Share as at 30 September 2024<sup>1</sup>.
- This Scheme Consideration is higher than the historical traded prices of the Shares over the last four (4) years.
- The Scheme provides an opportunity for Scheme Shareholders to realise their investment at a compelling premium over historical market prices without incurring brokerage and trading costs.
- Certain Undertaking Shareholders holding approximately 4.44% of the Shares have provided irrevocable undertakings to vote in favour of the Scheme at the Scheme Meeting.

**Singapore, 24 January 2025** – TAC 1 Pte. Ltd. ("**Joint Offeror A**") and TAC 2 Pte. Ltd. ("**Joint Offeror B**") and together with Joint Offeror A, the "**Joint Offerors**") and Japfa Ltd. (the "**Company**") are pleased to announce the proposed privatisation of the Company through the acquisition (the "**Acquisition**") by the Joint Offerors of all the issued and paid-up shares ("**Shares**") in the Company (other than the Shares already held by Excluded Shareholders<sup>2</sup>) (the "**Scheme Shares**"), by way of a scheme of arrangement (the "**Scheme**") in accordance with the Companies Act 1967 of Singapore (the "**Companies Act**") and the Singapore Code on Take-overs and Mergers.

The Joint Offerors are two special purpose vehicles incorporated in the Republic of Singapore for the purposes of the Acquisition and the Scheme. Joint Offeror A is 50% owned by Renaldo Santosa and 50%

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<sup>1</sup> Based on the Company's Unaudited Financial Update for the nine (9) months ended 30 September 2024, as announced by the Company on 28 October 2024.

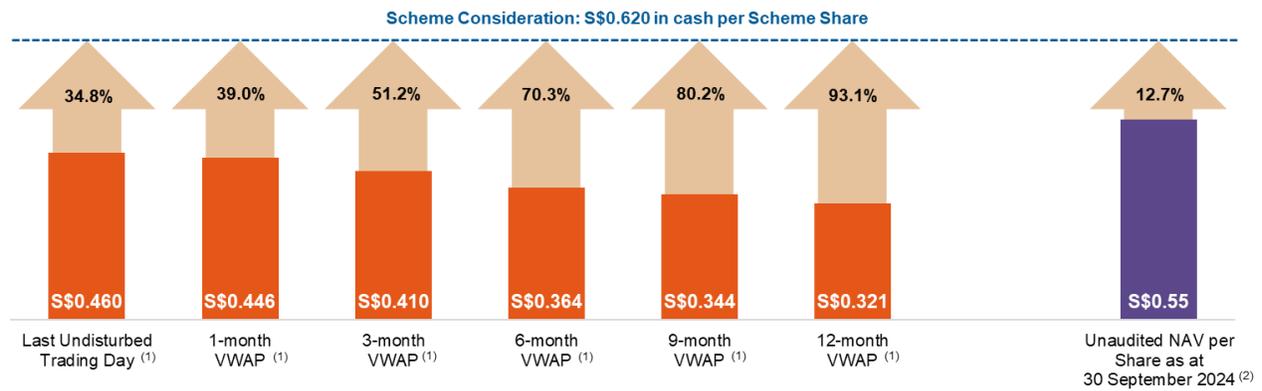
<sup>2</sup> Excluded Shareholders refer to Rangi Management Limited, Tasburgh Limited, Morze International Limited, Tallowe Services Inc. and Renaldo Santosa.

owned by Gabriella Santosa while Joint Offeror B is wholly-owned by Rachel Anastasia Kolonas. None of the Joint Offerors hold any Shares as at the Joint Announcement Date.

The Scheme Shares comprise approximately 18.33% of the total issued Shares. The Excluded Shareholders hold the remaining Shares, being approximately 81.67% of the total issued Shares.

### **Scheme Consideration**

The Scheme Consideration is S\$0.620 in cash for each Scheme Share. This represents the following premia:



The Scheme Consideration is higher than the historical traded prices<sup>(3)</sup> of the Shares over the last four (4) years.



### **Notes:**

(1) The figures representing the last traded price on the Last Undisturbed Trading Day and the one (1)-month, three (3)-month, six (6)-month, nine (9)-month and 12-month VWAP per Share are based on data extracted from Bloomberg Finance L.P. on 15 January 2025, being the Last Undisturbed Trading Day, and rounded to the nearest three (3) decimal places. The figures representing the percentage premia of the Scheme Consideration over the last traded price on the Last Undisturbed

Trading Day and the one (1)-month, three (3)-month, six (6)-month, nine (9)-month and 12-month VWAP per Share are rounded to the nearest one (1) decimal place.

- (2) Based on the Company's Unaudited Financial Update for the nine (9) months ended 30 September 2024, as announced by the Company on 28 October 2024.
- (3) The historical traded prices are based on data extracted from Bloomberg Finance L.P. as at the last Undisturbed Trading Day and have been adjusted for the distribution *in specie* of the Company's shares in AustAsia Group Ltd. on 30 December 2022.

If any Distribution is announced, declared, paid or made on or after the Joint Announcement Date and before the Effective Date, the Joint Offerors reserve the right to reduce the Scheme Consideration by the amount of such Distribution paid by the Company to the Scheme Shareholders<sup>1</sup>.

### **Transaction Rationale**

The Scheme is an opportunity for Scheme Shareholders to realise their entire investment in the Shares at a premium to prevailing market prices, which may otherwise be difficult due to the low trading liquidity of the Shares.

The Joint Offerors believe that privatising the Company will provide the Joint Offerors and the Company's management with greater flexibility to manage and grow the existing business of the Company. This will allow the Company to pursue longer-term business strategies which may otherwise contrast or conflict with the shorter-term expectations of the public market.

In addition, the Company incurs compliance and associated costs in maintaining its listed status. In the event that the Company is delisted from the SGX-ST, the Company will be able to save on expenses relating to the maintenance of its listed status and focus its resources on its business operations.

### **Irrevocable Undertakings**

Each of the Undertaking Shareholders, namely Mr. Tan Yong Nang (the Chief Executive Officer and Executive Director of the Company), Mr. Kevin John Monteiro (the Chief Financial Officer and Executive Director of the Company), Great Alpha Investments Limited and Great Delta Investments Limited (both of which are entities through which Mr. Tan Yong Nang is deemed to have an interest in the Shares), has given an irrevocable undertaking to the Joint Offerors to vote in favour of the Scheme at the Scheme Meeting. The Undertaking Shareholders collectively hold approximately 4.44% of the Shares as at the Joint Announcement Date.

### **Next Steps**

The Scheme is conditional upon the satisfaction (or, where applicable, the waiver) of the Scheme Conditions, including, *inter alia*, the approval of the Scheme by a majority in number of the Scheme Shareholders representing at least 75% in value of the Scheme Shares held by the Scheme Shareholders present and voting either in person or by proxy at the Scheme Meeting pursuant to the requirements of Section 210(3AB) of the Companies Act, the relevant regulatory approvals being obtained or granted, and grant of the Court Order sanctioning the Scheme.

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<sup>1</sup> Including any Permitted Dividend, being the final dividend to be declared, paid or made by the Company and approved by its Shareholders at an annual general meeting of the Company.

The Scheme Document containing full details of the Acquisition and the Scheme (including the recommendation of the Independent Directors along with the IFA Letter) and giving notice of the Scheme Meeting to be convened to consider and, if thought fit, to approve the Scheme, will be despatched or be made available to the Scheme Shareholders in due course.

Shareholders are advised to refrain from taking any action in relation to their Shares which may be prejudicial to their interests until they or their advisers have considered the information and the recommendations of the Independent Directors on the Scheme as well as the advice of the IFA set out in the Scheme Document.

**Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.**

### **Financial Adviser**

DBS Bank Ltd. is the sole financial adviser to the Joint Offerors in respect of the Acquisition and the Scheme.

### **Independent Financial Adviser**

W Capital Markets Pte. Ltd. has been appointed as the IFA to advise the Independent Directors for the purpose of making a recommendation to the Scheme Shareholders in connection with the Scheme.

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### **Responsibility Statements**

**Joint Offerors.** The directors of the Joint Offerors (including those who may have delegated detailed supervision of this press release) have taken all reasonable care to ensure that the facts stated and opinions expressed in this press release (other than those relating to the Company or any opinion expressed by the Company) are fair and accurate and that there are no other material facts not contained in this press release, the omission of which would make any statement in this press release misleading. The directors of the Joint Offerors jointly and severally accept responsibility accordingly.

Where any information in this press release has been extracted or reproduced from published or otherwise publicly available sources or obtained from a named source (including the Company), the sole responsibility of the directors of the Joint Offerors has been to ensure, through reasonable enquiries, that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this press release. The directors of the Joint Offerors do not accept any responsibility for any information relating to or any opinion expressed by the Company.

**Company.** The directors of the Company (including those who may have delegated detailed supervision of this press release) have taken all reasonable care to ensure that the facts stated and opinions expressed in this press release (other than those relating to the Joint Offerors or any opinion expressed by the Joint Offerors) are fair and accurate and that there are no other material facts not contained in this press release, the omission of which would make any statement in this press release misleading. The directors of the Company jointly and severally accept responsibility accordingly.

Where any information in this press release has been extracted or reproduced from published or otherwise publicly available sources or obtained from a named source (including the Joint Offerors), the sole responsibility of the directors of the Company has been to ensure, through reasonable enquiries, that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this press release. The directors of the Company do not accept any responsibility for any information relating to or any opinion expressed by the Joint Offerors.

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### **Forward-looking Statements**

*All statements other than statements of historical facts included in this press release are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and "might". These statements reflect the Joint Offerors' or the Company's (as the case may be) current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors of the Joint Offerors and the Company should not place undue reliance on such forward-looking statements, and neither the Joint Offerors nor the Company undertakes any obligation to update publicly or revise any forward-looking statements.*

Any queries relating to this press release, the Joint Announcement, the Acquisition or the Scheme should be directed during office hours to:

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*This press release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made or reports contained in this press release.*