

**PETRA FOODS LIMITED**

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**Announcement of Unaudited Results for the Third Quarter and Nine Months ended 30  
September 2004**

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The initial public offering of the shares of Petra Foods Limited was sponsored by ABN AMRO  
Rothschild.

## Petra Foods Limited

### Financial Statement and Dividend Announcement for the Third Quarter ended 30 September 2004.

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS

#### 1(a) (i) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Notes	Group					
		3 months ended 30 September			9 months ended 30 September		
		2004	2003	Change	2004	2003	Change
	US\$'000	US\$'000	%	US\$'000	US\$'000	%	
Turnover	1	100,409	83,300	20.5%	284,133	230,781	23.1%
Cost of Sales		(81,593)	(69,928)	16.7%	(230,890)	(192,389)	20.0%
Gross Profit		18,816	13,372	40.7%	53,243	38,392	38.7%
Other Income		241	590	-59.2%	670	876	-23.5%
Selling and Distribution costs		(7,954)	(5,542)	43.5%	(18,948)	(11,060)	71.3%
Administrative expenses		(3,105)	(3,368)	-7.8%	(10,838)	(9,865)	9.9%
Other operating expenses		(330)	(331)	-0.3%	(1,525)	(971)	57.1%
Profit from operations		7,668	4,721	62.4%	22,602	17,372	30.1%
Finance Income		(54)	124	-143.5%	323	242	33.5%
Finance Costs		(1,726)	(2,384)	-27.6%	(5,456)	(6,381)	-14.5%
Share of results of associates		53	(102)	-152.0%	(214)	(264)	-18.9%
Profit before tax		5,941	2,359	151.8%	17,255	10,969	57.3%
Tax		(1,410)	(565)	149.6%	(3,840)	(2,882)	33.2%
Profit from ordinary activities after tax		4,531	1,794	152.6%	13,415	8,087	65.9%
Minority Interest		145	1	NM	242	(37)	NM
Net Profit		4,676	1,795	160.5%	13,657	8,050	69.7%
EBITDA <sup>1</sup>		10,133	7,205	40.6%	29,779	22,345	33.3%

<sup>(1)</sup> EBITDA represents net profit before net interest expense, income tax, depreciation and amortization expense  
nm denotes not meaningful

#### Explanatory Notes on Profit and Loss

##### Note 1 - Turnover

	3 months ended 30 September			9 months ended 30 September		
	2004	2003	Change	2004	2003	Change
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Cocoa Ingredients Division	69,092	59,323	16.5%	199,753	166,144	20.2%
Branded Consumer Division	31,317	23,977	30.6%	84,380	64,637	30.5%
	100,409	83,300	20.5%	284,133	230,781	23.1%

**1(a)(ii) Included in the determination of profit before tax are the following items:**

	3 months ended 30 September			9 months ended 30 September		
	2004	2003	Change	2004	2003	Change
	<u>US\$'000</u>	<u>US\$'000</u>	<u>%</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>%</u>
Depreciation of property, plant and equipment	(2,139)	(2,256)	-5.2%	(6,108)	(4,683)	30.4%
Amortisation of intangible assets	(367)	(161)	128.0%	(1,106)	(470)	135.3%
Net foreign exchange (loss)/ gain	805	(202)	NM	(922)	2,264	NM
Under/(Over) provision of tax in prior years	16	(13)	NM	(430)	99	NM
Gain/(loss) on disposal of property, plant and equipment	43	(237)	118.1%	143	53	169.8%
Inventories written off	(85)	(81)	4.9%	(174)	(81)	114.8%
Allowance for inventory obsolescence	(120)	(135)	-11.1%	(260)	(210)	23.8%

**1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

	Group		Company	
	30-Sep-04	31-Dec-03	30-Sep-04	31-Dec-03
	US\$'000	US\$'000	US\$'000	US\$'000
<b>Current assets</b>				
Cash and cash equivalents	11,489	8,832	3,159	3,795
Trade debtors	37,615	33,076	16,833	15,253
Due from subsidiaries				
- Trade	-	-	29,489	14,457
- Non-trade	-	-	1,873	1,354
Due from associates				
- Trade	79	92	-	-
- Non-trade	2	23	-	-
Due from related parties				
- Trade	1,652	1,552	7	-
- Non-trade	-	258	-	-
Inventories	97,780	91,898	29,574	28,380
Other current assets	7,749	7,693	1,670	2,052
	<b>156,366</b>	<b>143,424</b>	<b>82,605</b>	<b>65,291</b>
<b>Non-current assets</b>				
Investments in subsidiaries	-	-	37,900	36,427
Investments in associates	3,053	3,533	3,000	3,000
Property, plant and equipment	76,108	74,661	1,624	1,464
Intangibles	11,515	12,570	-	-
Deferred tax assets	1,266	466	-	-
Loans to subsidiaries	-	-	9,510	9,510
Other non-current assets	267	284	-	-
	<b>92,209</b>	<b>91,514</b>	<b>52,034</b>	<b>50,401</b>
<b>Total Assets</b>	<b>248,575</b>	<b>234,938</b>	<b>134,639</b>	<b>115,692</b>
<b>Current liabilities</b>				
Trade creditors	15,115	14,703	5,072	6,978
Due to subsidiaries				
- Trade	-	-	17,777	14,643
- Non-trade	-	-	1,429	2,287
Due to associates				
- Trade	622	282	-	-
Due to related parties				
- Trade	709	467	-	-
- Non-trade	68	74	-	-
Other payables	12,793	8,841	5,954	2,211
Current tax liabilities	2,475	1,933	1,123	1,139
Borrowings	108,858	105,697	42,201	32,335
	<b>140,640</b>	<b>131,997</b>	<b>73,556</b>	<b>59,593</b>
<b>Non-current liabilities</b>				
Borrowings	28,002	31,070	149	230
Accruals	1,773	1,739	-	-
Deferred tax liabilities	1,587	1,430	76	75
	<b>31,362</b>	<b>34,239</b>	<b>225</b>	<b>305</b>
<b>Total liabilities</b>	<b>172,002</b>	<b>166,236</b>	<b>73,781</b>	<b>59,898</b>
<b>Net assets</b>	<b>76,573</b>	<b>68,702</b>	<b>60,858</b>	<b>55,794</b>
<b>Represented by:</b>				
Share capital	18,830	18,203	18,830	18,203
Share premium	2,018	1,222	2,018	1,222
Convertible Bonds	20,000	20,000	20,000	20,000
Foreign currency translation reserve	(4,319)	(2,768)	-	-
Retained earnings	39,200	29,543	20,010	16,369
General reserve	300	300	-	-
<b>Interests of shareholders of the Company</b>	<b>76,029</b>	<b>66,500</b>	<b>60,858</b>	<b>55,794</b>
Minority interests	544	2,202	-	-
	<b>76,573</b>	<b>68,702</b>	<b>60,858</b>	<b>55,794</b>

## 1(b)(ii) Aggregate amount of group's borrowings and debt securities

	As at 30/09/2004		As at 31/12/2003	
	Secured	Unsecured	Secured	Unsecured
	US\$'000	US\$'000	US\$'000	US\$'000
Amount repayable in one year or less, or on demand	108,858	-	105,697	-
Amount repayable after one year	28,002	-	31,070	-
	<u>136,860</u>	<u>-</u>	<u>136,767</u>	<u>-</u>

### Details of collateral

The Group's borrowings are secured by certain pledged deposits, trade receivables, inventories and property, plant and equipment or by letters of corporate guarantee from the shareholders.

**1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	9 months ended 30-Sep-04 <u>US\$'000</u>	9 months ended 30-Sep-03 <u>US\$'000</u>
<b>Cash flows from operating activities</b>		
Profit before tax and share of profits less losses of associates	17,469	11,233
Adjustments for:		
Depreciation	6,108	4,683
Amortisation of intangibles	1,106	470
Negative goodwill write-off	-	(303)
Interest income	(146)	(158)
Interest expense	5,453	6,381
(Gain)/Loss on disposal of property, plant and equipment	(143)	(53)
Operating cash flow before working capital change	29,847	22,253
Change in operating assets and liabilities, net of effects from purchase of subsidiaries		
Receivables	(4,385)	(6,887)
Inventories	(5,882)	(16,623)
Payables	973	(12,416)
Trade finance	1,293	29,032
Cash from operations	21,846	15,359
Interest paid	(3,852)	(4,358)
Income tax paid	(1,752)	(1,657)
<b>Net cash (outflow)/inflow from operating activities</b>	<b>16,242</b>	<b>9,344</b>
<b>Cash flows from investing activities</b>		
Payments for purchase of subsidiaries	-	(1,510)
Payments for purchase of additional interests in subsidiaries	(1,449)	(1,921)
Payments for property, plant and equipment	(8,908)	(18,274)
Payments for development expenditure	(19)	(15)
Interest received	146	158
Proceeds from sale of property, plant and equipment	296	64
<b>Net cash outflow from investing activities</b>	<b>(9,934)</b>	<b>(21,498)</b>
<b>Cash flows from financing activities</b>		
Net proceeds from issue of ordinary shares	1,423	-
Net proceeds from bank loans	2,610	19,732
Repayments of lease liabilities – net	(163)	(122)
Interest paid	(3,704)	(4,724)
Decrease/(increase) in fixed deposits held as collateral with financial institutions	514	1,989
<b>Net cash inflow/(outflow) from financing activities</b>	<b>680</b>	<b>16,875</b>
Exchange difference on translation	(172)	(146)
<b>Net increase/(decrease) in cash and cash equivalents held</b>	<b>6,816</b>	<b>4,575</b>
Cash and cash equivalents at the beginning of the financial period	(18,271)	(16,651)
<b>Cash and cash equivalents at the end of the financial period</b>	<b>(11,452)</b>	<b>(12,076)</b>

**Cash flow and cash equivalents included in cashflow statement comprise the following balance sheet amounts:**

	30 September 2004 US\$'000	30 September 2003 US\$'000
Cash and bank balances	11,489	14,817
Less : Fixed deposits held as collateral with financial institutions	(1,572)	(2,019)
Less: Bank overdrafts	(21,369)	(24,874)
	<u>(11,452)</u>	<u>(12,076)</u>

**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Statement of Changes in Equity  
For the 9 months ended 30 September

	<u>Share capital</u> US\$'000	<u>Share premium</u> US\$'000	<u>Convertible bonds</u> US\$'000	<u>Foreign currency translation reserve</u> US\$'000	<u>Retained earnings</u> US\$'000	<u>General reserve</u> US\$'000	<u>Total</u> US\$'000
<b><u>The Group</u></b>							
<b>Balance as 1 January 2004</b>	18,203	1,222	20,000	(2,768)	29,543	300	66,500
<b><u>1H2004</u></b>							
Currency translation differences	-	-	-	(2,104)	-	-	(2,104)
Net gains/(losses) not recognised in income statement	-	-	-	(2,104)	-	-	(2,104)
Net profit	-	-	-	-	8,981	-	8,981
<b>Total recognised gains/(losses) for the financial period</b>	-	-	-	(2,104)	8,981	-	6,877
Dividends					(4,000)		(4000)
<b>Balance at 30 June 2004</b>	<b>18,203</b>	<b>1,222</b>	<b>20,000</b>	<b>(4,872)</b>	<b>34,524</b>	<b>300</b>	<b>69,377</b>
<b><u>3Q 2004</u></b>							
Issue of new ordinary shares	627	796	-	-	-	-	1,423
Currency translation differences	-	-	-	553	-	-	553
<b>Net gains/(losses) not recognised in income statement</b>	627	796	-	553	-	-	1,976
Net profit	-	-	-	-	4,676	-	4,676
<b>Total recognised gains for the financial period</b>	627	796	-	553	4,676	-	6,652
<b>Balance at 30 September 2004</b>	<b>18,830</b>	<b>2,018</b>	<b>20,000</b>	<b>(4,319)</b>	<b>39,200</b>	<b>300</b>	<b>76,029</b>

## 1(d)(i) Statement of Changes in Equity (cont'd)

	<u>Share capital</u>	<u>Share premium</u>	<u>Convertible bonds</u>	<u>Foreign currency translation reserve</u>	<u>Retained earnings</u>	<u>General reserve</u>	<u>Total</u>
<b><u>The Group</u></b>							
<b>Balance as 1 January 2003</b>	18,203	1,222	20,000	(3,665)	18,093	-	53,853
<u>1H2003</u>							
Currency translation differences	-	-	-	1,157	-	-	1,157
Net gains not recognised in income statement	-	-	-	1,157	-	-	1,157
Net profit	-	-	-	-	6,255	-	6,255
<b>Total recognised gains for the financial period</b>	-	-	-	1,157	6,255	-	7,412
<b>Balance at 30 June 2003</b>	<b>18,203</b>	<b>1,222</b>	<b>20,000</b>	<b>(2,508)</b>	<b>24,348</b>	<b>-</b>	<b>61,265</b>
<u>3Q 2003</u>							
Currency translation differences	-	-	-	(108)	-	-	(108)
Net gains/(losses) not recognised in income statement	-	-	-	(108)	-	-	(108)
Net profit	-	-	-	-	1,795	-	1,795
<b>Total recognised gains/(losses) for the financial period</b>	-	-	-	(108)	1,795	-	1,687
<b>Balance at 30 September 2003</b>	<b>18,203</b>	<b>1,222</b>	<b>20,000</b>	<b>(2,616)</b>	<b>26,143</b>	<b>-</b>	<b>62,952</b>

	<u>Share capital</u> US\$'000	<u>Share premium</u> US\$'000	<u>Convertible bonds</u> US\$'000	<u>Retained earnings</u> US\$'000	<u>General reserve</u> US\$'000	<u>Total</u> US\$'000
<b><u>The Company</u></b>						
<b>Balance as 1 January 2004</b>	18,203	1,222	20,000	16,369	-	55,794
<u>1H2004</u>						
Net profit	-	-	-	5,919	-	5,919
Dividends	-	-	-	(4,000)	-	(4,000)
<b>Balance at 30 June 2004</b>	<b>18,203</b>	<b>1,222</b>	<b>20,000</b>	<b>18,288</b>	<b>-</b>	<b>57,713</b>
<u>3Q 2004</u>						
Issue of new ordinary shares	627	796	-	-	-	1,423
Net profit	-	-	-	1,722	-	1,722
<b>Balance at 30 September 2004</b>	<b>18,830</b>	<b>2,018</b>	<b>20,000</b>	<b>20,010</b>	<b>-</b>	<b>60,858</b>

### **The Company**

<b>Balance as 1 January 2003</b>						
<u>1H2003</u>						
Net profit	18,203	1,222	20,000	9,225	-	48,650
	-	-	-	5,996	-	5,996
<b>Balance at 30 June 2003</b>	<b>18,203</b>	<b>1,222</b>	<b>20,000</b>	<b>15,221</b>	<b>-</b>	<b>54,646</b>
<u>3Q 2003</u>						
Net profit	-	-	-	267	-	267
<b>Balance at 30 September 2003</b>	<b>18,203</b>	<b>1,222</b>	<b>20,000</b>	<b>15,488</b>	<b>-</b>	<b>54,913</b>



- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

	<u>Note</u>	<u>Number of shares</u>	<u>Par Value</u>
Issued and fully paid-up ordinary shares as at 30 June 2004		30,600,000	S\$1
Issue of new ordinary shares on 12 August	a	1,077,700	S\$1
		31,677,700	S\$1
Issued and fully-paid up ordinary shares after sub-division of each existing ordinary shares into 10 ordinary shares of S\$0.10 each.	b	316,777,000	S\$0.10
		316,777,000	S\$0.10

- a. 1,077,700 new ordinary shares of S\$1 per share were issued at a premium of S\$1.27 as consideration for the acquisition of an additional 4.98%, 4.96% and 4.99% of the issued share capital of PT General Food Industries, PT Perusahaan Industri Ceres and PT Nirwana Lestari respectively from minority shareholders. The newly issued shares rank pari passu in all respects with the previously issued share.
- b. Approved by the shareholders of the Company at an Extraordinary General Meeting on 22 September 2004.

- 2 Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed.

- 3. Whether the figures have been audited or reviewed, the auditors' report (including qualifications or emphasis of matter).**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Company and the Group have applied consistent accounting policies and methods of computation in the financial statement for the current reporting period as those in the audited annual financial statements for the year ended 31 December 2003.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

Not applicable.

**6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	3 months ended 30 September		9 months ended 30 September	
	2004	2003	2004	2003
(i) Based on weighted average number of ordinary shares in issue – cents (USD)	1.5	0.6	4.4	2.6
(ii) On a fully diluted basis (detailing any adjustments made to the earnings) – cents (USD)	1.2	0.5	3.4	2.1

(i) Based on weighted average number of ordinary shares of 308,036,000 of par value of S\$0.10 per share after taking into account changes in share capital as disclosed in para 1d(iii).

(ii) The dilutive earnings per share is calculated by adjusting the weighted average number of ordinary shares in issue to assume conversion of all the convertible bonds issued to Canzone Limited and Mckeelson Holdings Limited (as nominee of Fremont Investment Limited) and the net profit is adjusted to eliminate interest net of tax.

**7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the**  
**(a) current period reported on; and**  
**(b) immediately preceding financial year.**

	Group		Company	
	30-Sep-04	31-Dec-03	30-Sep-04	31-Dec-03
Net asset value per ordinary share based on issued share capital – cents (USD)	24.0	21.7	19.2	18.2

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group business. It must include a discussion of the following: -**  
**a. any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**  
**b. any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

Founded in 1984, Petra Food Limited (the “Group”) is one of the world’s major manufacturers and suppliers of cocoa ingredients. The Group is organized into two main business divisions, namely Cocoa Ingredients and Branded Consumer. Cocoa Ingredients division is involved in the manufacture, marketing and distribution of a wide range of specialty cocoa butter, liquor and cocoa power under the Delfi brand. The Branded Consumer division manufactures, markets and distributes chocolate confectionery products, with a portfolio of eight master brands and 19 key-sub brands.

**Review of Group Performance**

**Overview**

The Group’s profit after tax and minority interest for the 3<sup>rd</sup> quarter 2004 of US\$4.7 million was US\$2.9 million or 160.5% higher than the same quarter 2003. The Group’s profit after tax and minority interest for YTD September 2004 of US\$13.7 million was US\$5.6 million higher than the corresponding period last year. The strong performance was attributable to (1) demand-led expansion of our manufacturing capacities that led to increased penetration in new and developing markets; (2) increased market penetration in the growing Indonesia market via our extensive sales and distribution network; (3) unusually strong gross margin performance in the Consumer division (as described below); and (4) lower cost of borrowing achieved by refinancing the Group’s credit facilities.

## Key Figures

	3 months ended 30 September			9 months ended 30 September		
	2004	2003	Change	2004	2003	Change
	<u>US\$'000</u>	<u>US\$'000</u>	<u>%</u>	<u>US\$'000</u>	<u>US\$'000</u>	<u>%</u>
<u>Sales</u>						
Cocoa Ingredients	69,092	59,323	16.5	199,753	166,144	20.2%
Branded Consumer	31,317	23,977	30.6	84,380	64,637	30.5%
	<u>100,409</u>	<u>83,300</u>	<u>20.5</u>	<u>284,133</u>	<u>230,781</u>	<u>23.1%</u>
<u>EBITDA</u>						
Cocoa Ingredients	5,803	4,013	44.6	16,300	11,826	37.8%
Branded Consumer	4,330	3,192	35.7	13,479	10,519	28.1%
	<u>10,133</u>	<u>7,205</u>	<u>40.6</u>	<u>29,779</u>	<u>22,345</u>	<u>33.3%</u>
Profit from operations	7,668	4,721	62.4	22,602	17,372	30.1%
Finance Costs	(1,726)	(2,384)	-27.6	(5,456)	(6,381)	-14.5%
Profit before tax	5,941	2,359	151.8	17,255	10,969	57.3%

## Key Indicators by Business Segments

	3 months ended 30 September			9 months ended 30 September		
	<u>2004</u>	<u>2003</u>	<u>Change</u>	<u>2004</u>	<u>2003</u>	<u>Change</u>
<u>Branded Consumer</u>						
Gross Profit Margin	34.7%	30.0%	4.7%	34.5%	31.0%	3.5%

	6 months average ending 30 September		
	<u>2004</u>	<u>2003</u>	<u>Change</u> <u>%</u>
<u>Cocoa Ingredients</u>			
EBITDA per metric ton of sales volume (US\$)	197	192	3.0

## Turnover

The Group recorded a 20.5% growth in 3rd quarter turnover to US\$100.4 million compared to US\$83.3 million for the same quarter in 2003.

Cocoa Ingredients Division grew 16.5% to US\$69.1 million, riding on the Group's demand-led expansion of its manufacturing capacities which led to increased penetration in new and developing markets. In its continuing effort to better meet the growing needs of its customers in the international food and beverage industry, the Group increased its production volume for the quarter as compared to the same period last year. This was achieved by additional capacity made available in Malaysia's new cocoa processing facility and through acquisition of Nestle's Mexico factory in July 2003 and Brazil factory in October 2003.

Sales for the Branded Consumer Division were also up 31% from US\$24 million to US\$31.3 million as the Group increased its market penetration in Indonesia capitalizing on increasing consumer spending as well as leveraging on its expanded network of distributors and wider coverage of trade outlets. The consistent growth also reflected the success of our various product and packaging initiatives across our brand portfolio which was conducted in conjunction with advertising and promotion during the period under review.

## Profitability

The increased turnover led EBITDA for the quarter to increase to US\$10.1 million, a 40.6% or US\$2.9 million jump over the same quarter in 2003. Of the increase, US\$1.8 million was

contributed by the Cocoa Ingredients division and US\$1.1 million by the Branded Consumer division.

The Group also saw Cocoa Ingredients division's EBITDA increase by US\$1.8 million from US\$4 million to US\$5.8 million for the quarter under review. This was mainly due to higher margins coupled with an increase in capacity utilization. This has resulted in the increase in the moving average 6 months EBITDA per mt of sales volume from US\$192 per mt to US\$197 per mt.

Branded Consumer products also generated an unusually strong gross profit margin of 34.7% or 4.7% higher over the same quarter in 2003. This was due to lower cost of sales as the Group reaped benefits of increasing economies of scales and favourable product mix. To support the growth of the Branded Consumer division, higher advertising and promotional expenses and freight and handling charges were incurred. This caused the selling and distribution costs for the quarter to increase to US\$8.0 million, US\$2.4 million higher than the same quarter last year.

The Group's profit from operations for the quarter of US\$7.7 million was 62.4% or US\$2.9 million higher than the corresponding period last year. The Group's profit before tax showed a stronger growth of 151.8% from US\$2.4 million to US\$5.9 million as its net finance cost decreased due to a lower cost of borrowings achieved by refinancing the Group's credit facilities in September 2003.

#### Balance Sheet

The Group's balance sheet as at 30 September 2004 showed a steady growth with total shareholder's funds improving by US\$9.5 million to US\$76.0 million mainly due to profits generated from operations which was offset by dividends paid of US\$4 million.

Total assets as at 30 September 2004 of US\$248.6 million were higher by US\$13.6 million or 5.8% compared to US\$234.9 million as of 31 December 2003 in line with the expansion of its production capacity and sales growth of its Branded Consumer division.

With improved profitability, the Group's gearing (computed by dividing the Group's average borrowing by the average shareholders' equity) improved from 1.92 times to 1.88 times. Its <sup>1</sup>adjusted net debt to equity ratio increased marginally from 0.84 times to 0.89 times despite additional long term financing arising from new investments in Latin America and Malaysia.

<sup>1</sup> Adjusted net debt is calculated by netting trade financing from the total net debt amount to more accurately reflect the gearing of the Group. Trade finance principally comprise of structured and collateralised finance arrangement for the purposes of financing our cocoa ingredients inventories.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

No forecast or prospect statement has been previously disclosed.

**10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Company was listed on the Mainboard of the Singapore Exchange Securities Trading Limited on 5 November 2004. The Group will pursue its business strategies and future plans as set out in the Prospectus dated 28 October 2004.

## 11. Dividend

### a. Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share (in cents)	13.07 cents per ordinary share tax exempt (one-tier tax)
Dividend Rate (in %)	13.1%
<sup>1</sup> Par value of shares	\$1
Tax Rate	N.A

An interim tax exempt one-tier dividend was approved and declared on 3 June 2004 for the current financial year. The dividend was fully paid on 26 October 2004.

<sup>1</sup>As of 30 June 2004, the Company's issued and paid up capital was S\$30,600,000 comprising 30,600,000 ordinary shares of S\$1.00 each. At an Extraordinary General Meeting held on 22 September 2004, the shareholders of the Company approved the subdivision of each existing ordinary share of S\$1.00 each in the authorized, issued and paid-up share capital of the Company into 10 ordinary shares of S\$0.10 each.

### b. Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? **No.**

Name of Dividend	N.A
Dividend Type	N.A
Dividend Amount per Share (in cents)	N.A
Dividend Rate (in %)	N.A
Par value of shares	N.A
Tax Rate	N.A

### (c) Date Payable

Not applicable

### (d) Books closure date

Not applicable.

### c. If no dividend has been declared/recommended, a statement to that effect.

Not applicable

BY ORDER OF THE BOARD

Lian Kim Seng/Evelyn Chuang  
Secretaries

Statement by ABN AMRO Rothschild, the issue manager and the sponsor of the initial public offering of Petra Foods Limited's (the Company) shares:-

ABN AMRO Rothschild (being the unincorporated equity capital markets joint venture between ABN AMRO Bank N.V., Singapore branch, and N.M. Rothschild & Sons (Singapore) Limited, each trading as ABN AMRO Rothschild) acted as the Global Co-ordinator, Bookrunner and Lead Manager in respect of the initial public offering of ordinary shares of \$0.10 each in the capital of the Company which was completed on 5 November 2004.

This announcement has been prepared and released by the Company. ABN AMRO Rothschild is not required to and has not been involved in the preparation or release of this announcement and has not verified the accuracy, completeness or adequacy of the information contained herein. Accordingly, no representation, warranty, covenant or recommendation, express or implied, is made by ABN AMRO Rothschild or any of its affiliates (including any subsidiaries and/ or holding companies thereof), branches, joint venture partners or any of its or their directors, officers, employees, agents or representatives as to the accuracy, completeness or adequacy of the information contained in this announcement, and nothing contained in this announcement is, or shall be relied upon as, a promise, representation, covenant or recommendation by ABN AMRO Rothschild or any of its affiliates (including any subsidiaries and/ or holding companies thereof), branches, joint venture partners or any of its or their directors, officers, employees, agents or representatives. ABN AMRO Rothschild does not accept any responsibility for, and disclaims any liability with respect to, the accuracy, completeness or adequacy of the information contained in this announcement or incorporated by reference herein.