

FOR IMMEDIATE RELEASE

Delfi Limited half-year PATMI rises 9.2% on strong margin recovery

- Own Brands sales revenue growth of 2.1% achieved despite economic headwinds.
- Gross profit margin rises to 33% following higher sales, implementation of price increases and ongoing cost containment initiatives.
- Interim dividend of 1.36 US cents declared, payout ratio of 50%.

Financial Highlights (In US\$ Million)	3 months ended 30 June				6 months ended 30 June			
	2Q 2016	2Q 2015	Change (%)	Change in Constant Exchange Rates (%)*	1H 2016	1H 2015	Change (%)	Change in Constant Exchange Rates (%)*
Revenue	106.3	115.1	(7.5)	(4.4)	209.9	221.3	(5.1)	0.9
EBITDA	14.3	14.0	2.7	5.9	28.6	27.7	3.4	10.0
Gross Profit Margin	33.3%	29.3%	4.0% pts	4.0% pts	32.6%	29.8%	2.8% pts	2.8% pts
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

* For comparative purposes only, this shows the effect of using the respective exchange rates of the regional currencies in 2Q 2015 and 1H 2015 in translating 2Q 2016 and 1H 2016 results.

SINGAPORE - 10 August 2016 - Continuing its first quarter's PATMI growth momentum into the second quarter, despite the current economic uncertainties, Mainboard listed chocolate confectionery company, Delfi Limited ("**Delfi**" or the "**Group**") (formerly known as Petra Foods Limited) today announced it achieved a 3.4% increase in EBITDA to US\$28.6 million and a 9.2% rise in PATMI to US\$16.6 million for the six months ended 30 June 2016 ("**1H 2016**"), in the Group's US Dollar reporting currency. This was on the back of US\$209.9 million in revenue generated during the period under review.

If not for the weakened regional currencies in its core markets, the improvement would have been even greater in local currency terms, with EBITDA and PATMI rising 10.0% and 16.9% respectively in 1H 2016. The Group attributed the period's better performance mainly to better sales in Indonesia as well as a higher gross profit margin, which rose 2.8% points to 32.6% as compared to 29.8% achieved in the corresponding six months in 2015 ("1H 2015"). The higher gross profit margin was a result of higher sales of premium Own Brands products, implementation of price increases and ongoing cost containment initiatives.

On a quarterly basis, Delfi's EBITDA and PATMI in the three months ended 30 June 2016 ("2Q 2016") rose 2.7% and 9.3% Y-o-Y to US\$14.3 million and US\$8.1 million respectively on the back of US\$106.3 million in revenue. In local currency terms, the Y-o-Y increase would have been 5.9% for EBITDA and 13.3% for PATMI. In 2Q 2016, the Group accomplished an impressive 4.0% point increase in gross profit margin to 33.3% despite prevailing economic uncertainties in Indonesia, which continued to weigh on consumer sentiment.

Mr John Chuang, Delfi's Chief Executive Officer, said: *"Our results were underpinned by the performance of our Own Brands across our key markets and our on-going strategy to drive higher sales volume, increase efficiency and reduce input and supply chain costs. Through a series of measures that included proactive price adjustments and product right-sizing, as well as cost containment, our Own Brands sales grew steadily and generated a 2.1% increase in 1H 2016. We will stay the course in terms of our strategy and we are optimistic that our efforts will continue to yield results in the coming months."*

Based on 611,157,000 ordinary shares in issue, the Group's earnings per share in 1H 2016 was 2.71 US cents as compared to 2.48 US cents in the same period last year. Net asset value per share as at 30 June 2016 was 33.5 US cents compared to 39.6 US cents as at 31 December 2015, which reflects the capital reduction of approximately US\$60.0 million completed in June 2016.

DIVIDEND

In line with the Group's performance, the directors have declared an interim cash dividend of 1.36 US cents (1.83 Singapore cents) per share (representing a payout ratio of 50%) to be paid on 8 September 2016. When the interim dividend is added to the capital reduction cash distribution of 9.82 US cents (13.321 Singapore cents) per share paid on 23 June 2016, the

total cash distributions received by shareholders year-to-date will amount to 11.18 US cents (15.151 Singapore cents) per share so far in 2016.

PERFORMANCE REVIEW BY MARKETS

Financial Highlights (In US\$ Million)	3 months ended 30 June				6 months ended 30 June			
	2Q 2016	2Q 2015	Change (%)	Change in Constant Exchange Rates (%)*	1H 2016	1H 2015	Change (%)	Change in Constant Exchange Rates (%)*
Indonesia	78.3	81.2	(3.5)	(1.4)	154.2	154.7	(0.3)	4.8
Regional Markets	28.0	33.9	(17.1)	(11.4)	55.7	66.6	(16.3)	(8.2)
Total Revenue	106.3	115.1	(7.5)	(4.4)	209.9	221.3	(5.1)	(0.9)

* For comparative purposes only, this shows the effect of using the respective exchange rates of the regional currencies in 2Q 2015 and 1H 2015 in translating 2Q 2016 and 1H 2016 results.

Indonesia

Delfi remains a leader in Indonesia with a 50% share of the chocolate confectionery market. Of the Group's total sales, Indonesia contributed 73.4% in 1H 2016.

Although 1H 2016 sales from this market were down 0.3% Y-o-Y in the Group's US dollar reporting currency, they have grown 4.8% Y-o-Y in local currency terms. The improvement was driven mainly by higher Own Brands sales with trade customers replenishing their supply chain as opposed to 2015, when they had reduced their orders and inventory levels in response to weak consumer demand. Another contributing factor was the seasonal sales in the run up to the Muslim Lebaran festivities.

Regional Markets (comprising Philippines, Malaysia and Singapore)

In the Regional Markets, Delfi's 1H 2016 sales were lower in its US Dollar reporting currency. However in local currency terms and excluding the cessation of the Singapore distribution business in 2015, the Group achieved Y-o-Y growth in sales of 2.9%.

BUSINESS OUTLOOK

The Group expects the next 12 months to be challenging because of uncertain economic conditions and currency volatility in its key markets, which will in turn weigh on consumer confidence. However barring unforeseen circumstances, it believes its FY2016 performance will be better than FY2015.

Mr Chuang said: *“The Group’s focus is to work closely with our trade customers and partners to deliver sustainable growth by ensuring that our brands are always available, attractively displayed and properly priced. We will continue to accelerate innovation for our Own Brands as this remains a key priority for us with our objective to reach many more consumers by developing innovative products that will address different consumer needs at different price points.”*

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ABOUT DELFI LIMITED

Headquartered in Singapore and listed on the SGX-ST since 5 November 2004, Delfi 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.

Formerly called Petra Foods Limited until an official name change that took effect on 9 May 2016, Delfi 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, Malaysia and the Philippines.

The Group was awarded the top spot in the annual Singapore Enterprise 50 Award in 2003 and was recognised as the “Best Newly Listed Singapore Company in 2004” in AsiaMoney’s Best Managed Companies Poll 2004. It 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, Delfi Limited 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. In 2015, the Group bagged a Bronze award for “Best Managed Board” under the “companies with S\$1 billion and above in market capitalisation” category.

Delfi Limited’s Chief Executive Officer, Mr John Chuang, was also recognised for his leadership and management of the Group. 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.

Issued by August Consulting on behalf of Delfi Limited

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