

FOR IMMEDIATE RELEASE

Delfi Limited achieves half-year revenue of US\$193.3 million and PATMI of US\$14.9 million

- Declares interim dividend of 1.22 US cents per ordinary share.

Financial Highlights (US\$ Million)	3 months ended 30 June			6 months ended 30 June		
	2Q 2017	2Q 2016	Change (%)	1H 2017	1H 2016	Change (%)
Revenue	100.2	106.3	(5.8)	193.3	209.9	(7.9)
EBITDA	11.8	14.3	(17.6)	23.8	28.6	(16.9)
Gross Profit Margin	33.2%	33.3%	(0.1) pt	33.1%	32.6%	0.5 pt
PATMI	9.3	8.1	14.4	14.9	16.6	(10.0)

SINGAPORE - 7 August 2017 - SGX Mainboard-listed chocolate confectionery company, Delfi Limited (“**Delfi**”, the “**Company**” or together with its subsidiaries, the “**Group**”) has achieved PATMI of US\$14.9 million on the back of US\$193.3 million in sales for the half year ended 30 June 2017 (“**1H 2017**”).

Compared to the corresponding half-year in 2016, (“**1H 2016**”), this represented a 7.9% and 10.0% year-on-year (“**Y-o-Y**”) decline in sales and PATMI respectively. The decline in sales reflected the weak retail environment in Indonesia coupled with the impact of our on-going product portfolio rationalization exercise. The product rationalization programme is an initiative we have undertaken to eliminate lower performing SKU’s so that we can focus on our core brands and products.

On a quarterly basis, PATMI grew 14.4% Y-o-Y to US\$9.3 million despite a 5.8% Y-o-Y decline in revenue to US\$100.2 million for the three months ended 30 June 2017 (“**2Q 2017**”). The

increase in PATMI included an exceptional gain of US\$4.4 million arising from the disposal of the Group's 50% stake in its associate PT Ceres Meiji Indotama.

Based on 611,157,000 ordinary shares in issue, the Group's earnings per share in 1H 2017 was 2.44 US cents as compared to 2.71 US cents in 1H 2016. Net asset value per share as at 30 June 2017 was 34.8 US cents compared to 32.9 US cents as at 31 December 2016.

For 1H 2017, Delfi generated free cash flow of US\$7.6 million, which together with a cash balance of US\$73.2 million as at 30 June 2017, is adequate to support the Group's foreseeable near term business and investment needs.

DIVIDEND

In line with Delfi's 1H 2017 performance, the directors have declared an interim cash dividend of 1.22 US cents (1.66 Singapore cents) per share to be paid on 8 September 2017. Together with the cash distribution of 0.95 US cents (1.35 Singapore cents) per share paid on 19 May 2017, the total cash distributions received by shareholders year-to-date will amount to 2.17 US cents (3.01 Singapore cents) per share.

PERFORMANCE REVIEW BY MARKETS

Financial Highlights (US\$ Million)	3 months ended 30 June			6 months ended 30 June		
	2Q 2017	2Q 2016	Change (%)	1H 2017	1H 2016	Change (%)
Indonesia	73.4	78.3	(6.3)	138.1	154.2	(10.4)
Regional Markets	26.8	28.0	(4.5)	55.2	55.7	(0.9)
Total Revenue	100.2	106.3	(5.8)	193.3	209.9	(7.9)

Indonesia

The weaker sales in Indonesia were partly the result of the weak retail sales environment and our product rationalization exercise in order to focus on our core brands and products. Our business in Indonesia started the quarter on a soft note but for the remaining two months sales of Own Brands products achieved double digit growth.

Regional Markets (comprising Philippines, Malaysia and Singapore)

In the Regional Markets, Delfi's 1H 2017 sales registered a marginal 0.9% Y-o-Y fall in revenue to US\$55.2 million. The stable performance was led by improved performance from the Group's Own Brands in the Philippines and Agency Brands in Malaysia.

BUSINESS OUTLOOK

The Group expects the next 12 months to remain challenging because of uncertain economic conditions in its key markets, which will in turn weigh on consumer confidence. As we focus on growing sales of our continuing Own Brands products to replace sales lost due to the product portfolio rationalization, we expect 2H 2017 sales to be in line with that of 1H 2017. Although full year sales for FY2017 is expected to be lower Y-o-Y given the weak start to the year.

The lower expected 2017 sales combined with our higher spending to grow both our distribution capabilities and our core brands will likely result in our FY2017 being lower Y-o-Y.

Mr Chuang said: *"Despite the current uncertainties, our focus is to work closely with our trade customers and partners to grow our business by ensuring that our brands are always available, properly displayed and at the right price points. Our other area of focus is to drive sales of our Own Brands to replace sales lost due to our product portfolio rationalization exercise. The rationalization has affected our revenue and profitability in the short term but was necessary and provides us with a stronger base to grow from."*

To sustain profitable growth over the longer term, Delfi will continue to ensure that its entire organisation is well-aligned with its growth plans and will make ongoing investments in product innovation, improvements in operational efficiency as well as building its capacity and capabilities. To capture growth opportunities in the retail scene it will adopt a multi-channel strategy that will enable it to broaden and deepen its routes-to-market competency.

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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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