

FOR IMMEDIATE RELEASE

Petra Foods reports FY2014 PATMI of US\$50.3 million backed by robust sales in key markets

- Achieves sales of US\$504.0 million reaffirming the Group's growth strategies
- Continues to extend product portfolio into promising growth spaces and strengthen key capabilities
- Proposes final dividend of 1.92 US cents per ordinary share and a special dividend of 1.64 US cents per share bringing total dividend for the year to 5.77 US cents

Financial Highlights (US\$ Million)	3 months ended 31 December				Year ended 31 December			
	4Q2014	4Q2013	Change (%)	Change in Constant Exchange Rates (%)*	FY2014	FY2013	Change (%)	Change in Constant Exchange Rates (%)*
BRANDED CONSUMER BUSINESS								
Revenue	131.2	130.4	0.6	5.0	504.0	508.8	(0.9)	10.7
EBITDA	21.2	23.8	(10.7)	(5.9)	80.9	91.7	(11.8)	2.8
PATMI	12.7	15.7	(18.7)	(14.0)	50.3	59.3	(15.2)	0.6
DIVESTED COCOA INGREDIENTS BUSINESS (divestment completed on 30 June 2013)								
Exceptional Items/Net loss from Divested Cocoa Ingredients	(0.4) ⁺	0.2	N.M.	N.M.	(1.5) ⁺	(38.8)	(96.1)	N.M.
Group Net Profit	12.3	15.9	(22.3)	(17.6)	48.8	20.6	136.9	182.6

(+) For 4Q2014 and FY2014, these are costs related to the dispute with Barry Callebaut.

(*) For comparative purposes only, this shows the effect of using the respective exchange rates of the regional currencies in 4Q 2013 and FY2013 in translating the Branded Consumer Division's 4Q 2014 and FY2014 results.

SINGAPORE - 25 February 2015 - Petra Foods Limited ("Petra Foods" or the "Group") today announced its Branded Consumer business generated EBITDA of US\$80.9 million and PATMI of US\$50.3 million on the back of US\$504.0 million in revenue for the full year ended 31 December 2014 ("FY2014"). The strong showing was despite headwinds in the form of higher cost inflation and persistent weakness in regional currencies.

From the perspective of a Y-o-Y comparison, the Group's results when translated into its US Dollar reporting currency was affected by the weakness in the regional currencies especially the Indonesian Rupiah against the US Dollar which weakened by an average of 15.0% in FY2014.

In constant currency terms, which is more reflective of its underlying performance, the Group would have achieved FY2014 revenue, EBITDA and PATMI growth of 10.7%, 2.8% and 0.6% respectively.

Based on the weighted average number of 611,157,000 ordinary shares in issue, the Group's earnings per share from continuing operations in FY2014 was 7.98 US cents as compared to 9.71 US cents in the previous period. Net asset value per share as at 31 December 2014 was 48.6 US cents compared to 47.5 US cents as at 31 December 2013.

In line with its strong performance, the Group is proposing a final dividend of 1.92 US cents per ordinary share and a special dividend of 1.64 US cents per ordinary share. Together with the interim dividend, this brings the total dividend payout for FY2014 to 5.77 US cents.

Revenue Breakdown by Segment

Financial Highlights (US\$ Million)	3 months ended 31 December				Full year ended 31 December			
	4Q2014	4Q2013	Change (%)	Change in Constant Exchange Rates (%)*	FY2014	FY2013	Change (%)	Change in Constant Exchange Rates (%)*
Indonesia	95.8	92.6	3.5	8.3	365.3	369.8	(1.2)	13.4
Regional Markets	35.4	37.8	(6.3)	(3.2)	138.7	139.0	(0.2)	3.6
Total Revenue	131.2	130.4	0.6	5.0	504.0	508.8	(0.9)	10.7

* For comparative purposes only, this shows the effect of using the respective exchange rates of the regional currencies in 4Q 2013 and FY2013 in translating the 4Q 2014 and FY2014 results.

- Indonesia**

In Indonesia, which remains Petra Foods' biggest revenue generator contributing 72.5% to total sales in FY2014, the Group's Own Brands products in both the Premium and Value segments achieved strong double digit growth (in local currency terms). Despite intensifying competition, its core brands continued to increase in popularity with products in the chocolate confectionery and biscuit/wafer categories turning in strong double-digit growth figures.

With Agency Brands distributed by the Group also achieving double digit growth, Petra Foods' total revenue from Indonesia in local currency terms rose 13.4% in FY2014.

- **Regional Markets**

In local currency terms, sales from the regional markets grew 3.6% in FY2014. During the year, Philippines was the fastest growing among the regional markets with Petra Foods' Own Brands achieving strong revenue growth of more than 30.0% reflecting the strong returns from investments in brand development and route-to-market capabilities.

In spite of higher cost inflation caused by weak regional currencies, Petra Foods' gross profit margin held steady at 31.9% in FY2014 (FY2013: 32.0%). According to the Group, this reflects the success of its cost mitigating measures implemented, including timely price adjustments, launch of higher margined new products, product rightsizing, increasing efficiency, increased sales efforts to drive volume, and reducing supply chain costs.

Mr John Chuang, Petra Food's Chief Executive Officer, said the Group was able to achieve a strong set of results despite an increasingly challenging operating environment because of its investments in product innovation, portfolio expansion, aggressive brand development and route-to-market capabilities. In 2014 alone, Petra Foods launched 22 new products, some of which were entirely new and others which were given new aspects.

Mr Chuang elaborated: *"With the strong foundation of our regional confectionery business and the significant scale developed, our business has delivered five-year revenue and net profit CAGR of 10.9% and 18.3% per annum respectively. The need to adapt to constantly changing consumer habits in diverse local markets, macro environmental factors and market trends requires our organisation to be nimble and vigilant. We will look to outperform the competition through unceasing and accelerated innovation across all product categories as well as increased market penetration."*

BUSINESS PROSPECTS

Despite volatility in the regional currencies and input costs, the Group expects its growth to remain robust as it is supported by the vibrant consumption environment in its regional markets which are supported by strong economies, rising incomes and a fast-growing middle class.

Mr Chuang said: *"We aim to continue to outperform the competition and will look to achieve sustainable profit growth through taking proactive actions to further strengthen our business including aligning our organisation and growth plans. We will further invest to build capacity and capabilities and increase our productivity and efficiency targets in our manufacturing and distribution infrastructure to support our aggressive marketing efforts."*

While optimistic about its performance in the current financial year, the Group remains mindful of rising raw material costs as well as the translational impact that any further weakening of the regional currencies will have when translated into the its US Dollar reporting currency.

Divested Cocoa Ingredients Division

Petra Foods had on 17 December 2013 announced its filing of a Notice of Arbitration with the Singapore International Arbitration Centre to resolve disputes arising out of and in connection with the Sales and Purchase Agreement with regard to the divestment of its Cocoa Ingredients Division to Barry Callebaut AG that was completed on 30 June 2013. The proceedings are ongoing and the Group will make the necessary announcements in due course. Other than post completion adjustments, which are the subject of the arbitration, there is no further impact from the Cocoa Ingredients business.

Notification of Tax Claim

Pursuant to the SPA on 30 June 2013, the Company and Barry Callebaut ("BC") entered into a Tax Deed of Covenant ("Tax Deed").

Under the Tax Deed, BC is required to notify the Company of any claim for taxations which would give rise to a liability after completion of the sale of the Cocoa Ingredients business to BC.

BC notified the Company of 3 tax claims totaling Brazilian Real 34.5 million (equivalent to US\$12.8 million) made by the Brazilian Tax Authorities against Delfi Cacau Brazil Ltda, which

BC purchased as part of the sale of the Cocoa Ingredients business (please refer to Para 1(a)(i) Note 4 (Page 6) of SGX Announcement).

While reserving its rights in relation to the notifications, the Company has requested BC to defend these claims. There are grounds to resist these claims and, therefore, no provision has been made. The Company will keep shareholders updated.

#

ABOUT PETRA FOODS LIMITED

Headquartered in Singapore and listed on the SGX-ST since 5 November 2004, Petra Foods Limited and its subsidiaries (the "Group") manufactures and/or distributes branded consumer products that are sold in over 17 countries including Indonesia, Singapore, Malaysia, Hong Kong, Australia, Thailand, the Philippines and China. Petra Foods has an established portfolio of chocolate confectionery brands which are household names in Indonesia. Its flagship brands in Indonesia include "SilverQueen" and "Ceres" that were introduced in the 1950s and "Delfi" in the 1980s. In addition, the Group also distributes a portfolio of well-known agency brands in Indonesia, Singapore, Malaysia and the Philippines.

Petra Foods was awarded the top spot in the annual Singapore Enterprise 50 Award in 2003. In addition, it was recognised as the "Best Newly Listed Singapore Company in 2004" in AsiaMoney's Best Managed Companies Poll 2004. Petra Foods was named the "Enterprise of the Year 2004" by the 20th Singapore Business Awards on 30 March 2005 and was named one of "Singapore's 15 Most Valuable Brands" in November 2005 by IE Singapore.

Over the years, Petra Foods has clinched awards in various categories at the annual Singapore Corporate Awards. The Group won a Silver award for its inaugural annual report in the "Best Annual Report/Newly Listed Company" category in 2006. In April 2009, it clinched a Gold award in the "Best Annual Report/Companies with \$300 million to less than \$1 billion in market capitalisation" category. In May 2010, it bagged two Silver awards for "Best Managed Board" and "Best Investor Relations" under the "companies with \$300 million to less than \$1 billion in market capitalisation" category.

The Group's Chief Executive Officer, Mr John Chuang, was also recognised for his leadership and management of Petra Foods. He was named "Best Chief Executive Officer" at the 2011 Singapore Corporate Awards, "Businessman of the Year" at the 2012 Singapore Business Awards and he was one of the recipients of the SG50 Outstanding Chinese Business Pioneers Awards in 2015.

In November 2013, Petra Foods was awarded Runner-Up in the "Most Transparent Company Award" for the food and beverage sector at the Securities Investors Association (Singapore) Investors' Choice Awards.

Issued by August Consulting on behalf of Petra Foods Limited

Media Contact:

Wrisney Tan

Tel: +65 6733 8873, Mobile: +65 9743 2667, Email: wrisney@august.com.sg

Dinesh Dayani

Tel: +65 6733 8873, Mobile: +65 9115 7441, Email: dinesh@august.com.sg