

ADDITIONAL INVESTMENT IN PETRA ARMAJARO HOLDINGS PTE. LTD.

The Board of Directors of Petra Foods Limited (*Company*) wishes to announce that its European based cocoa ingredients processing subsidiary, Petra Armajaro Holdings Pte Ltd (*Petra Armajaro*), has increased its issued and paid-up capital from €34.6 million to €46.6 million. Details of the additional €12 million investment from Petra Armajaro's shareholders are as follows:-

<u>Name of Shareholders</u>	<u>No. of ordinary shares subscribed</u>	<u>Consideration Paid</u>
Petra Foods Limited	9,436,800	€9,436,800
Unicom Holding B.V.	2,563,200	€2,563,200

From the Company's perspective, the consideration for the 9,436,800 ordinary shares will be funded via a combination of internal financial resources and bank borrowings.

The aforesaid investment by shareholders of Petra Armajaro, is part of the planned strategic initiative to upgrade and expand the production capabilities and capacity of the European cocoa ingredients operations. These investments will provide Petra Armajaro with the platform to increase market penetration of customized cocoa ingredients to the largest consuming market for cocoa ingredients. The first investment of the €8 million by the shareholders of Petra Armajaro was announced on SGXNET on 4 January 2008 (SGXNET ref. no. 00051).

Subsequent to the additional investment, the Company now holds 31,688,000 ordinary shares in Petra Armajaro (representing 68% of its share capital) with the remaining 14,912,000 ordinary shares (representing 32% of its share capital) held by Unicom Holding B.V. (the subsidiary of the Company's JV partner, Armajaro Holdings Limited).

The above transaction is not expected to have any material impact on the net tangible assets and earnings per share of the Company for the financial year ending 31 December 2008 and no directors or substantial shareholders of the Company have any, direct or indirect, interest in the aforesaid transaction.

By Order of the Board
Chuang Yok Hoa/ Lian Kim Seng
Company Secretaries
13 August 2008