(Registration no. 198403096C)

Petra Foods Limited
Unaudited Financial Statements and Dividend Announcement
For the 4th Quarter and 12 Months Ended 31 December 2010

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (1Q, 2Q, 3Q & 4Q), HALF YEAR AND FULL YEAR RESULTS

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PETRA FOODS LIMITED

(Registration no. 198403096C)

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 4Q ended 31 December 2010 US$'000	2009 US$'000	%	Group 12 months ended 31 December 2010 US$'000	2009 US$'000	%
Sales	1	**420,976**	350,420	20.1	**1,566,020**	1,244,469	25.8
Cost of Sales	2	**(364,977)**	(307,050)	18.9	**(1,366,417)**	(1,102,284)	24.0
Gross Profit		**55,999**	43,370	29.1	**199,603**	142,185	40.4
Other operating income		**1,167**	(410)	NM	**5,670**	4,690	20.9
Selling and distribution costs		**(19,993)**	(18,770)	6.5	**(84,516)**	(67,448)	25.3
Administrative expenses		**(10,015)**	(10,166)	(1.5)	**(35,288)**	(32,996)	6.9
Finance costs	3	**(7,045)**	(4,936)	42.7	**(25,891)**	(18,171)	42.5
Other operating expenses		**401**	687	(41.6)	**(1,415)**	(1,263)	12.0
		20,514	9,775	109.9	**58,163**	26,997	115.4
Share of results of associated companies		**185**	148	25.0	**298**	322	(7.5)
Profit before tax		**20,699**	9,923	108.6	**58,461**	27,319	114.0
Income tax expense		**(4,366)**	(2,031)	115.0	**(13,988)**	(7,582)	84.5
Net Profit	4	**16,333**	7,892	107.0	**44,473**	19,737	125.3
Attributable to:							
Equity holders of the company		**16,333**	9,366	74.4	**44,473**	24,625	80.6
Non Controlling Interest	5	**-**	(1,474)	(100.0)	**-**	(4,888)	(100.0)
		16,333	7,892	107.0	**44,473**	19,737	125.3
EBITDA	6	**33,246**	20,409	62.9	**108,422**	67,222	61.3
Earnings per share (US cents) - Basic and Diluted [a, b]		**2.67**	1.76	51.9	**7.73**	4.63	67.1
Return on equity [c]					**17.7%**	12.6%	5.1% pt

a As there are no potentially dilutive ordinary shares, diluted Earnings per Share is the same as basic Earnings per Share.

b EPS is calculated by dividing the net profit attributable to shareholders of the Company by the number of shares of 611,157,000 for 4Q and weighted average number of shares of 575,282,808 for 12-month 2010 (4Q and FY2009: 532,277,000). Refer to para 6.

c For comparative purposes, ROE is computed based on FY 2010 profit attributable to equity holders of the company divided by average shareholders equity.

Explanatory notes on income statement

Note 1 - Breakdown of Sales by Division

	4Q ended 31 December			12 months ended 31 December		
	2010	2009	Change	**2010**	2009	Change
	US$'000	US$'000	%	**US$'000**	US$'000	%
Cocoa Ingredients Division	**331,310**	269,998	22.7	**1,199,136**	944,626	26.9
Branded Consumer Division	**89,666**	80,422	11.5	**366,884**	299,843	22.4
	420,976	350,420	20.1	**1,566,020**	1,244,469	25.8

Note 2 - Cost of Sales

	4Q ended 31 December			12 months ended 31 December		
	2010	2009	Change	**2010**	2009	Change
	US$'000	US$'000	%	**US$'000**	US$'000	%
Cost of goods sold	**368,744**	305,422	20.7	**1,373,253**	1,089,373	26.1
Cost of services	**4,198**	4,038	4.0	**15,131**	12,652	19.6
	372,942	309,460	20.5	**1,388,384**	1,102,025	26.0
Transfer from cash flow hedge reserve - cocoa bean and forex derivatives	**(8,331)**	(3,552)	134.5	**(18,874)**	(16,137)	17.0
Other adjustments to cost of sales:						
- Fair value loss/(gain) on cocoa bean derivatives	**815**	1,686	(51.7)	**(6,805)**	10,865	NM
- Fair value (gain)/loss on foreign exchange derivatives	**(2)**	316	NM	**5,123**	5,592	(8.4)
Net foreign exchange gain	**(447)**	(860)	(48.0)	**(1,411)**	(61)	NM
Cost of Sales	**364,977**	307,050	18.9	**1,366,417**	1,102,284	24.0

Note 3 - Finance Costs (Net)

	4Q ended 31 December			12 months ended 31 December		
	2010	2009	Change	**2010**	2009	Change
	US$'000	US$'000	%	**US$'000**	US$'000	%
Interest Expense	**5,987**	3,729	60.6	**22,557**	15,274	47.7
Transfer from cash flow hedge - interest rate swaps	**1,005**	1,179	(14.8)	**3,640**	2,838	28.3
	6,992	4,908	42.4	**26,197**	18,112	44.6
Net foreign exchange (gain) / loss	**53**	28	89.3	**(306)**	59	(618.6)
Total finance costs	**7,045**	4,936	42.7	**25,891**	18,171	42.5

Note 4 - Net Profit

Net Profit is arrived after (deducting)/crediting the following:

	4Q ended 31 December			12 months ended 31 December		
	2010	2009	Change	**2010**	2009	Change
	US$'000	US$'000	%	**US$'000**	US$'000	%
Depreciation of property, plant and equipment	**(5,862)**	(5,543)	5.8	**(23,235)**	(21,062)	10.3
Amortisation of intangible assets	**(110)**	(132)	(16.7)	**(433)**	(483)	(10.4)
Net foreign exchange gain	**208**	105	98.1	**2,202**	1,972	11.7
(Under)/Over provision of tax in prior years	**(182)**	(752)	(75.8)	**518**	(736)	NM
Gain/(Loss) on disposal of property, plant and equipment	**169**	(196)	NM	**622**	(135)	NM
Impairment loss on trade receivables	**(78)**	(91)	(14.3)	**(81)**	(140)	(42.1)
Inventories written off	**(1,323)**	(70)	1,790.0	**(2,668)**	(808)	230.2
Allowance made for inventory obsolescence	**(1,027)**	(721)	42.4	**(3,258)**	(1,849)	76.2

Note 5 - Non Controlling Interest

In January 2010, the Group's effective interest in its European subsidiaries increased from 68% to 100% after its acquisition of the remaining 32% of the issued share capital of Petra Armajaro Holdings Pte Ltd from its minority shareholder.

With effect from 5 May 2010, "Petra Armajaro Holdings Pte Ltd" changed its name to "Petra Europe Holdings Pte Ltd" (Petra Europe) to reflect not only the change of corporate identity but also the full integration of Delfi Cocoa Europe into the Group's global cocoa ingredients network.

Note 6 - EBITDA

	4Q ended 31 December			12 months ended 31 December		
	2010	2009	Change	**2010**	2009	Change
	US$'000	US$'000	%	**US$'000**	US$'000	%
Profit Before Tax	**20,699**	9,923	108.6	**58,461**	27,319	114.0
Interest expense	**6,992**	4,909	42.4	**26,197**	18,112	44.6
Fair value (gain)/ loss on interest rate derivatives	**(276)**	-	NM	**345**	428	(19.4)
Interest income	**(141)**	(98)	43.9	**(249)**	(182)	36.8
Depreciation of property, plant and equipment	**5,862**	5,543	5.8	**23,235**	21,062	10.3
Amortisation of intangible assets	**110**	132	(16.7)	**433**	483	(10.4)
EBITDA	**33,246**	20,409	62.9	**108,422**	67,222	61.3

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	
		31-Dec-10	31-Dec-09	**31-Dec-10**	31-Dec-09
	Notes	**US$'000**	US$'000	**US$'000**	US$'000
ASSETS					
Current assets					
Cash and cash equivalents		**42,782**	18,338	**27,375**	6,759
Derivative assets		**11,451**	4,509	**11,451**	4, 087
Trade receivables		**164,964**	134,022	**251,304**	183,034
Inventories	2	**491,362**	354,796	**9,397**	7,066
Tax recoverable		**9,205**	5,323	**-**	-
Other current assets		**33,518**	32,009	**12,968**	17,806
Receivables from subsidiaries		**-**	-	**-**	10,000
		753,282	548,997	**312,495**	228,752
Non-current assets					
Investments in subsidiaries	3	**-**	-	**124,092**	103,114
Investments in associated companies and joint venture		**3,065**	2,363	**3,265**	3,000
Receivables from subsidiaries		**-**	-	**74,956**	54,519
Loans to associated company		**2,531**	2,411	**-**	-
Property, plant and equipment	4	**255,604**	270,049	**1,175**	1,134
Intangibles assets		**21,105**	22,032	**1,784**	1,784
Deferred income tax assets		**17,464**	14,805	**-**	-
Other non-current assets		**798**	888	**21**	-
		300,567	312,548	**205,293**	163,551
Total Assets		**1,053,849**	861,545	**517,788**	392,303
LIABILITIES					
Current liabilities					
Trade payables		**122,317**	115,028	**51,713**	34,246
Other payables		**55,960**	38,326	**11,920**	10,545
Current income tax liabilities		**5,149**	4,815	**-**	2,116
Derivative liabilities		**10,975**	5,607	**7,000**	5,257
Borrowings	5	**441,524**	295,931	**161,585**	85,430
		635,925	459,707	**232,218**	137,594
Non-current liabilities					
Borrowings	5	**107,591**	166,376	**70,073**	101,102
Deferred income tax liabilities		**5,917**	7,046	**330**	1,051
Provisions for other liabilities and charges		**10,314**	8,347	**-**	-
		123,822	181,769	**70,403**	102,153
Total liabilities		**759,747**	641,476	**302,621**	239,747
NET ASSETS		**294,102**	220,069	**215,167**	152,556
Capital and reserves attributable to the Company's equity holders					
Share capital	1	**155,951**	95,767	**155,951**	95,767
Foreign currency translation reserve		**(1,962)**	(3,079)	**-**	-
Other reserves		**(1,115)**	5,270	**(227)**	4,903
Retained earnings		**141,228**	109,735	**59,443**	51,886
		294,102	207,693	**215,167**	152,556
Non controlling interest		**-**	12,376	**-**	-
Total equity		**294,102**	220,069	**215,167**	152,556

Explanatory notes on statement of Financial Position

Note 1 - Share Capital

On 16 June 2010, the Company issued and allotted 78,880,000 new shares at S$1.08 per shares. Total net proceeds of US$60.2 million were raised (see para 1d(ii)).

The net proceeds raised provide the Group with greater financial capacity to pursue strategic growth opportunities and increase its financial resources for current operations. The use of proceeds were intended as follows:-

- About 50% of the net proceeds to pursue strategic alliances, mergers and acquisitions, joint ventures and investments as and when they may arise; and
- The balance of the net proceeds for working capital and general corporate purposes of the Group.

As at year end, pending utilization of proceeds allocated for strategic alliances, mergers and acquisitions, joint ventures or investments, the Group has utilized all the proceeds to reduce bank borrowings.

As elaborated in the Share Placement announcement dated 9 June 2010, pending the deployment of the net proceeds for the abovementioned purposes, the net proceeds may be deposited with banks and/or financial institutions, used to discharge, reduce or retire any indebtedness and/or used for any other purposes on a short-term basis, as the Directors may, in their absolute discretion, deem appropriate in the interest of the Group.

Note 2 - Inventories

The Cocoa Ingredients Division's higher inventories was due to more cocoa beans carried coupled with a higher value of cocoa products.

	31 December 2010	31 December 2009
	US$'000	US$'000
Cocoa Ingredients	**428,767**	296,163
Branded Consumer	**62,595**	58,633
	491,362	354,796

Note 3 - Investment in Subsidiaries

On 29 January 2010, the Company acquired the remaining 32% of the issued share capital of Petra Armajaro Holdings Pte Ltd ("PAH") from its minority shareholder for a consideration of Euro 9 million (US$13 million) paid in cash. With effect from May 2010, PAH changed its name to Petra Europe Holdings Pte Ltd as disclosed in para 1a(i) note 4.

On 29 November 2010, the Company increased its investment in its wholly owned subsidiary, Delfi Cocoa Investments 1 Pte Ltd ("DCI 1") by US$6 million through capitalising part of the amount owed by DCI 1 to the Company.

On 17 December 2010, wholly owned subsidiary Delfi Marketing Inc. ("DMI") increased its paid up capital by PHP 79 million through the issuance of 790,000 new ordinary shares. The Company subscribed for the 790,000 ordinary shares in DMI for a cash consideration of US$1.8 million. The subscription was funded through internal financial resources.

Note 4 - Property, Plant and Equipment

A significant portion of 2009's capital expenditure was utilized for the completion of the investment programme for the Hamburg Cocoa Ingredients operations. Hence, the apparent lower capital expenditure in 2010 compared to 2009. To maximize cash flow utilisation, the Group maintains a rigorous assessment of capital expenditure.

	4Q ended 31 December			12 months ended 31 December		
	2010	2009	Change	**2010**	2009	Change
	US$'000	US$'000	%	**US$'000**	US$'000	%
Cocoa Ingredients	**2,313**	3,728	(38.0)	**7,977**	32,369	(75.4)
Branded Consumer	**2,703**	2,651	(2.0)	**6,511**	8,971	(27.4)
	5,016	6,379	(21.4)	**14,488**	41,340	(65.0)

The decrease in Property, Plant and Equipment of US$14.4 million to US$255.6 million at 31 December 2010, as noted on page 5, is as a result of the net effect of additions, disposals depreciations plus the translational impact of the Euro assets.

Note 5 - Borrowings

	Group		Company	
	31-Dec-10	31-Dec-09	**31-Dec-10**	31-Dec-09
	US$'000	US$'000	**US$'000**	US$'000
Bank overdraft	**47,415**	46,384	**672**	580
Bank borrowings	**92,623**	125,093	**20,012**	23,163
MTN	**97,523**	83,584	**97,523**	83,584
Finance lease liabilities	**1,669**	1,771	**566**	335
Trade finance and short term advances	**309,885**	205,475	**112,885**	78,870
	549,115	462,307	**231,658**	186,532
Breakdown of borrowings:				
Current	**441,524**	295,931	**161,585**	85,430
Non current	**107,591**	166,376	**70,073**	101,102
	549,115	462,307	**231,658**	186,532

To fund the higher inventories as disclosed in Note 2, the Group utilised additional trade finance of US$104.4 million.

As at 31 December 2010, US$73.2 million of the Medium Term Notes (MTN) and term loan are due in 2011. The Company recently issued a 3-year MTN totaling US$40.1 million to refinance the amount due.

Note 6 - Key Ratios

	Group	
	31-Dec-10	31-Dec-09
Current Ratio	**1.18**	1.19
Average Inventory Days	**113**	95
Average Receivable Days	**35**	33
Net Debt to Equity (x)	**1.72**	2.02
Adjusted Net Debt to Equity* (x)	**0.34**	0.70

* Note: The Adjusted Net Debt to Equity Ratio is adjusted for banking facilities (excluding Trade Finance & MTN) which are used to finance cocoa beans/raw materials inventories.

The increase in Average Inventory Days was mainly attributable to higher value of cocoa beans and cocoa inventories. The Accounts Receivable Days edged up due to the different trading terms for our European cocoa ingredients operations.

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

	Group		Company	
	31-Dec-10	31-Dec-09	**31-Dec-10**	31-Dec-09
Amount repayable in one year or less, or on demand				
- Secured	**165,104**	105,604	**155**	132
- Unsecured	**276,420**	190,327	**161,430**	85,298
	441,524	295,931	**161,585**	85,430
Amount repayable after one year				
- Secured	**28,163**	43,987	**411**	203
- Unsecured	**79,428**	122,389	**69,662**	100,899
	107,591	166,376	**70,073**	101,102

Details of collateral

Total bank borrowings of US$193.3 million obtained by the Group are secured on trade receivables, inventories, property, plant and equipment and legal mortgages of land and properties.

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

	Notes	12 months ended	
		31-Dec-10	31-Dec-09
		US$'000	US$'000
Cash flows from operating activities			
Profit before tax		**58,461**	27,319
Adjustments:			
Depreciation and amortisation		**23,668**	21,545
Property, plant and equipment written off		**565**	15
(Gain)/Loss on disposal of property, plant and equipment		**(622)**	135
Interest income		**(249)**	(182)
Interest expense		**26,197**	18,112
Fair value of derivatives		**4,701**	(3,834)
Net foreign exchange (gain)/loss		**(306)**	59
Share of profits from associated companies		**(298)**	(322)
Operating cash flow before working capital changes		**112,117**	62,847
Change in working capital			
Inventories		**(136,566)**	(134,409)
Trade and other receivables		**(40,268)**	(48,676)
Trade and other payables		**28,914**	72,118
Cash used in operations		**(35,803)**	(48,120)
Interest received		**249**	182
Income tax paid		**(21,615)**	(16,908)
Net cash used in operating activities		**(57,169)**	(64,846)
Cash flows from investing activities			
Purchases of property, plant and equipment	1	**(13,499)**	(39,574)
Acquisition of remaining interest in a subsidiary		**(13,187)**	-
Investment in joint venture	2	**(265)**	-
Payments for patents and trademarks		**(53)**	(74)
Proceeds from disposals of property, plant and equipment		**748**	319
Net cash used in investing activities		**(26,256)**	(39,329)
Cash flows from financing activities			
Proceeds from issuance of ordinary shares		**60,185**	-
Proceeds from term loans		**938**	29,264
Proceeds from trade finance and short term advances		**104,410**	101,109
Proceeds from issuance of Medium Term Notes		**7,179**	15,972
Repayments of term loans		**(31,261)**	(25,904)
Repayment of lease liabilities		**(1,103)**	(1,335)
Interest paid		**(26,197)**	(18,955)
Dividends paid to equity holders of the Company		**(12,743)**	(10,938)
Net cash provided by financing activities		**101,408**	89,213
Net increase/(decrease) in cash and cash equivalents		**17,983**	**(14,962)**
Cash and cash equivalents			
Beginning of financial year		**(28,046)**	(14,301)
Effects of currency translation		**5,430**	1,217
End of financial year		**(4,633)**	(28,046)

Note

1 The amount excluded additions of property, plant and equipment of US$989,000 (2009: US$1,766,000) that had been financed by lease liabilities.

2 On 19 May 2010, the Company entered into a Joint Venture agreement with Blommer Chocolate Company and Cemoi SAS to build, own and operate 30 cocoa bean fermentation centres in the Ivory Coast, Africa. On 19 November 2010, the Company subscribed to 1,000 shares in PACTS SA ("PACTS"), a new company formed in Switzerland under the Joint Venture agreement for a cash consideration of Euro195,000. This represented 33.33% of the share capital of PACTS.

For the purpose of presenting the consolidated cash flow statement, the consolidated cash and cash equivalents comprise the following: -

	12 months ended	
	31-Dec-10	31-Dec-09
	US$'000	US$'000
Cash and bank balances	**42,782**	18,338
Less: Bank overdrafts	**(47,415)**	(46,384)
	(4,633)	(28,046)

Consolidated Statement of Comprehensive Income

	4Q ended 31 December		12 months ended 31 December	
	2010	2009	**2010**	2009
	US$'000	US$'000	**US$'000**	US$'000
Profit for the period	**16,333**	7,892	**44,473**	19,737
Fair value gains on cash flow hedges	**10,272**	2,529	**15,412**	10,981
Transfers to profit or loss	**(8,603)**	(3,183)	**(21,776)**	(15,757)
Tax on fair value adjustments	**299**	1,118	**553**	2,430
	1,968	464	**(5,811)**	(2,346)
Currency translation (loss)/gain	**(1,210)**	685	**1,117**	10,369
Other comprehensive expense for the period	**758**	1,149	**(4,694)**	8,023
Total comprehensive income for the period	**17,091**	9,041	**39,779**	27,760
Attributable to:				
Shareholders of the Company	**17,091**	11,765	**39,779**	35,069
Non controlling interest	**-**	(2,724)	**-**	(7,309)
	17,091	9,041	**39,779**	27,760

1(d)(i) A statement (for the issuer and group) showing either (a) all changes in equity or (b) 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.

Consolidated Statement of Changes in Equity for the Group

	Attributable to equity holders of the Company							
	Share capital	Foreign Currency translation reserve	Cash flow hedge reserve	General reserve	Retained earnings	Total	Non controlling interest	Total equity
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
The Group								
9M 2010								
Balance at 1 January 2010	95,767	(3,079)	3,651	1,619	109,735	207,693	12,376	220,069
Total comprehensive income for the period	-	2,327	(7,779)	-	28,140	22,688	-	22,688
Acquisition of additional interest in a subsidiary	-	-	(378)	(433)	-	(811)	(12,376)	(13,187)
Issue of shares	61,143	-	-	-	-	61,143	-	61,143
Share issue expense	(959)	-	-	-	-	(959)	-	(959)
Final dividend relating to 2009	-	-	-	-	(5,429)	(5,429)	-	(5,429)
Interim dividend relating to 2010	-	-	-	-	(7,314)	(7,314)	-	(7,314)
Balance at 30 September 2010	155,951	(752)	(4,506)	1,186	125,132	277,011	-	277,011
4Q 2010								
At 1 October 2010	155,951	(752)	(4,506)	1,186	125,132	277,011	-	277,011
Total comprehensive income for the quarter	-	(1,210)	1,968	-	16,333	17,091	-	17,091
Transfer to general reserve	-	-	-	237	(237)	-	-	-
At 31 December 2010	155,951	(1,962)	(2,538)	1,423	141,228	294,102	-	294,102

	Share capital	Foreign Currency translation reserve	Cash flow hedge reserve	General reserve	Retained earnings	Total	Non controlling interest	Total equity
The Group								
9M 2009								
At 1 January 2009	95,767	(13,089)	3,217	1,538	96,129	183,562	19,685	203,247
Total comprehensive income for the period	-	9,084	(1,038)	-	15,258	23,304	(4,585)	18,719
Transfer to general reserve	-	-	-	(135)	135	-	-	-
Final dividend relating to 2008	-	-	-	-	(5,429)	(5,429)	-	(5,429)
Interim dividend relating to 2009	-	-	-	-	(5,509)	(5,509)	-	(5,509)
At 30 September 2009	95,767	(4,005)	2,179	1,403	100,584	195,928	15,100	211,028
4Q 2009								
At 1 October 2009	95,767	(4,005)	2,179	1,403	100,584	195,928	15,100	211,028
Total comprehensive income for the quarter	-	926	1,472	-	9,367	11,765	(2,724)	9,041
Transfer to general reserve	-	-	-	216	(216)	-	-	-
At 31 December 2009	95,767	(3,079)	3,651	1,619	109,735	207,693	12,376	220,069

Statement of Changes in Equity for the Company

	Attributable to equity holders of the Company			
	Share capital	Cash flow hedge reserve	Retained earnings	Total equity
	US$'000	US$'000	US$'000	US$'000
The Company				
9M 2010				
Balance at 1 January 2010	95,767	4,903	51,886	152,556
Total comprehensive income for the period	-	(7,933)	9,662	1,729
Issue of shares	61,143	-	-	61,143
Share issue expenses	(959)	-	-	(959)
Final dividend relating to 2009	-	-	(5,429)	(5,429)
Interim dividend relating to 2010	-	-	(7,314)	(7,314)
Balance at 30 September 2010	155,951	(3,030)	48,805	201,726
4Q 2010				
At 1 October 2010	155,951	(3,030)	48,805	201,726
Total comprehensive income for the quarter	-	2,803	10,638	13,441
At 31 December 2010	155,951	(227)	59,443	215,167
The Company				
9M 2009				
At 1 January 2009	95,767	(1,891)	32,524	126,400
Total comprehensive income for the period	-	5,106	9,733	14,839
Final dividend relating to 2008	-	-	(5,429)	(5,429)
Interim dividend relating to 2009	-	-	(5,509)	(5,509)
At 30 September 2009	95,767	3,215	31,319	130,301
4Q 2009				
At 1 October 2009	95,767	3,215	31,319	130,301
Total comprehensive income for the quarter	-	1,688	20,567	22,255
At 31 December 2009	95,767	4,903	51,886	152,556

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.

On 16 June 2010, the Company issued and allotted 78,880,000 new ordinary shares at an issue price of S$1.08 per share for cash. All issued shares were fully paid. The newly issued shares rank pari-passu with the previously issued shares. With the new shares issued, the number of shares of the Company increased from 532,277,000 to 611,157,000.

The Shares were issued pursuant to the general share issue mandate granted by shareholders of the Company to the Directors pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore, at its annual general meeting on 28 April 2010. The aggregate number of the new shares represented 14.8% of the total number of the issued share capital of the Company as at 28 April 2010.

There were no options granted or shares issued pursuant to the Petra Foods Share Option Scheme and the Share Incentive Plan.

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.

Except as disclosed in paragraph 5 below, the Company and the Group have applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with those for the audited financial statements for the year ended 31 December 2009.

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.

The Group adopted the new/revised Financial Reporting Standards (FRS) and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 January 2010. The following are the amended FRS that are relevant to the Group:

1.	Amendments to FRS 39	Eligible Hedged Items
2.	FRS 27 (Revised)	Consolidated and Separate Financial Statements
3.	FRS 103 (Revised)	Business Combinations

The adoption of the above did not result in any substantial change to the Group's accounting policies nor any significant impact on the financial statements.

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.

		4Q ended 31 December		12-month ended 31 December	
		2010	2009	**2010**	2009
(i)	Based on weighted average number of ordinary shares in issue - (US cents)	2.67	1.76	7.73	4.63
(ii)	On a fully diluted basis - (US cents)	2.67	1.76	7.73	4.63

<u>Notes</u>

1. Basic earnings per share is computed based on the number of shares of 611,157,000 for 4Q and weighted average number of shares of 575,282,808 for FY2010 (4Q & FY2009: 532,277,000 shares) after taking into account changes in share capital as disclosed in para 1(d)(ii).

2. There are no potentially dilutive ordinary shares as at 31 December 2010 and 31 December 2009 respectively.

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	
	31 Dec 10	31 Dec 09	**31 Dec 10**	31 Dec 09
Net asset value per ordinary share based on issued share capital - (US cents)	**48.1**	39.0	**35.2**	28.7

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's 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.

Key Figures for the Group (unaudited)

	4Q ended 31 December			12 months ended 31 December		
	2010	2009	%	**2010**	2009	%
	US$'000	US$'000		**US$'000**	US$'000	
Cocoa Ingredients	**331,310**	269,998	22.7	**1,199,136**	944,626	26.9
Branded Consumer	**89,666**	80,422	11.5	**366,884**	299,843	22.4
REVENUE	**420,976**	350,420	20.1	**1,566,020**	1,244,469	25.8
Cocoa Ingredients	**15,801**	8,603	83.7	**53,978**	27,901	93.5
Branded Consumer	**17,445**	11,806	47.8	**54,444**	39,321	38.5
EBITDA	**33,246**	20,409	62.9	**108,422**	67,222	61.3
Finance Costs	**(7,045)**	(4,936)	42.7	**(25,891)**	(18,171)	42.5
Profit before tax	**20,699**	9,923	108.6	**58,461**	27,319	114.0
Net profit attributable to shareholders	**16,333**	9,366	74.4	**44,473**	24,625	80.6

Key Indicators by Business Segments

	4Q ended 31 December			12 months ended 31 December		
	2010	2009	%	**2010**	2009	%
Branded Consumer						
Gross Profit Margin	**32.4%**	29.8%	2.6% pt	**31.1%**	29.1%	2.0% pt
Cocoa Ingredients						
Sales volume (MT) - Division	**67,456**	64,669	4.3	**250,949**	233,860	7.3
Capacity utilisation - Division				88.7%	89.2%	

	6-month moving average ended 31 December			12 months ended 31 December		
	2010	2009	%	**2010**	2009	%
	US$	US$		**US$**	US$	
EBITDA/metric ton - Division	**231**	128	80.5	**215**	119	80.7

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Review of the Group's 4Q 2010 and FY 2010 Performance

Despite the global uncertainties, the Group achieved record Net Profit attributable to equity holders of US$44.5 million in FY 2010, representing Year-on-Year ("Y-o-Y") growth of 80.6%.

Key Financial Highlights of the Group

	4Q 2010 (US$ Million)	4Q 2009 (US$ Million)	%change Year on Year	FY 2010 (US$ Million)	FY 2009 (US$ Million)	%change Year on Year
Branded Consumer	89.7	80.4	11.5%	366.9	299.8	22.4%
Cocoa Ingredients	331.3	270.0	22.7%	1,199.1	944.6	26.9%
Total Revenue	**421.0**	**350.4**	**20.1%**	**1,566.0**	**1,244.5**	**25.8%**
Branded Consumer	17.4	11.8	47.8%	54.4	39.3	38.5%
Cocoa Ingredients	15.8	8.6	83.7%	54.0	27.9	93.5%
Total EBITDA	**33.2**	**20.4**	**62.9%**	**108.4**	**67.2**	**61.3%**

Figures may not add due to rounding.

The Group's strong FY2010 performance can be attributed to:

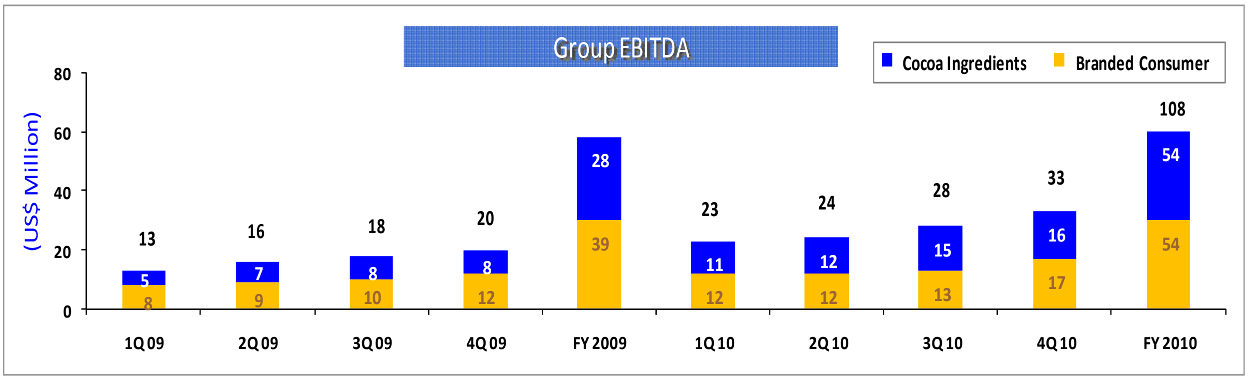
1. The positive business environment for our two Core Businesses with the strong demand globally for customized cocoa ingredients and the strong regional consumption; and

2. The successful execution of the Group's growth strategy with higher sales, higher unit pricing and higher margins achieved by the Cocoa Ingredients and Branded Consumer Divisions.

Another contributor to the Group's strong financial performance was the significant improvement in the performance of the European Cocoa Ingredients operations. A key point to highlight is that the European operations turned profitable in 4Q 2010 at the net level.

The higher sales volumes and higher unit pricing achieved generated revenues of US$421.0 million in 4Q 2010 and US$1.57 billion for FY 2010, representing Y-o-Y growth of 20.1% and 25.8% respectively. In addition to the higher revenue, the higher margins/yields achieved by our two business units, despite the volatile commodity prices, drove the Group's EBITDA higher Y-o-Y by 62.9% in 4Q 2010 and 61.3% for FY 2010.

The Group's EBITDA performance (Quarterly and Full Year)



For FY 2010, the Group's financial position was significantly strengthened with the following achieved:

1. Successfully raised US$60.2 million through an Equity Placement to strengthen our financial position and take advantage of future growth opportunities;

2. Improved gearing ratio to 1.72 times from 2.02 times previously;

3. Swapped 49% of the Group's Total Debt into Long Term Fixed Interest Rates; and

4. Further raised the Group's Financial Headroom to US$302 million.

Review of the Group's 4Q 2010 and FY 2010 Financial Performance by Divisions

Branded Consumer Division

Key Financial Highlights

	4Q 2010 (US$ Million)	4Q 2009 (US$ Million)	% change Year on Year	FY 2010 (US$ Million)	FY 2009 (US$ Million)	% change Year on Year
Indonesia	60.2	52.4	14.9%	252.4	198.2	27.3%
The Regional Markets	29.5	28.0	5.1%	114.5	101.6	12.6%
Branded Consumer Revenue	**89.7**	**80.4**	**11.5%**	**366.9**	**299.8**	**22.4%**
Gross Profit Margin (%)	32.4%	29.8%	+ 2.6% pt	31.1%	29.1%	+ 2.0% pt
EBITDA	**17.4**	**11.8**	**47.8%**	**54.4**	**39.3**	**38.5%**

Figures may not add due to rounding.

Following the robust 9M 2010 momentum, the Branded Consumer Division generated continued strong performance in 4Q 2010 resulting in FY 2010 revenue growth of 22.4% Y-o-Y and EBITDA growth of 38.5% Y-o-Y achieved. The strong performance was driven by higher sales growth for both Own Brands and 3rd Party Brands. Note that adjusted for the stronger regional currencies in FY 2010, the Branded Consumer Division's revenue growth was 8.7% Y-o-Y.

The strong performance achieved by our Branded Consumer Division represented another year of record profit.

Revenue Performance by Markets

- **Indonesia**

  Our key brands (eg. *SilverQueen, Cha Cha* and *Ceres Meises*) in FY 2010 continued to generate double digit revenue growth as a result of the stronger domestic economy, our robust marketing support behind priority brands as well as strong gains from new products launched over the last 18 months. For 3rd Party Brands sales, the strong double digit revenue growth was driven mainly by organic growth achieved by existing agencies.

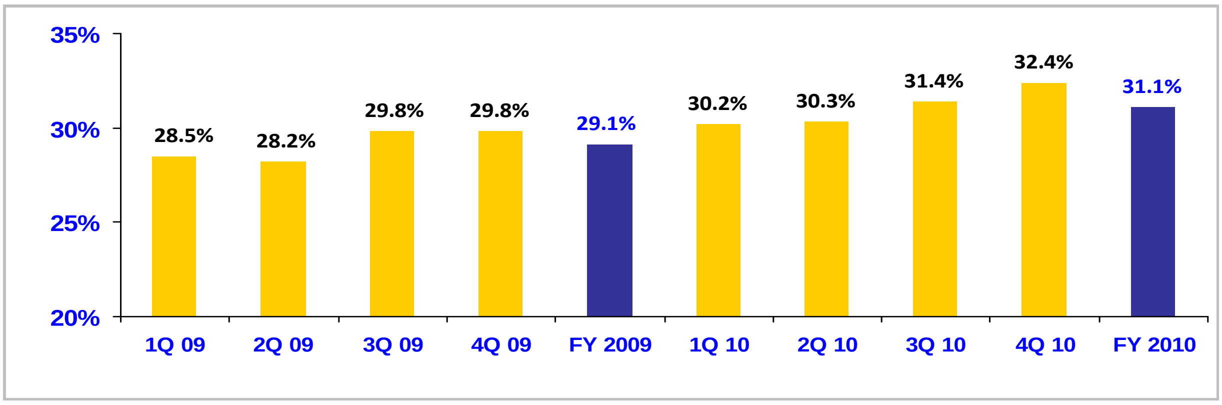
- **The Regional Markets of the Philippines, Malaysia and Singapore**

  For FY 2010, regional markets formed 31.2% of the Division's revenue with Own Brands achieving revenue growth of 23.1% Y-o-Y, reflecting the stronger domestic economies and the success of the Division's strategy of growing Own Brands, especially in the Philippines. For 3rd Party Brands distribution in our regional markets, the strong revenue growth was on the back of not only new agencies secured but also from growth in existing agencies and our success in gaining greater penetration into the different channels and regions.

Profit Performance

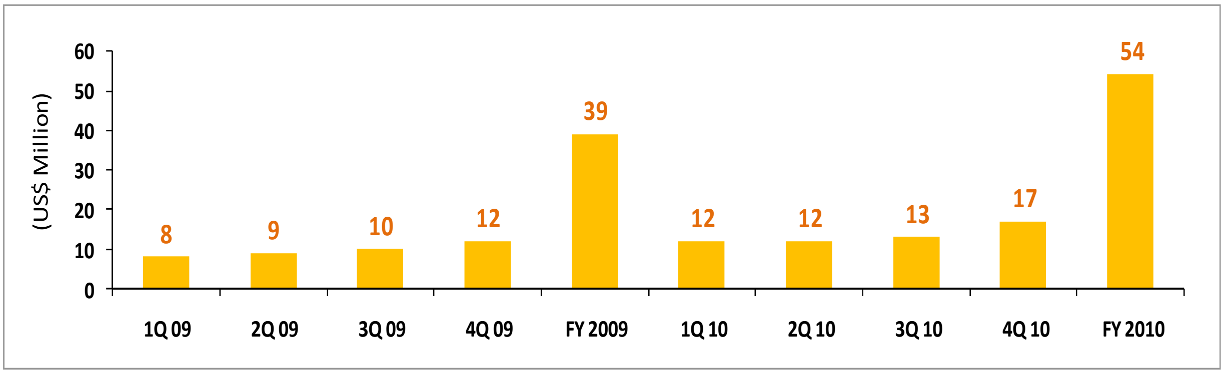
The FY 2010 EBITDA growth of 37.9% Y-o-Y was driven primarily by the revenue growth of Own Brands and 3rd Party Brands, the higher margin achieved and the stronger regional currencies.

Branded Consumer Division's Gross Profit Margin Trend



The Branded Consumer Division's FY 2010 gross profit margin was higher by 2.0 percentage point over FY 2009 driven mainly by higher Own Brands margin as a result of the price increase implemented in January 2010 and cost containment initiatives. Furthermore, the strong local currency appreciation, especially for the Indonesian Rupiah, in FY 2010 translated to lower input costs.

Branded Consumer Division's EBITDA Performance (Quarterly and Full Year)



Cocoa Ingredients Division

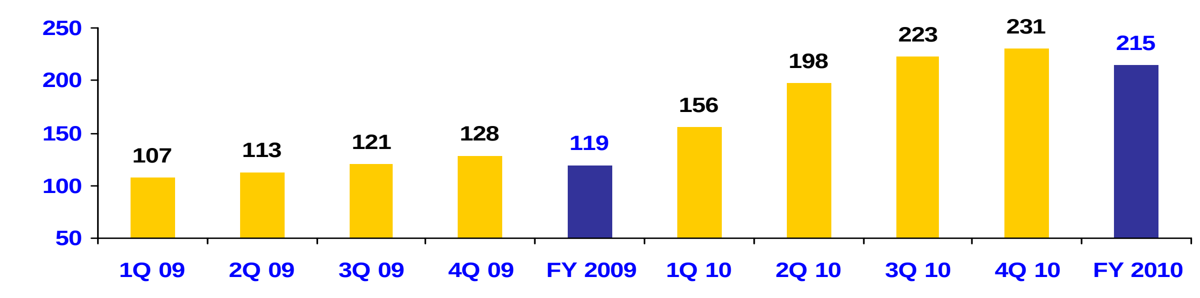
Key Financial Highlights

	4Q 2010 (US$ Million)	4Q 2009 (US$ Million)	% change Year on Year	FY 2010 (US$ Million)	FY 2009 (US$ Million)	% change Year on Year
Revenue	331.3	270.0	22.7%	1,199.1	944.6	26.9%
EBITDA	15.8	8.6	83.7%	54.0	27.9	93.5%
EBITDA/mt (6 months moving average) in US$	231	128	80.5%	215	119	80.7%
Sales volume (mt)	67,456	64,669	4.3%	250,949	233,860	7.3%

For the Cocoa Ingredients Division, the strong FY 2010 EBITDA growth of 93.5% Y-o-Y was due to the higher sales volume and the higher EBITDA yield achieved. All regions contributed to the significantly higher FY 2010 EBITDA yield of US$215/mt, up 80.7% which reflected the Division's focus on premium products and Europe's turnaround. The key drivers of volume growth are continued strong demand from global customers and new customers secured.

It should be pointed out that our Cocoa Ingredients business model is essentially a cost pass-through model, allowing us to mitigate the impact of periods of bean price volatility.

Cocoa Ingredients Division's EBITDA/mt of Sales Volume (6-month moving average)



(NB: EBITDA/mt for FY09 and FY10 are calculated using full year data)

With our European operations now in full commercial operations, continued improvement in EBITDA yield was achieved with a positive EBITDA yield generated in FY 2010. To recap, our state-of-the-art cocoa ingredients processing facility in Hamburg commenced commercial production in May 2009 and we began ramping up production. During this period, we have already received quality accreditations (which are a necessary precursor to selling meaningful quantities of customized higher margin products) from some of our major customers and we are working to secure more customer approvals.

More importantly, with Europe now fully integrated into the Division's global platform, our competitive position to supply our global customers has been significantly strengthened.

Operating Expenses

The Group's 4Q and full year selling and distribution expense rose US$1.2 million and US$17.1 million respectively due to:

1. Higher outward freight and Advertising & Promotion to support sales growth and brand building activities; and

2. Additional staff cost incurred by the Branded Consumer Division as its sales and distribution infrastructure continued to be strengthened.

Finance Cost

The finance cost was higher by US$2.1 million Y-o-Y for 4Q 2010 and US$7.7 million Y-o-Y for FY 2010 due to higher borrowings utilized to finance cocoa inventories during the period under review.

Review of Financial Position and Cash Flow

Balance Sheet as at	31-Dec-10	31-Dec-09	Change
	US$'000	US$'000	US$'000
Total Assets	1,053,849	861,545	192,304
Current assets	753,282	548,997	204,285
Non current assets	300,567	312,548	(11,981)
Total Borrowings	549,115	462,307	86,808
Shareholders' Equity	294,102	207,693	86,409
Working Capital	117,357	89,290	28,067

At end FY 2010, the Group's gearing ratio (Net Debt to Equity) improved from 2.02x to 1.72x due to:-

1. The higher net profit of US$44.5 million generated; and

2. The Equity Placement of US$60.2 million.

Total assets were higher by US$192 million mainly due to higher working capital, namely:

1. Additional receivables of US$30.9 million in line with revenue growth; and

2. Increased inventories of US$136.6 million arising from higher beans inventory carried for the Group's enlarged capacity and cocoa inventories, compounded by the surge in bean prices.

The higher working capital was funded through a combination of operating cash flow, MTN, trade finance and short term advances. Excluding the financing of cocoa inventories, the adjusted Net Debt to Equity ratio improved from 0.70x to 0.34x.

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

   The Group's results for 4Q and full year ended 31 December 2010 are in line with the commentary made in Paragraph 10 of the Group 3Q 2010 and 9 months ended 30 September 2010 Unaudited Financial Statement and Dividend Announcement in November 2010.

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.

Despite the continuing uncertain global environment, we expect the operating environment for our Core Businesses to remain strong. To further capitalize on the growth opportunities, our strategy is to:-

a. Further grow our key markets to capitalize on the strong demand for high end customized products and the strong regional consumption growth;

b. Further stimulate consumer demand by driving growth of our current portfolio of products (especially in the higher margined segment); launching of new products and expanding into new product categories;

c. Invest in additional production and distribution capacity to capture this growth opportunity;

d. Strengthen our global supply chain for Cocoa Ingredients through increased sourcing initiatives in key origin locations to mitigate supply risk; drive cost benefits; and improved quality of beans; and

e. Form strategic sourcing alliances with partners in origin countries.

With the continued momentum of our Core Businesses, the Group is going into 2011 well positioned to tackle the continuing global uncertainties, including volatile raw material prices, and are, therefore barring unforeseen circumstances, looking forward to another year of growth.

During FY 2009, the Indonesian Director General of Taxation (DGT) imposed an additional tax assessment amounting to IDR 71.9 billion (approximately US$7.4 million) on PT General Food Industries (GFI), a wholly owned Indonesian subsidiary of Petra Foods Limited (PFL), pertaining to the issue of transfer pricing.

GFI contested this additional tax assessment on the grounds that the transfer pricing between GFI and PFL is done at arm's length based on the methods prescribed in the OECD Transfer Pricing Guidelines.

GFI was advised by its Indonesian tax advisers that there are valid grounds to contest the additional tax assessment by DGT. Accordingly, GFI filed an appeal with the Indonesian Tax Court (Tax Court) against this additional assessment and has not made any provision in its accounts with respect to this additional tax liability. The proceedings ended in September 2010 and is now pending court's decision. At this juncture, it is still too preliminary to provide an assessment of the outcome.

11. Dividend

a. Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Name of Dividend	Interim	Proposed Final
Dividend Type	Cash	Cash
Dividend Amount per share (in Singapore cents)	1.60 cents per ordinary share (one-tier tax exempt)	2.18 cents per ordinary share (one-tier tax exempt)
Tax Rate	N.A.	N.A.

b. Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the preceding financial period reported on?

Name of Dividend	Interim	Final
Dividend Type	Cash	Cash
Dividend Amount per share (in Singapore cents)	1.48 cents per ordinary share (one-tier tax exempt)	1.43 cents per ordinary share (one-tier tax exempt)
Tax Rate	N.A.	N.A.

c. Date payable

The directors have proposed a final dividend of 1.72 US cents or 2.18 Singapore cents per share based on 611,157,000 ordinary shares in issue for approval of shareholders at the Annual General Meeting on 28 April 2011. If approved, the dividend will be payable on 20 May 2011.

d. Books closure date

Subject to the approval of the shareholders to the final dividend at the Annual General Meeting of the Company, the Transfer Books and the Register of Members of the Company will be closed at 5:00 pm on 6 May 2011 for the preparation of dividend warrants.

Duly completed transfers of ordinary shares received by the Company's Share Registrar, M&C Services Private Limited, 138 Robinson Road, #17-00 The Corporate Office, Singapore 068906 before 5:00 pm on the Books Closure Date will be registered to determine shareholders' entitlements to the final dividend. In respect of ordinary shares in securities accounts with The Central Depository (Pte) Limited (CDP), the final dividend will be paid by the Company to CDP which will, in turn, distribute the final dividend entitlements to the CDP account holders in accordance with its normal practice.

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

Not applicable

12. Segmental revenue and results

	Cocoa Ingredients	Branded Consumer	Total
	US$'000	US$'000	US$'000
Period ended 31 December 2010			
Sales:			
- Total segment sales	1,225,288	366,884	1,592,172
- Inter-segment sales	(26,152)	-	(26,152)
Sales to external parties	1,199,136	366,884	1,566,020
EBITDA	53,978	54,444	108,422
Finance costs			(25,891)
Share of profit of associated companies			298
Income tax expense			(13,988)
Assets and liabilities			
Segment assets	814,713	218,607	1,033,320
Associated companies and joint venture			3,065
Unallocated assets			17,464
Consolidated total assets			1,053,849
Segment liabilities	141,586	57,980	199,566
Unallocated liabilities			560,181
Consolidated total liabilities			759,747
Other segment information			
Depreciation and amortisation	16,944	6,724	23,668
Capital expenditure	7,977	6,511	14,488
Sales of Branded Consumer is analysed as:			
- Own Brand		192,066	
- Third Party		174,818	
Total		366,884	

Segmental revenue and results continued

	Cocoa Ingredients	Branded Consumer	Total
	US$'000	US$'000	US$'000
Period ended 31 December 2009			
Sales:			
- Total segment sales	965,408	299,843	1,265,251
- Inter-segment sales	(20,782)	-	(20,782)
Sales to external parties	944,626	299,843	1,244,469
EBITDA	27,902	39,320	67,222
Finance costs			(18,171)
Share of profit of associated companies			322
Income tax expense			(7,582)
Minority Interest			4,888
Assets and liabilities			
Segment assets	639,673	199,381	839,054
Associated companies			2,363
Unallocated assets			20,128
Consolidated total assets			861,545
Segment liabilities	108,594	58,714	167,308
Unallocated liabilities			474,168
Consolidated total liabilities			641,476
Other segment information			
Depreciation and amortisation	15,855	5,690	21,545
Capital expenditure	32,369	8,971	41,340
Sales of Branded Consumer is analysed as:			
- Own Brand		156,033	
- Third Party		143,810	
Total		299,843	

Geographical segments

For period ended 31 December	Revenue		Capital expenditure	
	2010	2009	**2010**	2009
	US$'000	US$'000	**US$'000**	US$'000
Indonesia	**306,848**	232,211	**6,687**	8,920
Singapore	**67,293**	77,021	**690**	443
Philippines	**61,636**	44,673	**441**	432
Thailand	**23,655**	13,543	**190**	237
Malaysia	**84,234**	58,663	**976**	4,008
Japan	**63,513**	72,639	**-**	-
China	**34,689**	19,311	**-**	-
Middle East	**56,371**	40,165	**-**	-
Other countries in Asia	**36,926**	18,023	**-**	-
Australia	**54,246**	42,308	**-**	-
Europe	**529,563**	438,776	**4,833**	26,630
North America	**68,567**	64,139	**3**	1
South America	**136,887**	101,601	**668**	669
Africa	**41,592**	21,396	**-**	-
	1,566,020	1,244,469	**14,488**	41,340

13. Breakdown of Sales

		FY2010	FY2009	Change
		US$'000	US$'000	%
(a)	Sales reported for first half year	711,962	570,391	24.8%
(b)	Operating profit/loss after tax before deducting minority interest reported for the first half year	17,874	8,322	114.8%
(a)	Sales reported for second half year	854,058	674,078	26.7%
(b)	Operating profit/loss after tax before deducting minority interest reported for the second half year	26,599	11,415	133.0%

PETRA FOODS LIMITED

(Registration no. 198403096C)

14. Interested Person Transactions

	[1] Aggregate value of all transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual	
	4Q 2010	**Full year 2010**
	US$'000	US$'000
-		
PT Freyabadi Indotama		
- Sales of goods	2,857	10,416
- Purchase of products	3,523	13,262
	6,380	**23,678**
PT Tri Keeson Utama		
- Sales of goods	**4,284**	**13,764**
PT Fajar Mataram Sedayu		
- Sales of goods	175	376
- Purchase of goods	111	563
	286	**939**
PT Sederhana Djaja		
- Lease of properties	18	69
	10,968	**38,450**

Note: [1] Aggregate value of all interested person transactions include transactions less than S$100,000.

15. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:

	FY 2010	FY 2009
	US$'000	US$'000
Ordinary		
- Interim	**7,314**	5,509
- Proposed Final	**10,475**	5,429
Preference	**Not Applicable**	Not Applicable
Total	**17,789**	10,938

BY ORDER OF THE BOARD

Lian Kim Seng/Evelyn Chuang
Secretaries