Delfi LIMITED
Company Registration No.: 198403096C

UPDATE ON THE GROUP'S THIRD QUARTER
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2026

The Board of Directors of Delfi Limited (the "Company" or the "Group") is pleased to provide a business update on the Group's operations for the third quarter ("3Q 2026") and nine months ("9M 2026") of this year.

Despite a challenging operating environment, Delfi delivered a resilient performance driven primarily by continued momentum in our core Own Brands segment. For 3Q 2026, consolidated Net Sales were US$118.0 million. While this represents a 5.5% Year-on-Year ("Y-o-Y") decline in our reporting currency — largely impacted by weaker regional currencies (with the Indonesian Rupiah depreciating 9.5% and the Philippines Peso 7.6%), ongoing uncertainty from the conflict in the Middle East, and domestic economic pressures in Indonesia — Net Sales were essentially flat on a constant currency basis. Despite the softer third quarter, cumulative 9M 2026 Net Sales remained stable at US$384.6 million, reflecting a slight 0.1% Y-o-Y increase, and 1.9% growth in constant currency.

	Quarterly									9 Months ended 30 September			
US$ Millions	1Q 2025	2Q 2025	3Q 2025	4Q 2025	1Q 2026	2Q 2026	3Q 2026	3Q Y-o-Y Change	3Q Y-o-Y Change Constant f/x	9M 2025	9M 2026	Y-o-Y Change	Y-o-Y Change Constant f/x
Net Sales	**149.8**	**109.7**	**124.7**	**115.7**	**159.1**	**107.6**	**118.0**	**(5.5%)**	**0.0%**	**384.3**	**384.6**	**0.1%**	**1.9%**
- Indonesia	99.3	62.6	74.2	65.1	101.9	55.8	68.1	(8.2%)	1.0%	236.1	225.8	(4.4%)	1.2%
- Regional Markets*	50.5	47.1	50.5	50.6	57.2	51.8	49.9	(1.4%)	(1.6%)	148.2	158.8	7.2%	3.1%
Gross Profit Margin	**28.0%**	**26.9%**	**25.4%**	**25.6%**	**26.6%**	**24.4%**	**23.2%**	**(220 bps)**		**26.8%**	**24.9%**	**(190 bps)**	
EBITDA	**17.0**	**7.3**	**10.2**	**24.7**	**16.8**	**6.6**	**10.2**	**0.2%**	**10.1%**	**34.5**	**33.6**	**(2.5%)**	**2.6%**

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

In Indonesia, 9M 2026 overall Net Sales declined 4.4% Y-o-Y to US$225.8 million, but increased 1.2% on a constant currency basis, reflecting the depreciation in the Indonesian Rupiah. This decrease masked the strength of our Own Brands in the country, which grew 11.2% driven by sustained demand for our key brands. The strong growth achieved by our Own Brands were offset by a decline in Agency Brands resulting from the strategic termination of an agency account during the third quarter last year.

For Regional Markets, 9M 2026 Net Sales reached US$158.8 million, representing a 7.2% Y-o-Y increase. This was driven by robust Own Brands performance supported by strong sales in Malaysia and the Philippines. Meanwhile, Agency Brands sales grew 5.9% for 9M 2026, from strong organic performance and contributions from new accounts in Malaysia.

The Group's profitability reflected the continued impact of higher raw material costs and weaker regional currencies. Gross Profit was US$27.3 million, and US$95.9 million for 3Q 2026 and 9M 2026, respectively. Consequently, the Gross Profit Margin ("GPM") narrowed by 220 basis points (bps) Y-o-Y in 3Q 2026 to 23.2% and stood at 24.9% for the 9M 2026 period, a Y-o-Y decrease of 190 bps.

The Group recorded EBITDA of US$10.2 million for 3Q 2026 and US$33.6 million for 9M 2026. Despite pressure on the GPM, profitability was supported by lower operating expenses. Our underlying operational profitability was notably stronger when stripping out foreign exchange impacts. On a constant currency basis, EBITDA achieved robust growth of 10.1% Y-o-Y in 3Q 2026, which lifted the 9M 2026 constant currency EBITDA to a positive 2.6% Y-o-Y growth. The reported EBITDA margin stood at 8.7% and 8.8% for 3Q 2026 and 9M 2026, respectively.

The Group generated US$13.1 million in net cash from operating activities for the nine-month period ended 30 September 2026. The group allocated US$5.8 million for capital expenditure and advances for property, plant and equipment, reflecting the Group's disciplined approach to capital investment. As at 30 September 2026, working capital stood at US$139.1 million, a slight increase of US$5.2 million from a US$15.8 million reduction in inventory balances that partially offset a US$18.0 million reduction in trade payables and a US$3.0 million increase in trade receivables.

Balance Sheet as at	**30 Sep 26**	31 Dec 25	Change in
	US$ Million	US$ Million	US$ Million
Cash and Cash Equivalent	**55.5**	68.0	(12.4)
Working Capital	**139.1**	133.9	5.2
Property, Plant and Equipment and Intangible Assets	**106.7**	119.0	(12.3)
Total Assets	**405.1**	436.5	(31.5)
Borrowings	**21.8**	14.5	7.2
Foreign Currency Translation Reserves	**(54.2)**	(39.6)	(14.6)
Shareholders' Equity	**265.5**	279.2	(13.7)
Current Ratio	**2.27**	2.10	
Average Inventory Days	**103**	124	
Average Receivable Days	**56**	60	
Average Payable Days	**48**	58	
	30 Sep 26	30 Sep 25	
Free Cash Flow generated *(for nine months ended)*	**7.2**	48.9	(41.7)

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

Delfi continues to maintain a sound liquidity position to provide financial flexibility for ongoing operational requirements. As at 30 September 2026, the Group's cash balance stood at US$55.5 million in cash and bank deposits. This balance was achieved even after funding US$17.0 million in dividends paid during the period.

OUTLOOK

Looking ahead through next year, the outlook of the global operating environment remains uncertain. While cocoa prices have eased from their 2024/2025 peaks, they remain historically elevated and impacted by the ongoing effects of El Niño on current crop yields. Furthermore, intensifying geopolitical pressures in the Middle East continue to drive volatility in energy costs, supply chains, and global currencies, while recent economic uncertainty and higher inflation in Indonesia could dampen consumer demand. We are proactively mitigating these pressures through strategic raw material procurement, disciplined cost control, focus on risk management, and agile supply chain operations.

Despite these macroeconomic and geopolitical headwinds, our growth strategy remains intact. For the remainder of 2026 and into 2027, we will continue to reinforce our strong market position by focusing on core brands, driving product innovation, and strengthening our route-to-market capabilities at the retail shelf. Underpinned by strict financial discipline and manufacturing efficiencies, we expect our strong balance sheet and robust cash flow to continue providing the resilience to navigate near-term uncertainties and deliver sustainable value.

By Order of the Board

Lee Wei Hsiung/Cheok Hui Yee
Company Secretaries

10 November 2026