Delfi LIMITED
Company Registration No.: 198403096C

FOR IMMEDIATE RELEASE

Delfi achieves full-year PATMI of US$17.5 million on the back of US$385.1 million in sales

- *Profitable despite the pandemic year due to resilience of Own Brands products and strong distribution network.*
- *Generated higher Free Cash Flow of US$38.7 million through control of costs, collections and capital spending.*
- *Proposes final dividend of 1.08 US cents (1.43 Singapore cents) bringing full-year dividend to 2.35 US cents (3.19 Singapore cents): same as 2019.*

Financial Highlights (US$ Million)	**6 months ended 31 Dec**			**12 months ended 31 Dec**		
	2H 2020	**2H 2019**	**Change (%)**	**FY2020**	**FY2019**	**Change (%)**
Revenue from Indonesia *	**121.9**	146.7	(16.9)	**255.2**	309.7	(17.6)
Revenue from Regional Markets *	**66.1**	67.1	(1.5)	**129.9**	131.0	(0.8)
Total Revenue *	**188.0**	213.8	(12.1)	**385.1**	440.7	(12.6)
Gross Profit Margin	**26.9**	29.8	(2.9) pt	**28.6**	30.2	(1.6) pt
EBITDA	**18.3**	28.2	(35.0)	**43.9**	59.6	(26.4)
PATMI	**6.7**	12.8	(48.2)	**17.5**	28.2	(38.1)

** For FY2020, following a detail year-end review of trade promotion programmes offered, it was concluded that certain expenditures should be presented as a reduction to revenue. Accordingly, the 2H 2019 and FY2019 revenue line has been reclassified retrospectively. This reclassification has no impact on EBITDA and PATMI of the Group or of the Company for both financial years ended 31 December 2020 and 31 December 2019.*

SINGAPORE - **24 February 2021** - SGX Mainboard-listed chocolate confectionery company, Delfi Limited ("**Delfi**", the "**Company**" or together with its subsidiaries, the "**Group**"), today announced full-year EBITDA of US$43.9 million and PATMI of US$17.5 million on the back of US$385.1 million in sales for the 12 months ended 31 December 2020 ("**FY2020**"). The Group remained profitable despite an unprecedented and challenging year due to its robust portfolio of resilient Own Brands and complementary Agency Brands.

Compared to the previous financial year ended 31 December 2019 ("**FY2019**") when EBITDA was US$59.6 million and PATMI was US$28.2 million on the back of US$440.7 million in sales, the Group's weaker FY2020 performance was due to the COVID-19 pandemic, which led to strict large-scale social restrictions and movement controls across its key markets for a large part of the period.

Mr John Chuang, Delfi's Chief Executive Officer, said: *"We started FY2020 positively with growth in the first quarter, but the onset of COVID-19 and the subsequent measures to stop its spread made the second quarter very challenging. The gradual resumption of business and lifestyle activities in the third quarter brought signs of recovery in sales, which continued to gain steady momentum in the fourth quarter. We attribute this to the strength of our Own Brands and complementary Agency Brands as well as the strength of our distribution network and the commitment and dedication of the Delfi teams to keep our operations at optimal levels. These factors enabled us to respond to market conditions efficiently and still achieve comparatively healthy performance despite the very adverse circumstances."*

For the year, Delfi generated higher free cash flow of US$38.7 million (FY2019: US$22.1 million) and together with cash and cash equivalent of US$65.5 million as at 31 December 2020 (US$57.6 million as at 31 December 2019), it puts the Group on strong financial footing with more than adequate support for its foreseeable near-term business and investment needs.

Based on 611,157,000 ordinary shares in issue, the Group's earnings per share in FY2020 was 2.86 US cents as compared to 4.62 US cents in FY2019. Group net asset value per share as at 31 December 2020 was 36.9 US cents (as at 31 December 2019: 37.2 US cents).

Market Review

In its key Indonesian market, the Group's revenue declined 17.6% Y-o-Y to US$255.2 million in FY2020 partly due to the weakness in the Indonesia Rupiah against the Group's US dollar reporting currency, but mostly due to the COVID-19 situation. During the period under review, the Group had operational controls in place and was able to continue to meet sales demand with minimal disruption.

In FY2020, its Premium categories were more resilient in the adverse environment and less impacted vis-à-vis the Value Brands, while Breakfast and Spreads registered strong growth benefitting from in-home consumption trends.

In its Regional Markets, the Group saw revenue remained resilient at US$129.9 million, inching down by only 0.8% Y-o-Y, despite the pandemic. This was helped by demand in the snacking, breakfast and healthcare categories. Sales of *Van Houten* in its Regional Markets remained robust with strong growth seen on the back of its relaunch in new contemporary and attractive packaging.

DIVIDEND

Delfi has proposed a final dividend of 1.08 US cents (1.43 Singapore cents) per share, which together with the interim dividend of 1.27 US cents (1.76 Singapore cents) per share, brings the total dividend for FY2020 to 2.35 US cents (3.19 Singapore cents). This is same as for 2019 (in US cents).

BUSINESS OUTLOOK

After the challenging and unprecedented events of FY2020, Delfi is cautiously optimistic that, barring unforeseen circumstances, operating conditions will be better in the current year ending 31 December 2021 ("**FY2021**").

The Group intends to focus on growth in its key markets via marketing, innovation and sales initiatives with the objective of developing products, such as healthier and plant-based ones, that best meet consumer needs in this changing environment and getting them to the customers via the most efficient channels. The Group will also continue to optimise its resources by ensuring production and operational efficiency as well as financial prudence.

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ABOUT DELFI LIMITED

Headquartered in Singapore and listed on the SGX-ST since 5 November 2004, Delfi 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.

Formerly called Petra Foods Limited until an official name change that took effect on 9 May 2016, Delfi 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, Malaysia and the Philippines.

The Group was awarded the top spot in the annual Singapore Enterprise 50 Award in 2003 and was recognized as the "Best Newly Listed Singapore Company in 2004" in AsiaMoney's Best Managed Companies Poll 2004. It 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, Delfi Limited 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 capitalization” 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 capitalization” category. In 2015, the Group bagged a Bronze award for “Best Managed Board” under the “companies with S$1 billion and above in market capitalization” category.

Delfi Limited’s Chief Executive Officer, Mr John Chuang, was also recognized for his leadership and management of the Group. 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.

***Issued by August Consulting on behalf of* Delfi Limited**

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