

Wednesday, August 11, 2021



Delfi expects the macroeconomic and operating environments in its regional markets to remain challenging through the rest of 2021 and beyond. PHOTO: DELFI

Delfi's H1 profit grows 13.7% on gradual recovery in key markets

By Fiona Lam

fiolam@sph.com.sg

@FionaLamBT

Singapore

CHOCOLATE confectionery company Delfi posted a 13.7 per cent increase in net profit to US\$12.3 million for the first six months of this year, from US\$10.8 million in the year-ago period.

Sales improved on the back of a gradual recovery of its key markets, mainboard-listed Delfi said in results released on Tuesday evening.

Earnings per share stood at 2.01 US cents for the half year, up from 1.77 cents in H1 2020.

Total revenue rose 6.8 per cent to US\$210.5 million, from US\$197.1 million in the corresponding period last year, helped by the easing of large-scale lockdowns introduced a year ago.

In particular, sales in the second quarter this year increased by 29.1 per cent from Q2 2020, which was at the height of the initial severe lockdowns in Indonesia and the Philippines, Delfi said.

Sales in Indonesia grew 8.1 per cent year on year to US\$144 million in the first half. Across its regional markets, revenue was up 4.1 per cent to US\$66.5 million, mainly driven by the performance of the Malaysian operations.

Delfi's board declared an interim dividend of 1.27 US cents per share for the first half of this year, unchanged from last year's figure in US-dollar terms.

The company said this implies a payout ratio of 63.1 per cent, which is

Delfi Limited

	H1 FY21	H1 FY20	Y-O-Y % CHANGE
	(US\$ MILLION)		
Revenue	210.5	197.1	6.8
Net profit	12.3	10.8	13.7
EPS (US¢)	2.01	1.77	
DPS (US¢)	1.27	1.27	

higher than its historical distributions, reflecting the board's confidence in the group's cash-flow generation capability and its position to return excess cash to shareholders.

The interim dividend will be paid on Sept 7, after the books are closed on Aug 24.

Delfi noted the recent return to stricter movement restrictions amid rising Covid-19 cases in some of its markets, especially Indonesia, Malaysia and the Philippines.

With larger-scale lockdowns imposed again, especially in the later part of H1 2021, there was a knock-on impact on the retail sector, it added in the filing.

Given this, the company has worked with its channel partners to make its products more easily accessible to consumers, who are now shopping closer to home, said Delfi's chief executive officer John Chuang.

Delfi expects the macroeconomic and operating environments in its regional markets to remain challenging through the rest of 2021 and beyond.

The group's shares closed 0.6 per cent or 0.5 Singapore cent higher at 84.5 cents, before it announced its results.