

FOR IMMEDIATE RELEASE

The initial public offering of the shares of Petra Foods Limited was sponsored by ABN AMRO Rothschild.

Petra Foods records 24% growth in 1H 2005 net profit to US\$11.2 million

- ***Both Cocoa Ingredients and Branded Consumer businesses continue to record double digit revenue growth***

Declares interim dividend of 0.83 US cents, representing a 40% payout

Financial Highlights	3 months ended 30 June			6 months ended 30 June		
	2Q05	2Q04	% Change	1H05	1H04	% Change
Revenue (US\$m)	105.8	88.8	19.2	216.6	183.7	17.9
Gross Profit (US\$m)	19.6	18.4	6.4	38.3	34.4	11.2
Net Profit (US\$m)	5.5	4.8	13.8	11.2	9.0	24.3
EBITDA (US\$m)	10.1	10.4	-2.9	20.6	19.6	4.7

SINGAPORE – 12 August 2005 – Petra Foods Limited (“Petra Foods” or the “Group”), one of the world’s major manufacturers and suppliers of cocoa ingredients and branded consumer confectionary products, has produced a strong set of interim results, boosted by continued double-digit growth for both its businesses in the second quarter.

For the six months ended 30 June 2005, net profit rose 24.3% to US\$11.2 million on the back of a 17.9% increase in revenue to US\$216.6 million. EBITDA was up 4.7% to US\$20.6 million, from US\$19.6 million in the year-ago period.

With the improved results, Directors have recommended an interim dividend of 0.83 US cents per share or 1.38 Singapore cents.

This strong set of interim results was boosted mainly by strong demand for higher value added cocoa ingredients from international food and beverage customers.

Mr John Chuang, Chief Executive Officer of Petra Foods said, "The good growth registered by the Group during the first half demonstrates the underlying strength of our two businesses. Strong demand for customised and higher value added products continues to support EBITDA yield of above US\$220/mt while sales increases for our branded consumer products in our key market in Indonesia underscores our strong brand equity despite overall softer consumer spending (in Indonesia)."

Strong Performance from both operating divisions

Cocoa Ingredients Division

Revenue for the ***Cocoa Ingredients Division*** grew 19.5% to US\$156.2 million supported mainly by the 18.3% higher average selling prices resulting from higher cocoa bean prices. With no significant capacity addition in 1H2005, sales volume growth was 1.0% higher year-to-year to 52,666 metric tones.

The combination of higher sales volume and EBITDA yield achieved resulted in a 13.6% increase in EBITDA to US\$11.9 million. Given the strong demand for higher value added products, EBITDA per mt of sales volume (on a 6-month moving average) improved from US\$201 per mt in 1H 2004 to US\$226 per mt in 1H2005.

Branded Consumer Division

Revenue for the Branded Consumer Division registered a 13.9% growth to US\$60.4 million. In local currency terms, revenue growth was a solid 23.7%.

This Division achieved a gross profit margin of 31.0% which was 2.6 percentage point lower than the same period last year as a result of higher raw material costs resulting from a weakening of the Indonesian Rupiah. EBITDA declined by 5.5% to US\$8.64 million due to plant start-up issues encountered by a Malaysian joint venture facility.

For the Group as a whole, profit from operations for 1H2005 grew by 12.6% to US\$16.9 million. At the pre-tax level, the increase was higher at 22.5% to US\$13.9 million due to lower interest expense arising from lower bank borrowings.

The Group's financial position continues to improve as the Group's higher profitability translates into stronger cashflow generated from operations which increased to US\$17.5 million in 1H2005 from US\$12.8 million in 1H2004. Bank borrowings dropped by 18% to US\$84.2 million as at 30 June 2005, compared to US\$99.3 million as at 31 December 2004. This has also correspondingly improved the Group's gearing from 55.9% to 53.5%. The adjusted net debt equity (borrowings excluding trade finance) ratio also dropped from 31.3% to 31.1%.

Outlook for FY2005

Going forward, the Group remains optimistic on the business outlook for this year and continues to see growth in both its *Cocoa Ingredients* and *Branded Consumer Divisions*.

"We expect demand to be strong for our higher valued cocoa ingredient products assisted by our focus on customisation," says Mr Chuang.

On chocolate confectionery products, Mr Chuang anticipates higher consumer demand in the second half due to the festive season. Again the key here is to maintain gross profit margins at above 30% through a combination of cost reduction initiatives together with marginal price increase.

Statement by ABN AMRO Rothschild, the issue manager and the sponsor of the initial public offering of the shares of Petra Foods Limited ("the Company"):-

ABN AMRO Rothschild (being the unincorporated equity capital markets joint venture between ABN AMRO Bank N.V., Singapore branch, and N.M. Rothschild & Sons (Singapore) Limited, each trading as ABN AMRO Rothschild) acted as the Global Co-ordinator, Book runner and Lead Manager in respect of the initial public offering of ordinary shares of \$0.10 each in the capital of the Company which was completed on 5 November 2004.

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ABOUT PETRA FOODS LIMITED

Listed on the SGX-ST since 5 November 2004, Petra Food Limited and its subsidiaries ("the Group") is one of the world's major manufacturers and suppliers for cocoa ingredients, namely cocoa powder, cocoa butter and cocoa liquor. The Group also manufactures and/or distributes branded consumer products, primarily chocolate confectionery products, for which it is the market leader in Indonesia.

The Group has two business divisions, ***Cocoa Ingredients*** and ***Branded Consumer***.

Cocoa Ingredients Division

The Group manufactures and sells cocoa ingredients, under the "Delfi" brand, to over 30 countries worldwide. Its major customers are international food and beverage companies such as Nestlé, Cadbury, the Mars Group, Arnott's, A.B. Foods, Barry Callebaut and the Meiji Group.

Branded Consumer Division

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 include eight master brands and 19 key sub brands and manufactures over 300 stock keeping units. 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 well-known portfolio of third party brands in Indonesia, Singapore and Malaysia.

Headquartered in Singapore, Petra Foods has six cocoa processing facilities (located in Indonesia, Malaysia, the Philippines, Thailand, Brazil and Mexico), two chocolate confectionery production facilities (located in Indonesia and Malaysia) and a total staff strength of over 4,000.

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. More recently, it was named the "Enterprise of the Year 2004" by the 20th Singapore Business Awards on 30 March 2005.

Issued on behalf of Petra Foods Limited

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