

Announcement on SGX

Increase in Share Capital of Delfi Marketing Inc.

The Board of Directors of Petra Foods Limited (**Company**) wishes to announce that the Company has increased its investment in Delfi Marketing Inc, (**Delfi Marketing**), a wholly-owned subsidiary in the Philippines, by Philippines Peso (**Php**) 43.9 million (US\$ 1.0 million) through subscription for 103,688 shares at a par value of Php100 each. The subscription was paid in cash and funded through the Company's internal resources.

As a result, Delfi Marketing's issued and paid-up capital increased from Php 289.6 million to Php 333.5 million. The Company's shareholdings in Delfi Marketing remain at 100%.

The increase in share capital is to further strengthen Delfi Marketing's capital structure and to meet future working capital requirements.

The above transactions are not expected to have any material impact on the net tangible assets and earnings per share of the Company for the financial year ended 31 December 2011 and no directors or substantial shareholders of the Company have any direct or indirect interest in the aforesaid transactions.

Submitted by Lian Kim Seng, Company Secretary on 17/01/2012 to the SGX