

FOR IMMEDIATE RELEASE

Delfi Limited off to a strong start with double-digit revenue and PATMI growth in 1Q 2018

- PATMI growth of 33.1% generated on the back of revenue growth across all its markets and higher margins achieved.

Financial Highlights (US\$ Million)	3 months ended 31 March			
	1Q 2018	1Q 2017	Change (%)	Change in Constant Exchange Rates (%)*
Revenue	107.3	93.3	15.1	14.2
EBITDA	14.4	12.1	18.6	19.3
Gross Profit Margin	34.5%	33.1%	1.4% pt	
PATMI	7.6	5.7	33.1	33.9

* For comparative purposes only, this shows the effect of using the respective exchange rates of the regional currencies in 1Q2017 in translating 1Q2018 results.

SINGAPORE - 7 May 2018 - Mainboard listed chocolate confectionery company, Delfi Limited (“Delfi”, or together with its subsidiaries, the “Group”) achieved double-digit Year-on-Year (“Y-o-Y”) growth in both its top and bottom lines with EBITDA and PATMI rising to US\$14.4 million (higher Y-o-Y by 18.6%) and US\$7.6 million (higher Y-o-Y by 33.1%), on the back of a 15.1% increase in revenue to US\$107.3 million for the three months ended 31 March 2018 (“**1Q 2018**”).

Delfi’s 1Q 2018 growth was driven mainly by sales of the Group’s Own Brands products in Indonesia, especially our premium products, and higher margins achieved but also benefitted from sales deferred from December 2017 as well as the run up to the Muslim Lebaran festivities. The Group’s Agency Brands also achieved a healthy 7.0% Y-o-Y growth despite the discontinuation of two Agency Brands. The Group’s EBITDA and gross profit margins rose by 0.4% points to 13.4% and 1.4% points to 34.5% respectively.

Commenting on the strong start to the year, **Mr John Chuang, Delfi's Chief Executive Officer**, said: *"We are pleased with the Group's start to 2018. The benefits of the strategic restructuring of our organization, product portfolio, and routes-to-market implemented over the last two years are starting to yield the desired results. We are fully committed to the broad strategy of consolidating our core strengths, containing operational costs and investing in core brands and key markets in order to grow our business sustainably over the long term."*

Based on 611,157,000 ordinary shares in issue, the Group's earnings per share for 1Q 2018 was 1.24 US cents, which was 33.1% higher than in the three months ended 31 March 2017 ("1Q 2017") when it was 0.93 US cents. Net asset value per share as at 31 March 2018 was 34.9 US cents compared to 34.1 US cents as at 31 December 2017.

Delfi's financial position remains strong with a cash balance of US\$66.3 million as at 31 March 2018, which is more than adequate to support its near term business and investment needs.

PERFORMANCE REVIEW BY MARKETS

Financial Highlights (US\$ Million)	3 months ended 31 March			
	1Q 2018	1Q 2017	Change (%)	Change in Constant Exchange Rates (%)*
Indonesia	76.2	64.9	17.5	19.1
Regional Markets	31.1	28.4	9.6	3.0
Total Revenue	107.3	93.3	15.1	14.2

* For comparative purposes only, this shows the effect of using the respective exchange rates of the regional currencies in 1Q 2017 in translating 1Q 2018 results.

Indonesia

In 1Q 2018, Delfi's business in Indonesia achieved 17.5% (19.1% in local currency terms) Y-o-Y growth in sales to US\$76.2 million partly because of carried forward orders from December 2017 but mainly because of strong performance of core brands in the premium segment including *SilverQueen*, *Cha Cha*, *Ceres Meises*, *Ceres Spread* and Delfi Premium products.

In addition to more aggressive promotional activities to drive sales of its core brands in Indonesia, the Group also stepped up deliveries to capture consumer purchases leading up to the Muslim Lebaran festivities, and increased direct shipments to retail customers.

Regional Markets (comprising Philippines and Malaysia)

Revenues from the Group's Regional Markets increased 9.6% in 1Q 2018 (3.0% in local currency terms). The growth was mainly driven by higher overall sales in Malaysia while growth of Own Brands sales in the Philippines reflected the Group's "Goya - A Taste of World Class, Everyday" marketing campaign.

The results reflected the discontinuation of two major Agency Brands, one in the Philippines (June 2017) and one in Malaysia (end 2017). Excluding the discontinued Agency Brands, Delfi's Regional Markets would have achieved a 13.3% Y-o-Y increase in local currency terms in total revenue.

BUSINESS OUTLOOK

With its product rationalization exercise largely completed and other strategic initiatives expected to be fully implemented by 2018, Delfi is optimistic that it is well-positioned for future growth.

In 2018, the Group's focus is to continuously work closely with trade customers and partners to grow its business by ensuring that its brands are readily available, properly displayed and at the right price points to drive sales. It will continue aggressive brand building in key markets while driving cost efficiencies internally and through its supply chain.

In April 2018, the Group announced it had entered into a Novation and Assignment agreement to acquire the perpetual and exclusive license to the Van Houten brand name for chocolate and cocoa products to consumers in certain key markets in Asia and Oceania for US\$13.0 million. More significantly, we have the rights to three out of the four largest chocolate markets in Asia - Indonesia, China and Australia.

Mr Chuang said: *"Van Houten will be an opportunity to strengthen our portfolio and will open up opportunities for us outside our Regional Markets. Our focus will be on innovations and revitalizing Van Houten into a premium brand."*

Meanwhile, Delfi will continue to look out for suitable and synergistic opportunities to enter new markets and extend to new product categories.

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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 bagged 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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