Delfi LIMITED
Company Registration No.: 198403096C

UPDATE ON THE GROUP'S THIRD QUARTER
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2025

The Board of Directors of Delfi Limited (the "Company" or the "Group") would like to take this opportunity to provide a brief update on the Group's operations for the 3rd Quarter ("3Q 2025") and Nine Months ("9M 2025") of this year.

Delfi delivered a 6.1% Year-on-Year ("Y-o-Y") increase in consolidated Net Sales for 3Q 2025 to US$124.8 million despite ongoing challenges in the global chocolate industry and continued macroeconomic uncertainty. This performance lifted 9M 2025 Net Sales to US$384.4 million (1.6% Y-o-Y growth). The top-line improvement was driven primarily by a favourable mix of pricing and volume gains, which supported our key brands in Indonesia, and was complemented by growth in Regional Markets. This performance, along with disciplined working capital management, allowed the Group to generate strong operating cash flow during 9M 2025.

	Quarterly								9 Months ended 30 September			
(In US$ Millions)	1Q 2024	2Q 2024	3Q 2024	1Q 2025	2Q 2025	3Q 2025	3Q Y-o-Y Change	3Q Y-o-Y Change Constant f/x	9M 2024	9M 2025	Y-o-Y Change	Y-o-Y Change Constant f/x
Net Sales	**150.7**	**110.2**	**117.6**	**149.8**	**109.7**	**124.8**	**6.1%**	**4.9%**	**378.5**	**384.4**	**1.6%**	**1.5%**
- Indonesia	103.5	66.3	70.5	99.3	62.6	74.2	5.2%	6.9%	240.3	236.2	(1.7%)	1.1%
- Regional Markets*	47.2	43.9	47.1	50.5	47.1	50.6	7.5%	1.9%	138.2	148.2	7.2%	2.3%
Gross Profit Margin	**30.2%**	**27.0%**	**26.4%**	**28.0%**	**26.9%**	**25.4%**	**(100 bps)**		**28.1%**	**26.8%**	**(130 bps)**	
EBITDA	**23.3**	**9.5**	**8.8**	**17.0**	**7.3**	**10.2**	**16.3%**	**16.9%**	**41.6**	**34.5**	**(17.1%)**	**(15.6%)**

Note: Figures may not add due to rounding.
** Comprises Malaysia, the Philippines and Singapore.*

Indonesia delivered strong momentum in 3Q 2025, achieving a 5.2% Y-o-Y increase in Net Sales to US$74.2 million (or 6.9% on a constant currency basis). This growth was driven primarily by strong performance in our key brands and reflected a robust 18.6% sequential (quarter-on-quarter) increase. The momentum reflects the positive impact of our sustained promotional spending to strengthen key brands and address market competition.

While the strong quarter contributed to the country's 9M 2025 Net Sales of US$236.2 million, the overall nine-month performance saw a 1.7% decline. Strong results in Own Brands were ultimately offset by weaker performance in Agency Brands due mainly to reduced promotional spending by some agencies. However, on a constant currency basis, the nine-month period was essentially flat, growing by 1.1%.

Regional Markets showed consistent growth across both periods. For 3Q 2025, Net Sales grew 7.3% Y-o-Y, driven primarily by strong performance in Malaysia and the Philippines. Cumulatively, the 9M 2025 period saw a 7.2% Y-o-Y increase, mainly due to continued strength in Malaysia.

The Group achieved a Gross Profit Margin of 26.8% for 9M 2025 (a Y-o-Y decrease of 130 bps), reflecting the impact of a weaker Indonesian Rupiah, increased promotion spending for Own Brands, and lower margins from Agency Brands. Consequently, the Group reported EBITDA of US$34.5 million for 9M 2025, a 17.1% Y-o-Y decrease (15.6% lower in constant currency).

Our disciplined approach to managing working capital during the nine-month period helped generate US$56.3 million in net cash from operations (after working capital), a Y-o-Y increase of US$9.4 million. Working capital declined by US$15.8 million to US$144.8 million, mainly due to reduction of inventories and trade receivables.

Balance Sheet as at	**30 Sep 25**	31 Dec 24	Change in
	US$ Million	US$ Million	US$ Million
Cash and Cash Equivalent	**70.1**	43.8	26.3
Working Capital	**144.8**	160.7	(15.8)
Property, Plant and Equipment and Intangible Assets	**122.0**	127.4	(5.4)
Total Assets	**413.3**	428.2	(14.9)
Borrowings	**19.3**	24.8	(5.5)
Foreign Currency Translation Reserves	**(39.0)**	(34.4)	(4.6)
Shareholders' Equity	**263.9**	264.6	(0.7)
Current Ratio	**2.04**	1.95	
Average Inventory Days	**112**	124	
Average Receivable Days	**60**	64	
Average Payable Days	**45**	51	
	30 Sep 25	30 Sep 24	
Free Cash Flow generated *(for nine months ended)*	**48.9**	18.9	30.0

Note: [1] Working capital is equal to account receivables plus inventories less accounts payable.

As of end-September 2025, the Group's cash balance stood at US$70.1 million, compared to US$43.8 million at end-December 2024, reflecting strong cashflow generation, disciplined capital allocation and continued balance sheet strength.

OUTLOOK

The challenging operating environment of lingering macroeconomic headwinds, persistent geopolitical tensions, and uncertainty in global trade is expected to continue into at least mid-2026. We anticipate these conditions could result in sustained currency volatility, weakening consumer sentiment, and ongoing supply chain pressures over the near term.

To address these challenges, our teams continue to actively develop initiatives to drive improvements in manufacturing productivity, increase supply chain efficiency, implement possible pricing actions, execute product resizing and develop reformulations.

Despite these near-term challenges, the Group's strong business foundation, including its established brand equity, extensive distribution capabilities, robust balance sheet, and resilient cash flow generation, provides solid support. We remain committed to our long-term strategic priorities: growing and investing in key brands, developing innovative product offerings, and extending our reach across Indonesia and key Southeast Asian markets.

By Order of the Board

Lee Wei Hsiung/Cheok Hui Yee
Company Secretaries

11 November 2025