

FOR IMMEDIATE RELEASE

Petra Foods posts 1Q 2015 PATMI of US\$7.7 million

- *Healthy performance despite weaker consumer sentiment.*

Financial Highlights (US\$ million)	3 months ended 31 March			
	1Q 2015	1Q 2014	Change (%)	% change Y-o-Y in Constant Exch Rates
Revenue	106.2	122.7	(13.5)	(9.3)
EBITDA	13.8	20.7	(33.4)	(29.6)
PATMI	7.7	13.5	(42.8)	(39.1)
Gross Profit Margin (%)	30.3%	31.9%	(1.6% pt)	(1.6% pt)

* For comparative purposes only, this shows the effect of using the respective exchange rates of the regional currencies in 1Q 2014 in translating 1Q 2015 results.

SINGAPORE - 6 May 2015 - Petra Foods Limited (“**Petra Foods**” or the “**Group**”) today announced for the three months ended 31 March 2015 (“**1Q 2015**”) PATMI of US\$7.7 million on the back of revenue of US\$106.2 million. On a Y-o-Y basis, the Group’s 1Q 2015 revenue and PATMI, in the Group’s US Dollar reporting currency, were lower Y-o-Y by 13.5% and 42.8% respectively. In constant currency terms, revenue and PATMI were lower 9.3% and 39.1% respectively.

The Group’s lower Y-o-Y performance mainly reflects the recent slowdown in the Indonesian economy and weakening of consumer sentiment. GDP contracted in 1Q for the second quarter in a row, the Rupiah weakened by 5.1% versus 1Q 2014 and government spending slowed. In this poor economic environment, consumer off-take was lower than expected in first quarter 2015. As a result, our trade customers have reacted to reduce their inventory levels, which have negatively affected our sales. Our profit performance was further affected by increases in our costs of raw and packaging materials which increased due to the weaker Rupiah.

Based on the weighted average number of 611,157,000 ordinary shares in issue, the Group’s earnings per share in 1Q 2015 was 1.27 US cents as compared to 2.22 US cents in the

previous corresponding period. Net asset value per share as at 31 March 2015 was 48.7 US cents compared to 48.6 US cents as at 31 December 2014.

Revenue Breakdown by Segment

Financial Highlights (US\$ million)	3 months ended 31 March			
	1Q 2015	1Q 2014	Change (%)	% change Y-o-Y in Constant Exch Rates*
Indonesia	73.5	88.1	(16.6)	(12.3)
Regional Markets	32.7	34.6	(5.5)	(1.7)
Total Revenue	106.2	122.7	(13.5)	(9.3)

* For comparative purposes only, this shows the effect of using the respective exchange rates of the regional currencies in 1Q 2014 in translating 1Q 2015 results.

Own Brands sales continued to be a major contributor to the Group's business, forming more than 60% of the Group's revenue. Over the years, our portfolio of Own Brands has progressively expanded and today extends into the categories of chocolate confectionery, biscuits and wafers, breakfast, baking and beverages. In local currency terms, Own Brands sales in the Philippines achieved double digit growth although with the lower than expected sales in Indonesia, this resulted in overall Own Brands sales lower by 10.0% Y-o-Y in 1Q 2015.

- **Indonesia**

Indonesia remains Petra Foods' biggest revenue contributor with US\$73.5 million in sales in 1Q 2015. Sales were weaker by 16.6% compared to the corresponding quarter in 2014, reflecting weaker sentiment due to the slowing economy, high inflation and weakening Indonesian Rupiah. From a local currency perspective, the decline in sales would have been 12.3%.

With more than 50% market share for its Own Brands in the chocolate confectionary category in Indonesia, Petra Foods remains the market leader and continues to outperform the competition through its commitment to creative product development to address different consumer needs. The Group will continue to implement significant initiatives such as investing in brand building of its major brands as well as strengthen its route-to-market capabilities to position our business for the long term.

- **Regional Markets - Philippines, Malaysia and Singapore**

In US Dollar terms, overall sales from regional markets declined 5.5%. However, in local currency terms and after excluding discontinued Agency Brands, the Group achieved a Y-o-Y growth of 11.3% with the strongest core of growth in the Philippines.

The progress of the Group's Own Brands in the Philippines demonstrates the returns from its investments in its route-to-market capabilities and in building its brands portfolio through aggressive new product launches and product extensions into other chocolate categories, including chocolate spreads has paid off.

The Group's Agency Brands distribution business in the regional markets achieved sales growth of 9.3% in local currency terms and after excluding discontinued Agency brands.

Business Prospects

For FY2015, we expect the Group's performance to be affected by the challenging operating environment in Indonesia, the volatility in regional currencies and raw material input costs. Management is, however, taking proactive steps to maintain our performance not only for the short term but also in line with our long term strategies.

Mr Chuang said: *"The prevailing economic uncertainty in Indonesia is having an effect on consumer spending generally and demand for our products is not immune to this. We will therefore be adopting a cautious approach over the short term whilst at the same time not losing sight of our long term goals and strategies. Despite the sales slowdown in 1Q, we remain cautiously optimistic in the prospects for the future. Our optimism stems from our strong portfolio of local brands, our leading market position in the Indonesian chocolate confectionery category, the strength of our growing distribution network, and our commitment to expand our business through the introduction of new products. We will continue to drive sales while taking cost containment measures."*

Update on Divested Cocoa Ingredients Division

Petra Foods had on 17 December 2013 announced its filing of a Notice of Arbitration with the Singapore International Arbitration Centre to resolve disputes arising out of and in connection with the Sales and Purchase Agreement with regard to the divestment of its Cocoa Ingredients Division to Barry Callebaut AG that was completed on 30 June 2013. The proceedings are ongoing and the Group will make the necessary announcements in due course. Other than

post completion adjustments, which are the subject of the arbitration, there is no further impact from the Cocoa Ingredients business.

###

ABOUT PETRA FOODS LIMITED

Headquartered in Singapore and listed on the SGX-ST since 5 November 2004, Petra Foods Limited and its subsidiaries (the "Group") manufactures and/or distributes branded consumer products that are sold in over 17 countries including Indonesia, Singapore, Malaysia, Hong Kong, Australia, Thailand, the Philippines and China. Petra Foods has an established portfolio of chocolate confectionery brands which are household names in Indonesia. Its flagship brands in Indonesia include "SilverQueen" and "Ceres" that were introduced in the 1950s and "Delfi" in the 1980s. In addition, the Group also distributes a portfolio of well-known agency brands in Indonesia, Singapore, Malaysia and the Philippines.

Petra Foods was awarded the top spot in the annual Singapore Enterprise 50 Award in 2003. In addition, it was recognised as the "Best Newly Listed Singapore Company in 2004" in AsiaMoney's Best Managed Companies Poll 2004. Petra Foods was named the "Enterprise of the Year 2004" by the 20th Singapore Business Awards on 30 March 2005 and was named one of "Singapore's 15 Most Valuable Brands" in November 2005 by IE Singapore.

Over the years, Petra Foods has clinched awards in various categories at the annual Singapore Corporate Awards. The Group won a Silver award for its inaugural annual report in the "Best Annual Report/Newly Listed Company" category in 2006. In April 2009, it clinched a Gold award in the "Best Annual Report/Companies with \$300 million to less than \$1 billion in market capitalisation" category. In May 2010, it bagged two Silver awards for "Best Managed Board" and "Best Investor Relations" under the "companies with \$300 million to less than \$1 billion in market capitalisation" category.

The Group's Chief Executive Officer, Mr John Chuang, was also recognised for his leadership and management of Petra Foods. He was named "Best Chief Executive Officer" at the 2011 Singapore Corporate Awards, "Businessman of the Year" at the 2012 Singapore Business Awards and he was one of the recipients of the SG50 Outstanding Chinese Business Pioneers Awards in 2015.

In November 2013, Petra Foods was awarded Runner-Up in the "Most Transparent Company Award" for the food and beverage sector at the Securities Investors Association (Singapore) Investors' Choice Awards.

Issued by August Consulting on behalf of Petra Foods Limited

Media Contact:

Wrisney Tan

Tel: +65 6733 8873, Mobile: +65 9743 2667, Email: wrisney@august.com.sg

Dinesh Dayani

Tel: +65 6733 8873, Mobile: +65 9115 7441, Email: dinesh@august.com.sg