Delfi LIMITED

Company Registration No.: 198403096C

FOR IMMEDIATE RELEASE

Delfi Limited's 9M 2016 PATMI leaps 55.1% to US$22.5m on record margins

- *Performance driven by higher Own Brands sales, which contribute more than 60% of total revenue.*
- *On track to achieve a better financial performance in FY2016 as compared to FY2015.*

Financial Highlights (US$ Million)	3 Months ended 30 September				9 Months ended 30 September			
	2016	2015	Change (%)	Change in Constant Exchange Rates (%)*	2016	2015	Change (%)	Change in Constant Exchange Rates (%)*
Revenue	86.6	84.6	2.4	(0.7)	296.5	305.9	(3.1)	0.4
EBITDA	9.4	4.3	120.2	105.0	38.1	32.0	19.0	22.7
Gross Profit Margin	35.5%	28.4%	7.1% pt	7.1% pt	33.4%	29.4%	4.0% pt	4.0% pt
PATMI (exclude Exceptional Items)	**5.9**	**(1.2)**	**NM**	**NM**	**22.5**	**14.5**	**55.1%**	**60.4%**
PATMI (include Exceptional Items)	**5.9**	**(20.7)**	**NM**	**NM**	**22.5**	**(5.5)**	**NM**	**NM**

** For comparative purposes only, this shows the effect of using the respective exchange rates of the regional currencies in 3Q 2015 and 9M 2015 in translating 3Q 2016 and 9M 2016 results.*

SINGAPORE - 9 November 2016 - The PATMI of Mainboard listed chocolate confectionery company, Delfi Limited ("**Delfi**" or the "**Group**") continued its upward trend as the Group's gross profit margin reached a record high of 35.5%.

For the nine months ended 30 September 2016 ("**9M 2016**"), Delfi achieved a 19.0% increase in EBITDA to US$38.1 million while PATMI surged 55.1% to US$22.5 million, in the Group's US Dollar reporting currency. The healthy bottomline was achieved despite higher distribution costs as a result of ongoing investments in marketing, brand building and route-to-market capabilities, and a slight 3.1% Year-on-Year ("Y-o-Y") dip in revenue to US$296.5 million.

The stellar year-to-date results were partly due to the Group's exceptional performance in the three months ended 30 September 2016 ("**3Q 2016**"), which saw a 120.2% leap in EBITDA to US$9.4 million while PATMI achieved was US$5.9 million compared to a loss of US$1.2 million in the corresponding quarter last year ("**3Q 2015**"). This was on the back of a 2.4% growth in revenue from US$84.6 million in 3Q 2015 to US$86.6 million in 3Q 2016.

During this reporting period, Delfi also achieved a record gross profit margin, coming in at 35.5% for 3Q 2016 and 33.4% for 9M 2016.

Mr John Chuang, Delfi's Chief Executive Officer, said: *"Our performance over the last three quarters reflect the success of our strategy to focus on our Own Brands sales particularly in Indonesia, which is our biggest revenue generating market. Over the years, our portfolio of Own Brands has progressively expanded and extended into categories covering chocolate confectionery and wafers, breakfast, baking and beverages and now contributes more than 60% of our total revenue. We are extremely pleased to see the fruits of our efforts particularly since our growth is very much driven by higher sales of our premium products under our flagship SilverQueen and Selamat brands."*

Based on 611,157,000 ordinary shares in issue, the Group's earnings per share for 9M 2016 was 3.68 US cents as compared to a loss per share of 0.90 US cents in 9M 2015. Net asset value per share as at 30 September 2016 was 33.3 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.

PERFORMANCE REVIEW BY MARKETS

Financial Highlights (US$ Million)	**3 months ended 30 September**				**9 months ended 30 September**			
	2016	**2015**	**Change (%)**	**Change in Constant Exchange Rates (%)***	**2016**	**2015**	**Change (%)**	**Change in Constant Exchange Rates (%)***
Indonesia	60.3	57.1	5.6	0.3	214.5	211.8	1.3	3.6
Regional Markets	26.3	27.5	(4.4)	(2.8)	82.0	94.1	(12.8)	(6.6)
Total Revenue	**86.6**	**84.6**	**2.4**	**(0.7)**	**296.5**	**305.9**	**(3.1)**	**0.4**

** For comparative purposes only, this shows the effect of using the respective exchange rates of the regional currencies in 3Q 2015 and 9M 2015 in translating 3Q2016 and 9M 2016 results.*

Indonesia

The 3Q 2016 and 9M 2016 sales generated by our business in Indonesia was higher Y-o-Y by 5.6% and 1.3% respectively in the Group's USD reporting currency (in local currency terms - 3Q 2016: 0.3% higher and 9M 2016: 3.6% higher). The improvement can be attributed mainly to higher sales of premium Own Brands products as trade customers undertook a programme to replenish their supply chain as opposed to a year before when they had reduced their orders and inventory levels in response to weaker consumption.

All this was a result of ongoing targeted and disciplined investments to build its Own Brands with products that cater to different consumer groups at multiple price points across all categories.

Regional Markets (comprising Philippines, Malaysia and Singapore)

Revenues from the Group's Regional Markets slipped 4.4% in 3Q 2016 and 12.8% in 9M 2016. However in local currency terms and excluding the SKU rationalization and cessation of the Singapore distribution business, revenue would have increased 1.3% and 3.5% for 3Q and 9M 2016 respectively.

BUSINESS OUTLOOK

The Group expects consumer confidence to be dragged down by general global economic uncertainties. It intends to keep its focus on working closely with trade partners and customers to deliver sustainable growth by ensuring that its brands are always available, properly displayed and at the right price points.

Besides driving sales growth, the Group remains conscious of stepping up cost efficiencies and productivity as well as continuous innovation to develop products that appeal to consumers.

Mr Chuang said: *"Despite the current uncertainties in our markets, we are on track to achieve a better financial performance in FY2016 as compared to FY2015. To ensure the long term growth of the Group, we are constantly assessing initiatives to further strengthen our business model across the region. We believe that we must constantly evolve in order to remain agile in a dynamic market place. Furthermore, we believe our geographical and product portfolio positions us well for future growth and we are confident of the long term prospects of our key markets, which are being supported by the fast growing middle income class."*

To add further value over the longer term to its quality earnings, Delfi intends to enter new markets and extend into new categories should such opportunities that meet the Group's investment criteria become available.

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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 begged 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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