

COVER SHEET

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S.E.C. Registration Number

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(Company's Full Name)

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(Business Address : No. Street Company / Town / Province)

Antonio E.S. Ungson

Contact Person

+65 6324 6822

Company Telephone Number

SEC FORM (1st Quarter FY2024)

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Month

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Day

1	7	-	Q
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FORM TYPE

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Month

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Day

Annual Meeting

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Secondary License Type, If Applicable

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Amended Articles Number/Section

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Total No. of Stockholders

Total Amount of Borrowings

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Domestic

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Foreign

To be accomplished by SEC Personnel concerned

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File Number

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES
REGULATION CODE AND SRC RULE 17(2) (b) THEREUNDER

1. For the quarterly period ended **July 31, 2023**
2. Commission identification number. **N/A**
3. BIR Tax Identification No. **N/A**
4. Exact name of issuer as specified in its charter **Del Monte Pacific Limited**
5. **British Virgin Islands**
Province, country or other jurisdiction of incorporation or organization
6. Industry Classification Code: (SEC Use Only)
7. c/o Philippine Resident Agent,
Craigmuir Chambers, PO Box 71 Road Town,
Tortola, British Virgin Islands Postal Code
8. **+65 6324 6822**
Issuer's telephone number, including area code
9. **N/A**
Former name, former address and former fiscal year, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
Common Shares	1,943,960,024

11. Are any or all of the securities listed on a Stock Exchange?

Yes [/] No []

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Singapore Exchange Securities Trading Limited - Ordinary Shares
Philippine Stock Exchange - Ordinary Shares

12. Indicate by check mark whether the registrant:

- (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes [/] No []

- (b) has been subject to such filing requirements for the past ninety (90) days.

Yes [/] No []

PART I--FINANCIAL INFORMATION

Item 1. Financial Statements.

Please refer to the Financial Statements (FS) section of this report, FS to FS 61

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Please refer to the Management's Discussion and Analysis of Financial Condition and Results of Operations section of this report.

PART II--OTHER INFORMATION

Not Applicable

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer **Del Monte Pacific Limited**

Signature and Title  Parag Sachdeva
Chief Financial Officer and Duly Authorized Officer

Date 5 September, 2023

Del Monte Pacific Limited and its Subsidiaries

Unaudited Interim Condensed Consolidated
Financial Statements

As at 31 July 2023

and for the Periods Ended 31 July 2023 and 2022
(With Comparative Audited Consolidated Statement of
Financial Position as at 30 April 2023)

Del Monte Pacific Limited and its Subsidiaries
Unaudited Interim Condensed Consolidated Financial Statements
As at 31 July 2023 and for the periods ended 31 July 2023 and 2022

Unaudited Interim Consolidated Statements of Financial Position

(With Comparative Audited Figures as at 30 April 2023)

	Note	As at 31 July 2023 US\$'000 (Unaudited)	As at 30 April 2023 US\$'000 (Audited)
Noncurrent assets			
Property, plant and equipment – net	6	673,976	658,991
Right-of-use assets	30	96,392	100,566
Investments in joint ventures	8	20,295	20,161
Intangible assets and goodwill	7	752,073	753,841
Deferred tax assets – net	22	118,734	118,060
Biological assets	10	3,154	3,007
Pension assets		10,506	10,630
Other noncurrent assets	9	45,253	42,250
		1,720,383	1,707,506
Current assets			
Biological assets	10	44,233	44,852
Inventories	11	1,175,599	1,076,772
Trade and other receivables	12, 24	210,096	231,036
Prepaid expenses and other current assets	13	60,878	59,667
Cash and cash equivalents	14, 24	23,155	19,836
		1,513,961	1,432,163
Total assets		3,234,344	3,139,669
Equity			
Share capital	28	19,449	19,449
Share premium		208,339	208,339
Retained earnings		103,917	119,540
Reserves	15	(16,803)	(28,511)
Equity attributable to owners of the Company		314,902	318,817
Non-controlling interests		68,523	66,941
Total equity		383,425	385,758
Noncurrent liabilities			
Loans and borrowings	16, 24	1,087,916	994,477
Lease liabilities	30	68,470	72,204
Employee benefits		21,944	21,294
Environmental remediation liabilities	19	–	–
Deferred tax liabilities – net	22	13,018	11,630
Other noncurrent liabilities	17	13,273	16,826
		1,204,621	1,116,431
Current liabilities			
Loans and borrowings	16, 24	1,234,963	1,278,876
Lease liabilities	30	29,507	27,892
Employee benefits		27,407	24,280
Trade and other current liabilities	20, 24	352,027	304,940
Current tax liabilities		2,394	1,492
		1,646,298	1,637,480
Total liabilities		2,850,919	2,753,911
Total equity and liabilities		3,234,344	3,139,669

Unaudited Interim Consolidated Statements of Income

		Three months ended	
		31 July	
	Note	2023 US\$'000	2022 US\$'000
Revenue	4, 21	516,733	456,587
Cost of sales		(408,438)	(324,851)
Gross profit	4	108,295	131,736
Distribution and selling expenses		(48,763)	(49,645)
General and administrative expenses	27	(33,703)	(34,098)
Other income (expense) – net		611	2,437
Results from operating activities		26,440	50,430
Finance income	33	5,237	2,323
Finance expense	33	(44,075)	(95,116)
Net finance expense		(38,838)	(92,793)
Share in net loss of joint ventures	4	134	668
Profit (loss) before taxation	4	(12,264)	(41,695)
Tax expense – current	22	(2,733)	(9,068)
Tax benefit (expense) – deferred	22	2,759	20,013
	22	26	10,945
Profit (loss) for the period		(12,238)	(30,750)
Profit (loss) attributable to:			
Non-controlling interest		843	(227)
Owners of the Company		(13,081)	(30,523)
		(12,238)	(30,750)
Earnings (loss) per share			
Basic earnings (loss) per share (U.S. cents)	29	(0.67)	(1.65)
Diluted earnings (loss) per share (U.S. cents)	29	(0.67)	(1.65)

Unaudited Interim Consolidated Statements of Comprehensive Income

	Three months ended	
	31 July	
	2023	2022
	US\$'000	US\$'000
Loss for the period	(12,238)	(30,750)
Other comprehensive income (loss)		
Items that will not be reclassified subsequently to profit or loss		
Share in remeasurement of retirement plans	(18)	32
Tax impact on share in remeasurement of retirement plans	3	(4)
	<u>(15)</u>	<u>28</u>
Items that may be reclassified subsequently to profit or loss		
Share in currency translation differences	2,465	(9,796)
Share in effective portion of changes in fair value of cash flow hedges of a subsidiary	13,767	35
Tax impact on share in cash flow hedges	(3,442)	(9)
	<u>12,790</u>	<u>(9,770)</u>
Other comprehensive income (loss) for the period, net of tax	<u>12,775</u>	<u>(9,742)</u>
Total comprehensive income (loss) for the period	<u><u>537</u></u>	<u><u>(40,492)</u></u>
Total comprehensive income (loss) attributable to:		
Owners of the Company	(1,373)	(39,010)
Non-controlling interests	1,910	(1,482)
	<u><u>537</u></u>	<u><u>(40,492)</u></u>

The accompanying notes form an integral part of these unaudited interim condensed consolidated financial statements.

Unaudited Interim Consolidated Statements of Changes in Equity
Three months ended 31 July 2023 and 2022

	<----- Attributable to owners of the Company ----->											
	Share capital US\$'000 (Note 28)	Share premium US\$'000 (Note 28)	Translation reserve US\$'000	Revalua- tion reserve US\$'000	Remeasure- ment of retirement plans US\$'000	Hedging reserve US\$'000	Share option reserve US\$'000	Reserve for own shares US\$'000	Retained earnings US\$'000	Total US\$'000	Non- controlling interests US\$'000	Total equity US\$'000
Fiscal Year 2024												
At 1 May 2023	19,449	208,339	(105,020)	29,354	46,051	1,390	—	(286)	119,540	318,817	66,941	385,758
Total comprehensive income (loss) for the period												
Loss for the period (Note 29)	—	—	—	—	—	—	—	—	(13,081)	(13,081)	843	(12,238)
Other comprehensive income (loss)												
Currency translation differences	—	—	2,153	—	—	—	—	—	—	2,153	312	2,465
Remeasurement of retirement plans	—	—	—	—	(13)	—	—	—	—	(13)	(2)	(15)
Effective portion of changes in fair value of cash flow hedges	—	—	—	—	—	9,568	—	—	—	9,568	757	10,325
Total other comprehensive income (loss)	—	—	2,153	—	(13)	9,568	—	—	—	11,708	1,067	12,775
Total comprehensive income (loss) for the period	—	—	2,153	—	(13)	9,568	—	—	(13,081)	(1,373)	1,910	537
Transactions with owners of the Company recognized directly in equity												
Contributions by and distributions to owners of the Company												
Payment of dividends	—	—	—	—	—	—	—	—	(2,542)	(2,542)	(328)	(2,870)
At 31 July 2023	19,449	208,339	(102,867)	29,354	46,038	10,958	—	(286)	103,917	314,902	68,523	383,425

The accompanying notes form an integral part of these unaudited condensed consolidated interim financial statements.

Unaudited Interim Consolidated Statements of Changes in Equity
Three months ended 31 July 2023 and 2022

	<----- Attributable to owners of the Company ----->											
	Share capital US\$'000 (Note 28)	Share premium US\$'000 (Note 28)	Translation reserve US\$'000	Revaluation reserve US\$'000	Remeasurement of retirement plans US\$'000	Hedging reserve US\$'000	Share option reserve US\$'000	Reserve for own shares US\$'000	Retained earnings US\$'000	Total US\$'000	Non-controlling interests US\$'000	Total equity US\$'000
Fiscal Year 2023												
At 1 May 2022	29,449	298,339	(95,322)	14,278	43,752	(4,963)	–	(286)	140,320	425,567	69,138	494,705
Total comprehensive income (loss) for the period												
Loss for the period (Note 23)	–	–	–	–	–	–	–	–	(30,523)	(30,523)	(227)	(30,750)
Other comprehensive income												
Currency translation differences	–	–	(8,535)	–	–	–	–	–	–	(8,535)	(1,261)	(9,796)
Remeasurement of retirement plans	–	–	–	–	24	–	–	–	–	24	4	28
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	24	–	–	–	24	2	26
Total other comprehensive income (loss)	–	–	(8,535)	–	24	24	–	–	–	(8,487)	(1,255)	(9,742)
Total comprehensive income (loss) for the period	–	–	(8,535)	–	24	24	–	–	(30,523)	(39,010)	(1,482)	(40,492)
Transactions with owners of the Company recognized directly in equity												
Contributions by and distributions to owners of the Company												
Payment of dividends	–	–	–	–	–	–	–	–	(33,251)	(33,251)	(5,561)	(38,812)
At 31 July 2022	29,449	298,339	(103,857)	14,278	43,776	(4,939)	–	(286)	76,546	353,306	62,095	415,401

The accompanying notes form an integral part of these unaudited condensed consolidated interim financial statements.

Unaudited Interim Consolidated Statements of Cash Flows

		Three months ended 31 July	
	Note	2023 US\$'000	2022 US\$'000
Cash flows from operating activities			
Loss for the period		(12,238)	(30,750)
Adjustments for:			
Depreciation of property, plant and equipment	26	40,908	40,118
Amortization of right-of-use assets		7,909	8,047
Amortization of intangible assets	7, 26	1,768	1,663
Loss on disposal of property, plant and equipment		9	–
Share in net loss (profit) of joint ventures	4	(134)	(668)
Finance income*	33	(5,237)	(2,323)
Finance expense*	33	44,075	24,245
Redemption fee on Senior Secured Loans	33	–	44,530
Write-off of deferred financing costs	33	–	26,341
Tax expense – current	22	2,733	9,069
Tax expense – deferred	22	(2,759)	(20,014)
		77,034	100,258
Changes in:			
Other assets		(490)	1,557
Inventories		(95,168)	(183,083)
Biological assets		1,051	1,816
Trade and other receivables		25,048	10,548
Prepaid expenses and other current assets		4,729	(3,350)
Trade and other payables		37,671	91,753
Employee benefits		4,004	(7,697)
Operating cash flows		53,879	11,802
Taxes paid		(378)	(5,799)
Net cash flows provided by operating activities		53,501	6,003
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(46,999)	(43,026)
Proceeds from disposal of property, plant and equipment		88	58
Interest received		1,554	400
Investment in new joint venture	8	–	(968)
Net cash flows used in investing activities		(45,357)	(43,536)

(continued on next page)

*Includes foreign exchange gains and losses

Unaudited Interim Consolidated Statements of Cash Flows (continued)

		Three months ended	
		31 July	
	Note	2023	2022
		US\$'000	US\$'000
Cash flows from financing activities			
Proceeds from borrowings		1,598,103	905,969
Repayment of borrowings		(1,553,584)	(713,585)
Interest paid		(41,116)	(45,583)
Payments of lease liabilities		(7,046)	(13,550)
Dividends paid		(2,870)	(38,811)
Redemption fee on Senior Secured Loans	33	–	(44,530)
Payment of debt related costs		(995)	(13,915)
Net cash flows provided by (used in) financing activities		(7,508)	35,995
Net decrease in cash and cash equivalents		636	(1,538)
Cash and cash equivalents at beginning of period		19,836	21,853
Effect of exchange rate changes on balances held in foreign currency		2,683	4,153
Cash and cash equivalents at end of period	14	23,155	24,468

Selected Notes to the Unaudited Interim Condensed Consolidated Financial Statements

These notes form an integral part of the unaudited interim condensed consolidated financial statements.

1. Domicile and activities

Del Monte Pacific Limited (the “Company”) was incorporated as an international business company in the British Virgin Islands on 27 May 1999 under the International Business Companies Act (Cap. 291) of the British Virgin Islands. It was automatically re-registered as a company on 1 January 2007 when the International Business Companies Act was repealed and replaced by the Business Companies Act 2004 of the British Virgin Islands.

The registered office of the Company is located at Craigmuir Chambers, Road Town, Tortola, British Virgin Islands.

The principal activity of the Company is investment holding. Its subsidiaries are principally engaged in growing, processing, and selling packaged fruits, vegetable and tomato, sauces, condiments, pasta, broth and juices, mainly under the brand names of “Del Monte”, “S&W”, “Today’s”, “Contadina”, “College Inn” and other brands and fresh pineapples under “S&W” and other brands pursuant to relevant agreements. The Company’s subsidiaries also produce and distribute private label food products.

The immediate holding company is NutriAsia Pacific Limited (“NAPL”), and the indirect shareholders of which are NutriAsia Inc. (“NAI”) and Well Grounded Limited (“WGL”), which at 31 July 2023 and 30 April 2023, each held 57.8% and 42.2% interests in NAPL, respectively, through their intermediary company, NutriAsia Holdings Limited. NAPL, NAI and WGL were incorporated in the British Virgin Islands. The ultimate holding company is HSBC International Trustee Limited.

On 2 August 1999, the Company was admitted to the Official List of the Singapore Exchange Securities Trading Limited (“SGX-ST”). The Ordinary Shares of the Company were also listed on the Philippine Stock Exchange Inc. (“PSE”) on 10 June 2013. The first tranche of the Company’s Preference Shares (Series A-1) was listed on 7 April 2017 and the second tranche (Series A-2) on 15 December 2017. On 7 April 2022, the Company redeemed all of the outstanding 20,000,000 Series A-1 Preference Shares (see Note 16).

On 6 August 2010, the Company established DM Pacific Limited-ROHQ (“ROHQ”), the regional operating headquarters of the Company in the Philippines. The ROHQ is registered with and licensed by the Securities and Exchange Commission (“SEC”) to engage in general administration and planning, business planning and coordination, sourcing and procurement of raw materials and components, corporate financial advisory, marketing control and sales promotion, training and personnel management, logistics services, research and product development, technical support and maintenance, data processing and communication, and business development. The ROHQ commenced its operations in October 2015.

The consolidated financial statements of the Group as at and for the periods ended 31 July 2023 and 2022 comprise the Company and its subsidiaries (together referred to as the “Group”, and individually as “Group entities”), and the Group’s interests in joint ventures.

2. Basis of preparation

2.1 Statement of compliance

The accompanying unaudited interim condensed consolidated financial statements as at 31 July 2023 and for the three months ended 31 July 2023 and 2022 have been prepared in accordance with International Accounting Standard (“IAS”) 34, *Interim Financial Reporting*. The unaudited interim condensed consolidated financial statements do not include all of the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the 2023 annual audited consolidated financial statements, comprising the consolidated statements of financial position as at 30 April 2023 and 2022 and the consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the years ended 30 April 2023, 2022, and 2021.

2.2 Basis of measurement

The unaudited interim condensed consolidated financial statements have been prepared on the historical cost basis except as otherwise described in the succeeding notes below.

2.3 Functional and presentation currency

These unaudited interim condensed consolidated financial statements are presented in United States dollars (US\$), which is the Company’s functional currency. All financial information presented in US dollars has been rounded to the nearest thousand, unless otherwise stated.

2.4 Use of estimates and judgements

The preparation of the unaudited interim condensed consolidated financial statements in conformity with International Financial Reporting Standards (IFRS) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the unaudited interim condensed consolidated financial statements are included in the following notes:

Note 7 – Assessment of useful life of intangible assets with indefinite useful life

Note 30 – Determination of lease term of contracts with renewal options

Note 31 – Contingencies

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. There are no changes in significant judgment and estimate since 30 April 2023.

Information about assumptions and estimation uncertainties that have a significant risk resulting in a material adjustment within the next financial year are included in the following notes:

- Note 6 – Useful lives of property, plant and equipment, revaluation of freehold land, estimate of harvest for bearer plant's depreciation
- Note 6 – Impairment of property, plant and equipment
- Note 7 – Useful lives of intangible assets and impairment of goodwill and intangible assets with infinite life
- Note 8 – Recoverability of investments in joint ventures
- Note 10 – Future cost of growing crops and fair value of livestock, harvested crops, and produce prior to harvest and future volume of harvest
- Note 11 – Allowance for inventory obsolescence and net realizable value
- Note 12 – Impairment of trade and nontrade receivables
- Note 18 – Measurement of employee benefit obligations
- Note 19 – Estimation of environmental remediation liabilities
- Note 20 – Estimation of trade promotion accruals
- Note 22 – Measurement of income tax
- Note 22 – Realizability of deferred tax assets
- Note 25 – Determination of fair values
- Note 30 – Determination of incremental borrowing rate for lease liabilities
- Note 31 – Contingencies

3. Significant accounting policies

Changes in Accounting Policies and Disclosures

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's 2023 annual consolidated financial statements, except for the adoption of the following amendments effective beginning 1 May 2023, which did not have any significant impact on the Group's financial position or performance, unless otherwise indicated:

Effective beginning on or after 1 May 2023

- Amendments to IAS 1 and IFRS Practice Statement 2, *Disclosure of Accounting Policies*. The amendments provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by:
 - Replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies, and
 - Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures

The amendments to the Practice Statement provide non-mandatory guidance. Meanwhile, the amendments to IAS 1 are effective for annual periods beginning on or after 1 January 2023. Early application is permitted as long as this fact is disclosed. The amendments do not have a material impact on the Group.

- Amendments to IAS 8, *Definition of Accounting Estimates*. The amendments introduce a new definition of accounting estimates and clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, the amendments clarify that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors.

An entity applies the amendments to changes in accounting policies and changes in accounting estimates that occur on or after 1 January 2023 with earlier adoption permitted. The amendments do not have a material impact on the Group.

- Amendments to IAS 12, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*. The amendments narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments also clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognized in the financial statements (and interest expense) or to the related asset component (and interest expense).

An entity applies the amendments to transactions that occur on or after the beginning of the earliest comparative period presented for annual reporting periods on or after 1 January 2023.

- IFRS 17, *Insurance Contracts*

IFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4, *Insurance Contracts*. This new standard on insurance contracts applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in IFRS 4, which are largely based on grandfathering previous local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of IFRS 17 is the general model, supplemented by:

- a) A specific adaptation for contracts with direct participation features (the variable fee approach)
- b) A simplified approach (the premium allocation approach) mainly for short-duration contracts

IFRS 17 is effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. Early application is permitted.

4. Operating segments

The Group has two types of operating segments: geographical and product. In identifying these operating segments, management generally considers geographical as its primary operating segment.

Geographical segments

Americas

Reported under the Americas segment are sales and profit on sales in USA, Canada and Mexico. Majority of this segment's sales are principally sold under the Del Monte brand but also includes products under the Contadina, S&W, College Inn and other brands. This segment also includes sales of private label food products. Sales in the Americas are distributed across the United States, in all channels serving retail markets, as well as to the US military, certain export markets, the foodservice industry and other food processors.

Asia Pacific

Reported under Asia Pacific are sales and profit on sales in the Philippines, comprising of Del Monte branded packaged products, including Del Monte traded goods, and Today's brand; S&W products in Asia and the Middle East both fresh and packaged; and Del Monte packaged products from the Philippines into Indian subcontinent as well as unbranded fresh and packaged goods.

Europe

Included in this segment are sales of S&W co-branded, buyers' own label and unbranded products in Europe.

Product segments

Packaged fruit and vegetable

The packaged fruit and vegetable segment includes sales and profit of processed fruit and vegetable products under the Del Monte, S&W and Today's brands, as well as buyer's labels, that are packaged in different formats such as can, plastic cup, pouch and aseptic bag. Key products under this segment are canned beans, peaches and corn sold in the United States and canned pineapple and tropical mixed fruit in Asia Pacific.

Beverage

Beverage includes sales and profit of 100% pineapple juice in can, juice drinks in various flavors in can, tetra and PET packaging, and pineapple juice concentrate.

Culinary

Culinary includes sales and profit of packaged tomato-based products such as ketchup, tomato sauce, pasta sauce, recipe sauce, pizza sauce, pasta, broth and condiments under four brands, namely Del Monte, S&W, College Inn and Contadina.

Fresh fruit and others

Fresh fruit and others include sales and profit of S&W branded fresh pineapples in Asia Pacific and buyer's label or non-branded fresh pineapples in Asia, and sales and profit of cattle in the Philippines. The cattle operation helps in the disposal of pineapple pulp, a residue of pineapple processing which is fed to the animals. This also include non-branded sales to South America as well as various product innovations.

The Group allocated certain overhead and corporate costs to the various product segments based on sales for each segment relative to the entire Group.

Information about reportable segments

	Americas Three months ended 31 July		Asia Pacific Three months ended 31 July		Europe Three months ended 31 July		Total Three months ended 31 July	
	2023	2022	2023	2022	2023	2022	2023	2022
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Revenue								
Packaged vegetable	136,012	115,090	281	521	—	—	136,293	115,611
Packaged fruit	150,830	131,406	23,070	24,683	7,460	4,335	181,360	160,424
Beverage	17,732	11,475	31,235	33,149	995	3,246	49,962	47,870
Culinary	53,489	44,467	31,757	31,063	49	56	85,295	75,586
Fresh fruit and others	890	901	62,933	56,195	—	—	63,823	57,096
Total	358,953	303,339	149,276	145,611	8,504	7,637	516,733	456,587
Gross profit	65,626	82,634	41,166	46,768	1,503	2,334	108,295	131,736
Share in net profit (loss) of joint ventures	—	—	134	668	—	—	134	668
Profit (loss) before taxation	(22,803)	(62,065)	10,276	19,007	263	1,363	(12,264)	(41,695)
Other information								
Capital expenditure	10,578	6,134	36,421	36,892	—	—	46,999	43,026

Major customer

Revenues from a major customer of the Americas segment for the three months ended 31 July 2023 amounted to US\$148.1 million (31 July 2022: US\$116.8million) representing 41.3% (31 July 2022: 38.5%) of the total Americas segment's net revenue.

5. Seasonality of operations

The Group's business is subject to seasonal fluctuations as a result of increased demand during the end of year festive season. For Americas, products are sold heavily during the Thanksgiving and Christmas seasons. As such, the Group's sales are usually highest during the five months from August to December.

The Group operates 11 production facilities in the USA, Mexico, and the Philippines as at 31 July 2023 and 30 April 2023. Fruit plants are located in California and Washington in the United States and in the Philippines. Most of its vegetable plants are located in the U.S. Midwest and its tomato plant are located in California.

The US Consumer Food Business has a seasonal production cycle that generally runs between the months of June and October. This seasonal production primarily relates to the majority of processed fruit, vegetable and tomato products, while some of its processed fruit and tomato products and its *College Inn* broth products are produced throughout the year. Additionally, the Consumer Food Business has contracts to co-pack certain processed fruit and vegetable products for other companies.

6. Property, plant and equipment

Group Cost/Valuation	<----- At cost ----->					At appraised value
	Buildings, land improvements and leasehold improvements US\$'000	Machineries and equipment US\$'000	Construction- in-progress US\$'000	Bearer Plants US\$'000	Freehold land US\$'000	Total US\$'000
At 1 May 2023	240,665	623,245	92,749	405,796	82,998	1,445,453
Additions	441	6	20,675	32,946	—	54,068
Disposals	—	(1,739)	—	—	—	(1,739)
Write off - closed fields	—	—	—	(16,799)	—	(16,799)
Reclassifications from CIP	1,648	12,179	(13,827)	—	—	—
Currency realignment	990	2,772	400	12,822	260	17,244
At 31 July 2023	243,744	636,463	99,997	434,765	83,258	1,498,227
At 1 May 2022	229,900	602,399	57,384	382,782	61,878	1,334,343
Additions	9,808	6,843	72,688	147,028	—	236,367
Disposals	(80)	(3,527)	—	—	—	(3,607)
Write off - closed fields	—	—	—	(136,468)	—	(136,468)
Reclassifications from CIP	5,235	30,710	(35,945)	—	—	—
Revaluation	—	—	—	—	22,121	22,121
Currency realignment	(4,198)	(13,180)	(1,378)	12,454	(1,001)	(7,303)
At 30 April 2023	240,665	623,245	92,749	405,796	82,998	1,445,453
Accumulated depreciation and impairment losses						
At 1 May 2023	125,580	446,159	—	206,188	8,536	786,463
Charge for the period	2,759	8,765	—	31,002	—	42,526
Write off - closed fields	—	—	—	(16,799)	—	(16,799)
Disposals	—	(1,260)	—	—	—	(1,260)
Currency realignment	491	2,212	—	10,618	—	13,321
At 31 July 2023	128,830	455,876	—	231,009	8,536	824,251
At 1 May 2022	117,622	424,819	—	205,719	8,536	756,696
Charge for the year	10,090	34,152	—	113,571	—	157,813
Write off - closed fields	—	—	—	(136,468)	—	(136,468)
Disposals	(37)	(2,621)	—	—	—	(2,658)
Currency realignment	(2,095)	(10,191)	—	23,366	—	11,080
At 30 April 2023	125,580	446,159	—	206,188	8,536	786,463
Carrying amounts						
At 31 July 2023	114,914	180,587	99,997	203,756	74,722	673,976
At 30 April 2023	115,085	177,086	92,749	199,608	74,462	658,990

Depreciation recognized in the consolidated statements of cash flows is net of the amount capitalized in inventories.

The Group has property, plant and equipment acquisitions of US\$3.4 million as at 31 July 2023 (30 April 2023: US\$3.9 million) presented under “Accrued operating expenses” in “Trade and other current liabilities”. Down payments made by the Group for the acquisition of property, plant and equipment amounted to US\$3.5 million as at 31 July 2023 (30 April 2023: US\$3.5 million) recorded under “Advances to suppliers” in “Other noncurrent assets”. The cost of fields closed and written off amounted to US\$16.8 million for the three months ended 31 July 2023 (30 April 2023: US\$136.5 million).

7. Intangible assets and goodwill

	Goodwill	Indefinite life	Amortizable	Customer	Total
	US\$'000	trademarks	trademarks	relationship	US\$'000
		US\$'000	US\$'000	US\$'000	
Cost					
At 1 May 2023/ 31 July 2023	203,432	472,363	24,180	115,441	815,416
At 1 May 2022/ 30 April 2023	203,432	472,363	24,180	115,441	815,416
Accumulated amortization					
At 1 May 2023	–	–	12,119	49,456	61,575
Amortization	–	–	325	1,443	1,768
At 31 July 2023	–	–	12,444	50,899	63,343
At 1 May 2022	–	–	10,819	43,789	54,608
Amortization	–	–	1,300	5,667	6,967
At 30 April 2023	–	–	12,119	49,456	61,575
Carrying amounts					
At 31 July 2023	203,432	472,363	11,736	64,542	752,073
At 30 April 2023	203,432	472,363	12,061	65,985	753,841

Amortization expense amounted to US\$1.8 million for the three months ended 31 July 2023 (31 July 2022: US\$1.7 million)

Goodwill

Goodwill arising from the acquisition of Consumer Food Business was allocated to Del Monte Foods, Inc. (DMFI) and its subsidiaries, which is considered as one cash generating unit (“CGU”).

Indefinite life trademarks

Management has assessed the following trademarks as having indefinite useful lives as the Group has exclusive access to the use of these trademarks. These trademarks are expected to be used indefinitely by the Group as they relate to continuing businesses that have a proven track record with stable cash flows.

America trademarks

As at 31 July 2023, American trademarks amount to US\$458.3 million (2023: US\$394.0 million). The indefinite life trademarks of US\$394.0 million arising from the acquisition of Consumer Food Business relate to those of DMFI for the use of the “Del Monte” trademarks in the United States and South America market, and the “College Inn” trademark in the United States, Australia, Canada and Mexico.

The “Kitchen Basics” trademark in the United States and Canada of US\$64.3 million was assessed to have an indefinite useful life.

On 3 August 2022, the Group has acquired certain assets associated with the Kitchen Basics brand of ready-to-use stock and broth from McCormick & Company for a consideration of US\$100.4 million (including transaction costs totalling US\$1.4 million). Kitchen Basics products are distributed nationally in the United States and include a range of conventional and organic stock and broth offerings.

The acquisition is consistent with DMFI's overall growth strategy, as it focuses on innovation, renovation and customization of its iconic brand portfolio. Kitchen Basics will join Del Monte's brand portfolio as the Company expands its retail presence in the category. The assets acquired comprise of intangible assets amounting to US\$72.8 million and inventories of US\$27.6 million. The purchase price (including transaction costs) is allocated based on the fair value of the assets acquired as determined by the third party valuer.

The acquisition was treated as an asset acquisition since the acquisition did not come with any physical workforce, research and development, and management.

The Philippines trademarks

A subsidiary, PPMSC, owns the "Del Monte" and "Today's" trademarks for use in connection with processed foods in the Philippines (the "Philippines Trademarks") with carrying value amounting to US\$1.8 million.

Indian sub-continent trademark

In November 1996, a subsidiary, Del Monte Pacific Resources Limited (DMPRL), entered into an agreement with an affiliated company to acquire the exclusive right to use the "Del Monte" trademarks in the Indian sub-continent territories and Myanmar in connection with the production, manufacture, sale and distribution of food products and the right to grant sub-licenses to others ("Indian sub-continent trademark"). In 2007, the Company acquired shares in Del Monte Foods Private Limited (DMFPL) (formerly FieldFresh Foods Private Limited (FFPL)) and caused the licensing of trademarks to DMFPL to market its products under the "Del Monte" brand in India. These trademarks have a carrying value of US\$4.1 million.

Asia S&W trademark

In November 2007, a subsidiary, S&W Fine Foods International Limited (S&W), entered into an agreement with Del Monte Corporation to acquire the "S&W" trademarks in certain countries in Asia (excluding Australia and New Zealand and including the Middle East), Western Europe and Eastern Europe for a total consideration of US\$10.0 million. The trademark has a carrying value of US\$8.2 million.

Impairment test

Management performs an annual impairment testing for all indefinite life trademarks every end of the year. There were no impairment indicators identified.

Amortizable trademarks and customer relationships

	Net Carrying amount		Remaining amortization period (years)	
	31 July 2023 US\$'000	30 April 2023 US\$'000	31 July 2023	30 April 2023
America S&W trademark	113	163	0.6	0.8
America Contadina trademark	11,623	11,898	10.6	10.8
	<u>11,736</u>	<u>12,061</u>		

America trademarks

The amortizable trademarks relate to the exclusive right to use of the “S&W” trademark in the United States, Canada, Mexico and certain countries in Central and South America and “Contadina” trademark in the United States, Canada, Mexico, South Africa and certain countries in Asia Pacific, Central America, Europe, Middle East and South America market.

Customer relationships

Customer relationships relate to the network of customers where DMFI has established relationships with the customers, particularly in the United States market, through contracts.

	Net carrying amount		Remaining amortization period (years)	
	30 April 2023 US\$'000	30 April 2022 US\$'000	30 April 2023	30 April 2022
Customer relationships – CP	57,862	63,211	10.8	11.8
Customer relationships – Kitchen Basics	8,124	–	19.5	–
	<u>65,986</u>	<u>63,211</u>		

	Net carrying amount		Remaining amortization period (years)	
	31 July 2023 US\$'000	30 April 2023 US\$'000	31 July 2023	30 April 2023
Customer relationships – CP	56,524	57,862	10.6	10.8
Customer relationships – Kitchen Basics	8,018	8,124	19.3	19.5
	<u>64,542</u>	<u>65,986</u>		

Source of estimation uncertainty

The Group estimates the useful lives of its amortizable trademarks and customer relationships based on the period over which the assets are expected to be available for use. The estimated useful lives of the trademarks and customer relationships are reviewed periodically and are updated if expectations differ from previous estimates due to legal or other limits on the use of the assets. A reduction in the estimated useful lives of amortizable trademarks and customer relationships would increase recorded amortization expense and decrease noncurrent assets.

8. Investments in joint ventures

Name of joint venture	Principal activities	Place of Incorporation and Business	Effective Equity Held by the Group	
			As at 31 Jul 2023 %	As at 30 Apr 2023 %
Del Monte Foods Private Limited (DMFPL) (formerly FieldFresh Foods Private Limited (FFPL))	Production and sale of fresh and processed fruits and vegetable food products	India	47.76	47.76
Nice Fruit Hong Kong Limited (NFHKL)	Production and sale of frozen fruits and vegetable food products	Hong Kong	35.00	35.00
Del Monte - Vinamilk Dairy Philippines, Inc. (DVDPI)	Distribution of milk and dairy products	Philippines	43.50	43.50

The summarized financial information of a material joint venture, DMFPL, not adjusted for the percentage ownership held by the Group, is as follows:

	31 July 2023 US\$'000	30 April 2023 US\$'000
Assets		
Current assets	19,926	21,851
Noncurrent assets	12,677	10,701
Total assets	32,603	32,552
Liabilities		
Current liabilities	(10,176)	(11,881)
Noncurrent liabilities	(21,845)	(20,193)
Total liabilities	(32,021)	(32,074)
Net assets (liabilities)	582	478

	31 July 2023 US\$'000	30 April 2023 US\$'000
Results		
Revenue	12,071	66,084
Profit (loss) from continuing operations	182	203
Other comprehensive income	–	–
Total comprehensive profit (loss)	182	203

	31 July 2023 US\$'000	30 April 2023 US\$'000
Carrying amount of interest in DMFPL at beginning of the period	17,538	14,336
Capital injection during the year	–	3,100
Impairment loss	–	–
Group's share of:		
- Profit (loss) from continuing operations	91	102
- Other comprehensive income	–	–
Total comprehensive profit (loss)	91	102
Carrying amount of interest at end of the period/year	17,629	17,538

The interest in the net assets of an immaterial joint venture, NFHKL, is as follows:

	31 July 2023 US\$'000	30 April 2023 US\$'000
Carrying amount of interest in NFHKL at beginning of the period/year	2,623	2,836
Additional advances during the year	–	185
Group's share of:		
- Loss from continuing operations	36	(398)
- Other comprehensive income	–	–
Total comprehensive loss	36	(398)
Carrying amount of interest at end of the period/year	2,659	2,623

The interest in the net assets of an immaterial joint venture, DVDPI, is as follows:

	31 July 2023 US\$'000	30 April 2023 US\$'000
Carrying amount of interest in DVDPI at beginning of the period/year	–	–
Capital injection	–	900
Reclassification from receivable	–	200
Group's share of:		
- Profit (loss) from continuing operations	7	(1,190)
Total comprehensive loss	7	(1,190)
Carrying amount of interest at end of the period/year	7	–

Share in losses exceeding the carrying amount of investment are not recognized. Unrecognized accumulated share in losses of DVDPI amounted to US\$0.6 million as at 31 July 2023 (30 April 2023: US\$0.6 million).

The summarized interest in joint ventures of the Group is as follows:

	31 July 2023 US\$'000	30 April 2023 US\$'000
Group's interest in joint ventures		
DMFPL	17,629	17,538
NFHKL	2,659	2,623
DVDPI	7	–
Carrying amount of investment in joint ventures	20,295	20,161

Determination of Joint Control and the Type of Joint Arrangement

Joint control is presumed to exist when the investors contractually agreed sharing of control on an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Management has assessed that it has joint

control in all joint arrangements.

The Group determines the classification of a joint venture depending upon the parties' rights and obligations arising from the arrangement in the normal course of business. When making an assessment, the Group considers the following:

- (a) the structure of the joint arrangement.
- (b) when the joint arrangement is structured through a separate vehicle:
 - i. the legal form of the separate vehicle;
 - ii. the terms of the contractual arrangement; and
 - iii. when relevant, other facts and circumstances.

The Group determined that the arrangements in DMFPL, NFHKL and DVDPI are joint ventures as these were structured in separate legal vehicles that have rights to the net assets of the arrangements. The terms of the contractual arrangements do not specify that the parties have rights to the assets and obligations for the liabilities relating to the arrangements.

Source of Estimation Uncertainty

In the event a joint venture has suffered recurring operating losses, a test is made to assess whether the investment in joint venture has suffered any impairment by determining the recoverable amount. This determination requires significant judgement and estimation. An estimate is made on the future profitability, cash flow, financial health and near-term business outlook of the joint venture, including factors such as market demand and performance. The recoverable amount will differ from these estimates as a result of differences between assumptions used and actual operations.

From the time the investment in DMFPL was made, the Indian sub-continent trademark (Note 7) and such investment were allocated to the Indian sub-continent cash-generating unit ("Indian sub-continent CGU"). The recoverable amount of Indian sub-continent CGU was estimated using the discounted cash flows based on five-year cash flow projections.

9. Other noncurrent assets

	31 July 2023 US\$'000	30 April 2023 US\$'000
Advance rentals and deposits	20,219	19,557
Derivative assets	10,305	6,189
Investment in unquoted equity shares	5,023	5,023
Excess insurance	4,410	4,201
Receivable from sale and leaseback	2,602	2,571
Advances to suppliers	1,757	2,898
Note receivable and others	937	1,811
	45,253	42,250

Advance rentals and deposits consist of rent payments related to lease contracts which will commence beyond one year from the reporting period, as well as security deposits made for lease contracts entered by the Group.

Investment in unquoted equity shares represent total financial assets carried at fair value through other comprehensive income. The unquoted investments relate to equity shares of an entity incorporated in Switzerland.

Excess insurance relates mainly to reimbursements from insurers to cover certain workers' compensation claims liabilities.

Advances to suppliers represents advance payments made on capital projects

Receivable from sale and leaseback is the noncurrent portion of receivable relating to certain assets sold to DMPI Employees Agrarian Reform Beneficiaries Cooperation ("DEARBC") and subsequently leased back to the Group in fiscal year 2021. The current portion of US\$0.1 million is presented under "Trade and other receivables".

10. Biological assets

	31 July 2023 US\$'000	30 April 2023 US\$'000
Livestock		
At beginning of the period/year	3,007	2,735
Purchases of livestock	321	1,247
Sales of livestock	(211)	(810)
Currency realignment	37	(165)
At end of the period/year	<u>3,154</u>	<u>3,007</u>
	31 July 2023 US\$'000	30 April 2023 US\$'000
Agricultural produce		
At beginning of the period/year	12,227	13,768
Additions	3,273	14,519
Harvested	(2,798)	(11,098)
Currency realignment	4,411	(4,962)
At end of the period/year	<u>17,113</u>	<u>12,227</u>
Fair value gain on produce prior to harvest	27,120	32,625
At end of the period/year	<u>44,233</u>	<u>44,852</u>
	31 July 2023 US\$'000	30 April 2023 US\$'000
Current	44,233	44,852
Noncurrent	3,154	3,007
Totals	<u>47,387</u>	<u>47,859</u>

11. Inventories

	31 July 2023 US\$'000	30 April 2023 US\$'000
Finished goods		
- at cost	715,915	698,664
- at net realizable value	44,630	37,482
Semi-finished goods		
- at cost	216,752	173,557
- at net realizable value	21,535	12,372
Raw materials and packaging supplies		
- at cost	102,702	78,683
- at net realizable value	74,065	76,014
	<u>1,175,599</u>	<u>1,076,772</u>

Total cost of inventories carried at net realizable value amounted to US\$161.3 million as at 31 July 2023 (30 April 2023: US\$138.6 million).

Inventories are stated after allowance for inventory obsolescence. Movements in the allowance for inventory obsolescence during the period/year are as follows:

	Note	31 July 2023 US\$'000	30 April 2023 US\$'000
At beginning of the period/year		12,737	6,464
Allowance for the period/year	26	8,820	9,542
Write-off against allowance		–	(2,585)
Currency realignment		(484)	(684)
At end of the period/year		<u>21,073</u>	<u>12,737</u>

The allowance for inventory obsolescence recognized during the period is included in “Cost of sales”.

Source of estimation uncertainty

The Group recognizes allowance on inventory obsolescence when inventory items are identified as obsolete. Obsolescence is based on the physical and internal condition of inventory items. Obsolescence is also established when inventory items are no longer marketable. Obsolete goods when identified are charged to the consolidated statements of income and are written off. In addition to an allowance for a specifically identified obsolete inventory, estimation is made on a group basis based on the age of the inventory items. The Group believes such estimates represent a fair charge of the level of inventory obsolescence in a given period. The Group reviews on a monthly basis the condition of its inventory. The assessment of the condition of the inventory either increases or decreases the expenses or total inventory.

Estimates of net realizable value are based on the most reliable evidence available at the time the estimates are made of the amount the inventories are expected to be realized. These estimates take into consideration fluctuations of price or cost directly relating to events

occurring after reporting date to the extent that such events confirm conditions existing at the reporting date.

The Group reviews on a continuous basis the product movement, changes in customer demands and introductions of new products to identify inventories which are to be written down to its net realizable values. The write-down of inventories is reviewed periodically to reflect the accurate valuation in the financial records. An increase in write-down of inventories would increase the recorded cost of sales and decrease current assets.

12. Trade and other receivables

	31 July 2023 US\$'000	30 April 2023 US\$'000
Trade receivables	194,166	195,335
Nontrade receivables	25,595	45,346
Allowance for expected credit loss – trade	(5,345)	(5,328)
Allowance for expected credit loss – nontrade	(4,320)	(4,317)
Trade and other receivables	<u>210,096</u>	<u>231,036</u>

Set out below is the expected credit risk exposure on the Group's trade receivables using simplified approach (provision matrix):

	31 July 2023					
	Days past due					
	Current	<30 days	30-60 days	61-120 days	Over 120 days	Total
	US'000s	US'000s	US'000s	US'000s	US'000s	US'000s
Trade receivables	137,744	21,534	2,782	449	31,657	194,166
Expected credit loss rate	0.00%	0.00%	0.00%	0.00%	16.88%	–
Expected credit loss	–	–	–	–	5,345	5,345
	30 April 2023					
	Days past due					
	Current	<30 days	30-60 days	61-120 days	Over 120 days	Total
	US'000s	US'000s	US'000s	US'000s	US'000s	US'000s
Trade receivables	3,667	2,565	1,436	944	16,983	25,595
Expected credit loss rate	0.00%	0.00%	0.00%	0.00%	25.44%	–
Expected credit loss	–	–	–	–	4,320	4,320

The recorded allowance for expected credit loss falls within the Group's historical experience in the collection of trade and other receivables. Therefore, Management believes that there is no significant additional credit risk beyond what has been recorded.

Source of estimation uncertainty

The Group maintains an allowance for impairment of accounts receivable at a level considered adequate to provide for potential uncollectible receivables based on the applicable expected credit loss (ECL) methodology. The level of this allowance is evaluated by the Group on the basis of factors that affect the collectability of the accounts. These factors include, but are not limited to, the length of the Group's relationship with debtors, their payment behavior and known market factors. The Group reviews the age and status of receivables, and identifies accounts that are to be provided with allowance on a continuous basis. Additionally, allowance is also determined, through a provision matrix based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The amount and timing of recorded expenses for any period would differ if the Group made different judgement or utilized different estimates. An increase in the Group's allowance for impairment would increase the Group's recorded operating expenses and decrease current assets.

13. Prepaid expenses and other current assets

	31 July 2023 US\$'000	30 April 2023 US\$'000
Prepaid expenses	43,545	48,986
Down payment to contractors and suppliers	9,015	7,372
Short-term placements	–	18
Derivative asset	7,404	2,678
Others	914	613
	60,878	59,667

Prepaid expenses consist of advance payments for insurance, advertising, rent and taxes, among others.

Down payment to contractors and suppliers pertains to advance payments for the purchase of materials and supplies that will be used for operations.

Derivative

The Group uses interest rate caps, commodity swaps and foreign currency forward contracts to hedge market risks relating to possible adverse changes in interest rates, commodity costs and foreign currency exchange rates. The Group continually monitors its positions and the credit rating of the counterparties involved to mitigate credit exposure to any one party.

As at 31 July 2023 and 30 April 2023, the Group designated each of its derivative contracts, as a hedge of a highly probable forecasted transaction or of the variability of cash flows to be received or paid related to a recognized asset or liability ("cash flow hedge").

The following fair value of cash flow hedges were outstanding for the Group:

	31 July 2023 US\$'000	30 April 2023 US\$'000
Note		
Commodity contracts	(95)	(3,928)
Foreign currency forward contracts	2,349	1,061
Interest rate cap	10,305	6,189
Interest rate swap	3,794	(1,105)
Total	<u>16,353</u>	<u>2,217</u>
Included in:		
Other noncurrent assets	10,305	6,189
Prepaid expenses and other current assets	7,404	2,678
Trade payables and other current liabilities	(1,263)	(3,553)
Other noncurrent liabilities	(93)	(3,097)
	<u>16,353</u>	<u>2,217</u>

The notional amounts of the Group's commodity contracts were as follows as of 31 July 2023 and 30 April 2023:

	31 July 2023 US\$'000	30 April 2023 US\$'000
Natural gas – Metric Million British Thermal Unit (MMBTU)	1,288	1,039
Diesel (gallons)	7,208	5,786
Gas (oil barrels)	23	47

Foreign Currency

From time to time, the Group manages its exposure to fluctuations in foreign currency exchange rates by entering into forward contracts to cover a portion of its projected expenditures paid in local currency. These contracts may have a term of up to 24 months. The Group accounted for these contracts as cash flow hedges.

	31 July 2023 US\$'000	30 April 2023 US\$'000
United States dollar	217,000	154,000

Amounts Relating to Hedged Items

The amounts at the reporting date relating to items designated as hedged items are as follows:

31 July 2023			
	Change in value used for calculating hedge effectiveness US\$'000	Cash flow hedge reserve US\$'000	Balances remaining in the cash flow hedge reserve from hedging relationships for which hedge accounting is no longer applied US\$'000
Interest rate risk			
Variable rate instruments	(8,938)	5,970	—
Commodity price risk			
Inventory purchases	(4,968)	4,035	—
Foreign exchange risk			
Inventory purchases	(645)	1,748	—
30 April 2023			
	Change in value used for calculating hedge effectiveness US\$'000	Cash flow hedge reserve US\$'000	Balances remaining in the cash flow hedge reserve from hedging relationships for which hedge accounting is no longer applied US\$'000
Interest rate risk			
Variable rate instruments	(12,437)	9,238	—
Commodity price risk			
Inventory purchases	5,264	(8,394)	—
Foreign exchange risk			
Inventory purchases	3,449	493	—

Amounts Relating to Hedging Instruments (cont'd)

The amounts relating to items designated as hedging instruments and hedge ineffectiveness are as follows:

	31 July 2023			During the first three months of fiscal 2024			
	Notional amount	Carrying amount		Line item in the statement of financial position where the hedged instrument is included	Change in the value of hedge instrument recognized in OCI	Amount reclassified from hedging reserve to profit or loss	Line item in profit or loss affected by the reclassification
		Assets	Liabilities				
	US\$'000						
Interest rate risk							
Interest rate swaps	250,000	3,794	–	Prepaid and Other Current Assets	8,938	–	
Interest rate cap	575,000	10,305	–	Derivative assets – Noncurrent	–	–	
Commodity price risk							
Commodity contracts							
Natural gas (MMBTU)	1,288	–	(1,263)	Derivative liabilities – Current	741	425	Cost of sales
			(93)	Derivative liabilities – Noncurrent			
Diesel (gallons)	7,208	914	–	Prepaid and Other Current Assets	2,981	359	Cost of sales
		194	–	Derivative assets – Noncurrent			
Gas oil (barrels)	23	153	–	Prepaid and Other Current Assets	–	–	Cost of sales
Foreign exchange risk							
Foreign currency							
forwards (USD)	217,000	2,349	–	Prepaid and Other Current Assets	–	–	Net finance expense

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	30 April 2023			During fiscal 2023			
	Notional amount	Carrying amount		Line item in the statement of financial position where the hedged instrument is included	Change in the value of hedge instrument recognized in OCI	Amount reclassified from hedging reserve to profit or loss	Line item in profit or loss affected by the reclassification
		Assets	Liabilities				
US\$'000							
Interest rate risk							
Interest rate swaps	250,000	1,617		Prepaid and Other Current Assets	12,437	—	
			(2,722)	Derivative liabilities – Noncurrent			
Interest rate cap	575,000	6,189		Derivative assets – Noncurrent	—	—	
Commodity price risk							
Commodity contracts							
Natural gas (MMBTU)	1,039	—	(1,596)	Derivative liabilities – Current	(2,557)	(861)	Cost of sales
			(75)	Derivative liabilities – Noncurrent			
Diesel (gallons)	5,786	—	(1,455)	Derivative liabilities – Noncurrent	(2,176)	(403)	Cost of sales
			(300)	Derivative liabilities – Current			
Gas oil (barrels)	47	—	(502)	Derivative liabilities – Current	(531)	—	Cost of sales
Foreign exchange risk							
Foreign currency forwards (USD)	154,000	1,061	—	Prepaid and Other Current Assets	1,122	—	Net finance expense
Foreign currency forwards (MXN)	—	—	—		(4,571)	(4,107)	Cost of sales

Hedging Reserves

The following table provides a reconciliation by risk category of the hedging reserve and analysis of OCI items, net of tax, resulting from cash flow hedge accounting:

	Group	
	31 July 2023	30 April 2023
	US\$'000	US\$'000
Balance at beginning of year	1,426	(5,395)
Changes in fair value:		
- Commodity risk	4,968	(5,264)
- Foreign exchange risk	645	(3,449)
- Interest rate risk	8,938	12,437
Amount reclassified to profit or loss		
- Interest rate risk	—	—
- Commodity risk	(784)	1,264
- Foreign exchange risk	—	4,107
Tax movements on reserves during the year	(3,442)	(2,274)
Balance at end of year	11,751	1,426

14. Cash and cash equivalents

	31 July 2023	30 April 2023
	US\$'000	US\$'000
Cash on hand	81	84
Cash in banks	20,280	19,392
Cash equivalents	2,794	360
Cash and cash equivalents	23,155	19,836

Certain cash in bank accounts earn interest at floating rates based on daily bank deposit rates ranging from 0.01% to 0.50% per annum for the period 31 July 2023 (30 April 2023: 0.01% to 0.50% per annum). Cash equivalents are short-term placements which are made for varying periods of up to three months depending on the immediate cash requirements of the Group and earn interest rate of 3.94% to 6.10% per annum in fiscal year 2024 (30 April 2023: 0.75% to 4.90% per annum).

15. Reserves

	31 July 2023 US\$'000	30 April 2023 US\$'000
Translation reserve	(102,867)	(105,020)
Remeasurement of retirement plan	46,038	46,051
Revaluation reserve	29,354	29,354
Hedging reserve	10,958	1,390
Reserve for own shares	(286)	(286)
	<u>(16,803)</u>	<u>(28,511)</u>

The translation reserve comprises foreign exchange differences arising from the translation of the financial statements of subsidiaries and joint ventures with functional currencies other than US dollar.

The remeasurement of retirement plan relates to actuarial gains and losses for the defined benefit plans and return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset).

The revaluation reserve relates to surplus on the revaluation of freehold land of the Group.

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss as the hedged cash flows affect the consolidated statements of income of the Group.

The reserve for the Company's own shares comprises the cost of the Company's shares held by the Group. As at 31 July 2023 and 30 April 2023, the Group held 975,802 of the Company's shares.

16. Loans and borrowings

	31 July 2023 US\$'000	30 April 2023 US\$'000
Current liabilities		
Unsecured bank loans	653,771	633,116
Secured bank loans	581,192	645,760
	<u>1,234,963</u>	<u>1,278,876</u>
Non-current liabilities		
Unsecured bank loans	208,835	212,652
Secured bank loans	879,081	781,825
	<u>1,087,916</u>	<u>994,477</u>
	<u>2,322,879</u>	<u>2,273,353</u>

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

	Currency	Nominal interest rate % p. a.	Year of maturity	31 July 2023		30 April 2023	
				Face value US\$'000	Carrying amount US\$'000	Face value US\$'000	Carrying amount US\$'000
Group							
Secured bank loans	PHP	4.125%	2025	27,355	27,299	27,028	26,942
Unsecured bank loans	PHP	6.35%-7.75%	2023- 2025	199,237	199,163	170,729	170,660
Unsecured 3Y bonds	PHP	3.4840%	2023	106,367	106,200	105,097	104,799
Unsecured 5Y bonds	PHP	3.7563%	2025	11,779	11,705	11,638	11,541
Unsecured bank loans	USD	5.50%-8.52%	2023- 2025	456,719	456,582	470,769	470,766
Secured bank loans	USD	8.52%-8.87%	2023- 2025	172,750	172,571	172,750	172,533
Secured bridging loan	USD	3.0585%	2023	60,000	60,000	60,000	59,998
Unsecured bonds	USD	3.75%	2024	90,000	88,956	90,000	88,760
Term Loans	USD	9.65538%	2029	721,687	706,872	723,500	708,531
Secured bank loan under ABL Credit Agreement	USD	Base B- 9.5% 350MM - SOFR 5.19% + Spread of 2.35% or total of 7.54% 100MM - 5.34% + Spread of 2.35% or total of 7.71%	2025	499,661	493,531	465,000	458,824
				2,345,555	2,322,879	2,296,511	2,273,354

The balance of unamortized debt issuance cost follows:

	Three months ended 31 July 2023 US\$'000	Year ended 30 April 2023 US\$'000
At beginning of the period/year	23,156	35,359
Additions	995	20,295
Amortization	(1,475)	(6,157)
Write-off	—	(26,341)
At end of the period/year	22,676	23,156

Long Term Borrowings

Long-term Borrowings	Original Principal (In '000)	Outstanding Balance as of 31 July 2023 (In '000)	Interest Rate % p.a.	Year of Maturity	Payment Terms (e.g., annually, quarterly, etc.)	Interest paid 1 May 2023 to 31 July 2023 (In '000)
Term Loans	USD 725,000	USD 721,687	9.66%	2029	Monthly interest payments and quarterly installment payments of US\$1.5 million beginning January 2023 and balance on maturity date.	USD 17,532
Unsecured Bonds	PHP 6,478,460	PHP 6,478,460	3Y 3.4840% 5Y 3.7563%	2023/ 2025	Quarterly interest payments and principal on maturity date.	PHP 46,024
Secured Bridging Loan	USD 75,000	USD 60,000	3.0585%	2023	Quarterly interest payment and principal 10% on August 2021, 10% on August 2022 and 80% on maturity date.	USD 454
Unsecured Loan	USD 75,000	USD 67,841	6.8700%	2024	Quarterly interest payment and principal 15% on 11 equal quarterly installments starting January 2022 and 85% on maturity date.	USD 1,177
Secured Loan	USD 45,000	USD 42,750	8.87%	2025	Quarterly interest payment and principal 5% on April 2023, 5% on April 2024 and 90% on maturity date.	USD 910
Unsecured Loan	USD 30,000	USD 27,000	8.52%	2025	Quarterly interest payment and principal 20% on four equal semi-annual installments starting October 2022 and 80% on maturity date.	USD 559
Secured Loan	USD 100,000	USD 100,000	8.51994%	2023	Semi-annual interest payments and principal on maturity date.	USD 2,100
Unsecured Loan	PHP 1,500,000	PHP 1,500,000	7.726%	2025	Quarterly interest payment; and principal on eight quarterly installments starting February 2024	PHP 20,956
Secured Loan	PHP 1,500,000	PHP 1,500,000	4.125%	2023	Quarterly interest payment; and principal on nine quarterly installments starting August 2023	PHP 15,297
Unsecured Loan	USD 57,300	USD 38,678	6.80243%	2024	Quarterly interest payment and principal 5%, 10% and 85% in fiscal year 2022, 2023 and 2024, respectively.	USD 865

Unsecured Bonds	USD 90,000	USD 90,000	3.75%	2024	Semi-annual interest payments and principal on maturity date.	USD 1,688
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DMFI Term Loan B

DMFI is a party to a Term Loan B agreement with the lenders party thereto, Goldman Sachs Bank USA as administrative agent and as collateral agent, that provided for a total term loan of US\$725.0 million with a term of seven years. The initial term loan amounting to US\$600.0 million was obtained on 16 May 2022 and additional term loan amounting to US\$125.0 million was obtain on 7 February 2023. The term loan will mature on 16 May 2029.

The term loans bear an interest equal to the adjusted term SOFR plus a spread adjustment of 0.10% and margin of 4.25%. As of 30 July 2023, the interest rate for the Term Loan is 9.66% per annum. Interest is initially payable monthly and can be paid quarterly at DMFI's option.

ABL Credit Agreement

Prior to fiscal year 2021, DMFI was a party to a credit agreement (the "ABL Credit Agreement") with Citibank, N.A., as administrative agent, and the other lenders and agents parties thereto, as amended, which provided for senior secured financing of up to US\$442.6 million (with all related loan documents, and as amended from time to time, the ABL Facility) with a term of five years until 18 February 2019, prior to an amendment in 2018

On 15 May 2020, DMFI entered into an agreement to refinance the ABL Credit Agreement with JP Morgan Chase as the administrative agent, and other lenders and agents parties thereto, to provide for senior secured financing of up to US\$450.0 million, subject to availability under the borrowing base, with a term of three years until 15 May 2023. On 15 May 2020, US\$100.2 million was drawn under this facility. Loans under the ABL Credit Agreement interest based on either the Eurodollar rate or the alternative base rate, plus an applicable margin. Additionally, the Group fully amortized the remaining deferred financing fees related to the previous credit agreement of \$1.0 million for the year ended 30 April 2020.

On 29 April 2021, the ABL Credit Agreement was extended to five years to the earliest of (a) 29 April 2026 and (b) 91 days prior to the maturity of the Senior Secured Notes or any Refinancing Indebtedness in respect thereof.

As at 31 July 2023, there were US\$499.7 million (30 April 2023: US\$465.0 million) of loans outstanding and US\$23.5 million of letters of credit issued (30 April 2023: US\$24.3 million). The net availability to DMFHL Group under the ABL Credit Agreement was US\$101.8 million as at 31 July 2023 (30 April 2023: US\$135.7 million). The weighted average interest rate was approximately 9.49% on 31 July 2023 (30 April 2023: 7.32%). The ABL Credit Agreement provided for a sub limit for letters of credit and for borrowings on same day notice, referred to as "swingline loans."

Security interests

The ABL Credit Agreement is generally secured by a first priority lien on DMFI's inventories and accounts receivable and by a third priority lien on substantially all other assets excluding real estate.

Restrictive and Financial Covenants. The ABL Credit Agreement includes restrictive covenants limiting the Group's ability, and the ability of the Group's restricted subsidiaries, to incur additional indebtedness, create liens, engage in mergers or consolidations, sell or transfer assets, pay dividends and distributions or repurchase the Group's capital stock, make investments, loans or advances, prepay certain indebtedness, engage in certain transactions with affiliates, amend agreements governing certain subordinated indebtedness adverse to the lenders, and change the Group's lines of business.

Financial Maintenance Covenants. The ABL Credit Agreement generally does not require that the DMFHL Group including DMFI comply with financial maintenance covenants.

Effect of Restrictive and Financial Covenants. The restrictive and financial covenants in the ABL Credit Agreement may adversely affect DMFI's ability to finance its future operations or capital needs or engage in other business activities that may be in its interest, such as acquisitions.

The Group is compliant with the ABL Credit Agreement loan covenants as of 31 July 2023 and 30 April 2023.

Unsecured Bank Loans

Certain unsecured bank loan agreements contain various affirmative and negative covenants that are typical of these types of facilities such as financial covenants relating to required debt-to-equity ratio, interest cover and maximum annual capital expenditure restrictions. These covenants include requirements for delivery of periodic financial information and restrictions and limitations on indebtedness, investments, acquisitions, guarantees, liens, asset sales, disposals, mergers, changes in business, dividends and other transfers.

17. Other noncurrent liabilities

	31 July 2023 US\$'000	30 April 2023 US\$'000
Workers' compensation	12,753	13,268
Accrued vendors liabilities	427	461
Derivative liabilities	93	3,097
	<u>13,273</u>	<u>16,826</u>

Workers' compensation would cover liabilities for wage replacement and medical benefits to employees injured in the course of employment in exchange for mandatory relinquishment of the employee's right to sue his or her employer for tort or negligence.

The current portion of workers' compensation is included in "Trade and other current liabilities" in the consolidated statement of financial position (see note 20).

18. Employee Benefits

Certain Group companies contribute to the post-employment defined benefit plans such as the following:

The DMPI Multi Employer Retirement Plan

DMPI has both funded defined benefit and defined contribution retirement plans (collectively the “Plan”) which cover all of its regular employees as well as of those under DMPL - ROHQ. Contributions and costs are determined in accordance with the actuarial study made for the Plan. Annual cost is determined using the projected unit credit method. DMPI’s latest actuarial valuation date was 30 April 2023. Valuations are obtained on a periodic basis.

Starting on the date of membership of an employee in the Plan, DMPI shall contribute to the retirement fund 7.00% of the member’s salary as defined every month. In addition, DMPI shall contribute periodically to the fund the amounts which may be required to meet the guaranteed minimum benefit provision of the plan. Such contributions shall not be allocated nor credited to the individual accounts of the members, but shall be retained in a separate account to be used in cases where the guaranteed minimum benefit applies.

Benefits are based on the total amount of contributions and earnings credited to the personal retirement account of the plan member at the time of separation or the 125% of the final basis salary multiplied by the number of credited years of service under the plan, whichever is higher. The manner of payment is lump sum, payable immediately.

The retirement plan meets the minimum retirement benefit specified under Republic Act (RA) No. 7641, The Philippine Retirement Pay Law.

The fund is administered by a trustee bank under the supervision of the Board of Trustees of the Plan which is responsible for the Plan’s investment strategy.

DMPI does not expect to make contributions to the plan in fiscal year 2024.

The DMFI Plan

DMFI sponsors a qualified defined benefit pension plan (the “DMFI Plan”) and several unfunded defined benefit post-retirement plans providing certain medical, dental, and life insurance benefits to eligible retired, salaried, non-union hourly and union employees. The DMFI Plan comprises of two parts:

- The first part is a cash balance plan (“Part B”) which provides benefits for eligible salaried employees and provides that a participant’s benefit derives from the accumulation of monthly compensation and interest credits. Compensation credits are calculated based upon the participant’s eligible compensation and age each month. Interest credits are calculated each month by applying an interest factor to the previous month’s ending balance. Participants may elect to receive their benefit in the form of an annuity or a lump sum. Part B of the plan was frozen to new participants effective 31 December 2016, which the active participation of certain participants was grandfathered subject to meeting participation requirements.

- The second part is an arrangement which provides for grandfathered and suspended hourly participants a traditional pension benefit based upon service, final average compensation and age at termination. This plan was frozen since 31 December 1995, which the active participation of certain participants was grandfathered and the active participation of other participants was suspended.

DMFI currently meets and plans to continue to meet the minimum funding levels required under local legislation, which imposes certain consequences on DMFI's defined benefit plan if it does not meet the minimum funding levels. DMFI has not made any contributions during the three months ended 31 July 2023 and fiscal year 2024.

In fiscal year 2020, there were amendments to the DMFI Plan and the post-retirement benefit plan. Under these DMFI Plan amendments, certain benefits were eliminated effective 31 December 2019 and 30 April 2022 and the plan obligations associated with these amendments decreased by US\$9.1 million. Under the post-retirement amendments, certain benefits will be eliminated effective 30 April 2022 and the plan obligations associated with this amendment would be decreased by US\$5.9 million. Both amendments were recognized immediately in "General and administrative expenses" in the fiscal year 2020 consolidated statements of income.

DMFI does not expect to make contributions to the plan in fiscal year 2024.

19. Environmental remediation liabilities

	31 July 2023	30 April 2023
Note	US\$'000	US\$'000
At beginning of the period/year	–	203
Provisions used during the period/year	–	(203)
At end of the period/year	–	–

20. Trade and other current liabilities

	31 July 2023	30 April 2023
Note	US\$'000	US\$'000
Trade payables	253,246	216,700
Accrued operating expenses:		
Freight and warehousing	11,278	8,902
Interest	9,784	10,441
Professional fees	9,441	9,200
Taxes and insurance	9,063	11,755
Tinplate and consigned stocks	6,868	2,204
Trade promotions	5,830	8,410
Salaries, bonuses and other employee benefits	4,303	2,019
Advertising	3,567	4,060
Utilities	2,815	3,236
Miscellaneous	11,818	11,250
Overdrafts	13,782	1,969
Accrued payroll expenses	3,375	5,980
Withheld from employees (taxes and social security cost)	3,318	2,473
Deferred revenue	1,796	2,366
Derivative liabilities	1,263	3,553
Advances from customers	314	208
VAT payables	166	214
	352,027	304,940

Accrued miscellaneous include management fees and other outside services, land and other rental, credit card payable and other importation incidental costs.

21. Revenue

Disaggregation of revenue is presented in Note 4.

Contract balances

The following table provides information about trade receivables and contract liabilities from contracts with customers.

	31 July 2023	30 April 2023
Note	US\$'000	US\$'000
Receivables, included in Trade and other receivables		
- Gross of ECL allowance	12	195,335
Contract liabilities	20	2,366

Contract liabilities pertain to advances from customers which are generally expected to be recognized as revenue within periods of less than one year. Accordingly, opening contract liabilities are recognized within each reporting period. The Group applies the practical expedient in paragraph 121 of IFRS 15 and does not disclose the aggregate amount of the transaction price of unsatisfied or partially unsatisfied performance obligations as of the end of the reporting period because its contracts have original expected durations of one year or less.

22. Income taxes

	Three months ended	
	31 July	
	2023	2022
	US\$'000	US\$'000
Current tax expense		
- Current year	2,733	9,069
Deferred tax expense		
- Origination and reversal of temporary differences	(2,759)	(20,014)
	<u>(26)</u>	<u>(10,945)</u>
	Three months ended	
	31 July	
	2023	2022
	US\$'000	US\$'000
Reconciliation of effective tax rate		
Profit (loss) before taxation	(12,264)	(41,695)
Taxation on profit at applicable tax rates	(2,558)	(12,453)
Final tax on dividend	1,139	1,139
Non-deductible expenses	1,096	737
Non-taxable income	(13)	(2)
Others	310	(366)
	<u>(26)</u>	<u>(10,945)</u>

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities	
	31 July 2023 US\$'000	30 April 2023 US\$'000	31 July 2023 US\$'000	30 April 2023 US\$'000
Group				
Provisions	9,299	9,153	—	—
Employee benefits	12,994	13,016	—	—
Property, plant and equipment - net	—	—	(19,820)	(19,751)
Intangible assets and goodwill	—	—	(106,616)	(103,711)
Effective portion of changes in fair value of cash flow hedges	—	—	(3,384)	(415)
Tax loss carry-forwards	142,750	142,007	—	—
Inventories	2,361	2,361	—	—
Biological assets	—	—	(1,379)	(1,629)
Interest	58,450	52,865	—	—
Undistributed profits from subsidiaries	—	—	(1,140)	(377)
Charitable contributions	2,139	2,139	—	—
Others	10,062	10,772	—	—
Deferred tax assets (liabilities)	238,055	232,313	(132,339)	(125,883)
Set off of tax	(119,321)	(114,253)	119,321	114,253
Deferred Taxes	118,734	118,060	(13,018)	(11,630)

	Three months ended 31 July	
	2023 US\$'000	2022 US\$'000
Applicable tax rates		
- Philippines (non-PEZA)	25.0%	25.0%
- Philippines (PEZA)*	5.0%	5.0%
- India	31.0%	31.2%
- Singapore	17.0%	17.0%
- United States of America	25.0%	25.0%
- Mexico	30.0%	30.0%

*based on gross profit for the year

Sources of estimation uncertainty

The Group has exposure to income taxes in several foreign jurisdictions. Significant judgement is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognizes liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognized, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

23. Stock option and incentive plans

The Company adopted the Del Monte Pacific Executive Share Option Plan 2016 (“ESOP 2016”), which was approved by the shareholders at the general meeting held on 30 August 2016. The purpose of the ESOP 2016 is to provide an opportunity for Group executives and directors to participate in the equity of the Company in order to motivate them to excel in their performance. The ESOP 2016 shall be valid for a period of 10 years; however, it has yet to be implemented, and no options had been granted to date.

The ESOP 2016 is administered by the Remuneration Share Option Committee (RSOC).

24. Accounting classification and fair values

Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows:

	Note	Financial assets at amortized cost US\$'000	Financial assets at FVOCI US\$'000	Derivatives US\$'000	Other financial liabilities US\$'000	Total carrying amount US\$'000	Fair value US\$'000
31 July 2023							
Cash and cash equivalents	14	23,155		–	–	23,155	23,155
Trade and other receivables*	12	212,698		–	–	212,698	212,698
Refundable deposits**	9	1,895		–	–	1,895	1,895
Investment in unquoted equity	9	–	5,023			5,023	5,023
Derivative assets	9,13	–		17,709	–	17,709	17,709
		237,748	5,023	17,709	–	260,480	260,480
Loans and borrowings	15	–		–	2,322,879	2,322,879	2,410,072
Trade and other current liabilities***	17	–		–	345,170	345,170	345,170
Derivative liabilities	13,20	–		1,356	–	1,356	1,356
		–		1,356	2,668,049	2,669,405	2,756,598

* includes noncurrent portion of receivables from sale and leaseback and lease receivables

** included under advance rentals and deposits

*** excludes derivative liabilities, advances from customers, contract liabilities, withheld from employees (taxes and social security cost) and VAT payables

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	Note	Financial assets at amortized cost US\$'000	Financial assets at FVOCI US\$'000	Derivatives US\$'000	Other financial liabilities US\$'000	Total carrying amount US\$'000	Fair value US\$'000
30 April 2023							
Cash and cash equivalents	14	19,836	—	—	—	19,836	19,836
Trade and other receivables*	12	233,667	—	—	—	233,667	233,667
Short-term placements	13	18	—	—	—	18	18
Refundable deposits**	9	1,838	—	—	—	1,838	1,838
Investment in unquoted equity	9	—	5,023	—	—	5,023	5,023
Derivative assets	9,13	—	—	8,867	—	8,867	8,867
		<u>255,359</u>	<u>5,023</u>	<u>8,867</u>	<u>—</u>	<u>269,249</u>	<u>269,249</u>
Loans and borrowings	15	—	—	—	2,273,353	2,273,353	2,356,065
Trade and other current liabilities***	17	—	—	—	296,126	296,126	296,126
Derivative liabilities	13, 20	—	—	6,650	—	6,650	6,650
		<u>—</u>	<u>—</u>	<u>6,650</u>	<u>2,569,479</u>	<u>2,576,129</u>	<u>2,658,841</u>

* includes noncurrent portion of receivables from sale and leaseback and lease receivables

** included under advance rentals and deposits

*** excludes derivative liabilities, advances from customers, contract liabilities, withheld from employees (taxes and social security cost) and VAT payables

25. Determination of fair values

Fair value hierarchy

The table below analyses recurring non-financial assets carried at fair value. The different levels are defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing the categorization at the end of each reporting period.

For purposes of the fair value disclosure, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

		31 July 2023			
	Note	Level 1	Level 2	Level 3	Totals
Financial assets					
Derivative assets	9,13	–	17,709	–	17,709
Investment in unquoted equity	9	–	5,023	–	5,023
Non-financial assets					
Fair value of agricultural produce					
harvested under inventories		–	–	3,538	3,538
Fair value of growing produce	10	–	–	44,233	44,233
Freehold land	6	–	–	74,722	74,722
Financial liabilities					
Derivative liabilities	13, 20	–	1,356	–	1,356
Lease liabilities		–	–	97,977	97,977
Loans and borrowings		–	1,782,543	627,529	2410,072

		30 April 2023			
	Note	Level 1	Level 2	Level 3	Totals
Financial assets					
Derivative assets	9,13	–	8,867	–	8,867
Investment in unquoted equity	9	–	5,023	–	5,023
Non-financial assets					
Fair value of agricultural produce					
harvested under inventories		–	–	4,496	4,496
Fair value of growing produce	10	–	–	44,852	44,852
Freehold land	6	–	–	74,462	74,462
Financial liabilities					
Derivative liabilities	13, 20	–	3,097	–	3,097
Lease liabilities		–	–	100,096	100,096
Loans and borrowings		–	1,621,836	734,229	2,356,065

During the period, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods.

Financial instruments measured at fair value

Type	Valuation technique
Interest rate swaps/caps	Market comparison technique: The fair values are calculated using a discounted cash flow analysis based on terms of the swap contracts and the observable interest rate curve. Fair values reflect the risk of the instrument and include adjustments to take into account the credit risk of the Group and counterparty when appropriate.

Commodities contracts	Market comparison technique. The commodities are traded over-the-counter and are valued based on the Chicago Board of Trade quoted prices for similar instruments in active markets or corroborated by observable market data available from the Energy Information Administration. The values of these contracts are based on the daily settlement prices published by the exchanges on which the contracts are traded.
Call option	The estimated fair value of the additional call option as at 31 July 2023 is based on the Black-Scholes model. The value of these derivative liabilities is driven primarily by DMPI's forecasted net income which is not based on observable market data.

Financial instruments not measured at fair value

Type	Valuation technique
Financial liabilities, note receivable and refundable deposits	The fair value of the secured senior notes, first lien term loans, second lien term loans, note receivable and refundable deposits are calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date (Level 2).
Other financial assets and liabilities	The notional amounts of financial assets and liabilities with maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables) are, because of the short period to maturity, assumed to approximate their fair values.

Other non-financial assets

Assets	Valuation technique	Significant unobservable inputs
Freehold land	The fair value of freehold land is determined by external, independent property valuers, having appropriate recognized professional qualifications and recent experience in the location and category of property being valued. The valuation method used is sales comparison approach. This is a comparative approach that consider the sales of similar or substitute properties and related market data and establish a value estimate by involving comparison (Level 3).	The unobservable inputs used to determine market value are the net selling prices, sizes, property location and market values. Other factors considered to determine market value are the desirability, neighborhood, utility, terrain, and the time element involved. The market value per square meter ranges from US\$109.1 to US\$122.5. The market value per acre ranges from US\$5,251 to US\$104,585.
Livestock (cattle for slaughter and cut meat)	Sales Comparison Approach: the valuation model is based on selling price of livestock of similar age, weight, breed and genetic make-up (Level 3).	The unobservable inputs are age, average weight and breed.
Harvested crops – sold as fresh fruit	The fair values of harvested crops are based on the most reliable estimate of selling prices, in both local and international markets at the point of harvest. The market price is derived from average sales price of the fresh fruit reduced by costs to sell (Level 3).	The unobservable input is the estimated pineapple selling price per ton specific for fresh products.

Assets	Valuation technique	Significant unobservable inputs
Harvested crops – used in processed products	The fair values of harvested crops are based on the most reliable estimate of market prices, in both local and international markets at the point of harvest. The market price is derived from average sales price of the processed product reduced by costs to sell (concentrates, pineapple beverages, sliced pineapples, etc.) and adjusted for margin associated to further processing (Level 3).	The unobservable input is the estimated pineapple selling price and gross margin per ton specific for processed products.
Unharvested crops – fruits growing on the bearer plants	The growing produce are measured at fair value from the time of maturity of the bearer plant until harvest. Management used future selling prices and gross margin of finished goods, adjusted to remove the margin associated to further processing, less future growing costs applied to the estimated volume of harvest as the basis of fair value.	<p>The unobservable inputs are expected selling price and gross margin for harvested produce while key assumptions for the fair value of produce prior to harvest include expected selling prices, gross margin, estimated tonnage of harvests and future growing costs.</p> <p>The unobservable inputs are estimated pineapple selling price and gross margin per ton for fresh and processed products, estimated volume of harvest and future growing costs.</p>

26. Profit for the period

The following non-cash items have been included in arriving at profit for the period:

	Note	Three months ended	
		31 July	
		2023	2022
		US\$'000	US\$'000
Provision for inventory obsolescence		8,820	179
Provision of allowance for ECL (trade and nontrade)		(1)	–
Amortization of intangible assets	7	1,768	1,663
Amortization of right-of-use assets	30	5,200	6,576
Depreciation of property, plant and equipment		40,908	40,118

27. General and administrative expenses

This account consists of the following:

	Three months ended	
	31 July	
	2023	2022
	US\$'000	US\$'000
Personnel costs	18,397	20,266
Professional and contracted services	5,790	5,012
Computer costs	3,300	2,814
Facilities expense	2,181	2,033
Employee-related expenses	745	928
Travelling and business meals	487	400
Postage and telephone	231	257
Utilities	226	152
Machinery and equipment maintenance	126	118
Materials and supplies	118	74
Research and development projects	105	163
Auto operating and maintenance costs	77	74
Miscellaneous overhead	1,920	1,807
	33,703	34,098

Miscellaneous overhead consists of donation, corporate initiatives, and other expenses.

28. Share capital

	31 July 2023		30 April 2023	
	No. of shares (‘000)	US\$'000	No. of shares (‘000)	US\$'000
Authorized:				
Ordinary shares of US\$0.01 each	3,000,000	30,000	3,000,000	30,000
Preference shares of US\$1.00 each	600,000	600,000	600,000	600,000
	3,600,000	630,000	3,600,000	630,000
Issued and fully paid:				
Ordinary shares of US\$0.01 each	1,944,936	19,449	1,944,936	19,449

The Series A-1 and A-2 Preference shares are non-convertible, have no maturity date and are redeemable at the option of the Company on the fifth anniversary from the issue date (the “Step Up Date”) or on any dividend payment date thereafter. The preference shares bear a cumulative non-participating cash dividend at an initial dividend rate of 6.625% and 6.50% per annum for Series A-1 and A-2 preference shares, respectively, applicable from the issue date up to the Step Up Date. The dividends are payable semi-annually every 7 April and 7 October of each year, being the last day of each 6-month period following the issue date. If the preference shares have not been redeemed on the Step Up Date, the dividend rate shall be adjusted on the Step Up Date to the sum of the 10-year U.S. Treasury Bond rate (prevailing as of the Step Up Date) plus initial spread plus margin of 2.50% per annum (the “Step Up Rate”). The initial spread shall be 4.605% and 4.44% per annum for Series A-1 and A-2 preference shares, respectively. However, if the initial dividend rate is higher than the applicable Step Up Rate, there shall be no

adjustment to the dividend rate, and the initial dividend rate shall continue to be the dividend rate. The preference shares rank ahead of the ordinary shares in the event of a liquidation.

On 7 April 2022, the Company had redeemed all of the outstanding 20,000,000 Series A-1 Preference Shares and on 15 December 2022, all of the outstanding 10,000,000 Series A-2 Preference Shares.

The redeemed preferred shares shall be cancelled but shall remain part of the Company's authorized capital and shall be available to be reissued by resolution of the board

Dividends

On 20 June 2023, the Company declared dividends of US\$0.0013 per share to ordinary shareholders on record as at 11 July 2023. The special dividend was paid on 25 July 2023.

The Group does not declare dividends based on first quarter and third quarter results.

Capital management

The Board of Directors' policy is to maintain a sound capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group's capital comprises its share capital, retained earnings and total reserves as presented in the consolidated statements of financial position. The Board monitors the return on capital, which the Group defines as profit or loss for the year divided by total shareholders' equity. The Board also monitors the level of dividends paid to ordinary shareholders.

The bank loans of the Group contain various covenants with respect to capital maintenance and ability to incur additional indebtedness. The Board ensures that loan covenants are considered as part of its capital management through constant monitoring of covenant results through interim and full year results.

There were no changes in the Group's approach to capital management during the fiscal year.

29. Earnings per share

Basic and diluted earnings per share are calculated by dividing the net profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	Three months ended	
	31 July	
	2023	2022
Earnings per share is based on:		
Profit (loss) attributable to owners of the Company (US\$'000)	(13,082)	(30,523)
Cumulative preference share dividends (US\$'000)	—	1,625
	<u>(13,082)</u>	<u>(32,148)</u>
Weighted average number of ordinary shares ('000):		
Outstanding ordinary shares at 1 Nov /1 May	1,943,960	1,943,960
Effect of shares awards granted	—	—
Weighted average number of ordinary shares at end of period (basic)	<u>1,943,960</u>	<u>1,943,960</u>
Basic/diluted earnings (loss) per share (in U.S. cents)	<u>(0.67)</u>	<u>(1.65)</u>

30. Leases

Group as a lessee

Set out below are the carrying amount of right-of-use assets recognized and the movements during the period:

	Buildings, land improvements and leasehold improvements	Land	Machineries and equipment	Total
	US\$'000	US\$'000	US\$'000	US\$'000
Cost/Valuation				
At 1 May 2023	147,721	56,005	42,183	245,909
Additions	39	3,338	—	3,377
Disposals	(145)	(582)	(26)	(753)
Transfers/Adjustments	137	—	—	137
Currency realignment	449	677	—	1,126
At 31 July 2023	<u>148,201</u>	<u>59,438</u>	<u>42,157</u>	<u>249,796</u>
At 1 May 2022	137,477	57,076	40,918	235,471
Additions	12,354	3,052	1,265	16,671
Disposals	—	(871)	—	(871)
Transfers/Adjustments	(8)	—	—	(8)
Currency realignment	(2,102)	(3,252)	—	(5,354)
At 30 April 2023	<u>147,721</u>	<u>56,005</u>	<u>42,183</u>	<u>245,909</u>

Del Monte Pacific Limited and its Subsidiaries
Unaudited Interim Condensed Consolidated Financial Statements
As at 31 July 2023 and for the periods ended 31 July 2023 and 2022

	Buildings, land improvements and leasehold improvements	Land	Machineries and equipment	Total
	US\$'000	US\$'000	US\$'000	US\$'000
Accumulated amortization				
At 1 May 2023	80,758	26,963	37,622	145,343
Amortization	5,373	2,441	454	8,268
Disposals	(145)	(582)	(26)	(753)
Currency realignment	181	365	–	546
At 31 July 2023	86,167	29,187	38,050	153,404
At 1 May 2022	59,933	20,312	31,687	111,932
Amortization	21,323	8,700	5,935	35,958
Disposals	–	(871)	–	(871)
Currency realignment	(498)	(1,178)	–	(1,676)
At 30 April 2023	80,758	26,963	37,622	145,343
Carrying amounts				
At 31 July 2023	62,034	30,251	4,107	96,392
At 30 April 2023	66,963	29,042	4,561	100,566

The following are the amounts recognized in consolidated statements of income for three months ended 31 July:

	Three months ended 31 July	
	2023	2022
	US\$'000	US\$'000
Amortization expense of right-of-use assets	5,200	6,576
Interest expense on lease liabilities	1,175	1,505
Expenses relating to short-term leases	6,925	2,906
Variable lease payments	402	36
Total amount recognized in consolidated statement of income	13,702	11,023

Amortization expense is net of amount capitalized to inventory amounting to US\$2.7 million and US\$1.5 million for the three months ended 31 July 2023 and 2022, respectively.

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	31 July 2023 US\$'000	30 April 2023 US\$'000
At the beginning of period/year	100,096	121,320
Additions	2,792	17,986
Accretion of interest	1,600	6,614
Payments of principal	(7,046)	(42,686)
Currency realignment	535	(3,138)
At the end of period/year	<u>97,977</u>	<u>100,096</u>
 Current	 29,507	 27,892
Non-current	<u>68,470</u>	<u>72,204</u>
	<u>97,977</u>	<u>100,096</u>

31. Commitments and contingencies

Purchase commitments

The Group had entered into non-cancellable agreements with growers, co-packers, packaging suppliers and other service providers with commitments generally ranging from one year to ten years, to purchase certain quantities of raw products, including fruit, vegetables, tomatoes and packaging services. As at the reporting date, the Group has commitments for future minimum payments under non-cancellable agreements at approximately US\$1,107.1 million.

Contingencies

As at 31 July 2023, the Group is involved in various legal proceedings and regulatory assessments, and management believes that these proceedings will not have a material effect on the consolidated financial statements.

The Group, in consultation with its external and internal legal and tax counsels, believe that its position on these assessments are consistent with relevant laws and believe that these proceedings will not have a material adverse effect on the consolidated financial statements. However, it is possible that future results of operations could be materially affected by changes in the estimates or the effectiveness of management's strategies relating to these proceedings. As at 31 July 2023, management has assessed that the probable cash outflow to settle these assessments is not material.

32. Related parties

Related party transactions

For the purposes of these consolidated financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Other than disclosed elsewhere in the consolidated financial statements, transactions with related parties are as follows:

Category/ Transaction	Period	Amount of the transaction US\$'000	Outstanding balance – receivables/ (payables) US\$'000	Terms	Conditions
Under Common Control					
Shared IT services	July 2023	20	47	Due and demandable;	Unsecured;
	April 2023	98	60	non-interest bearing	no impairment
Sale of raw materials	July 2023	–	–	Due and demandable;	Unsecured;
	April 2023	–	(4)	non-interest bearing	no impairment
Sale of apple juice concentrate/materials	July 2023	4	6	Due and demandable;	Unsecured;
	April 2023	15	8	non-interest bearing	no impairment
Purchases	July 2023	154	(32)	Due and demandable;	Unsecured;
	April 2023	119	(16)	non-interest bearing	no impairment
Security deposit and other charges	July 2023	–	–	Due and demandable;	Unsecured;
	April 2023	25	–	non-interest bearing	no impairment
Other Related Party					
Management fees	July 2023	1	(2)	Due and demandable;	Unsecured;
from DMPI Retirement fund	April 2023	4	2	non-interest bearing	no impairment
Rental to DMPI Retirement	July 2023	474	(176)	Due and demandable;	Unsecured
	April 2023	1,851	(174)	non-interest bearing	
Rental to NAI Retirement	July 2023	148	(58)	Due and demandable;	Unsecured
	April 2023	629	(57)	non-interest bearing	
Rental to DMPI Provident Fund	July 2023	–	–	Short-term;	Unsecured;
	April 2023	6	–	non-interest bearing	no impairment
	July 2023	801	(215)		
	April 2023	2,747	(181)		

The transactions with related parties are carried out on an arms-length basis and on normal commercial terms consistent with the Group's usual business practices and policies, which are generally no more favorable to the related parties than those extended to unrelated parties. Pricing for the sales of products is market driven, less certain allowances in accordance with applicable business norms. For purchases, the Group's policy is governed by the same internal control procedures which detail matters such as the constitution of internal approving authorities, their monetary jurisdictions, the number of vendors from whom bids are to be obtained and the review procedures. The guiding principle is to objectively obtain the best products and/or services on the best possible terms.

All outstanding balances at financial reporting date are unsecured, interest-free, to be settled in cash, and are collectible or payable on demand. As at 31 July 2023 and 30 April 2023, the Group has not made any provision for ECL relating to amounts owed by related parties.

33. Net Finance Expense

	Three months ended	
	31 July	
	2023	2022
	US\$'000	US\$'000
Finance income		
Foreign exchange gain	5,033	2,083
Interest income from:		
Bank deposits	63	10
Others	141	230
	<u>5,237</u>	<u>2,323</u>
Finance expense		
Interest expenses on:		
Bank loans	(41,779)	(20,915)
Redemption costs related to refinancing	–	(44,530)
Written off portion of debt discount/deferred financing fee	–	(26,341)
Amortization of debt issue cost, discount	(1,475)	(1,455)
Leases	(778)	(1,505)
Foreign exchange loss	(43)	(370)
	<u>(44,075)</u>	<u>(95,116)</u>
Net finance expense	<u>(38,838)</u>	<u>(92,793)</u>

34. Share Purchase Agreement and Shareholders' Agreement with Sea Diner Holdings (S) Pte. Ltd.

On 24 January 2020, the Company, Central American Resources, Inc ("CARI"), Del Monte Philippines, Inc. ("DMPI") and SEA Diner, a company incorporated in Singapore, entered into a Share Purchase Agreement and Shareholders' Agreement pursuant to which and subsequent arrangements, CARI agreed to sell 335,678,400 existing common shares equivalent to 12% ownership interest in DMPI to SEA Diner for a consideration of US\$120.0 million, subject to fulfilment of certain conditions precedent. These common shares were convertible to voting, convertible, participating and redeemable convertible preferred shares ("RCPS") of DMPI.

The Board and the stockholders of DMPI approved the conversion of the convertible common shares to RCPS subject to the completion of the transaction and the Enabling Resolutions which further defined the terms of the RCPS on 3 March 2020. As at 30 April 2020, the Company, CARI and DMPI had fulfilled the conditions precedent under the Share Purchase Agreement. The private placement transaction closed on 20 May 2020.

Terms of the RCPS

The terms of the RCPS are as follow:

- The RCPS holders participate in the dividends on an as-converted basis, that is, if common shareholders are entitled to dividends, then the RCPS holders will correspondingly be entitled to dividends on an as-converted basis.
- The investor as an RCPS holder will have proportional shareholder voting rights in DMPI on an as-converted basis. There will also be certain reserved matters (for example, matters not in the ordinary course of business) which the investor will have the right to approve.
- SEA Diner, as long as it holds RCPS, may, at any time, exercise its right to convert the RCPS into common shares of DMPI at a ratio of one (1) RCPS to one (1) common share of DMPI. The RCPS is automatically converted into common share in the event of IPO of DMPI.
- Upon the occurrence of any of certain agreed “RCPS Default Events”, SEA Diner may require the Company, CARI or DMPI to redeem all of the RCPS at the agreed redemption price, which is the amount of RCPS consideration plus the agreed rate of return (compounded on a per annum basis) calculated from 20 May 2020 up to the date of redemption.
- In case of “Other Redemption Events”, redemption shall be subject to the mutual agreement of the parties. If DMPI does not consent to the RCPS holder’s written redemption request, the internal rate of return would be increased annually by 3%, and this increased rate of return shall apply for each year that the RCPS remain outstanding and shall be compounded on a per annum basis.

On 3 August 2020, the SEC approved the amendment of DMPI’s Articles of Incorporation to reflect the conversion of 335,678,400 convertible common shares to RCPS and the removal of the conversion feature of the remaining convertible common shares.

On 16 December 2020, CARI sold additional 27,973,200 common shares of DMPI to SEA Diner for US\$10 million, which increased the ownership of SEA Diner in DMPI to 13%.

On 1 March 2021, the SEC approved the amendment of DMPI’s Articles of Incorporation to change DMPI’s Php 3 billion authorized capital stock (previously comprising common shares and RCPS) to all common shares with a par value of Php 1 per share. Consequently, the 335,678,400 RCPS issued to SEA Diner were converted to 335,678,400 common shares.

As at 30 April 2020 up to the time the RCPS were converted back to common shares on 2 March 2021, the Group was in compliance with the terms set out for the RCPS.

Call Option Agreement

On 24 July 2020, the Company, CARI, DMPI and SEA Diner entered into a call option agreement wherein SEA Diner would be entitled to a call option or the right to buy from CARI additional DMPI shares (“Option Shares”). The exercise price for each Option Share is US\$0.357 (computed based on the DMPI equity valuation of US\$1 billion / existing total issued share capital of the DMPI shares of 2,797,320,003 as at the date of the Agreement).

The call option is exercisable within the Option Period which means:

(A) commencing on:

- (i) in the event where an IPO of DMPI is consummated on or before 30 April 2022, and:
 - (a) such IPO of DMPI is consummated at a price per DMPI share which implies an IPO pre-money market capitalization of US\$2,000,000,000 or lower, the date on which such IPO of DMPI is consummated; or
 - (b) such IPO of DMPI is consummated at a price per DMPI share which implies an IPO pre-money market capitalisation of more than US\$2,000,000,000 and following such IPO, the SEA Diner sells any DMPI shares at a price per DMPI share which implies that DMPI’s valuation is at or lower than an IPO pre-money market capitalisation of US\$2,000,000,000, the date on which the SEA Diner makes such sale of DMPI shares; or
- (ii) 30 April 2022, if DMPI does not consummate an IPO on or before 30 April 2022; and

(B) ending on the earliest of:

- (i) the date falling ten (10) years after the date of completion of the closing date;
- (ii) the date falling five (5) years after the consummation of an IPO of DMPI; and
- (iii) the date on which the SEA Diner receives an amount in respect of a redemption of its DMPI shares pursuant to the Agreement that provides the SEA Diner with a rate of return of no less than eight (8) per cent.

Source of estimation uncertainty

The fair value of the derivative liability related to the call option is measured using Black-Scholes model. The inputs to this model are taken from a combination of observable markets and unobservable market data. Changes in inputs about these factors could affect the reported fair value of the derivative liabilities and impact profit or loss. Management assessed that the fair value of the derivative liability is nil as at 31 July 2023 and 30 April 2023 as the estimated pre-money market capitalization is higher than the threshold in the Call Option Agreement

35. Subsequent Events

On August 2023, the Company obtained a US\$50.0 million loan with BDO, with a variable interest rate, which matures on 3 February 2025. The proceeds was used to pay off its loan with BDO amounting to US\$60.0 million which matured in August 2023.

36. Other Matters

- a. There were no known trends, demands, commitments, events or uncertainties that will have a material impact on the Group's liquidity.
- b. There were no known trends, events or uncertainties that have had or that are reasonably expected to have a favorable or unfavorable impact on net sales or revenues or income from continuing operations.
- c. Other than those disclosed in other notes, there were no known events that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation and there were no changes in contingent liabilities and contingent assets since the last annual consolidated statements of financial position date
- d. There were no material off-statements of financial position transactions, arrangements, obligations (including contingent obligations), and other relationship of the Group with unconsolidated entities or other persons created during the reporting period.
- e. The effects of seasonality or cyclicity on the interim operations of the Group's businesses are explained in Note 5, Seasonality of operations.
- f. The Group's material commitments for capital expenditure projects have been approved but are still ongoing and not yet completed as of end of 31 July 2023 These consist of construction, acquisition, upgrade or repair of fixed assets needed for normal operations of the business. The said projects will be carried forward to the next quarter until its completion. The fund to be used for these projects will come from available cash, short-term loans and long-term loans.
- g. The Group is the subject of, or a party to, various suits and pending or threatened litigations. While it is not feasible to predict or determine the ultimate outcome of these matters, the Group believes that none of these legal proceedings will have a material adverse effect on its consolidated financial position.
- h. The retained earnings is restricted for the payment of dividends to the extent representing the accumulated equity in net earnings of the subsidiaries and unrealized asset revaluation reserve. The accumulated equity in net earnings of the subsidiaries is not available for dividend distribution until such time that the Company receives the dividends from the subsidiaries.

Annex A

Key Performance Indicators

The following sets forth the explanation why certain performance ratios (i.e., current ratio, debt to equity ratio, net profit margin, return on asset, and return on equity) do not fall within the benchmarks indicated by SEC.

A. Current Ratio

	31-Jul-23	31-Apr-23	31-Jul-22	Benchmark
Current Ratio	0.9196	0.8746	1.0765	Minimum of 1.20

Current ratio below benchmark was driven by the current portion of maturing long-term loans. Improvement from last yearend was mainly due to refinancing of a maturing loan.

B. Net Debt to Equity*

	31-Jul-23	31-Apr-23	31-Jul-22	Benchmark
Net Debt to Equity	5.9978	5.8418	4.1650	Maximum of 2.50

Higher net debt to equity ratio compared to last yearend driven by higher loans for working capital requirements.

C. Net Profit Margin

	31-Jul-23	31-Apr-23	31-Jul-22	Benchmark
Net Profit Margin attributable to owners of the company	-2.53%	1.05%	-6.69%	Minimum of 3%

Net loss during the period was driven by margin decline from record level inflation last year, as well as increasing finance cost.

D. Return on Asset**

	31-Jul-23	31-Apr-23	31-Jul-22	Benchmark
Return on Asset	1.36%	0.81%	2.29%	Minimum of 1.21

Improvement on last twelve months' return was driven by lower loss this quarter compared to prior year's quarter.

E. Return on Equity*

	31-Jul-23	31-Apr-23	31-Jul-22	Benchmark
Return on Equity	11.45%	6.58%	15.09%	Minimum of 8%

Improvement on last twelve months' return was driven by lower loss this quarter compared to prior year's quarter.

* *Net debt refers to total loans and borrowings less cash and cash equivalents*

** *Based on last twelve months returns*

Material Changes in Accounts from 30 April 2023

- A. Inventories**
Higher inventories mainly driven by higher volume and higher cost of production
- B. Trade and other receivables**
Lower trade and other receivables mainly from timing of collection of sales
- C. Loans and borrowings**
Higher loans and borrowings, driven by higher short term loans for working capital requirements
- D. Trade and other current liabilities**
Higher trade and other current liabilities driven by higher trade payables in the US.

Liquidity and Covenant Compliance

Certain unsecured bank loan agreements contain various covenants that are typical of these types of facilities such as financial covenants relating to required debt-to-equity ratio, interest cover, and maximum annual capital expenditure restrictions.

The following financial covenants apply to the Company and its subsidiaries, as Borrower.

- For the US\$90.0 million senior notes, the fixed charge coverage ratio shall not fall below 2.25 times.

The following financial covenants apply to the Company and its subsidiaries, as Borrower, excluding DMFHL and its subsidiaries.

- For the US\$57.3 million loan and US\$75.0 million loan from Development Bank of the Philippines (DBP), the debt shall not exceed 3 times the equity.
- For the US\$30.0 million loan from Bank of Commerce (BOC), interest coverage ratio shall not fall below 2.0x and the debt shall not exceed 3 times the equity.
- For the Php1.5 billion loan from DBP, and DMPI bonds, DMPI's debt service coverage ratio shall not fall below 1.2x and its debt shall not exceed 2.5 times the equity.

The Group monitors its liquidity risk to ensure that it has sufficient resources to meet its liabilities as they become due, under both normal and stressed circumstances without incurring unacceptable losses or risk to the Group's reputation. The Group maintains a balance between continuity of cash inflows and flexibility in the use of available and collateral free credit lines from local and international banks and constantly maintains good relations with its banks, such that additional facilities, whether for short or long term requirements, may be made available.

Annex B

DEL MONTE PACIFIC, LTD.

SUPPLEMENTARY SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS

		Three months ended 31 July	
Ratio	Formula	2023	2022
(i) Liquidity Analysis Ratios:			
Current Ratio or Working Capital Ratio	Current Assets / Current Liabilities	0.9	1.1
Quick Ratio	(Current Assets - Inventory - Prepaid expense - Biological assets) / Current Liabilities	0.1	0.2
(ii) Solvency Ratio	Total Assets / Total Debt*	1.1	1.2
Financial Leverage Ratios:			
Debt Ratio	Total Debt*/Total Assets	0.9	0.8
Debt-to-Equity Ratio	Total Debt*/Total Stockholders' Equity	6.1	4.2
(iii) Asset to Equity Ratio	Total Assets / Total Stockholders' Equity	8.4	6.6
(iv) Interest Coverage	Earnings Before Interest and Taxes (EBIT)** / Interest Charges	0.7	0.6
(v) Profitability Ratios			
Gross Profit Margin	Sales - Cost of Goods Sold or Cost of Service / Sales	26.63%	26.80%
Net Profit Margin attributable to owners of the company	Net Profit attributable to owners / Sales	-2.53%	-6.69%
Net Profit Margin	Net Profit / Sales	-2.37%	-6.73%
Return on Assets	Net Income*** / Total Assets	1.36%	2.29%
Return on Equity	Net Income*** / Total Stockholders' Equity	11.45%	15.09%

* Total Debt refers to total loans and borrowings.

** EBIT = Profit before tax plus finance expenses excluding foreign exchange gain/loss

*** Last twelve months net income



DEL MONTE PACIFIC LIMITED

Management Discussion and Analysis of Unaudited Financial Condition and Results of Operations for the First Quarter Ended 31 July 2023

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AUDIT

First Quarter FY2024 results covering the period from 1 May to 31 July 2023 have neither been audited nor reviewed by the Group's auditors.

ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's FY2023 annual consolidated financial statements, except for the adoption of the following amendments effective beginning 1 May 2023. Adoption of these new standards did not have any significant impact on the Group's consolidated financial statements.

- Amendments to IAS 1 and IFRS Practice Statement 2, *Disclosure of Accounting Policies*.
- Amendments to IAS 8, *Definition of Accounting Estimates*.
- Amendments to IAS 12, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*.
- IFRS 17, *Insurance Contracts*

DISCLAIMER

This announcement may contain statements regarding the business of Del Monte Pacific Limited and its subsidiaries (the "Group") that are of a forward-looking nature and are therefore based on management's assumptions about future developments. Such forward looking statements are typically identified by words such as 'believe', 'estimate', 'intend', 'may', 'expect', and 'project' and similar expressions as they relate to the Group. Forward looking statements involve certain risks and uncertainties as they relate to future events. Actual results may vary materially from those targeted, expected or projected due to various factors.

Representative examples of these factors include (without limitation) general economic and business conditions, change in business strategy or development plans, weather conditions, crop yields, service providers' performance, production efficiencies, input costs and availability, competition, shifts in customer demands and preferences, market acceptance of new products, industry trends, and changes in government and environmental regulations. Such factors that may affect the Group's future financial results are detailed in the Annual Report. The reader is cautioned to not unduly rely on these forward-looking statements.

Neither the Group nor its advisers and representatives shall have any liability whatsoever for any loss arising, whether directly or indirectly, from any use or distribution of this announcement or its contents.

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe to shares in Del Monte Pacific.

SIGNED UNDERTAKING FROM DIRECTORS AND EXECUTIVE OFFICERS

The Company confirms that the undertakings from all its Directors and Executive Officers as required in the format as set out in Appendix 7.7 under Rule 720(1) have been procured.

DIRECTORS' ASSURANCE

Confirmation by Directors Pursuant to Clause 705(5) of the Listing Manual of SGX-ST.

We confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of Del Monte Pacific Limited which may render these interim financial statements to be false or misleading in any material aspect.

For and on behalf of the Board of Directors of Del Monte Pacific Limited

(Signed)
Rolando C. Gapud
Executive Chairman

(Signed)
Joselito D. Campos, Jr.
Executive Director

6 September 2023

FINANCIAL HIGHLIGHTS – FIRST QUARTER ENDED 31 JULY 2023

	For the quarter ended 31 July		
	Fiscal Year 2024	Fiscal Year 2023	% Change
<i>in US\$'000 unless otherwise stated¹</i>			
Turnover	516,733	456,587	13.2
Gross profit	108,295	131,736	(17.8)
Gross margin (%)	21.0	28.9	(7.9)
EBITDA	51,142	70,045	(27.0)
Operating profit	26,440	50,430	(47.6)
Operating margin (%)	5.1	11.0	(5.9)
Net profit attributable to owners of the Company	(13,081)	(30,523)	57.1
Net margin (%)	(2.5)	(6.7)	4.2
EPS (US cents)	(0.67)	(1.65)	59.4
EPS before preference dividends (US cents)	(0.67)	(1.57)	57.3
Without one-off items²			
Net profit attributable to owners of the Company	(13,081)	19,639	(166.6)
Net debt	2,299,724	1,730,152	32.9
Gearing (%) ³	599.8	416.5	183.3
Net debt to adjusted EBITDA ⁴	7.2	5.0	2.2
Cash flow from operations	53,501	6,003	791.2
Capital expenditure	46,999	43,026	9.2
Inventory (days)	248	215	33
Receivables (days)	34	36	(2)
Account Payables (days)	55	69	(14)

1 The Company's reporting currency is US dollars. For conversion to S\$, the following exchange rates can be used: 1.35 in July 2023 and 1.38 in July 2022. For conversion to PhP, these exchange rates can be used: 55.77 in July 2023 and 52.87 in July 2022.

2 Please refer to the last page of this MD&A for a schedule of the one-off items

3 Gearing = Net Debt / Equity

4 Adjusted EBITDA = Last twelve months without one-off items

REVIEW OF OPERATING PERFORMANCE

The Group generated sales of US\$516.7 million for the first quarter of FY2024, higher by 13.2% versus the prior year quarter driven by higher sales in the US as well as higher exports of fresh pineapples.

The Group's US subsidiary, Del Monte Foods Inc. (DMFI), achieved sales of US\$356.4 million or 69% of Group turnover. DMFI's revenues grew by 17.8% driven by pricing actions and strong development of the company's branded product portfolio in both traditional and emerging channels.

DMFI grew its leading market share positions across its core businesses of packaged vegetables, fruits, tomatoes and fruit cup snacks, with notable increases across its packaged fruit portfolio. Innovation continued to help fuel the company's growth led by the success of its new JOYBA Bubble Tea brand which was recently named by the Refrigerated and Frozen Food Awards as one of the Best New Retail Products for 2023. In addition, Del Monte's new Gut Love and Boost Me Fruit Cup Snacks were recognized as Snack Products of the Year by the 2023 Mindful Awards.

New products launched in the past three years contributed 8.7% to DMFI's total sales in the first quarter.

DMFI generated a gross profit of US\$64.7 million, lower by 17.4% versus prior year quarter's US\$78.4 million. Gross margin at 18.2% declined by 776 bps versus prior quarter's 25.9%. This was mainly driven by inflationary factors coming from sales of high cost FY2023 pack inventory. DMFI implemented a 4% price increase on July 31st and implemented a number of cost savings initiatives to restore margins in the subsequent quarters.

DMPL ex-DMFI generated sales of US\$166.9 million (inclusive of the US\$6.4 million sales by DMPL to DMFI which were netted out during consolidation) which were 3.9% lower than the US\$173.7 million sales in the prior year quarter. The higher exports sales of S&W fresh pineapples, favorable pricing across almost all segments and higher volume from the Philippine market were offset by lower sales from exports processed business.

DMPL ex-DMFI delivered a lower gross margin of 26.2% from 30.3% in the same period last year as overall pricing improvements were offset by higher product costs brought about by lower plantation yields and inflationary factors as it sells through higher cost inventory from FY2023.

Philippine sales of US\$75.9 million were 5.3% higher in peso terms but marginally flat in US dollar terms due to the peso depreciation. Sales of packaged fruit, beverage and culinary were higher behind compelling communication campaigns including Saucy Weekends campaign promoting tomato sauce, and value-for-money offers amidst a high inflationary environment. Del Monte improved its market leadership shares in all its five core categories of packaged pineapple, mixed fruit, beverage, tomato and spaghetti sauces, with notable increases in fruits behind consumption-building efforts. Foodservice and convenience store channels continued their strong performance with sales up 25.3% and 16.1%, respectively, on new accounts, outlets and menu ideas.

Fresh sales expanded strongly, up 22.9%, driven by increased sales of premium S&W Deluxe fresh pineapples as well as better pricing. S&W, along with a major distributor partner, held the first ever S&W Pineapple Festival in China covering more than 300 retail stores and 9 wholesale markets to communicate S&W's strong commitment to the Chinese market and showcase its innovative products. S&W Deluxe fresh pineapple was also launched for the first time in select retail outlets in Metro Manila. S&W Frozen Pineapple Stick for consumption as a popsicle was recently launched in 7-Eleven Taiwan. It is now available in 3,400 stores.

Sales of packaged pineapple declined mainly due to reduced shipments to USA. As a result of this, total international market sales of US\$79.7 million were lower by 6.9%.

DMPL's share in Del Monte Foods Private Limited (formerly FieldFresh), the joint venture in India, was a US\$0.1 million profit which declined from prior year quarter's share in profit of US\$0.6 million (which included a one-off miscellaneous income from the sale of its Fresh business). Overall, the India joint venture delivered solid performance with sustained growth across its B2C business and foodservice channel, as well as margin improvements from price increases and better sourcing of key raw materials.

DMFI delivered an EBITDA of US\$25.4 million, down 29.3% versus the US\$36.0 million in the prior year quarter due to margin declines from record level inflation last year. DMFI generated a net loss of US\$9.3 million, lower than prior year quarter's net loss of US\$42.2 million due to the one-off cost of US\$71.9 million or US\$50.2 million post tax and NCI for the refinancing of its high yield loans. Please refer to page 19 for the details of the one-off cost.

DMPL ex-DMFI generated an EBITDA of US\$25.9 million, lower by 21.8%, and a net profit of US\$4.4 million lower by 74.0% versus the US\$17.1 million last year mainly driven by lower margins.

The Group generated an EBITDA of US\$51.1 million which was lower versus prior year's US\$70.0 million mainly driven by unfavorable operations results from both DMFI and DMPL ex-DMFI. The Group incurred a net loss of US\$13.1 million versus prior year quarter's net loss of US\$30.5 million. On a recurring basis, the Group generated a net loss of US\$13.1 million versus a net income of US\$19.6 million last year mainly due to abovementioned factors.

The Group's net debt/adjusted EBITDA increased to 7.2x from 5.0x last year and gearing to 6.0x from 4.2x due to higher loans from the redemption of DMPL's US\$100 million Series A-2 Preference Shares in December 2022, acquisition of Kitchen Basics and higher working capital, mainly DMFI's inventory.

Although debt levels had gone up, the refinancing of the US\$300 million Preference Shares with bank loans at an average interest rate of 6.80% versus the Preference Share coupon of 10% on a step-up basis if not redeemed, saves the company about US\$10.5 million annually.

The Group's cash flow from operations in the first quarter was US\$53.5 million, higher versus last year's US\$6.0 million mainly driven by lower additions to inventories as an initiative to improve the Group's working capital and generate positive cash flow from operations.

The Group had negative working capital as at 31 July 2023 amounting to US\$132.3 million which was an improvement against the negative working capital of US\$205.3 million as at 30 April 2023.

VARIANCE FROM PROSPECT STATEMENT

Although the first quarter result is a net loss, the Group expects to achieve net profit in the remainder of its fiscal year, thus will be in line with its full year guidance of expecting a higher net profit in FY2024.

BUSINESS OUTLOOK

The global environment remains unstable with consumers being more cautious with their spending while inflation has not abated to normal levels. It is all the more imperative to offer superior brand and product value to consumers.

In the U.S., our Company will continue to accelerate its transformation into a leading, innovative consumer packaged goods company focused on building brands. As we grow our core products, we will also expand our portfolio of newer brands JOYBA in bubble tea, Take Root Organics in culinary and Kitchen Basics in stock and broth. Innovation and expanded distribution in a number of high growth channels will continue to be drivers of growth. We continue to scale up our premium MD2 fresh pineapple production in the Philippines to sustain the export growth of these products and our market leadership in North Asia.

We will remain vigilant in managing our operating expenses throughout the supply chain from production to distribution with better operational and energy efficiency, optimized packaging and reduced wastage in order to improve our margins.

The Group is embarking on a strong debt reduction program. First, it will optimally use internally generated cash for debt repayment. To achieve this, the Group is addressing the carryover high inventory levels from FY2023 by reducing the pack in the US. It also aims to improve operating performance in FY2024 which should improve margins vs. the second half of FY2023 and generate positive free cash flow. Secondly, DMPL is considering the issuance of appropriate equity instruments in order to increase its capital. Reducing leverage and interest expense is a key imperative and we are exhausting all options to strengthen our capital structure.

Barring unforeseen circumstances, the Group expects to generate a higher net profit in FY2024 especially in the second half of the fiscal year.

REVIEW OF TURNOVER, GROSS PROFIT AND OPERATING PROFIT

AMERICAS

For the quarter ended 31 July

In US\$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2024	FY2023	% Chg	FY2024	FY2023	% Chg	FY2024	FY2023	% Chg
Packaged vegetable	136,012	115,090	18.2	41,858	48,899	(14.4)	22,569	29,288	(22.9)
Packaged fruit	150,830	131,406	14.8	17,914	20,915	(14.3)	(6,266)	(1,855)	(237.8)
Beverage	17,732	11,475	54.5	1,486	4,459	(66.7)	(2,523)	1,849	(236.5)
Culinary	53,489	44,467	20.3	4,760	8,689	(45.2)	(4,358)	752	(679.5)
Others	890	901	(1.2)	(392)	(328)	(19.5)	(243)	(668)	63.6
Total	358,953	303,339	18.3	65,626	82,634	(20.6)	9,179	29,366	(68.7)

Sales in the Americas increased by 18.3% to US\$359.0 million, driven by pricing actions and strong growth and development of the company's branded product portfolio in both traditional and emerging channels. Gross profit was down 20.6%, despite higher sales, mainly due to inflationary factors coming from high-cost inventory from the FY2023 pack.

Americas reported an operating profit for the quarter of US\$9.2 million versus prior year quarter's US\$29.4 million driven by significantly eroded margins coming from record level inflation last year.

ASIA PACIFIC

For the quarter ended 31 July

In US\$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2024	FY2023	% Chg	FY2024	FY2023	% Chg	FY2024	FY2023	% Chg
Packaged vegetable	281	521	(46.1)	24	104	(76.9)	17	86	(80.2)
Packaged fruit	23,070	24,683	(6.5)	5,252	7,159	(26.6)	2,046	3,708	(44.8)
Beverage	31,235	33,149	(5.8)	7,282	10,280	(29.2)	2,788	4,930	(43.4)
Culinary	31,757	31,063	2.2	11,274	12,461	(9.5)	7,155	9,024	(20.7)
Others	62,933	56,195	12.0	17,334	16,764	3.4	4,623	1,885	145.3
Total	149,276	145,611	2.5	41,166	46,768	(12.0)	16,629	19,633	(15.3)

Asia Pacific's sales in the first quarter grew by 2.5% to US\$149.3 million from US\$145.6 million driven by higher export sales of fresh pineapples.

In the Philippines, sales increased by 0.7% in US dollar terms and by 5.3% in peso terms driven by growth across all channels.

EUROPE

For the quarter ended 31 July

In US\$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2024	FY2023	% Chg	FY2024	FY2023	% Chg	FY2024	FY2023	% Chg
Packaged fruit	7,460	4,335	72.1	1,254	1,244	0.8	460	501	(8.2)
Beverage	995	3,246	(69.3)	226	1,061	(78.7)	159	903	(82.4)
Culinary	49	56	(12.5)	23	29	(20.7)	13	27	(51.9)
Total	8,504	7,637	11.4	1,503	2,334	(35.6)	632	1,431	(55.8)

For the first quarter, Europe's sales increased by 11.4% to US\$8.5 million from US\$7.6 million on higher sales of pineapple slices and tidbits. Gross profit declined by 35.6% to US\$1.5 million, while operating income declined by 55.8% to US\$0.6 million mainly driven by higher production costs.

REVIEW OF COST OF GOODS SOLD AND OPERATING EXPENSES

% of Turnover	For the quarter ended 31 July		
	FY2024	FY2023	Explanatory Notes
Cost of Goods Sold	79.0	71.1	Higher manufacturing cost driven by inflationary factors coming from sales of high cost FY 23 Pack inventory
Distribution and Selling Expenses	9.4	10.9	Lower freight cost in DMFI and and distribution cost in DMPI, coming from high base last year
G&A Expenses	6.5	7.5	Driven by lower people cost from DMPL
Other Operating Expenses (Income)	(0.1)	(0.5)	Driven by higher miscellaneous finance charges and income from discontinued operations from DMFI last year

REVIEW OF OTHER MATERIAL CHANGES TO INCOME STATEMENTS

In US\$'000	For the quarter ended 31 July			
	FY2024	FY2023	%	Explanatory Notes
Depreciation and amortization	(50,585)	(49,828)	(1.5)	nm
Reversal/ (Provision) for inventory obsolescence	(427)	(72)	(493.1)	Mainly driven by excess supply of FNR and TIPCO and higher cannery defects
Reversal/ (Provision) for doubtful debts	(1)	-	0.0	nm
Net gain/(loss) on disposal of fixed assets	(9)	-	0.0	nm
Foreign exchange gain/(loss)- net	4,988	1,713	191.2	Driven by forex gain from ICMOSA
Interest income	205	240	(14.6)	Higher interest income last year driven by DMPI due to interest charges on unpaid warehousing fees
Interest expense	(44,031)	(94,746)	53.5	Driven by DMFI, last year's interest includes one-off redemption cost and write-off of deferred financing cost related to high yield loan refinancing
Share in net loss of JV	134	668	(79.9)	Improvement in JV margins were offset by one-off transactions from sale of Fresh business from the India Joint Venture
Taxation benefit (expense)	26	10,945	(99.8)	Lower tax benefit driven by net loss in DMFI last year due to one-off refinancing cost

REVIEW OF GROUP ASSETS AND LIABILITIES

Balance Sheet	July 2023 (Unaudited)	July 2022 (Unaudited)	April 2023 (Audited)	% Variance vs April 2023	Explanatory Notes
In US\$'000					
ASSETS					
Property, plant and equipment - net	673,976	562,872	658,991	2.3	Increase mainly due to additions to bearer plants in the Philippines and higher CIP in the US
Right-of-use (ROU) assets	96,392	115,243	100,566	(4.2)	Mainly due to amortizations on ROU assets
Investment in joint ventures	20,295	18,808	20,161	0.7	nm
Intangible assets and goodwill	752,073	686,384	753,841	(0.2)	nm
Other noncurrent assets	45,253	27,196	42,250	7.1	Higher derivative asset from interest rate swap
Deferred tax assets - net	118,734	132,483	118,060	0.6	nm
Pension assets	10,506	8,995	10,630	(1.2)	nm
Biological assets	47,387	45,560	47,859	(1.0)	nm
Inventories	1,175,599	868,256	1,076,772	9.2	Mainly driven by higher volume and higher cost of production
Trade and other receivables	210,096	198,900	231,036	(9.1)	Mainly from timing of collection of sales
Prepaid expenses and other current assets	60,878	51,360	59,667	2.0	nm
Cash and cash equivalents	23,155	24,468	19,836	16.7	Increase in cash flow from operating activities
EQUITY					
Share capital	19,449	29,449	19,449	0.0	nm
Share premium	208,339	298,339	208,339	0.0	nm
Retained earnings	103,917	76,546	119,540	(13.1)	Driven by net loss during the period
Reserves	(16,803)	(51,028)	(28,511)	41.1	Higher hedging reserve from interest rate swap
Non-controlling interest	68,523	62,095	66,941	2.4	nm
LIABILITIES					
Loans and borrowings	2,322,879	1,754,620	2,273,353	2.2	Driven by higher short term loans for working capital requirements
Lease liabilities	97,977	110,243	100,096	(2.1)	Driven by lease payments
Other noncurrent liabilities	13,273	22,565	16,826	(21.1)	Driven by lower derivative liabilities and workers' compensation from DMFI
Employee benefits	49,351	54,556	45,574	8.3	Driven by higher short-term employee benefits
Environmental remediation liabilities	-	203	-	0.0	nm
Deferred tax liabilities - net	13,018	6,762	11,630	11.9	Higher deferred tax liabilities on commodity and forex hedges
Trade and other current liabilities	352,027	371,265	304,940	15.4	Driven by higher trade payables in the US
Current tax liabilities	2,394	4,910	1,492	60.5	Timing of tax payment for DMPI

SHARE CAPITAL

Total shares outstanding were 1,943,960,024 (all common shares as preference shares had all been redeemed) as of 31 July 2023. Share capital was US\$19.5 million as of 31 July 2023 and 30 April 2023.

The number of shares outstanding excludes 975,802 shares held by the Company as treasury shares as at 31 July 2023 and 30 April 2023. There was no sale, disposal and cancellation of treasury shares during the quarter and as at 31 July 2023.

BORROWINGS AND NET DEBT

<i>Liquidity in US\$'000</i>	July 2023 (Unaudited)	July 2022 (Unaudited)	April 2023 (Audited)
Gross borrowings	(2,322,879)	(1,754,620)	(2,273,353)
Current	(1,234,963)	(673,974)	(1,278,876)
Secured	(581,192)	(309,479)	(645,760)
Unsecured	(653,771)	(364,495)	(633,116)
Non-current	(1,087,916)	(1,080,646)	(994,477)
Secured	(879,081)	(714,976)	(781,067)
Unsecured	(208,835)	(365,670)	(213,410)
Less: Cash and bank balances	23,155	24,468	19,836
Net debt	(2,299,724)	(1,730,152)	(2,253,517)

The Group's net debt (borrowings less cash and bank balances) amounted to US\$2.30 billion as at 31 July 2023, higher than the US\$2.25 billion as at 30 April 2023 due to increase in DMFI's working capital loans.

DIVIDENDS

No dividends were declared for this quarter and the prior year quarter. The Group does not declare dividends based on first quarter, third quarter or nine months results. The last dividend declaration was in July 2023 based on FY2023 results, and paid on 25 July 2023.

INTERESTED PERSON TRANSACTIONS

The aggregate value of IPT conducted pursuant to shareholders' mandate obtained in accordance with Chapter 9 of the Singapore Exchange's Listing Manual was as follows:

In US\$'000		Aggregate value of all IPTs (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)	
For the quarter ended 31 July	Nature of Relationship	FY2024	FY2023	FY2024	FY2023
NutriAsia, Inc	Affiliate of the Company	-	-	179	79
NutriAsia Pacific Limited	Affiliate of the Company	-	-	-	-
DMPI Retirement Fund	Retirement Fund of Subsidiary's Employees	-	-	475	441
NutriAsia, Inc Retirement Fund	Retirement Fund of Affiliate's Employees	-	-	148	154
Aggregate Value		-	-	802	674

DEL MONTE PACIFIC LIMITED
UNAUDITED CONSOLIDATED INCOME STATEMENT

Amounts in US\$'000	For the quarter ended 31 July		
	FY2024 (Unaudited)	FY2023 (Unaudited)	%
Turnover	516,733	456,587	13.2
Cost of sales	(408,438)	(324,851)	(25.7)
Gross profit	108,295	131,736	(17.8)
Distribution and selling expenses	(48,763)	(49,645)	1.8
General and administration expenses	(33,703)	(34,098)	1.2
Other operating income/(loss)	611	2,437	(74.9)
Profit from operations	26,440	50,430	(47.6)
Financial income*	5,237	2,323	125.4
Financial expense**	(44,075)	(95,116)	53.7
Share in net loss of joint venture	134	668	(79.9)
Profit before taxation	(12,264)	(41,695)	70.6
Taxation	26	10,945	(99.8)
Profit after taxation	(12,238)	(30,750)	60.2
Profit attributable to:			
Owners of the Company	(13,081)	(30,523)	57.1
Non-controlling interest***	843	(227)	471.4
Profit for the period	(12,238)	(30,750)	60.2
Notes:			
Depreciation and amortization	(50,585)	(49,828)	(1.5)
Reversal of (provision for) inventory obsolescence	(427)	(72)	(493.1)
Provision for doubtful debts	(1)	-	nm
Gain (loss) on disposal of fixed assets	(9)	-	nm
*Financial income comprise:			
Interest income	205	240	(14.6)
Foreign exchange gain	5,032	2,083	141.6
	5,237	2,323	125.4
**Financial expense comprise:			
Interest expense	(44,031)	(94,746)	53.5
Foreign exchange loss	(44)	(370)	88.1
	(44,075)	(95,116)	53.7

nm – not meaningful

Earnings per ordinary share in US cents	For the quarter ended 31 July	
	FY2024	FY2023
Earnings per ordinary share based on net profit attributable to shareholders:		
(i) Based on weighted average no. of ordinary shares	(0.67)	(1.65)
(ii) On a fully diluted basis	(0.67)	(1.65)
***NCI Includes: (amounts in US\$)	For the quarter ended 31 July	
	FY2024	FY2023
DMFI NCI	(638)	(2,897)
DMPi NCI	1,476	2,612
FieldFresh NCI	4	59

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

Amounts in US\$'000	For the quarter ended 31 July		
	FY2024 (Unaudited)	FY2023 (Unaudited)	%
Profit for the period	(12,238)	(30,750)	60.2
Other comprehensive income (after reclassification adjustment):			
<i>Items that will or may be reclassified subsequently to profit or loss</i>			
Exchange differences on translating of foreign operations	2,465	(9,796)	125.2
Effective portion of changes in fair value of cash flow hedges	13,767	35	nm
Income tax expense on cash flow hedge	(3,442)	(9)	nm
	12,790	(9,770)	230.9
<i>Items that will not be classified to profit or loss</i>			
Remeasurement of retirement benefit	(18)	32	(156.3)
Income tax expense on retirement benefit	3	(4)	175.0
	(15)	28	(153.6)
Other comprehensive income/(loss) for the period	12,775	(9,742)	231.1
Total comprehensive income for the period	537	(40,492)	101.3
Attributable to:			
Owners of the Company	(1,373)	(39,010)	96.5
Non-controlling interests	1,910	(1,482)	228.9
Total comprehensive income for the period	537	(40,492)	101.3

Please refer to page 3 for the Notes

DEL MONTE PACIFIC LIMITED

UNAUDITED STATEMENT OF FINANCIAL POSITION

Amounts in US\$'000	Group			Company		
	July 2023 (Unaudited)	July 2022 (Unaudited)	April 2023 (Audited)	July 2023 (Unaudited)	July 2022 (Unaudited)	April 2023 (Audited)
Non-Current Assets						
Property, plant and equipment - net	673,976	562,872	658,991	-	-	-
Right-of-use (ROU) assets	96,392	115,243	100,566	128	101	77
Investment in subsidiaries	-	-	-	977,083	917,053	967,159
Investment in joint ventures	20,295	18,808	20,161	1,807	2,830	2,623
Intangible assets and goodwill	752,073	686,384	753,841	-	-	-
Other noncurrent assets	45,253	27,196	42,250	5,023	47	5,023
Deferred tax assets - net	118,734	132,483	118,060	-	24	-
Pension assets	10,506	8,995	10,630	33	-	60
Biological assets	3,154	2,645	3,007	-	-	-
	1,720,383	1,554,626	1,707,506	984,074	920,055	974,942
Current Assets						
Inventories	1,175,599	868,256	1,076,772	-	-	-
Biological assets	44,233	42,915	44,852	-	-	-
Trade and other receivables	210,096	198,900	231,036	28,414	37,898	26,406
Prepaid expenses and other current assets	60,878	51,360	59,667	22	902	94
Cash and cash equivalents	23,155	24,468	19,836	1,049	1,773	554
	1,513,961	1,185,899	1,432,163	29,485	40,573	27,054
Total Assets	3,234,344	2,740,525	3,139,669	1,013,559	960,628	1,001,996
Equity attributable to equity holders of the Company						
Share capital	19,449	29,449	19,449	19,449	29,449	19,449
Share premium	208,339	298,339	208,339	208,478	298,478	208,478
Retained earnings	103,917	76,546	119,540	103,917	76,546	119,540
Reserves	(16,803)	(51,028)	(28,511)	(16,803)	(51,028)	(28,511)
Equity attributable to owners of the Company	314,902	353,306	318,817	315,041	353,445	318,956
Non-controlling interest	68,523	62,095	66,941	-	-	-
Total Equity	383,425	415,401	385,758	315,041	353,445	318,956
Non-Current Liabilities						
Loans and borrowings	1,087,916	1,080,646	994,477	291,025	323,898	241,959
Lease liabilities	68,470	88,769	72,204	-	-	-
Other noncurrent liabilities	13,273	22,565	16,826	-	-	-
Employee benefits	21,944	24,587	21,294	-	38	-
Environmental remediation liabilities	-	203	-	-	-	-
Deferred tax liabilities - net	13,018	6,762	11,630	-	-	49
	1,204,621	1,223,532	1,116,431	291,025	323,936	242,008
Current Liabilities						
Trade and other current liabilities	352,027	371,265	304,940	90,525	39,025	116,134
Loans and borrowings	1,234,963	673,974	1,278,876	316,884	244,166	324,898
Lease liabilities	29,507	21,474	27,892	-	-	-
Current tax liabilities	2,394	4,910	1,492	84	56	-
Employee benefits	27,407	29,969	24,280	-	-	-
	1,646,298	1,101,592	1,637,480	407,493	283,247	441,032
Total Liabilities	2,850,919	2,325,124	2,753,911	698,518	607,183	683,040
Total Equity and Liabilities	3,234,344	2,740,525	3,139,669	1,013,559	960,628	1,001,996
NAV per ordinary share (US cents)	16.20	13.03	16.40	16.21	13.04	16.41
NTAV per ordinary share (US cents)	(22.49)	(22.28)	(22.38)	16.21	13.04	16.41

DEL MONTE PACIFIC LIMITED

UNAUDITED STATEMENTS OF CHANGES IN EQUITY

<i>Amounts in US\$'000</i>											
	Share capital	Share premium	Translation reserve	Revaluation reserve	Remeasurement of retirement plan	Hedging Reserve	Reserve for own shares	Retained earnings	Totals	Non-controlling interest	Total equity
Group											
Fiscal Year 2024											
At 1 May 2023	19,449	208,339	(105,020)	29,354	46,051	1,390	(286)	119,540	318,817	66,941	385,758
Total comprehensive income for the period											
Profits for the period								(13,081)	(13,081)	843	(12,238)
Other comprehensive income											
Currency translation differences recognized directly in equity	-	-	2,153	-	-	-	-	-	2,153	312	2,465
Remeasurement of retirement plan, net of tax	-	-	-	-	(13)	-	-	-	(13)	(2)	(15)
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	-	-	9,568	-	-	9,568	757	10,325
Total other comprehensive income/(loss)	-	-	2,153	-	(13)	9,568	-	-	11,708	1,067	12,775
Total comprehensive (loss)/income for the period	-	-	2,153	-	(13)	9,568	-	(13,081)	(1,373)	1,910	537
Transactions with owners recorded directly in equity											
Contributions by and distributions to owners											
Payment of Dividends	-	-	-	-	-	-	-	(2,542)	(2,542)	(328)	(2,870)
Total contributions by and distributions to owners	-	-	-	-	-	-	-	(2,542)	(2,542)	(328)	(2,870)
At 31 July 2023	19,449	208,339	(102,867)	29,354	46,038	10,958	(286)	103,917	314,902	68,523	383,425

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

<i>Amounts in US\$'000</i>	Share capital	Share premium	Translation reserve	Revaluation reserve	Remeasure- ment of retirement plan	Hedging Reserve	Reserve for own shares	Retained earnings	Totals	Non- controlling interest	Total equity
Group											
Fiscal Year 2023											
At 1 May 2022	29,449	298,339	(95,322)	14,278	43,752	(4,963)	(286)	140,320	425,567	69,138	494,705
Total comprehensive income for the period											
Profits for the period	-	-	-	-	-	-	-	(30,523)	(30,523)	(227)	(30,750)
Other comprehensive income											
Currency translation differences recognized directly in equity	-	-	(8,535)	-	-	-	-	-	(8,535)	(1,261)	(9,796)
Remeasurement of retirement plan, net of tax	-	-	-	-	24	-	-	-	24	4	28
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	-	-	24	-	-	24	2	26
Total other comprehensive income/(loss)	-	-	(8,535)	-	24	24	-	-	(8,487)	(1,255)	(9,742)
Total comprehensive (loss)/income for the period	-	-	(8,535)	-	24	24	-	(30,523)	(39,010)	(1,482)	(40,492)
Transactions with owners recorded directly in equity											
Contributions by and distributions to owners											
Payment of Dividends	-	-	-	-	-	-	-	(33,251)	(33,251)	(5,561)	(38,812)
Total contributions by and distributions to owners	-	-	-	-	-	-	-	(33,251)	(33,251)	(5,561)	(38,812)
At 31 July 2022	29,449	298,339	(103,857)	14,278	43,776	(4,939)	(286)	76,546	353,306	62,095	415,401

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

<i>Amounts in US\$'000</i>	Share capital	Share premium	Translation reserve	Revaluation reserve	Remeasure- ment of retirement plan	Hedging Reserve	Share Option reserve	Reserve for own shares	Retained earnings	Total equity
Company										
Fiscal Year 2024										
At 1 May 2023	19,449	208,478	(105,020)	29,354	46,051	1,390	-	(286)	119,540	318,956
Total comprehensive income for the period										
Profits for the period									(13,081)	(13,081)
Other comprehensive income										
Currency translation differences recognized directly in equity	-	-	2,153	-	-	-	-	-	-	2,153
Remeasurement of retirement plan, net of tax	-	-	-	-	(13)	-	-	-	-	(13)
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	-	-	9,568	-	-	-	9,568
Total other comprehensive income/(loss)	-	-	2,153	-	(13)	9,568	-	-	-	11,708
Total comprehensive (loss)/income for the period	-	-	2,153	-	(13)	9,568	-	-	(13,081)	(1,373)
Transactions with owners recorded directly in equity										
Contributions by and distributions to owners										
Payment of Dividends	-	-	-	-	-	-	-	-	(2,542)	(2,542)
Total contributions by and distributions to owners	-	-	-	-	-	-	-	-	(2,542)	(2,542)
At 31 July 2023	19,449	208,478	(102,867)	29,354	46,038	10,958	-	(286)	103,917	315,041

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

<i>Amounts in US\$'000</i>	Share capital	Share premium	Translation reserve	Revaluation reserve	Remeasure- ment of retirement plan	Hedging Reserve	Share Option reserve	Reserve for own shares	Retained earnings	Total equity
Company										
Fiscal Year 2023										
At 1 May 2022	29,449	298,478	(95,322)	14,278	43,752	(4,963)	-	(286)	140,320	425,706
Total comprehensive income for the period										
Profits for the period	-	-	-	-	-	-	-	-	(30,523)	(30,523)
Other comprehensive income										
Currency translation differences recognized directly in equity	-	-	(8,535)	-	-	-	-	-	-	(8,535)
Remeasurement of retirement plan, net of tax	-	-	-	-	24	-	-	-	-	24
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	-	-	24	-	-	-	24
Total other comprehensive income/(loss)	-	-	(8,535)	-	24	24	-	-	-	(8,487)
Total comprehensive (loss)/income for the period	-	-	(8,535)	-	24	24	-	-	(30,523)	(39,010)
Transactions with owners recorded directly in equity										
Contributions by and distributions to owners										
Payment of Dividends	-	-	-	-	-	-	-	-	(33,251)	(33,251)
Total contributions by and distributions to owners	-	-	-	-	-	-	-	-	(33,251)	(33,251)
At 31 July 2022	29,449	298,478	(103,857)	14,278	43,776	(4,939)	-	(286)	76,546	353,445

DEL MONTE PACIFIC LIMITED
UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

Amounts in US\$'000	For the quarter ended	
	31 July	
	FY2024	FY2023
	(Unaudited)	(Unaudited)
Cash flows from operating activities		
Profit for the period	(12,238)	(30,750)
Adjustments for:		
Depreciation of property, plant and equipment	40,908	40,118
Amortization of right-of-use assets	7,909	8,047
Amortization of intangible assets	1,768	1,663
Gain on disposal of property, plant and equipment	9	-
Share in net (profit) loss of joint venture	(134)	(668)
Finance income	(5,237)	(2,323)
Finance expense	44,075	24,245
Redemption fee on Senior Secured Loans	-	44,530
Write-off of deferred financing costs	-	26,341
Tax expense - current	2,733	9,069
Tax expense (deferred)	(2,759)	(20,014)
Operating profit before working capital changes	77,034	100,258
Changes in:		
Other assets	(490)	1,557
Inventories	(95,168)	(183,083)
Biological assets	1,051	1,816
Trade and other receivables	25,048	10,548
Prepaid and other current assets	4,729	(3,350)
Trade and other payables	37,671	91,753
Employee Benefit	4,004	(7,697)
Operating cash flow	53,879	11,802
Income taxes paid	(378)	(5,799)
Net cash flows provided by operating activities	53,501	6,003
Cash flows from investing activities		
Interest received	1,554	400
Proceeds from disposal of property, plant and equipment	88	58
Purchase of property, plant and equipment	(46,999)	(43,026)
Additional investment in joint venture	-	(968)
Net cash flows used in investing activities	(45,357)	(43,536)
Cash flows from financing activities		
Interest paid	(41,116)	(45,583)
Proceeds of borrowings	1,598,103	905,969
Repayment of borrowings	(1,553,584)	(713,585)
Payments of lease liability	(7,046)	(13,550)
Dividends paid	(2,870)	(38,811)
Redemption fee on Senior Secured Loans	-	(44,530)
Payments of debt related costs	(995)	(13,915)
Net cash flows provided by (used in) financing activities	(7,508)	35,995
Net increase (decrease) in cash and cash equivalents	636	(1,538)
Cash and cash equivalents, beginning	19,836	21,853
Effect of exchange rate fluctuations on cash held in foreign currency	2,683	4,153
Cash and cash equivalents at end of period	23,155	24,468

PROFIT AND LOSS SUMMARY OF MAJOR SUBSIDIARIES

DEL MONTE FOODS HOLDINGS LIMITED AND SUBSIDIARIES UNAUDITED CONSOLIDATED INCOME STATEMENT

Amounts in US\$'000	For the quarter ended 31 July		
	FY2024 (Unaudited)	FY2023 (Unaudited)	%
Turnover	356,356	302,445	17.8
Cost of sales	(291,617)	(224,030)	(30.2)
Gross profit	64,739	78,415	(17.4)
Distribution and selling expenses	(31,113)	(29,866)	(4.2)
General and administration expenses	(25,293)	(24,708)	(2.4)
Other operating income/(loss)	655	1,490	(56.0)
Profit from operations	8,988	25,331	(64.5)
Interest income	17	10	70.0
Interest expense	(26,733)	(85,551)	68.8
Forex exchange gain (loss)	4,917	(356)	1,481.2
Profit before taxation	(12,811)	(60,566)	78.8
Taxation	2,893	15,505	(81.3)
Profit after taxation	(9,918)	(45,061)	78.0

DEL MONTE PHILIPPINES, INC. AND SUBSIDIARIES UNAUDITED CONSOLIDATED INCOME STATEMENT

	For the quarter ended 31 July					
	FY2024 (Unaudited)	FY2023 (Unaudited)	%	FY2024 (Unaudited)	FY2023 (Unaudited)	%
	In PHP'000			In US\$'000		
Turnover	9,052,614	8,911,107	1.6	162,320	168,548	(3.7)
Cost of sales	(6,676,138)	(6,338,025)	(5.3)	(119,708)	(119,879)	0.1
Gross profit	2,376,476	2,573,082	(7.6)	42,612	48,669	(12.4)
Distribution and selling expenses	(952,034)	(994,001)	4.2	(17,071)	(18,801)	9.2
General and administration expenses	(276,355)	(272,296)	(1.5)	(4,955)	(5,150)	3.8
Other operating loss	(90,503)	(54,598)	(65.8)	(1,623)	(1,033)	(57.1)
Profit from operations	1,057,584	1,252,187	(15.5)	18,963	23,685	(19.9)
Interest income	99,602	19,466	411.7	1,786	368	385.3
Interest expense	(392,151)	(180,160)	(117.7)	(7,032)	(3,408)	(106.3)
Forex exchange gain	3,949	101,461	(96.1)	71	1,919	(96.3)
Share in net loss of joint venture	382	-	nm	7	-	nm
Profit before taxation	769,366	1,192,954	(35.5)	13,795	22,564	(38.9)
Taxation	(105,436)	(153,272)	31.2	(1,891)	(2,899)	34.8
Profit after taxation	663,930	1,039,682	(36.1)	11,904	19,665	(39.5)

Forex translation used: 55.77 in July 2023 and 52.87 in July 2022

DEL MONTE PHILIPPINES, INC. AND SUBSIDIARIES
OPERATING SEGMENT BY PRODUCT

	For the quarter ended 31 July					
	FY24 (In PHP'000)	FY23	% Chg	FY24 (In US\$'000)	FY23	% Chg
Revenues						
Convenience Cooking and Desert	2,524,758	2,308,878	9.3	45,271	43,671	3.7
Healthy Beverages and Snacks	1,706,130	1,705,924	0.0	30,592	32,266	(5.2)
Premium Fresh Fruit	2,673,880	2,080,095	28.5	47,945	39,344	21.9
Packaged fruit and Beverages - Export	1,491,752	2,124,918	(29.8)	26,748	40,191	(33.4)
Others	31,163	21,287	46.4	558	403	38.5
Changes in fair value – PAS 41	624,931	670,005	(6.7)	11,206	12,673	(11.6)
Total	9,052,614	8,911,107	1.6	162,320	168,548	(3.7)
Gross income						
Convenience Cooking and Desert	830,353	898,483	(7.6)	14,889	16,994	(12.4)
Healthy Beverages and Snacks	395,745	525,224	(24.7)	7,096	9,934	(28.6)
Premium Fresh Fruit	1,083,748	856,340	26.6	19,432	16,197	20.0
Packaged fruit and Beverages - Export	192,132	329,392	(41.7)	3,445	6,230	(44.7)
Others	13,316	10,027	32.8	239	191	25.1
Changes in fair value - PAS 41	(138,818)	(46,384)	(199.3)	(2,489)	(877)	(183.8)
Total	2,376,476	2,573,082	(7.6)	42,612	48,669	(12.4)
		28.9%			26.3%	28.9%
Earnings before interest and tax						
Convenience Cooking and Desert	384,987	544,402	(29.3)	6,903	10,297	(33.0)
Healthy Beverages and Snacks	89,545	213,236	(58.0)	1,606	4,033	(60.2)
Premium Fresh Fruit	668,262	467,718	42.9	11,982	8,847	35.4
Packaged fruit and Beverages - Export	49,775	169,171	(70.6)	893	3,200	(72.1)
Others	8,173	5,505	48.5	146	104	40.4
Changes in fair value - PAS 41	(138,817)	(46,384)	(199.3)	(2,489)	(877)	(183.8)
Total	1,061,925	1,353,648	(21.6)	19,041	25,604	(25.6)

Forex translation used: 55.77 in July 2023 and 52.87 in July 2022

DMPI's Product segments

Convenience Cooking and Dessert

This segment includes sales of packaged tomato-based and non-tomato-based products, such as tomato sauce and paste, spaghetti sauce, ketchup, pasta sauce, recipe sauce, pizza sauce, pasta, broth and condiments, sold under the *Del Monte* and *Contadina* brands and soy sauces under the *Kikkoman* brand as part of an exclusive distributorship arrangement for the Philippines. This category also includes packaged pineapple solids and tropical mixed fruit products sold within the Philippines under the *Del Monte*, *Fiesta* and *Today's* brands.

Healthy Beverages and Snacks

Healthy beverages which are sold in the Philippines under the *Del Monte* brand include ready-to-drink juices, fruit and vegetable juice drinks, and pineapple juice concentrate in various packaging formats, including Tetra Pak and PET. DMPI's hallmark product in the beverage segment is *100% Pineapple Juice*, including derivations thereof, such as *100% Pineapple Juice* that is enriched with additional vitamins, fiber or calcium or that is specifically developed to help manage cholesterol. In addition, the beverage segment covers juice drinks made from other fruits, vegetables, herbs and botanicals, such as *Tipco* juice, and DMPI's *Fit 'n Right* products, which are drinks fortified with green coffee extract (an antioxidant-containing supplement derived from unroasted raw coffee beans, which is believed to improve blood pressure and cholesterol levels) to help reduce sugar absorption from food and L-carnitine (a chemical compound similar to an amino acid that is produced by the body and which helps the body to metabolize fat into energy) to assist in fat metabolism.

Packaged Fruits and Beverages – Export

This segment includes packaged fruit and beverages products sold internationally.

Packaged Fruit

Packaged fruit includes sales of fruit products that are packaged in different formats such as can, plastic cup, pouch and aseptic bag, and which are sold under the *S&W* brand and the *Del Monte* brand for parties who have the license rights to *Del Monte* in other markets, as well as under the private labels of non-affiliated parties. A portion of MD2 pineapples that are not exported as fresh fruit are used to produce *Nice Fruit* frozen pineapple products and not-from concentrate juices or packaged as a premium version of DMPI's *Del Monte*-branded packaged pineapples, *Deluxe Gold*. *Deluxe Gold* products, which were launched in May 2020, are exported primarily to the United States through an affiliate.

Beverages

Beverages includes sales of *100% Pineapple Juice* and juice drinks in various flavors in can and Tetra Pak packaging and pineapple juice concentrate. In addition, this segment also covers not-from-concentrate juices. Not-from concentrate juice is prepared solely from the juice of whole pineapple at DMPI's Not-From-Concentrate juicing plant and contains no additional ingredients. DMPI produces 100% MD2 Not-From-Concentrate pineapple juice for export to certain countries within Asia for industrial use and for resale to consumers under buyer's own labels.

Premium Fresh Fruit

Premium Fresh Fruit category include sales of *S&W*-branded premium fresh pineapples in Asia Pacific and private label or non-branded MD2 and C74 fresh pineapples in Asia. DMPI's key product in the Premium Fresh Fruit segment is the MD2 pineapple variant, which is the main export product and sold under the "S&W Sweet 16" brand.

Others

The cattle operation helps in the disposal of pineapple pulp, a residue of pineapple processing which is fed to the animals. This also includes culinary products sold internationally.

DMPL ONE-OFF EXPENSES

Amounts in US\$ million	For the quarter ended 31 July		
	FY2024 (Unaudited)	FY2023 (Unaudited)	%
DMFI one-off expenses:			
Redemption fee	-	44.5	nm
Write-off of deferred financing costs (non cash)	-	26.3	nm
Ticking fee	-	1.0	nm
Total (pre-tax basis)	-	71.9	nm
Tax impact	-	(18.3)	nm
Non-controlling interest	-	(3.4)	nm
Total DMFI one-off expenses (post tax, post NCI basis)	-	50.2	nm