



PETRA FOODS
LIMITED
(Registration no. 198403096C)

4th Quarter and Full Year 2010
Financial Results
(unaudited)

25 February 2011



Important note on forward-looking statements

The presentation herein may contain forward looking statements by the management of Petra Foods Limited (“Petra”) that pertain to expectations for financial performance of future periods vs past periods.

Forward-looking statements involve certain risks and uncertainties because they relate to future events. Actual results may vary materially from those targeted, expected or projected due to several factors. Such factors are, among others, general economic conditions, foreign exchange rate fluctuations, competitive product and pricing pressures as well as changes in tax regimes and regulatory developments. Such statements are not and should not be construed as management’s representation on the future performance of Petra. Therefore, the actual performance of Petra may differ significantly from expressions provided herein.

Scope of Briefing

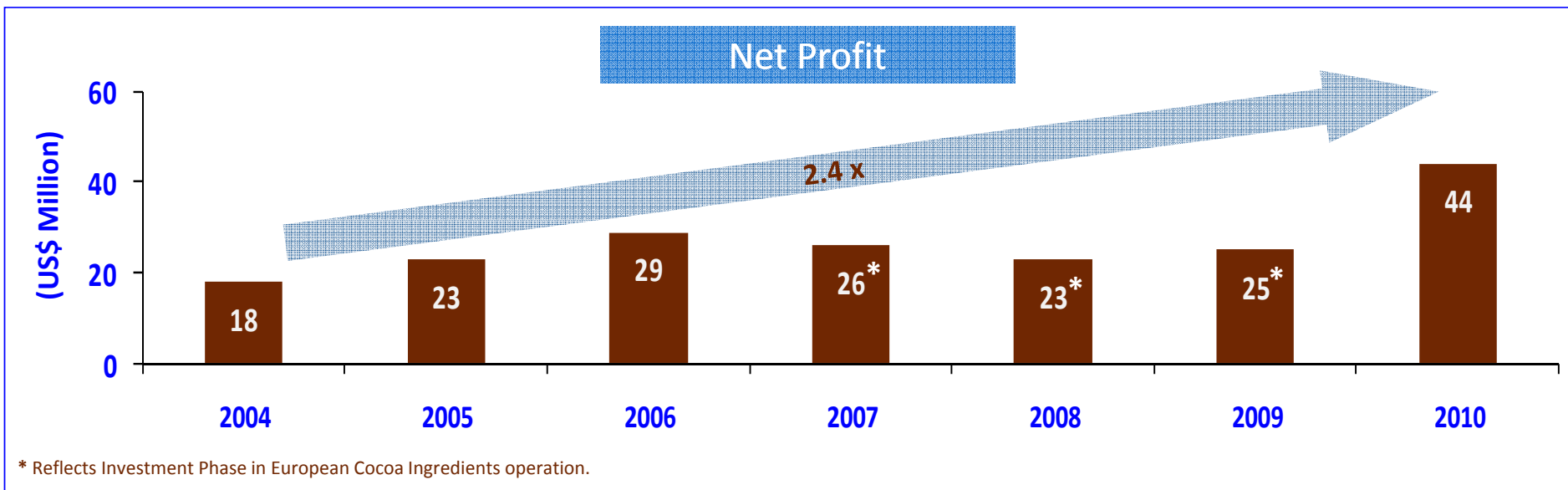
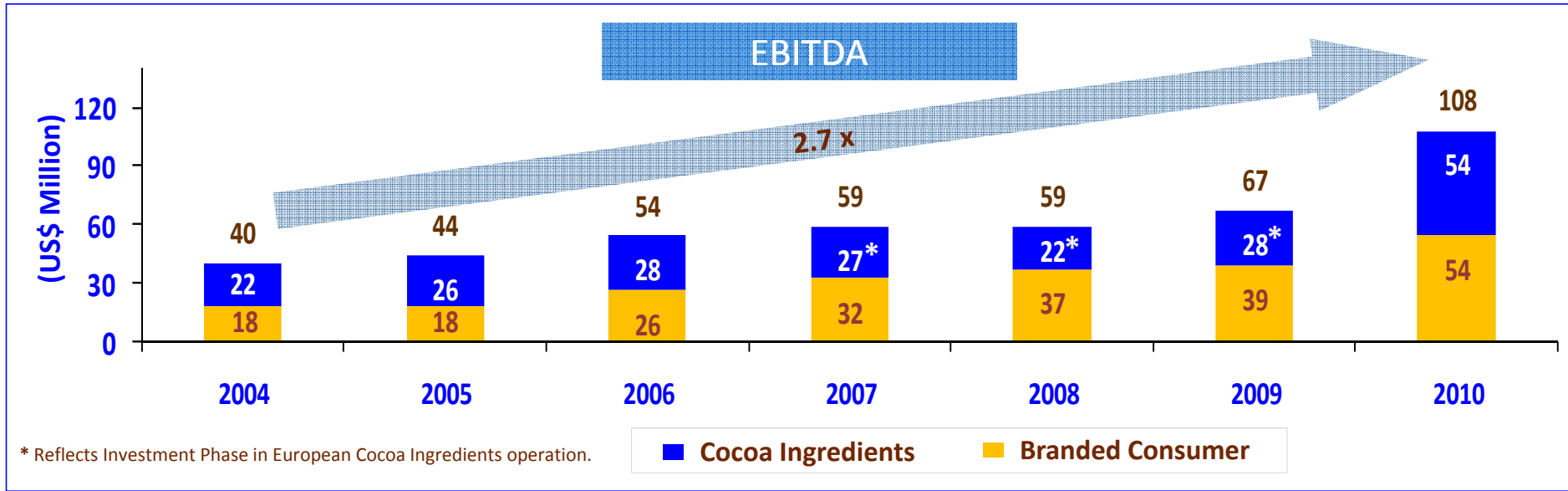
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Building Success Upon Success

- **Strong Business Model powering Profit Growth**
 - ❖ **Group's Profitability has more than doubled since IPO**
 - **Cocoa Ingredients** - A major global player in supply of customised cocoa ingredients
 - **Branded Consumer** - Strong franchise in SE Asia with brand leadership in Indonesia

- **Strong and Experienced Management Team** - Track record in successfully driving growth

Group's Profitability more than doubled since IPO



Strong Performance for FY 2010

- **Strong 4Q 2010 Net Profit of US\$16.3 million - Strong growth achieved by both Businesses**
- **For FY 2010: Record Net Profit of US\$44.5 million (▲81% YoY) - ROE increased by 5.1% pt to 17.7%**
 - Despite the global uncertainties, the business environment for our Core Businesses was positive with strong global demand for customised cocoa ingredients and strong growth in regional consumption
 - Higher sales volumes and higher margins/yields achieved
- **The higher margins/yields, despite volatile commodity prices, can be attributed to:**
 - ❖ **Cocoa Ingredients** - Focus on high end cocoa products; improved efficiency in our supply chain; and an exceptional improvement in Europe
 - Europe's strong improvement achieved in just 1 year after completion of the Investment Programme
 - Our Cocoa Ingredients business model is essentially a cost pass-through model, allowing us to mitigate the impact of periods of bean price volatility
 - ❖ **Branded Consumer** - Our ability to pass on cost increases through pricing adjustments and launch of innovative products; and stronger regional currencies

Strong Performance for FY 2010 (cont'd)

- **Generated Free Cash Flow of US\$7.4 million after utilising US\$26.3 million on investing activities**
 - US\$13.2 million to acquire remaining 32% stake in our European operations and US\$14.5 million for capex

- **Strengthened financial position:**
 - Successfully raised US\$60 million through an Equity Placement to take advantage of future growth opportunities
 - Improved gearing ratio to 1.72x (from 2.02x previously)
 - 49% of Total Debt already swapped into long term fixed interest rate
 - Unutilised portion of total credit facilities (“Financial Headroom”) was raised to US\$302 million

- **Proposed Final Dividend of 1.72 US cents per share (▲69% YoY)**
 - Together with Interim Dividend of 1.17 US cents, total Dividend payout of 40% for FY 2010

Strong FY 2010 Financial Performance

(In US\$ Million)	FY 2010	FY 2009	YoY change
Revenue	1,566.0	1,244.5	▲ 25.8%
EBITDA	108.4	67.2	▲ 61.3%
Net Profit	44.5	19.7	▲ 125.3%
Net Profit After MI *	44.5	24.6	▲ 80.6%
ROE	17.7%	12.6%	▲ 5.1% pt

* No Minority Interest in FY 2010 as the remaining 32% stake in Europe was acquired in Jan 2010.

2011 Outlook - Another Year of Growth

■ Our growth strategy:

1. Further grow our key markets to capitalise on the strong demand for high end customised products and the strong regional consumption growth
 - Further drive growth of our current portfolio of products (especially high margin products); launching new products; and expanding into new product categories
 - Focused capex for additional capacity to capture this growth opportunity
2. Strengthen our global supply chain through increased direct sourcing initiatives in key origin locations
 - Through increased direct sourcing initiatives in key origin locations to mitigate supply risk; derive cost benefits; and improved quality of beans
 - Strategic sourcing alliances with partners in origin countries

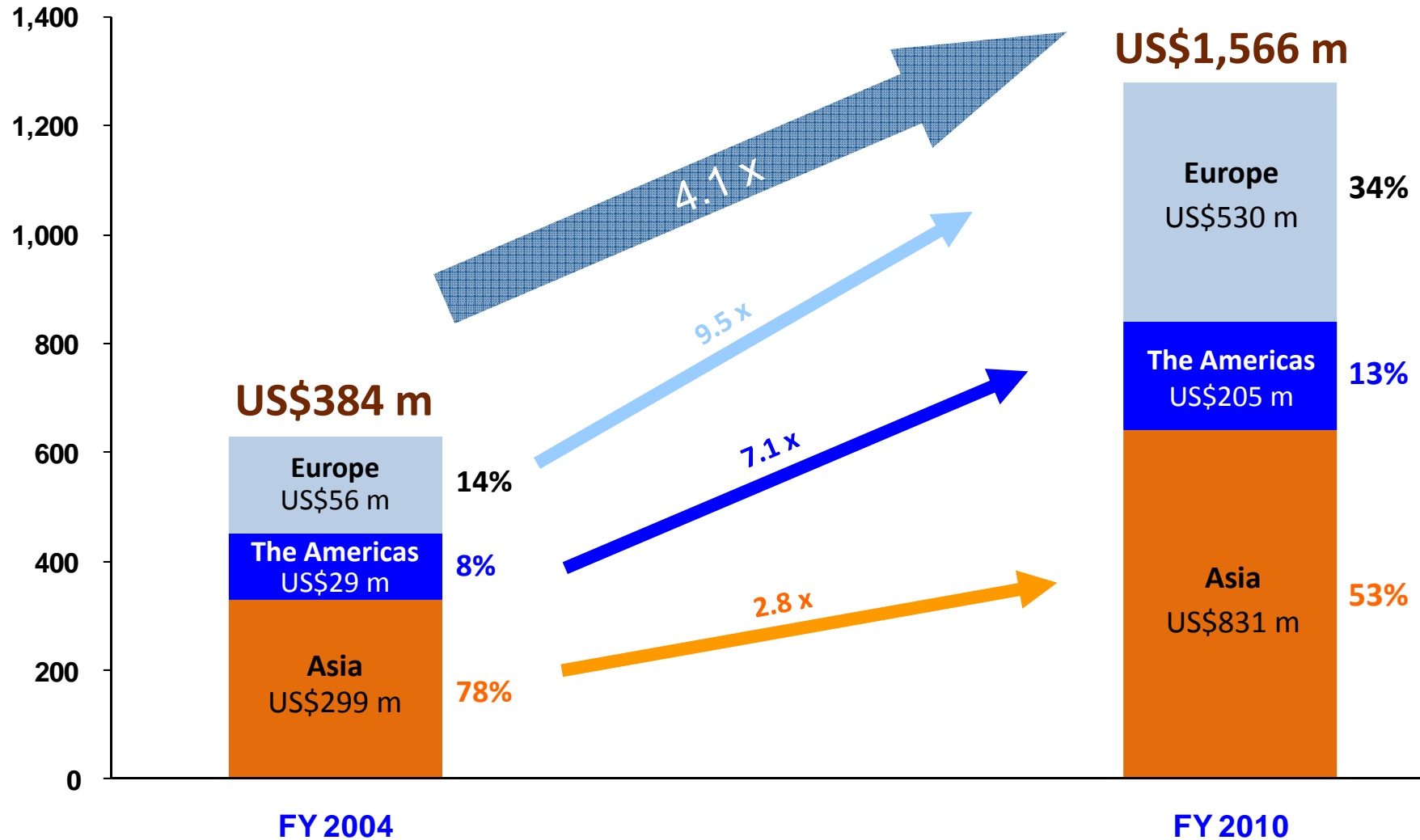
- **With the continued momentum of our Core Businesses, we are going into 2011 well positioned to tackle the continuing global uncertainties, including volatile raw material prices, and are, therefore barring unforeseen circumstances, looking forward to another year of growth for Petra Foods**

Thank You

Appendices

Successful Growth and Geographic Diversification of Group Revenue

Revenue
(US\$ Million)



Platform of Growth through Two Quality Earnings Streams

Quality Earnings

Cocoa Ingredients

- Strong earnings fundamentals driven by:
 - (a) Well established customer base
 - (b) Compelling outsourcing trend
 - (c) Scalability of growth model

Branded Consumer

- Dominant market share and strong brand equity
- Extensive distribution network
- Well positioned to capture regional chocolate consumption growth

Business Model that Mitigates Risk

- Product customization and partnerships with customers build barriers to entry
- The key for the Cocoa Ingredients division is to focus on adding value and building partnerships with our customers
- Strict adherence to risk management practices mitigates exposure to cocoa bean price fluctuations

Strong Management Team

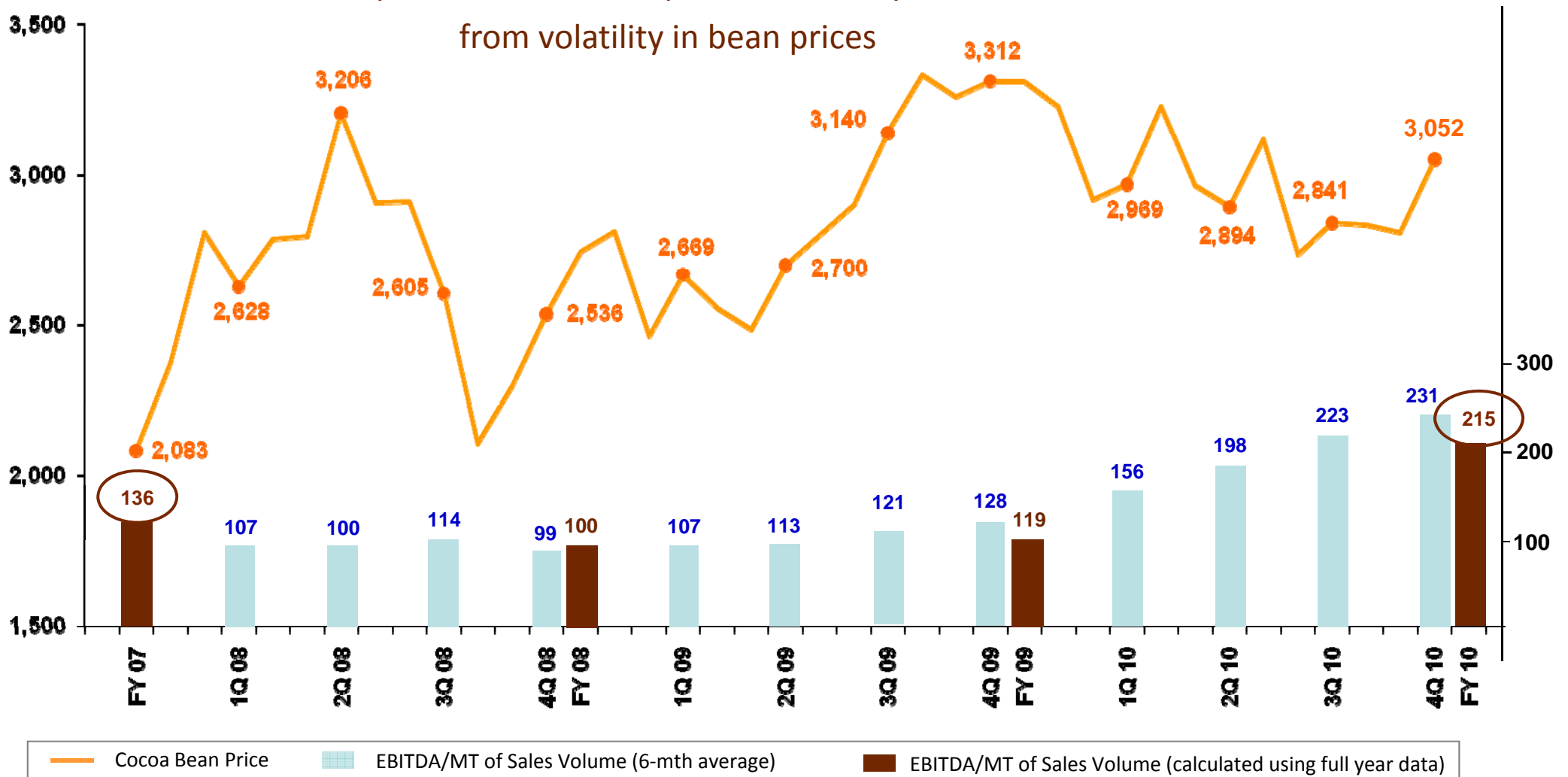
- Diverse team with international F&B and MNC experience
- Proven track record in executing growth strategy

Strict Hedging minimises impact to EBITDA yield

Cocoa Bean Price
(US\$/Metric Tonne)

Policy of strict hedging of cocoa bean prices minimises impact to EBITDA yield from volatility in bean prices

EBITDA Yield
(US\$/Metric Tonne)



Awards received

Year	Award	Awarded By
2010	Singapore's Best Managed Company (Small-Cap Category)	AsiaMoney
2010	Best Managed Board Award (Silver) under the category for companies with \$300 million to less than \$1 billion in market capitalisation	Singapore Corporate Awards
2010	Best Investor Relations Award (Silver) under the category for companies with \$300 million to less than \$1 billion in market capitalisation	Singapore Corporate Awards
2009	Best Annual Report Award (Gold) under the category for companies with \$300 million to less than \$1 billion in market capitalisation	Singapore Corporate Awards
2007	Most Transparent Company Award (Runner Up)	Securities Investors Association Singapore
2007	Best Financial Reporting (Small or Mid-Cap)	IR Magazine
2006	Best Annual Report /Newly Listed Company (Silver)	Singapore Corporate Awards
2006	Singapore's 15 Most Valuable Brands	International Enterprise (IE) Singapore
2005	Singapore's 15 Most Valuable Brands	International Enterprise (IE) Singapore
2004	Enterprise of the Year 2004 Award	Singapore Business Awards
2004	Best Newly Listed Singapore Company	AsiaMoney
2003	Enterprise 50 Award (1 st Position)	Enterprise 50 (E50)

Financial Highlights

Balance Sheet & Cash Flow Analysis

Financial Strategy to support Group's Long Term Growth

- **In 2010, strengthened Financial Position through Equity Placement to raise US\$60 million**

- **Our financial strategy to support Group's long term growth:**
 1. **Maintain strong positive Free Cash Flow by tight working capital management and rigorous assessment of capital expenditure**

 2. **Further extend Debt Maturity Profile and capitalise on our strong credit standing to lower effective interest cost**
 - Term Loans & MTNs currently 33% of debt facilities

 3. **Maintain Financial Flexibility for Growth**
 - Raised Financial Headroom to US\$302 million (65% utilisation)
 - Continue to maintain sufficient Financial Headroom for the Group to weather contingencies and further spikes in bean prices

Cash Flow Applications

(US\$ Million)

Year to 31 Dec 2010

EBITDA	108.4
Less: Changes in Operating Cash Flow	
Working Capital - Net of Trade Finance/MTN	(27.2)
Tax Expense paid	(21.6)
Interest Expense	(25.9)
Operating Cash Flow	33.7
Less: Investing activities	
Acquisition of Minority Interest (Delfi Cocoa Europe)	(13.2)
Investment in PACTS	(0.3)
Capital Expenditure - Net of Disposals	(12.8)
Free Cash Flow	7.4
Financing activities	
Borrowings - Net of Repayments	(31.4)
Issue of Shares (Net)	60.2
Proceeds from Working Capital	1.0
Dividend Payment	(12.7)
Increase in Cash	24.5

Footnote

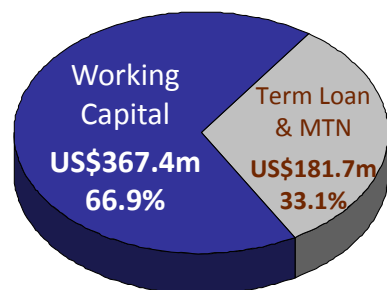
Borrowings at 31 Dec 2010	549.1	
Total Credit Facilities (committed)	850.6	} Built headroom by raising US\$191m credit facilities.
Headroom	301.5	
Utilization	64.6%	

NB: In addition, we have untapped MTN umbrella facilities of US\$134 million.

Adequate headroom and liquidity

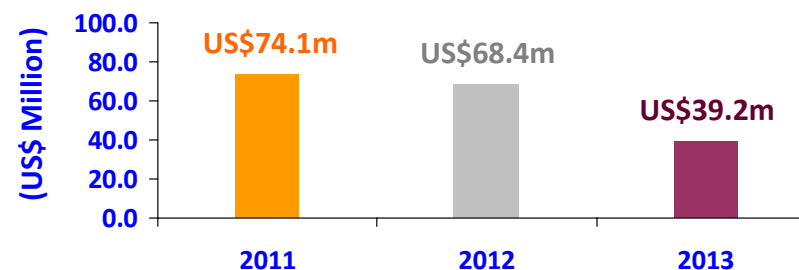
Breakdown of Group's end-2010 Debt

Breakdown of Debt Facilities



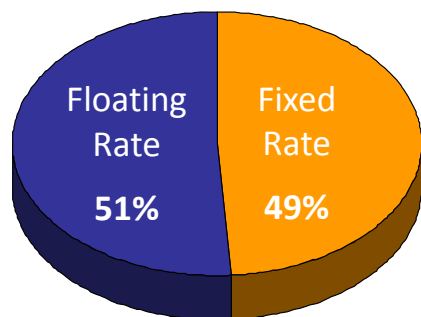
- In line with strategy of extending tenure of debt portfolio

Repayment Schedule of Term Loan & MTN



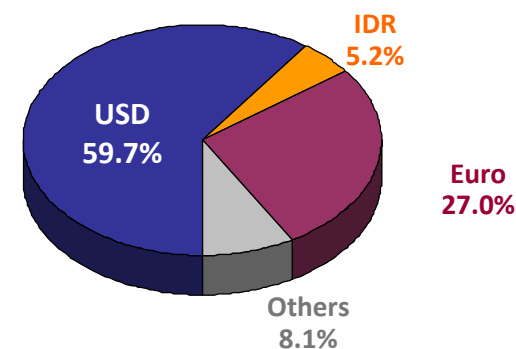
- Leverage on strong market liquidity to tap new MTN to refinance MTN/Term Loan due in 2011/2012
- In January 2011, US\$40.1 million of MTN was issued to refinance the 2011 amount due

Floating & Fixed Rate Components of Loan



- Effective interest rate for 2010 < 5.0% pa
- Lock-in fixed interest rate on opportunistic basis

Breakdown of Loans in Respective Currencies



- The currency profile of the Group's debt matches the revenue profile
- The objective of this financing strategy is to mitigate foreign currency debt exposure risk

Balance Sheet Analysis (Figures are at period end)

(US\$ Million)	31 Dec 10	31 Dec 09	Highlights
Cash and Cash Equivalents	42.8	18.3	
Trade Receivables	165.0	134.0	
Inventories	491.4	354.8	<ul style="list-style-type: none"> Higher cocoa inventories due to higher cocoa beans and higher value of products carried.
Other Assets	74.9	59.9	
Fixed Assets, Intangible Assets & Investments	279.7	294.5	<ul style="list-style-type: none"> Decrease due to translational impact of Euro assets.
Total Assets	1,053.8	861.5	<ul style="list-style-type: none"> Increase in line with Group's enlarged business.
Trade Payables	122.3	115.0	
Other Liabilities	88.3	64.1	
Total Borrowings	549.1	462.3	
Working Capital Facilities	357.3	251.8	<ul style="list-style-type: none"> Increase in Trade Finance to fund higher inventories.
Medium Term Note (MTN)	97.5	83.6	
Term Loan	94.3	126.9	
Total Equity	294.1	220.1	<ul style="list-style-type: none"> Private placement of US\$60 million plus Retained Earnings.
Key Ratios			
Net Debt / Equity	1.72 x	2.02 x	<ul style="list-style-type: none"> Strong Profit & Equity Placement strengthened financial position.
Adjusted Net Debt/Equity (excl Trade Finance & MTN)	0.34 x	0.70 x	
Current Ratio	1.18	1.19	
Inventory Days	113	95	<ul style="list-style-type: none"> Higher cocoa inventories and effect of higher bean prices.
Receivable Days	35	33	<ul style="list-style-type: none"> New 3rd Party Agencies; trading terms for Europe's cocoa business.
Payable Days	32	28	<ul style="list-style-type: none"> In line with higher inventory days.

Strong financial position

Group Financial Highlights - At a glance

In US\$ Million	4Q 2010	4Q 2009	YoY Change	FY 2010	FY 2009	YoY Change
Sales	421.0	350.4	20.1%	1,566.0	1,244.5	25.8%
Cocoa Ingredients	331.3	270.0	22.7%	1,199.1	944.6	26.9%
Branded Consumer	89.7	80.4	11.5%	366.9	299.8	22.4%
EBITDA	33.2	20.4	62.9%	108.4	67.2	61.3%
Cocoa Ingredients	15.8	8.6	83.7%	54.0	27.9	93.5%
Branded Consumer	17.4	11.8	47.8%	54.4	39.3	38.5%
Finance Cost	(7.0)	(4.9)	42.7%	(25.9)	(18.2)	42.5%
Profit Before Tax	20.7	9.9	108.6%	58.5	27.3	114.0%
Profit After Tax & MI	16.3	9.4	74.4%	44.5	24.6	80.6%
Capex	5.0	6.4	21.4%	14.5	41.3	65.0%

Figures may not add due to rounding.

Group Full Year Financial Highlights (cont'd)

	FY 2010	FY 2009	Change (%)
EPS	7.73 US cents	4.63 US cents	67.1%
	As at 31 Dec 2010	31 Dec 2009 Audited Figures	
Net Debt/Equity	1.72 x	2.02 x	
Adjusted Net Debt/Equity (excluding Trade Finance and MTN)	0.34 x	0.70 x	

Cocoa Ingredients Division

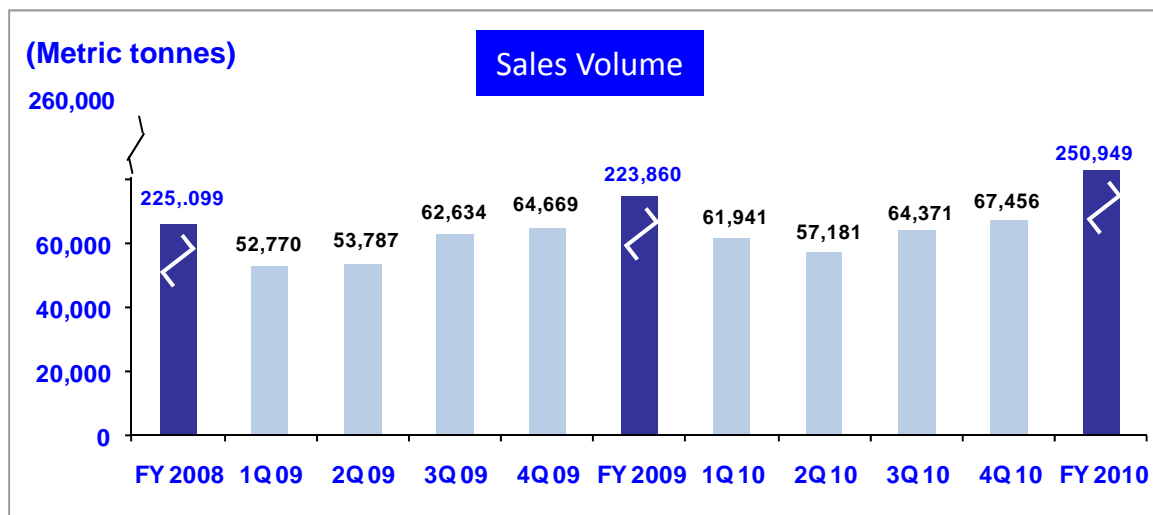
Cocoa Ingredients - Financial Highlights

(in US\$ Million)	4Q 2010	4Q 2009	YoY Change	FY 2010	FY 2009	YoY Change
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-month 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%

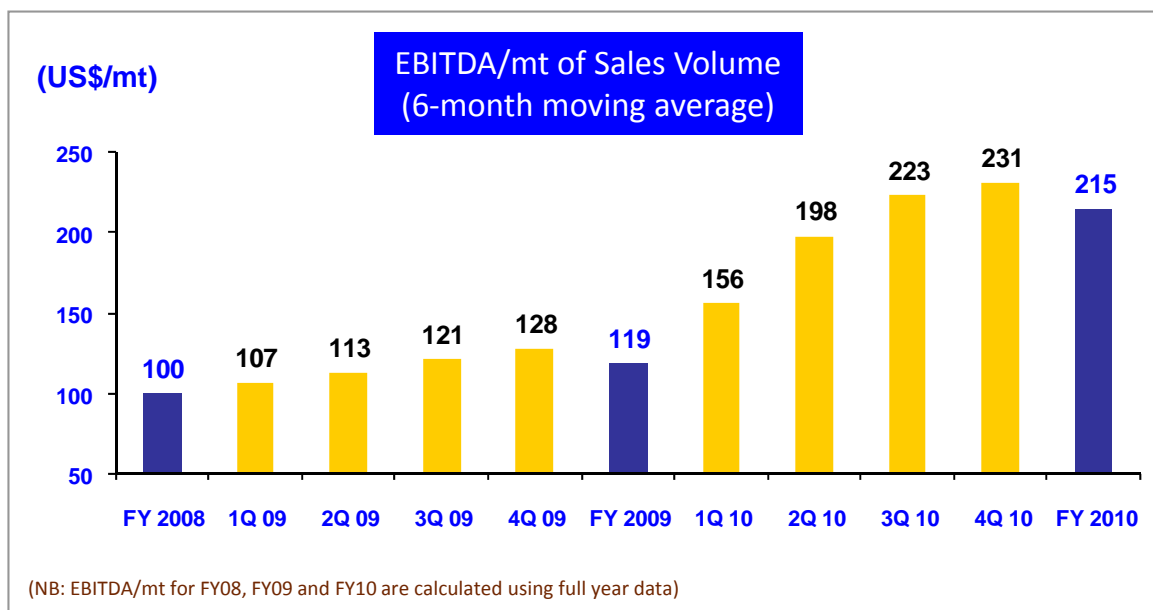
Key Comments

- Sales volume growth achieved as we continued to grow our markets and our customer base
- All regions (particularly Europe) achieved higher EBITDA yield

Cocoa Ingredients - Financial Highlights



- Robust volume growth of 7.3% in FY 2010
- Key volume growth drivers are continued strong demand from global customers and new customers secured



- All regions contributed to the significantly higher EBITDA yield achieved in 4Q and FY 2010
- The higher EBITDA yield achieved reflected greater proportion of sales of higher margin customised cocoa ingredients and Europe's turnaround

Branded Consumer Division

Branded Consumer - Financial Highlights

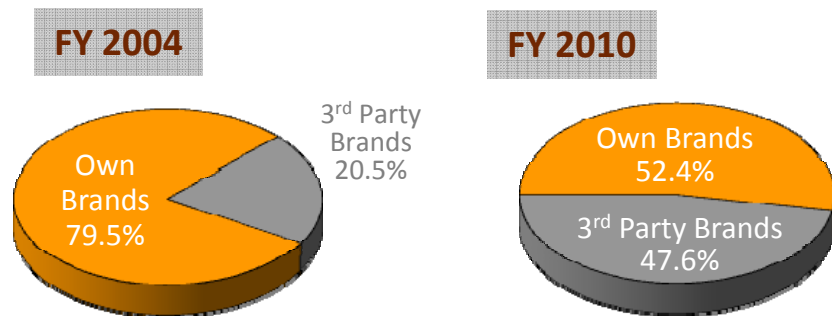
(in US\$ Million)	4Q 2010	4Q 2009	YoY change	FY 2010	FY 2009	YoY change
Revenue	89.7	80.4	+ 11.5%	366.9	299.8	+ 22.4%
- Indonesia	60.2	52.4	+ 14.9%	252.4	198.2	+ 27.3%
- Regional Market	29.5	28.0	+ 5.1%	114.5	101.6	+ 12.6%
Gross Profit Margin	32.4%	29.8%	+ 2.6% pt	31.1%	29.1%	+ 2.0% pt
EBITDA	17.4	11.8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

Key Comments

- Revenue growth driven by higher Own Brands and 3rd Party Brands sales
- Higher FY 2010 Gross Profit Margin - Driven by January 2010 price increases for Own Brands products plus support from strong local currency appreciation

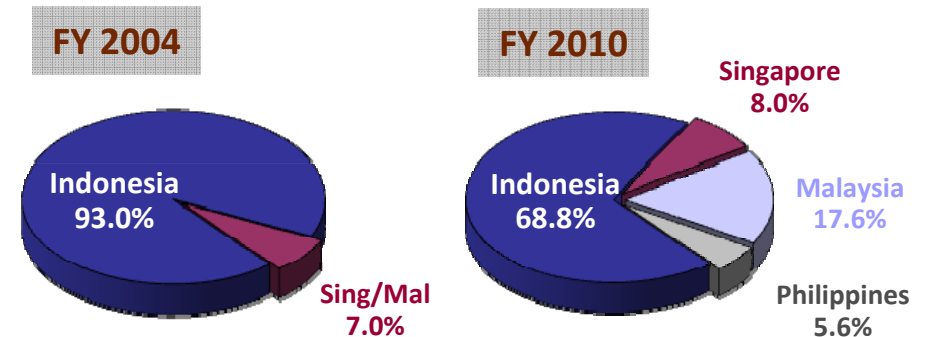
Branded Consumer - Financial Highlights

Revenue - Own Brands vs 3rd Party Brands



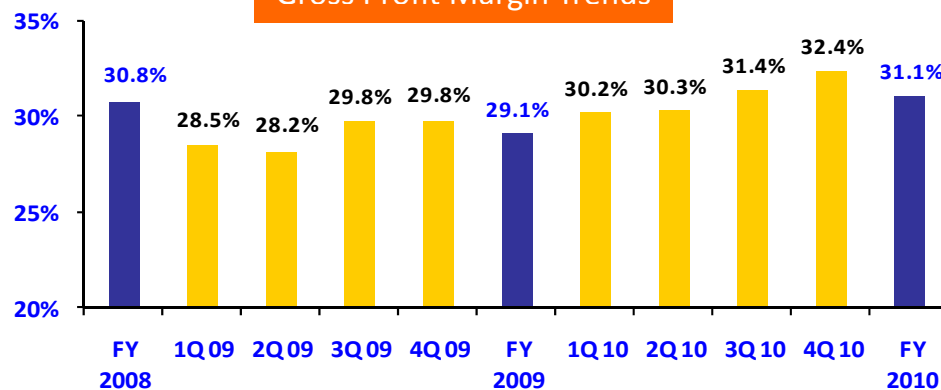
- In addition to driving strong Own Brands sales, we have built a successful 3rd Party Brands distribution business

Geographic Revenue Breakdown



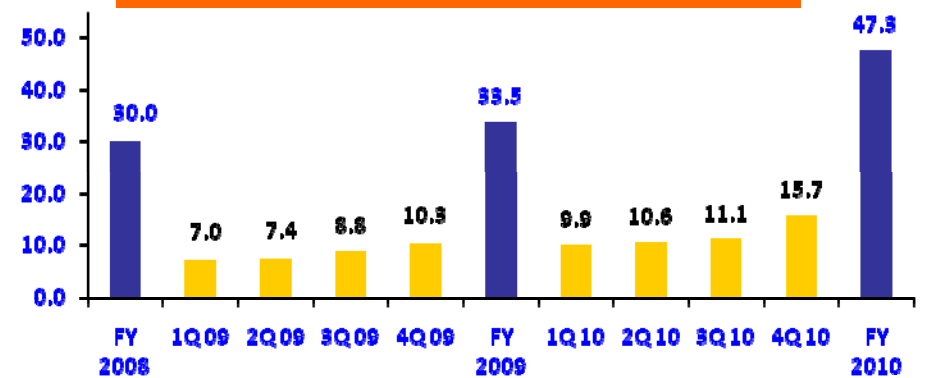
- Successfully developed the regional business complementing strong growth in Indonesia

Gross Profit Margin Trends



- The higher gross profit margin achieved over 2010 was driven by the strong performance of Own Brands

Operating Profit Performance (in US\$ Million)



- For 4Q 2010, higher operating profit driven by higher revenue and higher margins achieved