Company Registration No.: 198403096C

FOR IMMEDIATE RELEASE

Delfi Limited delivers 1Q 2017 PATMI of US$5.6 million

- *The Group generated Free Cash Flow of US$8.1 million*

Financial Highlights (US$ Million)	3 months ended 31 March		
	1Q 2017	1Q 2016	Change (%)
Revenue	93.1	103.6	(10.1)
EBITDA	12.0	14.3	(16.2)
Gross Profit Margin (%)	33.0	31.9	1.1 percentage points
PATMI	**5.6**	**8.4**	**(33.4)**

* *For comparative purposes only, this shows the effect of using the respective exchange rates of the regional currencies in 1Q 2016 in translating 1Q 2017 results.*

SINGAPORE - 8 May 2017 - Mainboard-listed chocolate confectionery company, Delfi Limited ("**Delfi**" or the "**Group**") has achieved PATMI of US$5.6 million and EBITDA of US$12.0 million on the back of US$93.1 million in revenue for the three months ended 31 March 2017 ("**1Q 2017**").

Compared to the corresponding three months in 2016 ("**1Q 2016**"), PATMI and EBITDA had fallen year-on-year ("**Y-O-Y**") by 33.4% and 16.2% respectively on the back of revenue decline of 10.1% in 1Q 2017.

The decline in sales in 1Q 2017 sales was due to lower sales performance in Indonesia which reflected the on-going Own Brands product portfolio rationalization exercise, and an on-going review of trading terms.

In addition, the sales in Indonesia in 1Q 2016 reflected higher than usual deliveries to our trade customers as they undertook a programme to replenish their supply pipeline, which in 2015 had been reduced as they minimised orders in reaction to the weak consumption environment in Indonesia.

The lower 1Q 2017 PATMI achieved was also impacted by a higher effective tax rate on the back of higher withholding tax paid on dividend and royalty income received from the Group's subsidiaries in Indonesia. On a positive note, gross profit margin improved by 1.1 percentage point Y-o-Y to 33.0% as the Group benefitted from adjustments to pricing and portion sizes and through its on-going cost containment initiatives.

Net asset value per share as at 31 March 2017 was up to 34.0 US cents compared to 32.9 US cents as at 31 December 2016. Based on 611,157,000 ordinary shares in issue, the Group's earnings per share for 1Q 2017 was 0.92 US cents compared to 1.38 US cents in 1Q 2016.

During the period under review, the Group generated free cash flow of US$8.1 million (higher Y-o-Y by 20.9%), which was utilised to reduce borrowings. The Group's cash balance of US$67.6 million as at 31 March 2017 is sufficient to support its near term business and investment needs.

PERFORMANCE REVIEW BY MARKETS

Financial Highlights (US$ Million)	3 months ended 31 March		
	1Q 2017	**1Q 2016**	**Change (%)**
Indonesia	64.7	75.9	(14.7)
Regional Markets	28.4	27.7	2.7
Total Revenue	**93.1**	**103.6**	**(10.1)**

***** *For comparative purposes only, this shows the effect of using the respective exchange rates of the regional currencies in 1Q 2016 in translating 1Q 2017 results.*

Indonesia

Weaker sales of Own Brands in Indonesia reflected the portfolio rationalization exercise Delfi had undertaken to focus on core brands and products, and by an on-going review of trading terms. However shelf space data from the market showed that consumer demand for the flagship "SilverQueen", "Cha Cha" and "Selamat" brands remain positive and the Group expects this to continue into the coming quarters.

Regional Markets (comprising Philippines, Malaysia and Singapore)

Revenue contributed by the Regional Markets rose 2.7% (or 8.1% in local currency terms) Y-o-Y in 1Q 2017 to US$28.4 million led by growth in the Philippines.

BUSINESS OUTLOOK

The Group expects the present economic and currency volatility in its core markets to affect consumer spending. 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 through targeted and disciplined investments in its key brands and manufacturing and distribution capabilities, the Group remains conscious of stepping up cost efficiencies and productivity as well as continuous innovation to develop products that will address different consumer needs at different price points.

Through this combination of focus on growing top line of continuing Own Brands products to replace sales lost due to the product portfolio rationalization and stepped up productivity efforts, after taking into account the 1Q 2017 results, and the gain from the disposal of our 50% stake in PT Ceres-Meiji Indotama which is expected to be completed in 2Q 2017, we expect, barring unforeseen circumstances, the Group's financial performance in FY2017 to be similar to FY2016.

Mr John Chuang, Delfi's Chief Executive Officer, said: *"Despite slower sales in 1Q 2017, we continued to invest in brand building and routes-to-market capabilities because these are critical to the long term growth of our business. We are extending our reach in all our key markets by having better channel segmentation to widen our distribution coverage."*

To add further value over the longer term to its quality earnings, Delfi is seeking suitable opportunities to enter new markets and extend into new categories. In May 2016, the Group announced its joint venture with South Korea's Orion Corporation to develop, market and sell a range of confectionery products in Indonesia under the joint Delfi-Orion brand. More recently in April 2017, the Group announced it had entered into an agreement with Japan's Yuraku Confectionery Company Ltd to form a joint venture company to produce, develop, market and sell a range of chocolate snack products under the "Delfi" masterbrand in Indonesia.

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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 recognized 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 capitalization" 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 capitalization" category. In 2015, the Group begged a Bronze award for "Best Managed Board" under the "companies with S$1 billion and above in market capitalization" category.

Delfi Limited's Chief Executive Officer, Mr John Chuang, was also recognized 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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