

FOR IMMEDIATE RELEASE

Petra Foods to cease distribution business in Singapore to focus on key markets

SINGAPORE – 10 June 2015 - Petra Foods Limited (“**Petra Foods**” or the “**Group**”) wishes to announce that it will cease its distribution business in Singapore, and that in this connection, Delfi Singapore Pte. Ltd. (“**Delfi Singapore**”), its wholly owned subsidiary, shall be looking towards the novation of its agency brands portfolio and the sale of the inventory related to these agency brands to Auric Pacific Marketing Pte. Ltd. (“**Auric Pacific**”), a subsidiary of SGX-ST listed Auric Pacific Group Limited before 30 June 2015.

For many years Delfi Singapore’s distribution business has not been profitable. This is due to the relatively small scale which the business has been able to achieve - despite strenuous efforts to build the business to a point where it could yield positive returns for the Group.

The decision to exit the distribution business in Singapore will however, not detract from Petra Foods’ objective of continuing to grow the presence of its Own Brands of chocolate confectionery in Singapore which will be achieved through the appointment of Auric Pacific as distributor.

Mr John Chuang, Petra Food’s Chief Executive Officer emphasized that the decision to exit the Singapore distribution business relates only to the distribution market in Singapore and does not mean that Petra Foods is changing its overall strategy. Mr Chuang explained, “The distribution business model remains a core part of our business strategy because with the scale we have in our key markets of Indonesia, Philippines and Malaysia, the complementary nature of our Own Brands together with the Agency Brands allows us to gain shelf space dominance. We are determined to pursue every opportunity to grow this vital part of our business in all of our key markets and growing our distribution businesses means expanding the reach and distribution of the products of all of our principals.”

He concluded “But more significantly, we will continue with the development of our Delfi brand of chocolate confectionery in Singapore through the appointment of Auric Pacific.”

The transaction is not expected to have a material effect on the consolidated net tangible assets per share and earnings per share of the Company for the current financial year.

None of the directors or substantial shareholders of the Company has any interest, direct or indirect, in the above transaction.

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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