Delfi

LIMITED

Company Registration No.: 198403096C

2nd Quarter & 1st Half 2016 Financial Results

(unaudited)

10 August 2016

Important Note on Forward-Looking Statements

The presentation herein may contain forward looking statements by the management of Delfi Limited ("Delfi") that pertain to expectations for financial performance of future periods vs past periods.

Forward-looking statements involve certain risks and uncertainties because they relate to future events. Actual results may vary materially from those targeted, expected or projected due to several factors. Such factors are, among others, general economic conditions, foreign exchange fluctuations, competitive product and pricing pressures as well as changes in tax regimes and regulatory developments. Such statements are not and should not be construed as management's representation on the future performance of Delfi. Therefore, the actual performance of Delfi may differ significantly from expressions provided herein.

This Results Presentation should be read in conjunction with the full text of the "Unaudited Financial Statements and Dividend Announcement for the 2nd Quarter and 1st Half ended 30 June 2016".

Scope of Briefing

Delfi LIMITED
Company Registration No.: 198403096C

1H 2016 Highlights

Delfi
LIMITED
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❖ Higher growth achieved despite continuing economic uncertainties and weakness in regional currencies:

PATMI	**US$16.6 million**	▲9.2% in US$ terms (▲16.9% constant currency terms)
EBITDA	**US$28.6 million**	▲3.4% in US$ terms (▲10.0% constant currency terms)
Revenue	**US$209.9 million**	▼5.1% in US$ terms (▲0.9% constant currency terms)

- Growth driven mainly by business in Indonesia (Revenue ▲4.8% constant currency terms) on trade customers replenishing their supply pipeline; and also due to seasonal sales ahead of Lebaran festivities and increased consumer spending

- Continued margin improvement - GP Margin ▲2.8% pt and EBITDA margin ▲1.1% pt - Reflecting pricing adjustments and product resizing implemented; higher sales of premium Own Brands products; rationalisation of underperforming products from portfolio; and on-going cost containment initiatives

- We were able to balance the higher Gross Profit against investments in brand-building initiatives and to grow our distribution scale to deliver PATMI growth of 9.2% in US$ terms (▲16.9% constant currency terms)

1H 2016 Highlights (cont'd)

Delfi LIMITED
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- **Annualised Group ROE of 14.8%**
- **Free Cash Flow of US$7.3 million generated on tighter working capital management and reduced capital expenditure**
- **An Interim Dividend of 1.36 US cents per share (representing payout ratio of 50%) will be paid on 8 September 2016**

Our 2Q and 1H 2016 Performance in greater detail

Delfi LIMITED
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(In US$ Million)	2Q 2016	2Q 2015	Y-o-Y change	Local Currency Performance (Y-o-Y change)	1H 2016	1H 2015	Y-o-Y change	Local Currency Performance (Y-o-Y change)
Revenue	**106.3**	**115.1**	▼ 7.5%	▼ 4.4%	**209.9**	**221.3**	▼ 5.1%	▲ 0.9%
Indonesia	**78.3**	**81.2**	▼ 3.5%	▼ 1.4%	**154.2**	**154.7**	▼ 0.3%	▲ 4.8%
Regional Market	**28.0**	**33.9**	▼ 17.1%	▼ 11.4%	**55.7**	**66.6**	▼ 16.3%	▼ 8.2%
Gross Profit (GP)	**35.4**	**33.8**	▲ 4.8%	▲ 8.4%	**68.4**	**66.0**	▲ 3.7%	▲ 10.3%
GP Margin	33.3%	29.3%	▲ 4.0% pt	▲ 4.0% pt	32.6%	29.8%	▲ 2.8% pt	▲ 2.8% pt
EBITDA	**14.3**	**14.0**	▲ 2.7%	▲ 5.9%	**28.6**	**27.7**	▲ 3.4%	▲ 10.0%
EBITDA Margin	13.5%	12.1%	▲ 1.4% pt	▲ 1.3% pt	13.6%	12.5%	▲ 1.1% pt	▲ 1.2% pt
PATMI (Exclude Exceptional Items*)	**8.1**	**7.9**	▲ 3.0%	▲ 6.7%	**16.6**	**15.7**	▲ 5.4%	▲ 12.8%
PATMI (Include Exceptional Items*)	**8.1**	**7.4**	▲ 9.3%	▲ 13.3%	**16.6**	**15.2**	▲ 9.2%	▲ 16.9%

* Costs incurred pertaining to the dispute with Barry Callebaut which was settled on 28 August 2015.

- **Own Brands Performance - Sales US$138.1 million (▲7.5% in constant currency terms)**
  - Growth driven mainly by Own Brands sales in Indonesia especially of premium products
  - Agency Brands sales in Indonesia disrupted by increases in customs duties imposed on imported products in 2015, and by changes in regulatory standards. Our team is working with principals affected to successfully resolve the issues
  - Lower 2Q and 1H 2016 sales in Regional Markets reflects our strategic initiatives - Closure of Singapore distribution business and rationalisation of product portfolio in Philippines. The portfolio rationalisation in the Philippines is part of our on-going initiatives to streamline the portfolio to focus on our core “Goya” and “Knick Knacks” products
- **Profit growth achieved on higher Gross Profit Margin (▲2.8% pt) reflecting pricing adjustments for selected Own Brands products in 3Q 2015 and 2Q 2016; and our on-going cost containment initiatives**
  - This was achieved despite higher cost inflation, weakness in regional currencies and higher A&P and Trade Promotions costs to drive consumer purchases of our products

Capital Reduction Exercise Completed

- **As announced on 14 June 2016, the Company's proposed Capital Reduction was approved by the High Court of Singapore**
- **On 23 June 2016, a Cash Distribution of 9.82 US cents (or 13.321 Singapore cents*) for each issued and fully paid up ordinary share was made to Shareholders**
- **Total Cash Distribution of approximately US$60.0 million**

* Based on applicable exchange rate of US$1: S$1.3565

Looking Forward

- **Although we expect the challenging operating environment to persist in our core markets, we nevertheless remain cautiously optimistic about the prospects for the remainder of 2016**

- **Our focus in 2016 is to drive sales growth, channel development and cost containment. Furthermore, our on-going strategy is to continually optimise our product portfolio - Trimming the slow moving SKU's while continuing to innovate into new categories with higher growth opportunities**

- **Through this combination of top line focus and stepped up productivity efforts, we expect, barring unforeseen circumstances, the Group's performance in FY2016 to be better**

- **For long term growth, we are constantly evaluating investment opportunities to either grow our presence in a new region or an adjacent category that we are not in yet, e.g. our recently announced joint venture with South Korea's Orion Corporation**

Appendices

Group Financial Highlights

Group Financial Highlights - At a glance

Delfi LIMITED
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(In US$ Million)	2Q 2016	2Q 2015	Y-o-Y Change	Local Currency Performance (Y-o-Y change)	1H 2016	1H 2015	Y-o-Y Change	Local Currency Performance (Y-o-Y change)
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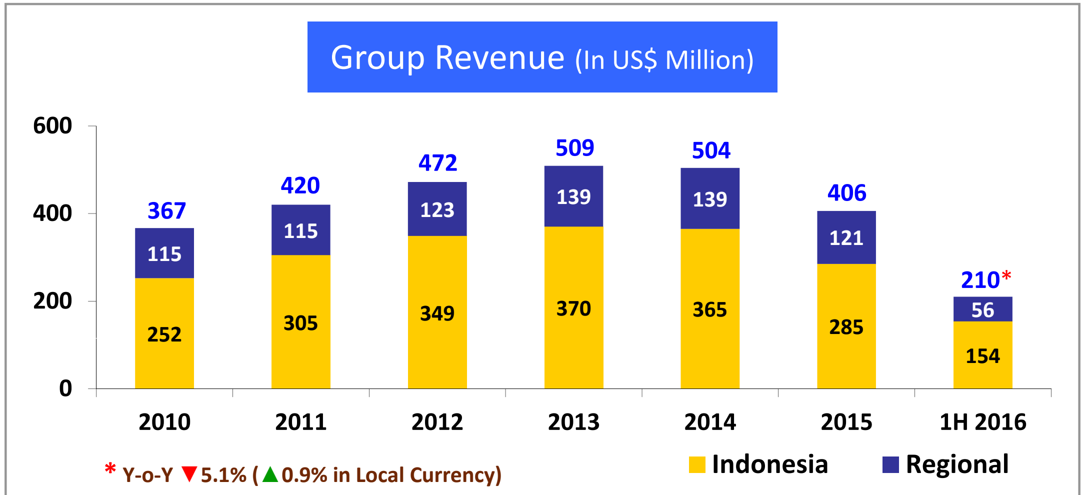
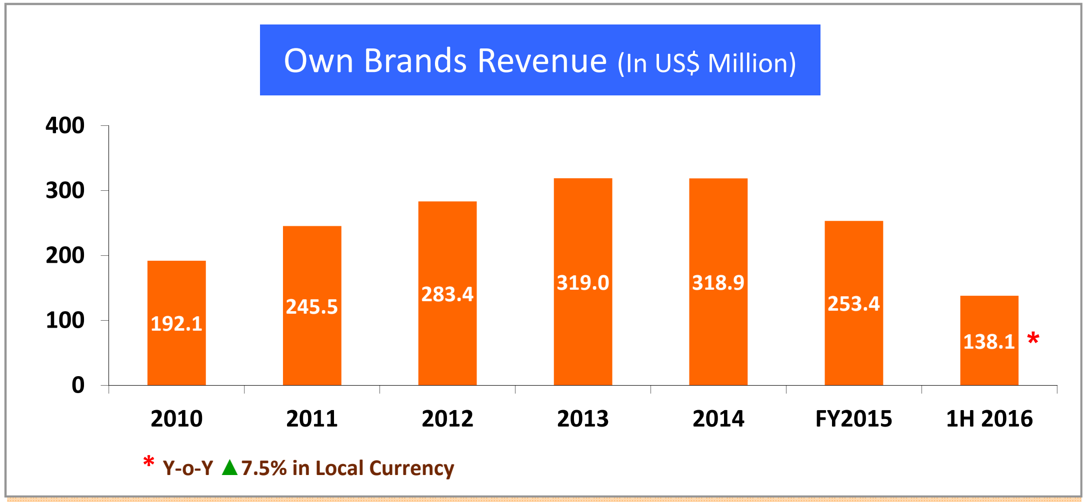
- **Indonesia**	**78.3**	**81.2**	▼ 3.5%	▼ 1.4%	**154.2**	**154.7**	▼ 0.3%	▲ 4.8%
- **Regional Market**	**28.0**	**33.9**	▼ 17.1%	▼ 11.4%	**55.7**	**66.6**	▼ 16.3%	▼ 8.2%
EBITDA	**14.3**	**14.0**	▲ 2.7%	▲ 5.9%	**28.6**	**27.7**	▲ 3.4%	▲ 10.0%
PATMI	**8.1**	**7.9**	▲ 3.0%	▲ 6.7%	**16.6**	**15.7**	▲ 5.4%	▲ 12.8%
Exceptional Items	-	(0.5)*	NM	NM	-	(0.5)*	NM	NM
Group PATMI	**8.1**	**7.4**	9.3%	13.3%	**16.6**	**15.2**	9.2%	16.9%
EPS (US cents)								
- Include Exceptional Items	1.33	1.22	9.3%		2.71	2.48	9.2%	
- Exclude Exceptional Items	1.33	1.29	3.0%		2.71	2.57	5.4%	
ROE (%)								
- Include Exceptional Items					14.8%	(1.8%)**	16.6% pt	
- Exclude Exceptional Items					14.8%	5.7%**	9.1% pt	

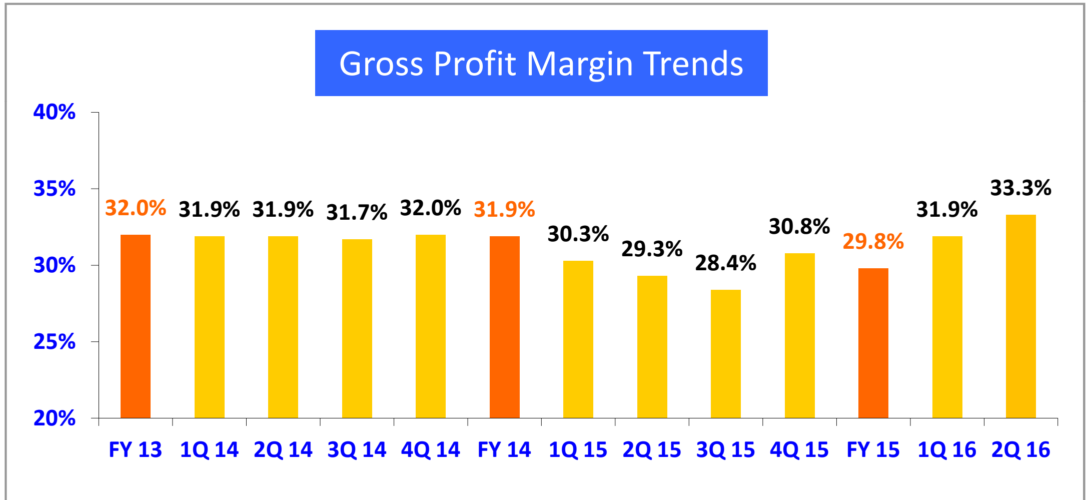
* Costs incurred pertaining to the dispute with Barry Callebaut. ** Relates to FY2015 audited figures.

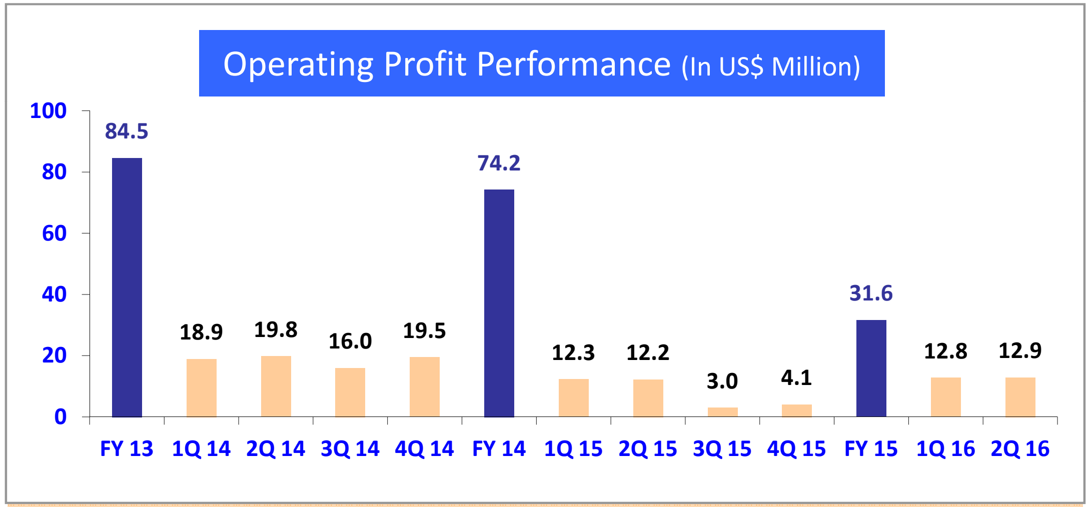
Financial Highlights (cont'd)





- Strong position in Indonesia complemented by a growing regional footprint
- Our market-leading brands are in growth categories. We have a strong innovation culture and efficient route-to-market structure





- Higher 2Q 2016 margin reflected pricing adjustments in 3Q 2015 and 2Q 2016 and our on-going containment initiatives
- Higher 2Q 2016 Y-o-Y performance reflected the higher margins achieved

Balance Sheet & Cash Flow Analysis

Balance Sheet Analysis (Figures are at period end)

Delfi LIMITED
Company Registration No.: 198403096C

(In US$ Million)	30 Jun 2016	31 Dec 2015	Comments
Cash and Cash Equivalents	63.2	119.5	Capital reduction of US$60.0 million.
Trade Receivables	71.4	56.3	Collection affected by Lebaran/Hari Raya holiday in Indonesia and Malaysia.
Inventories	53.5	59.6	Tighter inventory management in light of uncertain economic conditions.
Other Assets	29.0	27.8	
Fixed Assets, Intangible Assets & Investments	132.5	124.4	Capital expenditure of US$6.3 million on most critical and immediately income generating projects.
Total Assets	**349.6**	**387.6**	
Trade Payables	24.5	25.9	
Other Liabilities	47.5	44.8	
Total Borrowings	**72.8**	**74.7**	Reduced borrowings with positive free cash flow generated.
Working Capital Facilities/Trade Finance	30.8	24.8	
Term Loan	39.6	45.9	
Lease Liabilities	2.4	4.0	
Total Equity	**204.8**	**242.2**	Reflects the Capital Reduction exercise.
Key Ratios			
Current Ratio	1.81	2.23	
Return on Equity			
- Include Exceptional Items	14.8%	(1.8%)*	
- Exclude Exceptional Items	14.8%	5.7%*	
Inventory Days	73	85	Tighter working capital management.
Receivables Days	55	62	
Payable Days	32	37	

* Relates to FY2015 audited figures.

Cash Flow Applications

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(In US$ Million)	30 Jun 2016
EBITDA	**28.6**
Changes in Operating Cash Flow	
Increase in Working Capital	(7.3)
Tax Expense paid	(6.7)
Interest Expense paid	(2.1)
Operating Cash Flow	**12.5**
Capex, Patents & Trademarks, Net of Proceeds	(6.1)
Interest Income received	0.9
Free Cash Flow	**7.3**
Capital Reduction	(60.0)
Repayment of Borrowings	(8.8)
Proceeds from Working Capital Financing	5.2
Net Cash Movement	**(56.3)**

Thank You