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Antonio E.S. Ungson

+65 6324 6822

SEC FORM (3<sup>rd</sup> Quarter FY2021)

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Annual Meeting

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Total Amount of Borrowings

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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 January 31, 2021
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
Preference Shares	30,000,000

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 and Preference 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 FS46

### **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

A handwritten signature in black ink, appearing to read 'P Sachdeva', with a large, sweeping loop at the end.

Parag Sachdeva  
Chief Financial Officer and Duly Authorized Officer

Date

March 10, 2021

**Del Monte Pacific Limited and its Subsidiaries**

Unaudited Interim Condensed Consolidated  
Financial Statements  
As of 31 January 2021  
and for the Periods Ended 31 January 2021 and 2020  
(With Comparative Audited Consolidated Statement of  
Financial Position as at 30 April 2020)

## Unaudited Interim Consolidated Statements of Financial Position

(With Comparative Audited Figures as at 30 April 2020)

	Note	As at 31 January 2021 US\$'000 (Unaudited)	As at 30 April 2020 US\$'000 (Audited)
<b>Noncurrent assets</b>			
Property, plant and equipment – net	6	523,978	507,497
Right-of-use assets	24	144,271	166,085
Investments in joint ventures	8	21,856	22,855
Intangible assets and goodwill	7	696,359	701,347
Deferred tax assets – net		139,961	144,974
Biological assets	10	2,577	2,118
Pension assets		5,144	6,675
Other noncurrent assets	9	32,395	34,937
		<b>1,566,541</b>	<b>1,586,488</b>
<b>Current assets</b>			
Biological assets	10	50,637	61,160
Inventories	11	606,382	482,463
Trade and other receivables	12, 18	217,742	323,065
Prepaid expenses and other current assets	13	47,059	67,712
Cash and cash equivalents	14, 18	33,274	33,465
		<b>955,094</b>	<b>967,865</b>
<b>Total assets</b>		<b>2,521,635</b>	<b>2,554,353</b>
<b>Equity</b>			
Share capital	22	49,449	49,449
Share premium		478,339	478,339
Retained earnings		75,159	60,763
Reserves		(60,558)	(77,474)
Equity attributable to owners of the Company		<b>542,389</b>	<b>511,077</b>
Non-controlling interests		<b>62,498</b>	<b>54,820</b>
<b>Total equity</b>		<b>604,887</b>	<b>565,897</b>
<b>Noncurrent liabilities</b>			
Loans and borrowings	15, 18	903,729	97,737
Lease liabilities	24	115,831	127,696
Employee benefits		74,182	82,398
Environmental remediation liabilities		9,092	9,587
Deferred tax liabilities – net		13,382	12,447
Other noncurrent liabilities	16	22,821	23,380
		<b>1,139,037</b>	<b>353,245</b>
<b>Current liabilities</b>			
Loans and borrowings	15, 18	455,463	1,298,292
Lease liabilities	24	23,328	30,829
Employee benefits		32,671	22,947
Trade and other current liabilities	17, 18	261,669	276,893
Current tax liabilities		4,580	6,250
		<b>777,711</b>	<b>1,635,211</b>
<b>Total liabilities</b>		<b>1,916,748</b>	<b>1,988,456</b>
<b>Total equity and liabilities</b>		<b>2,521,635</b>	<b>2,554,353</b>

## Unaudited Interim Consolidated Statements of Income

		<b>Nine months ended</b>	
		<b>31 January</b>	
	<b>Note</b>	<b>2021</b>	<b>2020</b>
		<b>US\$'000</b>	<b>US\$'000</b>
Revenue		<b>1,664,864</b>	1,489,949
Cost of sales		<b>(1,242,102)</b>	(1,151,222)
<b>Gross profit</b>		<b>422,762</b>	338,727
Distribution and selling expenses		<b>(153,302)</b>	(158,079)
General and administrative expenses	21	<b>(107,138)</b>	(88,557)
Other income (expense) – net		<b>355</b>	(71,190)
<b>Results from operating activities</b>		<b>162,677</b>	20,901
Finance income		<b>4,049</b>	6,214
Finance expense		<b>(83,204)</b>	(78,638)
Net finance expense		<b>(79,155)</b>	(72,424)
Share in net loss of joint ventures	4	<b>(999)</b>	(1,759)
<b>Profit (loss) before taxation</b>		<b>82,523</b>	(53,282)
Tax expense – current		<b>(22,830)</b>	(51,079)
Tax benefit – deferred		<b>(1,003)</b>	25,661
		<b>(23,833)</b>	(25,418)
<b>Profit (loss) for the period</b>		<b>58,690</b>	(78,700)
<b>Profit (loss) attributable to:</b>			
Non-controlling interest		<b>9,929</b>	(9,750)
Owners of the Company		<b>48,761</b>	(68,950)
<b>Earnings / (loss) per share</b>			
Basic loss per share (U.S. cents)	23	<b>1.75</b>	(4.31)
Diluted loss per share (U.S. cents)	23	<b>1.75</b>	(4.31)

**Unaudited Interim Consolidated Statements of Comprehensive Income**

	<b>Nine months ended</b>	
	<b>31 January</b>	
	<b>2021</b>	<b>2020</b>
	<b>US\$'000</b>	<b>US\$'000</b>
<b>Profit (loss) for the period</b>	<b>58,690</b>	<b>(78,700)</b>
<b>Other comprehensive income (loss)</b>		
<b>Items that will not be reclassified subsequently to profit or loss</b>		
Share in remeasurement of retirement plans	<b>10,543</b>	<b>(28,357)</b>
Tax impact on share in remeasurement of retirement plans	<b>(2,578)</b>	<b>5,407</b>
	<b>7,965</b>	<b>(22,950)</b>
<b>Items that may be reclassified subsequently to profit or loss</b>		
Share in currency translation differences	<b>7,439</b>	<b>3,432</b>
Share in effective portion of changes in fair value of cash flow hedges of a subsidiary	<b>4,222</b>	<b>240</b>
Tax impact on share in cash flow hedges	<b>(1,034)</b>	<b>(984)</b>
	<b>10,627</b>	<b>2,688</b>
<b>Other comprehensive income (loss) for the period, net of tax</b>	<b>18,592</b>	<b>(20,262)</b>
<b>Total comprehensive income (loss) for the period</b>	<b>77,282</b>	<b>(98,962)</b>
<b>Total comprehensive income (loss) attributable to:</b>		
Owners of the Company	<b>65,677</b>	<b>(86,721)</b>
Non-controlling interests	<b>11,605</b>	<b>(12,241)</b>
	<b>77,282</b>	<b>(98,962)</b>

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

**Unaudited Interim Consolidated Statements of Changes in Equity**  
**Nine months ended 31 January 2021 and 2020**

	<----- Attributable to owners of the Company ----->											
	Share capital	Share premium	Translation reserve	Revaluation reserve	Remeasurement of retirement plans	Hedging reserve	Share option reserve	Reserve for own shares	Retained earnings	Total	Non-controlling interests	Total equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
	(Note 22)	(Note 22)										
<b>Fiscal Year 2021</b>												
At 1 May 2020	49,449	478,339	(87,997)	13,731	(2,873)	(1,802)	1,753	(286)	60,763	511,077	54,820	565,897
Effect of adoption of IFRS 16	—	—	—	—	—	—	—	—	(1,019)	(1,019)	—	(1,019)
At 1 May 2020, as restated	49,449	478,339	(87,997)	13,731	(2,873)	(1,802)	1,753	(286)	59,744	510,058	54,820	564,878
<b>Total comprehensive loss for the period</b>												
Profit (loss) for the period (Note 23)	—	—	—	—	—	—	—	—	48,761	48,761	9,929	58,690
<b>Other comprehensive income</b>												
Currency translation differences	—	—	6,479	—	—	—	—	—	—	6,479	960	7,439
Remeasurement of retirement plans	—	—	—	—	7,455	—	—	—	—	7,455	510	7,965
Effective portion of changes in fair value of cash flow hedges	—	—	—	—	—	2,982	—	—	—	2,982	206	3,188
<b>Total other comprehensive income (loss)</b>	—	—	6,479	—	7,455	2,982	—	—	—	16,916	1,676	18,592
<b>Total comprehensive income (loss) for the period</b>	—	—	6,479	—	7,455	2,982	—	—	48,761	65,677	11,605	77,282
<b>Transactions with owners of the Company recognised directly in equity</b>												
<b>Contributions by and distributions to owners of the Company</b>												
Sale of shares of a subsidiary	—	—	—	—	—	—	—	—	6,584	6,584	2,201	8,785
Payment of dividends	—	—	—	—	—	—	—	—	(39,930)	(39,930)	(6,128)	(46,058)
<b>Total contributions by and distributions to owners</b>	—	—	—	—	—	—	—	—	(33,346)	(33,346)	(3,927)	(37,273)
<b>At 31 January 2021</b>	49,449	478,339	(81,518)	13,731	4,582	1,180	1,753	(286)	75,159	542,389	62,498	604,887

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

**Unaudited Interim Consolidated Statements of Changes in Equity**  
**Nine months ended 31 January 2021 and 2020**

	<----- Attributable to owners of the Company ----->											
	Share capital	Share premium	Translation reserve	Revaluation reserve	Remeasurement of retirement plans	Hedging reserve	Share option reserve	Reserve for own shares	Retained earnings	Total	Non-controlling interests	Total equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
	(Note 22)	(Note 22)										
<b>Fiscal Year 2020</b>												
At 1 May 2019	49,449	478,339	(93,375)	10,885	17,648	(2,452)	1,753	(286)	96,074	558,035	43,106	601,141
Effect of adoption of IFRS 16	—	—	—	—	—	—	—	—	(745)	(745)	—	(745)
At 1 May 2019, as restated	49,449	478,339	(93,375)	10,885	17,648	(2,452)	1,753	(286)	95,329	557,290	43,106	600,396
<b>Total comprehensive loss for the period</b>												
Profit (loss) for the period (Note 23)	—	—	—	—	—	—	—	—	(68,950)	(68,950)	(9,750)	(78,700)
<b>Other comprehensive income</b>												
Currency translation differences	—	—	3,414	—	—	—	—	—	—	3,414	18	3,432
Remeasurement of retirement plans	—	—	—	—	(20,520)	—	—	—	—	(20,520)	(2,430)	(22,950)
Effective portion of changes in fair value of cash flow hedges	—	—	—	—	—	(665)	—	—	—	(665)	(79)	(744)
<b>Total other comprehensive income (loss)</b>	—	—	3,414	—	(20,520)	(665)	—	—	—	(17,771)	(2,491)	(20,262)
<b>Total comprehensive income (loss) for the period</b>	—	—	3,414	—	(20,520)	(665)	—	—	(68,950)	(86,721)	(12,241)	(98,962)
<b>Transactions with owners of the Company recognised directly in equity</b>												
<b>Contributions by and distributions to owners of the Company</b>												
Payment of dividends	—	—	—	—	—	—	—	—	(19,987)	(19,987)	—	(19,987)
<b>Total contributions by and distributions to owners</b>	—	—	—	—	—	—	—	—	(19,987)	(19,987)	—	(19,987)
<b>At 31 January 2020</b>	49,449	478,339	(89,961)	10,885	(2,872)	(3,117)	1,753	(286)	6,392	450,582	30,865	481,447

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

## Unaudited Interim Consolidated Statements of Cash Flows

		<b>Nine months ended</b>	
		<b>31 January</b>	
	<b>Note</b>	<b>2021</b>	<b>2020</b>
		<b>US\$'000</b>	<b>US\$'000</b>
<b>Cash flows from operating activities</b>			
Profit (loss) for the period		<b>58,690</b>	(78,700)
Adjustments for:			
Depreciation of property, plant and equipment	20	<b>94,384</b>	99,361
Amortisation of right-of-use assets		<b>28,582</b>	20,199
Amortisation of intangible assets	7, 20	<b>4,988</b>	4,988
Reversal of impairment loss on property, plant and equipment	6	<b>(46)</b>	40,761
Gain (loss) on disposal of property, plant and equipment		<b>(2,783)</b>	290
Share in net loss of joint ventures	4	<b>999</b>	1,759
Net loss on derivative settlement		<b>50</b>	758
Finance income*		<b>(4,049)</b>	(6,214)
Finance expense*		<b>83,204</b>	78,638
Tax expense – current		<b>22,830</b>	51,079
Tax expense – deferred		<b>1,003</b>	(25,661)
		<b>287,852</b>	187,258
Changes in:			
Other noncurrent assets		<b>3,091</b>	(5,792)
Inventories		<b>(123,318)</b>	(88,211)
Biological assets		<b>13,180</b>	(8,700)
Trade and other receivables		<b>(5,349)</b>	(28,233)
Prepaid and other current assets		<b>(3,943)</b>	(8,404)
Trade and other payables		<b>(24,232)</b>	42,760
Employee benefits		<b>18,116</b>	12,505
<b>Operating cash flows</b>		<b>165,397</b>	103,183
Taxes paid		<b>(21,378)</b>	(45,928)
<b>Net cash flows used in operating activities</b>		<b>144,019</b>	57,255
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	4	<b>(101,502)</b>	(85,348)
Proceeds from disposal of property, plant and equipment		<b>6,758</b>	10,614
Interest received		<b>267</b>	384
Additional sale of shares of subsidiary		<b>8,967</b>	–
Additional investment in joint venture		<b>–</b>	(1,530)
Collection of receivables from prior year sale of shares of subsidiary and settlement of transaction costs		<b>105,751</b>	–
<b>Net cash flows provided by (used in) investing activities</b>		<b>20,241</b>	(75,880)

*(continued on next page)*

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

**Unaudited Interim Consolidated Statements of Cash Flows (Continued)**

		<b>Nine months ended</b>	
		<b>31 January</b>	
	<b>Note</b>	<b>2021</b>	<b>2020</b>
		<b>US\$'000</b>	<b>US\$'000</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		<b>3,642,924</b>	758,238
Repayment of borrowings		<b>(3,655,917)</b>	(623,452)
Interest paid		<b>(62,849)</b>	(74,181)
Payments of lease liability		<b>(26,018)</b>	(22,545)
Dividends paid		<b>(46,058)</b>	(19,987)
Payment of debt related costs		<b>(18,985)</b>	—
<b>Net cash flows provided by (used in) financing activities</b>		<b>(166,903)</b>	18,073
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(2,643)</b>	(552)
Cash and cash equivalents at beginning of period		<b>33,465</b>	21,636
Effect of exchange rate changes on balances held in foreign currency		<b>2,452</b>	(596)
<b>Cash and cash equivalents at end of period</b>	14	<b>33,274</b>	20,488

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

The immediate holding company is NutriAsia Pacific Limited (“NAPL”) whose indirect shareholders are NutriAsia Inc. (“NAI”) and Well Grounded Limited (“WGL”), which at 31 January 2021 and 30 April 2020, 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 was listed on 7 April 2017 and the second tranche on 15 December 2017.

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 financial statements of the Group as at and for the year ended 31 January 2021 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 January 2021 and for the nine months ended 31 January 2021 and 2020 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 2020 annual audited consolidated financial statements, comprising the consolidated statements of financial position as at 30 April 2020 and 2019 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 2020, 2019, and 2018.

### **2.2 Basis of measurement**

The accompanying 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 financial statements are presented in United States (US\$) dollars, 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 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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

### 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 2020 annual consolidated financial statements, except for the adoption of the following amendments effective beginning 1 May 2020, which did not have any significant impact on the Group's financial position or performance, unless otherwise indicated:

- *Amendments to References to Conceptual Framework in IFRS Standards* sets out amendments to IFRS Standards, their accompanying documents and IFRS practice statements to reflect the issuance of the revised Conceptual Framework for Financial Reporting in 2018 (2018 Conceptual Framework). The 2018 Conceptual Framework includes:
  - a new chapter on measurement;
  - guidance on reporting financial performance;
  - improved definitions of an asset and a liability, and guidance supporting these definitions; and
  - clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting.

Some Standards, their accompanying documents and IFRS practice statements contain references to, or quotations from, the International Accounting Standards Committee ("IASC")'s Framework for the Preparation and Presentation of Financial Statements adopted by the International Accounting Standards Board ("IASB") in 2001 or the Conceptual Framework for Financial Reporting issued in 2010. The amendments update some of those references and quotations so that they refer to the 2018 Conceptual Framework, and makes other amendments to clarify which version of the Conceptual Framework is referred to in particular documents.

- *Amendments to IFRS 3, Definition of a Business*

The amendments to IFRS 3 clarifies the minimum requirements to be a business, remove the assessment of a market participant's ability to replace missing elements, and narrow the definition of outputs. The amendments also add guidance to assess whether an acquired process is substantive and add illustrative examples. An optional fair value concentration test is introduced which permits a simplified assessment of whether an acquired set of activities and assets is not a business.

These amendments will apply on future business combinations of the Group.

- *Amendments to IAS 1, Presentation of Financial Statements, and IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors, Definition of Material*

The amendments refines the definition of material in IAS 1 and align the definitions used across IFRSs and other pronouncements. They are intended to improve the understanding of the existing requirements rather than to significantly impact an entity's materiality judgements.

An entity applies those amendments prospectively for annual reporting periods beginning on or after 1 May 2020, with earlier application permitted. The Group is currently assessing the impact of adopting this standard.

- Amendments to IFRS 7, Financial Instruments: Disclosures and IFRS 9, Financial Instruments, Interest Rate Benchmark Reform.

The amendments to IFRS 9 provide a number of reliefs, which apply to all hedging relationships that are directly affected by the interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainties about the timing and or amount of benchmark-based cash flows of the hedged item or the hedging instrument

- Amendments to IFRS 16, COVID-19-related Rent Concessions

The amendments provides relief to lessees from applying the IFRS 16 requirement on lease modifications to rent concessions arising as a direct consequence of the COVID-19 pandemic. A lessee may elect not to assess whether a rent concession from a lessor is a lease modification if it meets all of the following criteria:

- The rent concession is a direct consequence of COVID-19;
- The change in lease payments results in a revised lease consideration that is substantially the same as, or less than, the lease consideration immediately preceding the change;
- Any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
- There is no substantive change to other terms and conditions of the lease.

A lessee that applies this practical expedient will account for any change in lease payments resulting from the COVID-19 related rent concession in the same way it would account for a change that is not a lease modification, i.e., as a variable lease payment.

The amendments are effective for annual reporting periods beginning on or after 1 June 2020. Early adoption is permitted.

The Group is currently assessing the impact of adopting this standard.

#### **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 co-branded 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 flavours 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 would also include non-branded sales to South America as well as various product innovations such as Mr. Milk, a new fruit yoghurt milk drink introduced in July 2020

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		Asia Pacific		Europe		Total	
	Nine months ended		Nine months ended		Nine months ended		Nine months ended	
	31 January		31 January		31 January		31 January	
	2021	2020	2021	2020	2021	2020	2021	2020
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Revenue</b>								
Packaged fruit and vegetable	923,317	845,387	105,005	95,023	15,127	15,882	1,043,449	956,292
Beverage	13,562	10,479	112,777	97,674	6,201	7,516	132,540	115,669
Culinary	228,367	173,600	129,341	104,573	221	41	357,929	278,214
Fresh fruit and others	1,375	4,121	129,571	135,653	—	—	130,946	139,774
<b>Total</b>	<b>1,166,621</b>	<b>1,033,587</b>	<b>476,694</b>	<b>432,923</b>	<b>21,549</b>	<b>23,439</b>	<b>1,664,864</b>	<b>1,489,949</b>
<b>Gross profit</b>								
Packaged fruit and vegetable	218,795	171,510	33,862	26,561	3,600	511	256,257	198,582
Beverage	625	1,424	35,147	26,530	943	(798)	36,715	27,156
Culinary	41,840	27,782	53,910	38,366	109	12	95,859	66,160
Fresh fruit and others	(1,779)	(296)	35,710	47,125	—	—	33,931	46,829
<b>Total</b>	<b>259,481</b>	<b>200,420</b>	<b>158,629</b>	<b>138,582</b>	<b>4,652</b>	<b>(275)</b>	<b>422,762</b>	<b>338,727</b>
<b>Share in net loss of joint ventures</b>								
Packaged fruit and vegetable	—	—	(219)	(780)	—	—	(219)	(780)
Beverage	—	—	(44)	(100)	—	—	(44)	(100)
Culinary	—	—	(610)	(788)	—	—	(610)	(788)
Fresh fruit and others	—	—	(126)	(91)	—	—	(126)	(91)
<b>Total</b>	<b>—</b>	<b>—</b>	<b>(999)</b>	<b>(1,759)</b>	<b>—</b>	<b>—</b>	<b>(999)</b>	<b>(1,759)</b>
<b>Profit (loss) before taxation</b>								
Packaged fruit and vegetable	21,452	(20,184)	21,588	14,642	2,175	(778)	45,215	(6,320)
Beverage	(1,754)	(1,789)	17,902	10,331	421	(1,499)	16,569	7,043
Culinary	(10,370)	(11,693)	36,036	21,395	79	—	25,745	9,702
Fresh fruit and others	(5,714)	(76,943)	708	13,236	—	—	(5,006)	(63,707)
<b>Total</b>	<b>3,614</b>	<b>(110,609)</b>	<b>76,234</b>	<b>59,604</b>	<b>2,675</b>	<b>(2,277)</b>	<b>82,523</b>	<b>(53,282)</b>
<b>Other information</b>								
Capital expenditure	13,576	9,540	87,926	75,808	—	—	101,502	85,348

***Major customer***

Revenues from a major customer of the Americas segment for the nine months ended 31 January 2021 and 2020 amounted to US\$359.2 million and US\$363.3 million, respectively representing 30.8% and 35.1% of the total Americas segment's net revenue, respectively.

**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 several production facilities in the U.S., Mexico, and Philippines. Fruit plants are located in California and Washington in the United States and Philippines. Most of its vegetable plants are located in the U.S. Midwest while its tomato plant is 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.

The declaration of COVID-19 by the World Health Organization (WHO) as a pandemic and implementation of quarantine measures in most countries brought growth in sales, especially in Americas, as consumers chose healthy, shelf-stable products in response to the pandemic.

## 6. Property, plant and equipment

	<----- 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
<b>Group</b>						
<b>Cost/Valuation</b>						
At 1 May 2020	207,889	561,392	29,151	361,982	63,294	1,223,708
Additions	100	2,267	19,679	80,140	—	102,186
Disposals	(349)	(1,561)	—	—	(870)	(2,780)
Write off - closed fields	—	—	—	(60,362)	—	(60,362)
Reclassifications from CIP	1,544	14,772	(16,316)	—	—	—
Currency realignment	2,747	10,758	584	17,229	748	32,066
At 31 January 2021	211,931	587,628	33,098	398,989	63,172	1,294,818
At 1 May 2019	218,313	596,123	32,483	311,937	61,541	1,220,397
Additions	896	4,154	27,340	98,128	—	130,518
Disposals	(18,114)	(72,253)	—	—	(3,571)	(93,938)
Write off - closed fields	—	—	—	(58,290)	—	(58,290)
Revaluation	—	—	—	—	4,066	4,066
Reclassifications from CIP	4,757	26,491	(31,248)	—	—	—
Reclassifications from assets held for sale	350	22	—	—	870	1,242
Currency realignment	1,687	6,855	576	10,207	388	19,713
At 30 April 2020	207,889	561,392	29,151	361,982	63,294	1,223,708
<b>Accumulated depreciation and impairment losses</b>						
At 1 May 2020	94,801	371,508	—	241,366	8,536	716,211
Charge for the year	6,895	33,018	—	55,317	—	95,230
Reversal of impairment loss	(3)	(43)	—	—	—	(46)
Write off - closed fields	—	—	—	(60,362)	—	(60,362)
Disposals	(33)	(1,171)	—	—	—	(1,204)
Currency realignment	1,401	8,124	—	11,486	—	21,011
At 31 January 2021	103,061	411,436	—	247,807	8,536	770,840
At 1 May 2019	77,408	343,540	—	213,119	4,297	638,364
Charge for the year	10,091	48,218	—	78,365	—	136,674
Impairment loss	15,672	20,835	—	—	4,239	40,746
Write off - closed fields	—	—	—	(58,290)	—	(58,290)
Disposals	(9,200)	(46,402)	—	—	—	(55,602)
Currency realignment	830	5,317	—	8,172	—	14,319
At 30 April 2020	94,801	371,508	—	241,366	8,536	716,211
<b>Carrying amounts</b>						
At 31 January 2021	108,870	176,192	33,098	151,182	54,636	523,978
At 30 April 2020	113,088	189,884	29,151	120,616	54,758	507,497

The Group has amounts in accrued liabilities relating to property, plant and equipment acquisitions of US\$0.7 million as of 31 January 2021 (30 April 2020: US\$1.2 million). Down payments made by the Group for the acquisition of property, plant and equipment amounted to US\$1.0 million as of 30 January 2021 (30 April 2020: to US\$1.5 million).

## 7. Intangible assets and goodwill

	<b>Goodwill</b>	<b>Indefinite life</b>	<b>Amortisable</b>	<b>Customer</b>	
	<b>US\$'000</b>	<b>trademarks</b>	<b>trademarks</b>	<b>relationship</b>	<b>Total</b>
		<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
<b>Cost</b>					
At 1 May 2020/ 31 January 2021	203,432	408,043	24,180	107,000	742,655
At 1 May 2019/ 30 April 2020	203,432	408,043	24,180	107,000	742,655
<b>Accumulated amortisation</b>					
At 1 May 2020	—	—	8,219	33,089	41,308
Amortisation	—	—	976	4,012	4,988
At 31 January 2021	—	—	9,195	37,101	46,296
At 1 May 2019	—	—	6,919	27,739	34,658
Amortisation	—	—	1,300	5,350	6,650
At 30 April 2020	—	—	8,219	33,089	41,308
<b>Carrying amounts</b>					
At 31 January 2021	<b>203,432</b>	<b>408,043</b>	<b>14,985</b>	<b>69,899</b>	<b>696,359</b>
At 30 April 2020	203,432	408,043	15,961	73,911	701,347

### *Goodwill*

Goodwill arising from the acquisition of Consumer Food Business was allocated to 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**

The indefinite life trademarks of US\$394 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 Philippines trademarks**

On 1 May 2020, a subsidiary, Dewey Sdn. Bhd., assigned to the Company’s another subsidiary, Philippine Packing Management Service Corporation, various trademark which includes the “Del Monte” and “Today’s” trademarks for use in connection with processed foods in the Philippines (“The Philippines trademarks”). The trademarks has a carrying value of 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 FieldFresh Foods Private Limited (FFPL) and caused the licensing of trademarks to FFPL to market its products under the “Del Monte” brand in India. The trademark has a carrying value of US\$4.1 million.

### **Asia S&W trademark**

In November 2007, a subsidiary, S&W, entered into an agreement with Del Monte Corporation to acquire the “S&W” trademark in certain countries in Asia (excluding Australia and New Zealand and including 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. There are no indicators that indefinite life trademarks are impaired as at the reporting date.

### ***Amortisable trademarks and customer relationships***

	Net Carrying amount		Remaining amortisation period (years)	
	31 January 2021	30 April 2020	31 January 2021	30 April 2020
	US\$'000	US\$'000		
Asia S&W Trademark	—	—	—	—
America S&W trademark	613	762	3.1	3.8
America Contadina trademark	14,372	15,199	13.1	13.8
	<u>14,985</u>	<u>15,961</u>		

### **Asia S&W trademark**

The amortisable trademark pertains to “Label Development” trademark. The trademark was fully amortized on 31 July 2019.

### **America trademarks**

The amortisable 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.

	<b>31 January 2021 US\$'000</b>	<b>30 April 2020 US\$'000</b>
Net carrying amount	<b>69,899</b>	73,911
Remaining amortisation period	<b>13.1</b>	13.8

Management has included the amortisable trademarks and customer relationships in the CGU annual impairment assessment and has likewise concluded no impairment exists at the reporting date.

#### *Source of estimation uncertainty*

The Group estimates the useful lives of its amortisable 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 amortisable trademarks and customer relationships would increase recorded amortisation expense and decrease noncurrent assets.

## **8. Investments in joint ventures**

<b>Name of joint venture</b>	<b>Principal activities</b>	<b>Place of Incorporation and Business</b>	<b>Effective Equity Held by the Group</b>	
			<b>As at 31 Jan 2021 %</b>	<b>As at 30 Apr 2020 %</b>
FieldFresh Foods Private Limited (FFPL)	Production and sale of fresh and processed fruits and vegetable food products	India	<b>47.56</b>	47.56
Nice Fruit Hong Kong Limited (NFHKL)	Production and sale of frozen fruits and vegetable food products	Hong Kong	<b>35.00</b>	35.00

The summarised financial information of a material joint venture, FFPL and NFHKL, not adjusted for the percentage ownership held by the Group, is as follows:

	<b>31 January 2021 US\$'000</b>	<b>30 April 2020 US\$'000</b>
<b>Assets</b>		
Current assets	<b>24,857</b>	23,891
Noncurrent assets	<b>12,068</b>	12,528
Total assets	<b>36,925</b>	36,419
<b>Liabilities</b>		
Current liabilities	<b>(15,160)</b>	(13,908)
Noncurrent liabilities	<b>(21,200)</b>	(19,978)
Total liabilities	<b>(36,360)</b>	(33,886)
<b>Net assets</b>	<b>565</b>	2,533

*Del Monte Pacific Limited and its Subsidiaries*  
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*As of 31 January 2021 and for the periods ended 31 January 2021 and 2020*

	<b>31 January 2021 US\$'000</b>	<b>30 April 2020 US\$'000</b>
<b>Results</b>		
Revenue	<u>58,821</u>	74,178
Profit/loss from continuing operations	<u>(1,997)</u>	(4,243)
Other comprehensive income	–	–
<b>Total comprehensive income (loss)</b>	<u><b>(1,997)</b></u>	<u><b>(4,243)</b></u>

	<b>31 January 2021 US\$'000</b>	<b>30 April 2020 US\$'000</b>
<b>Carrying amount of interest in FFPL at beginning of the period</b>	<b>22,855</b>	23,446
Capital injection during the period/year	–	1,530
Group's share of:		
- Loss from continuing operations	<u>(999)</u>	(2,121)
- other comprehensive income	–	–
total comprehensive income	<u>(999)</u>	(2,121)
<b>Carrying amount of interest at end of the period/year</b>	<u><b>21,856</b></u>	<u><b>22,855</b></u>

	<b>31 January 2021 US\$'000</b>	<b>30 April 2020 US\$'000</b>
<b>Carrying amount of interest in NFHKL at beginning of the period</b>	–	766
Group's share of:		
- loss from continuing operations	<u>–</u>	(766)
- other comprehensive income	–	–
total comprehensive income	<u>–</u>	(766)
<b>Carrying amount of interest at end of the period/year</b>	<u><b>–</b></u>	<u><b>–</b></u>

Share in losses exceeding the carrying amount of investment are not recognised. Unrecognised accumulated share in losses amounted to US\$0.7 million as at 31 January 2021 (30 April 2020: US\$0.2 million)

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

	<b>31 January 2021 US\$'000</b>	<b>30 April 2020 US\$'000</b>
<b>Group's interest in joint ventures</b>		
FFPL	<u>21,856</u>	22,855
NFHKL	–	–
<b>Carrying amount of investment in joint ventures</b>	<u><b>21,856</b></u>	<u><b>22,855</b></u>

### *Source of Estimation Uncertainty*

When the 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 of 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.

Since its acquisition, the Indian sub-continent trademark (Note 7) and the investment in FFPL 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**

	<b>31 January 2021 US\$'000</b>	<b>30 April 2020 US\$'000</b>
Advance rentals and deposits	<b>9,787</b>	15,538
Land expansion (development costs of acquired leased areas)	<b>7,136</b>	3,863
Advances to growers	<b>6,512</b>	6,081
Excess insurance	<b>5,047</b>	5,144
Advances to suppliers	<b>1,127</b>	1,730
Note receivables	<b>1,000</b>	1,141
Others	<b>1,786</b>	1,440
	<b>32,395</b>	34,937

Advances to growers and advance rentals and deposits consists a) noninterest-bearing cash and other advances to growers and landowners which are collected against delivery of fruits or minimum guaranteed profits of the growers or against payment of rentals to landowners, and b) security deposits made to Nutri-Asia, Inc. in connection with the Group's intention to avail of the additional production capacity under the toll manufacturing agreement. The security deposit will be returned when tolling agreement for the additional capacity is finalised or in the event that the additional capacity does not materialize.

Land expansion comprises development costs of newly acquired leased areas including costs such as creation of access roads, construction of bridges and clearing costs. These costs are amortised on a straight-line basis over the lease periods of 10 years or lease term, whichever is shorter.

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.

Notes receivables relates to the sale of certain assets of Plymouth and is due on 2 July 2023.

## 10. Biological assets

	<b>31 January 2021 US\$'000</b>	<b>30 April 2020 US\$'000</b>
<b>Livestock</b>		
At beginning of the period/year	2,118	1,682
Purchases of livestock	810	1,142
Sales of livestock	(458)	(755)
Currency realignment	107	49
At end of the period/year	<u>2,577</u>	<u>2,118</u>
	<b>31 January 2021 US\$'000</b>	<b>30 April 2020 US\$'000</b>
<b>Agricultural produce</b>		
At beginning of the period/year	25,966	26,421
Additions	10,522	9,915
Harvested	(21,443)	(11,068)
Currency realignment	1,282	698
At end of the period/year	<u>16,327</u>	<u>25,966</u>
Fair value gain on produce prior to harvest	<u>34,310</u>	<u>35,194</u>
At end of the period/year	<u>50,637</u>	<u>61,160</u>
	<b>31 January 2021 US\$'000</b>	<b>30 April 2020 US\$'000</b>
Current	50,637	61,160
Noncurrent	2,577	2,118
<b>Totals</b>	<u>53,214</u>	<u>63,278</u>

## 11. Inventories

	<b>31 January 2021 US\$'000</b>	<b>30 April 2020 US\$'000</b>
Finished goods		
- at cost	294,888	287,838
- at net realisable value	17,043	19,909
Semi-finished goods		
- at cost	176,346	62,431
- at net realisable value	12,638	11,883
Raw materials and packaging supplies		
- at cost	105,464	98,264
- at net realisable value	3	2,138
	<u>606,382</u>	<u>482,463</u>

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

	Note	31 January 2021 US\$'000	30 April 2020 US\$'000
At beginning of the period/year		14,868	10,527
Allowance for the period/year	20	1,583	9,649
Write-off against allowance		(3,208)	(8,152)
Currency realignment		320	2,844
At end of the period/year		<u>13,563</u>	<u>14,868</u>

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

#### ***Source of estimation uncertainty***

The Group recognises 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 income statement and are written off. In addition to an allowance for 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 year. 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 realisable value are based on the most reliable evidence available at the time the estimates are made of the amount the inventories expected to be realised. 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 the net realisable 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 operating expenses and decrease current assets.

## 12. Trade and other receivables

	<b>31 January 2021 US\$'000</b>	<b>30 April 2020 US\$'000</b>
Trade receivables	<b>194,659</b>	175,794
Non trade receivables	<b>32,198</b>	156,790
Allowance for doubtful accounts – trade	<b>(4,673)</b>	(4,975)
Allowance for doubtful accounts – nontrade	<b>(4,442)</b>	(4,544)
Trade and other receivables	<b><u>217,742</u></b>	<b><u>323,065</u></b>

The aging of trade and non-trade receivables at the reporting date is:

	<b>Gross</b>		<b>Impairment losses</b>	
	<b>Trade US\$'000</b>	<b>Non trade US\$'000</b>	<b>Trade US\$'000</b>	<b>Non trade US\$'000</b>
<b>At 31 January 2021</b>				
Not past due	<b>115,627</b>	<b>19,259</b>	–	–
Past due 0 - 60 days	<b>55,283</b>	<b>2,265</b>	–	–
Past due 61 - 90 days	<b>7,757</b>	<b>724</b>	–	–
Past due 91 - 120 days	<b>4,275</b>	<b>498</b>	–	–
More than 120 days	<b>11,717</b>	<b>9,452</b>	<b>(4,673)</b>	<b>(4,442)</b>
	<b><u>194,659</u></b>	<b><u>32,198</u></b>	<b><u>(4,673)</u></b>	<b><u>(4,442)</u></b>

	<b>Gross</b>		<b>Impairment losses</b>	
	<b>Trade US\$'000</b>	<b>Non trade US\$'000</b>	<b>Trade US\$'000</b>	<b>Non trade US\$'000</b>
<b>At 30 April 2020</b>				
Not past due	126,137	138,412	–	–
Past due 0 - 60 days	31,097	4,420	–	–
Past due 61 - 90 days	2,994	492	–	–
Past due 91 - 120 days	1,764	576	–	–
More than 120 days	13,802	12,890	(4,975)	(4,544)
	<b><u>175,794</u></b>	<b><u>156,790</u></b>	<b><u>(4,975)</u></b>	<b><u>(4,544)</u></b>

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.

Nontrade receivables includes of the current portion of the notes receivable from sale of Sager Creek assets amounting to nil and US\$5.4 million as at 31 January 2021 and 30 April 2020, respectively.

### *Source of estimation uncertainty*

The Group maintains an allowance for impairment of accounts receivables at a level considered adequate to provide for potential uncollectible receivables based on the applicable 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 behaviour 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 utilised 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

	<b>31 January 2021 US\$'000</b>	<b>30 April 2020 US\$'000</b>
Prepaid expenses	<b>29,461</b>	29,586
Downpayment to contractors and suppliers	<b>15,824</b>	4,136
Derivative asset	<b>1,502</b>	57
Prepaid consultancy fees	—	31,324
Others	<b>272</b>	2,609
	<b>47,059</b>	<b>67,712</b>

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

Prepaid consultancy fees consist of transaction costs directly attributable to the issuance of senior secured notes in 15 May 2020. These were subsequently reclassified to debt issuance costs under "Loans and borrowings" upon recognition of the loan.

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

### 14. Cash and cash equivalents

	<b>31 January 2021 US\$'000</b>	<b>30 April 2020 US\$'000</b>
Cash on hand	<b>82</b>	61
Cash in banks	<b>31,866</b>	33,087
Cash equivalents	<b>1,326</b>	317
Cash and cash equivalents	<b>33,274</b>	<b>33,465</b>

Certain cash in bank accounts earn interest at floating rates based on daily bank deposit rates ranging from 0.01% to 0.50% for the period (30 April 2020: 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 1.00% to 2.00% (30 April 2020: 0.69% to 4.44%) per annum.

## 15. Loans and borrowings

	<b>31 January 2021 US\$'000</b>	<b>30 April 2020 US\$'000</b>
<b>Current liabilities</b>		
Unsecured bank loans	<b>285,259</b>	473,152
Secured bank loans	<b>170,204</b>	825,140
	<b>455,463</b>	1,298,292
<b>Non-current liabilities</b>		
Unsecured bank loans	<b>238,950</b>	75,000
Secured bank loans	<b>664,779</b>	22,737
	<b>903,729</b>	97,737
	<b>1,359,192</b>	1,396,029

### *Terms and debt repayment schedule*

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

Group	Currency	Nominal interest rate % p. a.	Year of maturity	31 January 2021		30 April 2020	
				Face value US\$'000	Carrying amount US\$'000	Face value US\$'000	Carrying amount US\$'000
Secured bank loans	PHP	4.50%	2020	—	—	59,472	59,472
Secured bank loans	PHP	4.125%	2025	31,201	31,201	—	—
Unsecured bank loans	PHP	2.25%-3.00%	2020-2025	120,019	120,019	150,266	150,266
Unsecured 3Y bonds	PHP	3.4840%	2023	121,409	119,521	—	—
Unsecured 5Y bonds	PHP	3.7563%	2025	13,346	13,228	—	—
Unsecured bank loans	USD	1.50%-3.15%	2020-2024	271,441	271,441	397,886	397,886
Secured bank loans	USD	3.54%	2023	100,000	98,507	—	—
Secured bridging loan	USD	4.50%	2020	—	—	500	500
Secured bridging loan	USD	4.50%	2020	—	—	74,500	74,471
Secured bridging loan	USD	3.06%	2023	75,000	75,000	—	—
Secured senior notes	USD	11.875%	2025	500,000	463,015	—	—
Secured bank loan under ABL Credit Agreement	USD	Swingline B- 5% ABL Base B- 5% Higher of Libor or 1% +2.75% or total of 3.75%	2020-2023	172,500	167,260	25,072	25,072
Secured First lien term loan	USD	Higher of Libor or 1% + 3.25% or total of 4.86%	2021*	—	—	665,625	665,625
Secured Second lien term Loan	USD	Higher of Libor or 1% + 7.25% or total of 7.82%	2021*	—	—	22,737	22,737
				1,404,916	1,359,192	1,396,058	1,396,029

*\*On 15 May 2020, the Term Loan Credit Agreements have been fully paid and settled.*

The secured bridging loans of US\$0.5 million as at 30 April 2020 represent the remaining balance for the bridging loan that was obtained by the Company to finance the acquisition of Sager Creek and its related costs. In 2017, the Company signed a two-year extension of the

US\$350.0 million Banco de Oro Unibank, Inc (BDO) loans from 10 February 2017 to 2019. In 2019, the Company settled an additional US\$0.5 million and extended the maturity date from February 2019 to August 2020. In 2020, the Company settled another US\$53.0 million bringing the balance to US\$0.5 million. The loans are secured by pledge by CARI of its shares in DMPI. This loan was fully paid on October 2020 via a new long term loan obtained amounting to US\$75.0 million under the US\$350.0 million facility. The new loan matures on August 2023.

In 2015, the Company obtained loans from BDO amounting to US\$130.0 million to refinance its existing bridge loans with the same bank and other bridge loans with other lenders and for general corporate requirements. The loans are secured by DMPI suretyship. The Company settled US\$53.5 million in 2019 and another US\$2.0 million in 2020, bringing the balance to US\$74.5 million. This loan was also fully paid via the US\$75.0 million long term loan obtained from BDO on October 2020.

On 15 May 2020, the Company obtained long-term loan from BPI amounting to US\$100.0 million maturing in 15 May 2023, to finance the Company's subscription of equity shares in DMPL Foods Limited, the proceeds of which were used by DMFI to partially pay its borrowings. The loans are secured by first ranking security interest over DMPI shares.

On 15 May 2020, DMFI issued US\$500.0 million of 11.875% Senior Secured Notes (the "Notes"). The Notes will mature on 15 May 2025 and are redeemable at the option of DMFI. Proceeds of US\$477.5 million from the issuance of the Notes were used to pay-off the balance of the First Lien Term Loan.

On 15 May 2020, DMFHL 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. As at 31 January 2021, there were US\$285.0 million loans outstanding under the agreement.

On October 2020, DMPI issued Php 6.5 billion of 3-year and 5-year bonds with interest rates of 3.484% and 3.7563%, respectively, to refinance existing loans.

On October 23, 2020, DMPI obtained a term loan facility with BDO amounting to PhP1.5 billion for the purpose of paying off existing loans. The loan is payable in 9 equal instalments at PhP166.7 million starting on August 2023 and each quarters thereafter up to August 2025.

### **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.

The Group is compliant with its loan covenants as at 31 January 2021 and 30 April 2020.

## Long Term Borrowings

Long-term Borrowings	Original Principal (In '000)	Outstanding Balance (In '000)	Interest Rate % p.a.	Year of Maturity	Payment Terms (e.g., annually, quarterly, etc.)	Interest paid 1 May 2020 to 31 Jan 2021 (In '000)
Senior Secured Notes	USD 500,000	USD 500,000	11.875%	2025	Semi-annual interest payments and principal on maturity date.	USD 29,688
Bonds Payable	PHP 6,478,460	PHP 6,478,000	3Y 3.4840% 5Y 3.7563%	2023/ 2025	Quarterly interest payments and principal on maturity date	PHP 58,763
BDO Long-term Loan	USD 75,000	USD 75,000	3.06%	2023	Quarterly interest payment and principal on maturity date.	USD 2,292
DBP Long-term Loan	USD 75,000	USD 75,000	1.73%	2024	Quarterly interest payment and principal on maturity date.	USD 1,186
DBP Long-term Loan	USD 57,241	USD 57,241	1.50%	2021	Quarterly interest payment and principal on maturity date.	USD 899
BPI Long-term Loan	USD 100,000	USD 100,000	3.54%	2023	Semi-annual interest payments and principal on maturity date.	USD 2,533
DBP Long-term Loan	PHP 1,500,000	PHP 1,500,000	3.00%	2025	Quarterly interest payment; and principal on eight quarterly installments starting February 2024	nil
BDO Long-term Loan	PHP 1,500,000	PHP 1,500,000	4.125%	2025	Quarterly interest payment; and principal on nine quarterly installments starting August 2023	nil

The balance of unamortised debt issuance cost follows:

	Nine months ended 31 January 2021 US\$'000	Year ended 30 April 2020 US\$'000
Beginning of period/year	30	13,767
Additions	54,061	—
Amortisation	(8,367)	(13,737)
End of period/year	<u>45,724</u>	<u>30</u>

## 16. Other noncurrent liabilities

	<b>31 January 2021 US\$'000</b>	<b>30 April 2020 US\$'000</b>
Workers' compensation	18,212	19,018
Derivative liabilities	2,565	2,600
Accrued vendors liabilities	527	623
Other payables	1,517	1,139
	<b>22,821</b>	<b>23,380</b>

Workers' compensation are 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 the tort of negligence.

## 17. Trade and other current liabilities

	<b>31 January 2021 US\$'000</b>	<b>30 April 2020 US\$'000</b>
Trade payables	154,918	132,597
Accrued operating expenses:		
Advertising	17,036	10,603
Accrued interest	15,934	9,045
Freight and warehousing	14,130	7,633
Trade promotions	8,598	12,657
Professional fees	7,807	7,364
Taxes and insurance	7,310	20,425
Utilities	2,807	5,861
Salaries, bonuses and other employee benefits	2,740	3,373
Plant closure costs	1,295	3,125
Tinplate and consigned stocks	230	3,501
Refinancing costs	—	31,324
Miscellaneous	6,978	6,894
Overdrafts	12,245	6,280
Accrued payroll expenses	5,801	3,806
Withheld from employees (taxes and social security cost)	1,865	1,333
Deferred revenue	1,440	407
Advances from customers	455	687
VAT payables	21	23
Derivative liabilities	—	8,846
Other payables	59	1,109
	<b>261,669</b>	<b>276,893</b>

Deferred revenue pertains to contract liabilities relating to advances from customers which are generally expected to be recognised as revenue within periods of less than one year. Accordingly, opening contract liabilities are recognised within each reporting period.

Refinancing cost pertains to unpaid transaction costs directly attributable to the issuance of senior secured notes in 15 May 2020.

Accrued miscellaneous include interest, utilities, customer deposits, freight and warehousing and customs and other importation incidental costs.

## 18. 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:

			<b>Financial assets at amortised cost</b>	<b>Derivatives</b>	<b>Other financial liabilities</b>	<b>Total carrying amount</b>	<b>Fair value</b>
	<b>Note</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
<b>31 January 2021</b>							
Cash and cash equivalents	14	33,274	—	—	33,274	33,274	33,274
Trade and other receivables	12	217,742	—	—	217,742	217,742	217,742
Notes receivables	9	1,000	—	—	1,000	1,000	1,000
Refundable deposit**	9	2,077	—	—	2,077	2,077	2,077
Derivative assets	13	—	1,502	—	1,502	1,502	1,502
		<u>254,093</u>	<u>1,502</u>	<u>—</u>	<u>255,595</u>	<u>255,595</u>	
Loans and borrowings	15	—	—	1,359,192	1,359,192	1,445,947	
Trade and other current liabilities*	17	—	—	257,888	257,888	257,888	
Lease liabilities	24	—	—	139,159	139,159	155,586	
Derivative liabilities	16, 17	—	2,565	—	2,565	2,565	
		<u>—</u>	<u>2,565</u>	<u>1,756,239</u>	<u>1,758,804</u>	<u>1,861,986</u>	

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

\*\* included under advance rentals and deposits

		<b>Financial assets at amortised cost</b>	<b>Derivatives</b>	<b>Other financial liabilities</b>	<b>Total carrying amount</b>	<b>Fair value</b>
	<b>Note</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
<b>30 April 2020</b>						
Cash and cash equivalents	14	33,465	–	–	33,465	33,465
Trade and other receivables	12	320,217	–	–	320,217	320,217
Notes receivables	9	3,989	–	–	3,989	3,989
Refundable deposit**	9	8,104	–	–	8,104	8,104
Derivative assets	13	–	57	–	57	57
		<u>365,775</u>	<u>57</u>	<u>–</u>	<u>365,832</u>	<u>365,832</u>
Loans and borrowings	15	–	–	1,396,029	1,396,029	1,327,623
Trade and other current liabilities*	17	–	–	265,597	265,597	265,597
Lease liabilities	24	–	–	158,525	158,525	176,609
Derivative liabilities	16, 17	–	11,446	–	11,446	11,446
		<u>–</u>	<u>11,446</u>	<u>1,820,151</u>	<u>1,831,597</u>	<u>1,781,275</u>

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

\*\* included under advance rentals and deposits

## 19. 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 recognised 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.

		<b>31 January 2021</b>			
	<b>Note</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Totals</b>
<b>Financial assets</b>					
Derivative assets	13	—	1,502	—	1,502
Notes receivable	9	—	—	1,000	1,000
<b>Non-financial assets</b>					
Fair value of agricultural produce harvested under inventories		—	—	5,297	5,297
Fair value of growing produce	10	—	—	50,637	50,637
Freehold land		—	—	54,636	54,636
<b>Financial liabilities</b>					
Derivative liabilities	16, 17	—	—	2,565	2,565
Lease liabilities		—	—	155,586	155,586
Loans and borrowings	15	—	1,052,799	393,148	1,445,947

  

		<b>30 April 2020</b>			
	<b>Note</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Totals</b>
<b>Financial assets</b>					
Derivative assets	13	—	57	—	57
Notes receivable	9	—	—	1,141	1,141
<b>Non-financial assets</b>					
Fair value of agricultural produce harvested under inventories		—	—	3,657	3,657
Fair value of growing produce	10	—	—	61,160	61,160
Freehold land		—	—	54,758	54,758
<b>Financial liabilities</b>					
Derivative liabilities	16, 17	—	8,881	2,565	11,446
Lease liabilities		—	—	176,609	176,609
Loans and borrowings	15	—	931,256	396,367	1,327,623

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**

<b>Type</b>	<b>Valuation technique</b>
Interest rate swaps	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.
Derivative liabilities	The estimated fair value of the additional RCPS and call option as at 31 January 2021, is based on the CRR binomial tree model of valuing

	derivatives. The value of these derivatives is driven primarily by DMPI's forecasted net income which is not based on observable market data.
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### Financial instruments not measured at fair value

Type	Valuation technique
Financial liabilities and note receivable	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	<p>The fair value of freehold land is determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued.</p> <p>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).</p>	<p>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, neighbourhood, utility, terrain, and the time element involved.</p> <p>The market value per square meter ranges from US\$75.4 to US\$79.3. The market value per acre ranges from US\$4,252 to US\$94,556.</p>
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.
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	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	The unobservable inputs are estimated pineapple selling price and gross margin per ton for fresh and processed products, estimated

Assets	Valuation technique	Significant unobservable inputs
plants	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.	volume of harvest and future growing costs.

## 20. Profit for the period

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

	Note	Nine months ended 31 January	
		2021 US\$'000	2020 US\$'000
Provision (Reversal) for inventory obsolescence		1,583	4,603
Provision (Reversal) of allowance for doubtful receivables (trade)		(28)	71
Amortisation of intangible assets	7	4,988	4,988
Amortisation of right-of-use assets	24	26,412	17,199
Depreciation of property, plant and equipment		94,384	99,361

## 21. General and administrative expenses

This account consists of the following:

	Nine months ended 31 January	
	2021 US\$'000	2020 US\$'000
Personnel costs	59,368	36,092
Professional and contracted services	17,452	16,767
Computer cost	13,222	13,714
Facilities expense	6,654	6,338
Employee-related expenses	1,483	2,318
Postage and telephone	870	1,851
R&D projects	569	390
Utilities	460	487
Machinery and equipment maintenance	414	244
Materials and supplies	323	506
Travelling and business meals	284	2,146
Auto operating and maintenance costs	148	239
Miscellaneous overhead	5,891	7,465
	<b>107,138</b>	<b>88,557</b>

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

## 22. Share capital

	31 January 2021		30 April 2020	
	No. of shares	US\$'000	No. of shares	US\$'000
	('000)		('000)	
<b>Authorised:</b>				
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
	<b>3,600,000</b>	<b>630,000</b>	<b>3,600,000</b>	<b>630,000</b>
<b>Issued and fully paid:</b>				
Ordinary shares of US\$0.01 each	1,944,936	19,449	1,944,936	19,449
Preference shares of US\$1.00 each	30,000	30,000	30,000	30,000
	<b>1,974,936</b>	<b>49,449</b>	<b>1,974,936</b>	<b>49,449</b>

The holders of ordinary shares are entitled to receive dividends after dividend of preference shares are paid, as declared from time to time, and are entitled to one vote per share at meetings of the Company. The preference shares are cumulative, non-voting, redeemable at the option of the issuer, non-participating and non-convertible. The preference share has a par value of US\$1.0 per share and were issued at US\$10.0 per share. Ordinary shares rank equally with regard to the Company's residual assets after preference shares are paid.

In April 2014, the Company increased its authorised share capital from US\$20.0 million, divided into 2,000,000,000 ordinary shares at US\$0.01 per share, to US\$630.0 million, divided into 3,000,000,000 ordinary shares at US\$0.01 per share and 600,000,000 preference shares at US\$1.00 per share. The preference shares may be issued in one or more series, each such class of shares will have rights and restrictions as the Board of Directors (BOD) may designate. The terms and conditions of the authorised preference share are finalised upon each issuance.

On 30 October 2014, the Company had additional ordinary shares listed and traded on the SGX-ST and the PSE pursuant to a public offering conducted in the Philippines. The Company offered and sold by way of primary offer 5,500,000 ordinary shares at an offer price of 17.00 Philippine pesos (Php) per share.

In March 2015, additional 641,935,335 ordinary shares were listed on the SGX-ST and the PSE, which were offered and sold to eligible shareholders by way of a stock rights offering at an exercise price of S\$0.325 or Php10.60 for each share in Singapore and the Philippines, respectively.

In April 2017, the Company completed the offering and listing of 20,000,000 Series A-1 Preference Shares which were sold at an offer price of US\$10.0 per share (US\$1.0 par value per share) in the Philippines, generating US\$200 million in proceeds. The said shares were listed on the PSE.

In 20 September 2017, the Company transferred 745,918 of its treasury shares to ordinary shares in connection to the release of share awards granted to its Directors pursuant to the Del Monte Pacific RSP.

In December 2017, the Company completed the offering and listing of 10,000,000 Series A-2 Preference Shares in the Philippines generating approximately US\$100 million in proceeds (or a combined US\$300 million if including the US\$200 million that was raised in April 2017). The Company used the net proceeds to substantially refinance the US\$350 million bridging loan due in February 2019.

On 24 July 2020, the Company declared a special dividend of US\$0.0154 per share to ordinary shareholders on record as at 12 August 2020. The special dividend was paid on 19 August 2020.

In October 2020, the Company paid dividends to the holders of the Series A-1 Preference Shares at the fixed rate of 6.625% per annum, or equivalent to US\$0.33125 per Series A-1 Preference and Series A-2 Preference Shares at the fixed rate of 6.5% per annum, or equivalent to US\$0.325 per series A-2 Preference Shares for the six-month period from April 2020 to October 2020. The cash dividends were paid on 8 October 2020.

The Group does not declare dividends based on first quarter, third quarter or nine months results. Undeclared preference dividends as of 31 January 2021 amounted to US\$6.2 million.

### ***Capital management***

The Board's 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 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.

## **23. Earnings (loss) 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.

	<b>Nine months ended 31 January</b>	
	<b>2021</b>	<b>2020</b>
<b>Basic earnings (loss) per share is based on:</b>		
Profit (loss) attributable to owners of the Company (US\$'000)	<b>48,761</b>	(68,950)
Cumulative preference share dividends (US\$'000)	<b>14,813</b>	14,813
	<b>33,948</b>	(83,763)
<b>Basic weighted average number of ordinary shares ('000):</b>		
Outstanding ordinary shares at 1 May	<b>1,943,960</b>	1,943,960
Effect of shares awards granted	—	—
Weighted average number of ordinary shares at end of period (basic)	<b>1,943,960</b>	1,943,960
<b>Basic earnings (loss) per share (in U.S. cents)</b>	<b>1.75</b>	(4.31)

For the purpose of calculation of the diluted earnings per ordinary share, the weighted average number of ordinary shares in issue is adjusted to take into account the dilutive effect arising from Del Monte Pacific RSP, with the potential ordinary shares weighted for the period outstanding.

	<b>Nine months ended 31 January</b>	
	<b>2021</b>	<b>2020</b>
<b>Diluted earnings (loss) per share is based on:</b>		
Profit (loss) attributable to owners of the Company (US\$'000)	<b>48,761</b>	(68,950)
Cumulative preference share dividends (US\$'000)	<b>14,813</b>	14,813
	<b>33,948</b>	(83,763)
<b>Diluted weighted average number of shares ('000):</b>		
Weighted average number of ordinary shares (basic)	<b>1,943,960</b>	1,943,960
Potential ordinary shares issuable under share awards	—	—
Weighted average number of ordinary issued (diluted)	<b>1,943,960</b>	1,943,960
<b>Diluted earnings (loss) per share (in U.S. cents)</b>	<b>1.75</b>	(4.31)

## 24. Leases

### *Group as a lessee*

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

	<b>Buildings, land improvements and leasehold improvements US\$'000</b>	<b>Land US\$'000</b>	<b>Machineries and equipment US\$'000</b>	<b>Total US\$'000</b>
<b>Cost/Valuation</b>				
At 1 May 2020	<b>116,023</b>	<b>51,277</b>	<b>38,450</b>	<b>205,750</b>
Additions	<b>220</b>	<b>4,449</b>	—	<b>4,669</b>
Disposals	—	—	—	—
Currency realignment	<b>1,175</b>	<b>2,526</b>	—	<b>3,701</b>
At 31 January 2021	<b>117,418</b>	<b>58,252</b>	<b>38,450</b>	<b>214,120</b>
At 1 May 2019	—	—	—	—
Effect of adoption of IFRS 16	117,070	46,746	45,354	209,170
Additions	24	2,998	273	3,295
Disposals	(1,829)	—	(7,177)	(9,006)
Currency realignment	758	1,533	—	2,291
At 30 April 2020	<b>116,023</b>	<b>51,277</b>	<b>38,450</b>	<b>205,750</b>

	<b>Buildings, land improvements and leasehold improvements US\$'000</b>	<b>Land US\$'000</b>	<b>Machineries and equipment US\$'000</b>	<b>Total US\$'000</b>
<b>Accumulated amortization</b>				
At 1 May 2020	20,752	6,932	11,981	39,665
Amortisation	15,381	4,998	9,191	29,570
Disposals	—	—	—	—
Currency realignment	170	444	—	614
At 31 January 2021	<b>36,303</b>	<b>12,374</b>	<b>21,172</b>	<b>69,849</b>
At 1 May 2019	—	—	—	—
Amortisation	21,543	6,828	14,161	42,532
Disposals	(831)	—	(2,180)	(3,011)
Currency realignment	40	104	—	144
At 30 April 2020	<b>20,752</b>	<b>6,932</b>	<b>11,981</b>	<b>39,665</b>
<b>Carrying amounts</b>				
At 31 January 2021	<b>81,115</b>	<b>45,878</b>	<b>17,278</b>	<b>144,271</b>
At 30 April 2020	<b>95,271</b>	<b>44,345</b>	<b>26,469</b>	<b>166,085</b>

The following are the amounts recognised in income statement for nine months ended 31 January:

	<b>US\$'000</b>
Amortisation expense of right-of-use assets	26,412
Interest expense on lease liabilities	5,608
Expenses relating to short-term leases	12,160
Variable lease payments	383
<b>Total amount recognised in statement of income</b>	<b>44,563</b>

Amortisation expense is net of amount capitalised to inventory.

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

	<b>31 January 2021 US\$'000</b>	<b>30 April 2020 US\$'000</b>
<b>At the beginning of period/year</b>	158,525	192,283
Additions	1,699	2,469
Accretion of interest	6,718	10,001
Payments of principal	(26,018)	(34,427)
Payments of interest	(4,365)	(7,531)
Terminations	—	(5,836)
Currency realignment	2,600	1,566
<b>At the end of period/year</b>	<b>139,159</b>	<b>158,525</b>
Current	23,328	30,829
Non-current	115,831	127,696

## 25. Commitments and contingencies

### *Purchase commitments*

The Group has 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. At the reporting date, the Group have commitments for future minimum payments under non-cancellable agreements at approximately US\$707.5 million.

## 26. Related parties

### *Related party transactions*

For the purposes of these 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 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
<b>Under Common Control</b>					
Shared IT & JYCC Fit-out services	<b>January 2021</b> April 2020	<b>139</b> 177	<b>260</b> 130	Due and demandable; non-interest bearing	Unsecured; no impairment
Sale of Tomato Paste	<b>January 2021</b> April 2020	– –	– –	Due and demandable; non-interest bearing	Unsecured; no impairment
Sale of apple juice conc/materials	<b>January 2021</b> April 2020	<b>26</b> 5	<b>18</b> –	Due and demandable; non-interest bearing	Unsecured; no impairment
Inventory count/ APC/FG damaged	<b>January 2021</b> April 2020	<b>40</b> –	– –	non-interest bearing	Unsecured; no impairment
Purchases	<b>January 2021</b> April 2020	<b>15</b> 83	– (4)	Due and demandable; non-interest bearing	Unsecured; no impairment
Tollpack fees	<b>January 2021</b> April 2020	– 128	<b>421</b> 55	Due and demandable; non-interest bearing	Unsecured; no impairment
Security Deposit	<b>January 2021</b> April 2020	<b>9</b> 27	– –	Due and demandable; non-interest bearing	Unsecured; no impairment

(continued on next page)

*Del Monte Pacific Limited and its Subsidiaries*  
*Unaudited Interim Condensed Consolidated Financial Statements*  
*As of 31 January 2021 and for the periods ended 31 January 2021 and 2020*

Category/ Transaction	Period	Amount of the transaction US\$'000	Outstanding balance – receivables/ (payables) US\$'000	Terms	Conditions
<b>Other Related Party</b>					
Management fees from DMPI Retirement fund	<b>January 2021</b> April 2020	<b>68</b> 4	<b>8</b> 2	Due and demandable; non-interest bearing	Unsecured; no impairment
Rental to DMPI Retirement	<b>January 2021</b> April 2020	<b>1,308</b> 1,662	<b>(171)</b> (478)	Due and demandable; non-interest bearing	Unsecured
Rental to NAI Retirement	<b>January 2021</b> April 2020	<b>502</b> 586	<b>(116)</b> (160)	Due and demandable; non-interest bearing	Unsecured
Security Deposit/ Advances to NAI	<b>January 2021</b> April 2020	<b>685</b> 8,731	– 14,732	Short-term; non-interest bearing	Unsecured; no impairment
<b>Joint Ventures</b>					
Sales	<b>January 2021</b> April 2020	<b>4,247</b> 5,839	<b>3,171</b> 3,353	Due and demandable; non-interest bearing	Unsecured
Purchases	<b>January 2021</b> April 2020	<b>634</b> 1,530	<b>1,224</b> 549	Due and demandable; non-interest bearing	Unsecured
	<b>January 2021</b>	<b>7,673</b>	<b>4,815</b>		
	April 2020	18,772	18,179		

The transactions with related parties are carried out based on terms agreed between the parties. Pricing for the sales of products are market driven, less certain allowances. For purchases, the Group's policy is to solicit competitive quotations. Purchases are normally awarded based on the lowest price.

Except for transactions identified in the previous section as interest-bearing, outstanding balances at financial reporting date are unsecured, interest-free and settlement occurs in cash and are collectible or payable on demand. As at 31 January 2021 and 30 April 2020, the Group has not made any provision for doubtful accounts relating to amounts owed by related parties.

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

On 24 January 2020, the Company, Central American Resources, Inc ("CARI"), DMPI and SEA Diner, a company incorporated in Singapore, entered into a Share Purchase Agreement and Shareholders' Agreement whereby CARI will 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 are convertible to voting, convertible, participating and redeemable preference 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 closing date of the agreement is 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 initial public offering (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.

### Call Option Agreement

On 24 January 2020, the Company, CARI, DMPI and SEA Diner entered into a call option agreement wherein SEA Diner is entitled to a call option which gives SEA Diner 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 consummated on or before 30 April 2022 and ending on the earliest of 10 years after the closing date, the date falling 5 years after the date which an IPO of DMPI was consummated and the date when SEA Diner receives an amount respect of a redemption of its shares.

### Impact on the Group

In relation to the above transaction, as at 30 April 2020, the Group recognised the gross consideration of US\$120.0 million under “Trade and other receivables”, transaction costs of US\$14.0 million (US\$0.7 million of which was already paid as at 20 April 2020 and the outstanding balance of US\$13.3 million as at 30 April 2020 is recorded as accrued operating expenses under “Trade and other current liabilities”), long-term derivative liability of US\$2.6 million for the call option in accordance with the call option agreement, equity reserve under “Retained earnings” of US\$77.0 million due to change in ownership interest in DMPI without loss of control and “Non-controlling interests” of US\$26.4 million representing investor’s proportionate share in the net assets of DMPI.

## **28. Exercise of Call Option**

On 16 December 2020, SEA Diner exercised the call option and purchased from CARI an additional 27,973,200 existing common shares, equivalent to 1% ownership interest in DMPI, at the exercise price of US\$0.357 per share or a total consideration of US\$10.0 million.

### Impact on the Group

In relation to the above transaction, the Group recognised an additional “Non-controlling interests” of US\$2.2 million and paid transaction costs amounting to US\$1.0 million. The resulting gain was recorded as equity reserve under “Retained earnings” amounting to US\$6.8 million.

## **29. DMFI Refinancing**

On 15 May 2020, DMFI issued US\$500.0 million of 11.875% Senior Secured Notes (the “Notes”). The Notes will mature on 15 May 2025 and are redeemable at the option of DMFI. Proceeds of US\$477.5 million from the issuance of the Notes were used to pay-off the balance of the First Lien Term Loan. As of 30 April 2020, prepaid transaction costs of US\$1.6 million, were included in “Prepaid and other current assets” and US\$31.3 million of transaction cost accruals were included in “Trade and other current liabilities” in the consolidated statement of financial position related to this transaction. The Notes include 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.

On 15 May 2020, DMFHII issued 64.546 shares of capital stock to DMFHL. On the same date, DMFHL issued 0.64546 shares of capital stock to DMPLFL and DMPLFL issued 645.46 shares of capital stock to the Company as full payment of the US\$228.4 million loan to finance purchases of the Second Lien Term Loans. Upon issuance of the capital stock to the Company, DMFHL unconditionally released of all liabilities for principal and interest through 30 April 2020 relating to the purchase of the Second Lien Term Loans. On 15 May 2020, DMFHL recorded US\$229.5 million of additional paid-in capital related to this transaction. In addition, the Company and DMPLFL entered into a supplemental agreement dated 11 August 2020 for the issuance of additional 3.23 ordinary shares by DMPLFL to cover the additional accrued interest through 15 May 2020 which amounted to \$1.14 million.

On 15 May 2020, DMFHL issued 0.42395 of ordinary shares to DMPLFL and DMPLFL issued 432.95 shares of preferred stock to the Company in exchange for US\$150.0 million of additional paid-in capital. As a result, DMFHL recorded US\$150.0 million of additional paid-in capital related to this transaction.

On 15 May 2020, DMFHL 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. Loans under the ABL Credit Agreement will bear interest based on either the Eurodollar rate of the alternative base rate, plus an applicable margin. Additionally, the Group fully amortised the remaining deferred financing fees related to the previous credit agreement of US\$1.0 million for the year ended 30 April

2020. 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.

### **30. 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 favourable or unfavourable impact on net sales or revenues or income from continuing operations.
- c. 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 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 January 2021. 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 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 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 unrealised 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 January	31-Jan-20	30-Apr-20	Benchmark
<b>Current Ratio</b>	<b>1.2281</b>	<b>0.9541</b>	<b>0.5919</b>	<b>Minimum of 1.20</b>

Increase in current ratio versus last year mainly driven by higher inventories and lower current loans and borrowings.

**B. Debt to Equity**

	31 January	31-Jan-20	30-Apr-20	Benchmark
<b>Debt to Equity</b>	<b>3.1688</b>	<b>5.1162</b>	<b>3.5138</b>	<b>Maximum of 2.50</b>

Debt ratio decreased versus last year mainly due to settlement of First Lien and Second Lien loans.

**C. Net Profit Margin**

	31 January	31-Jan-20	30-Apr-20	Benchmark
<b>Net Profit Margin attributable to owners of the company</b>	<b>2.93%</b>	<b>-8.09%</b>	<b>-3.82%</b>	<b>Minimum of 3%</b>

Net profit this year compared to loss last year, mainly due to one-off costs incurred last year relating to final taxes paid on intercompany dividends and plant closures of DMFL.

**D. Return on Asset**

	31 January	31-Jan-20	30-Apr-20	Benchmark
<b>Return on Asset</b>	<b>2.33%</b>	<b>-2.86%</b>	<b>-3.67%</b>	<b>Minimum of 1.21</b>

Net profit this year compared to loss last year, mainly due to one-off costs incurred last year relating to final taxes paid on intercompany dividends and plant closures of DMFL.

**E. Return on Equity**

	31 January	31-Jan-20	30-Apr-20	Benchmark
<b>Return on Equity</b>	<b>9.70%</b>	<b>-17.49%</b>	<b>-16.58%</b>	<b>Minimum of 8%</b>

Net profit this year compared to loss last year, mainly due to one-off costs incurred last year relating to final taxes paid on intercompany dividends and plant closures of DMFL.

## **Material Changes in Accounts**

### **A. Trade and other receivables**

Decrease was mainly due to collection of US\$120 million receivable from sale of DMPI shares

### **B. Inventories**

Increase was mainly due to inventory buildup for seasonality of sales.

### **C. Prepaid expenses and other current assets**

Decrease was mainly on reclassification of prepaid consultancy fees to deferred financing costs following completion of DMFI's refinancing.

### **D. Trade and other current liabilities**

Decrease was mainly driven by DMFI for the payment of accrued transaction costs last April 2020 relating to the issuance of Senior Secured Notes.

### **E. Loans and borrowings**

Decrease in loans and borrowings was mainly driven by settlement of DMFI's First Lien and Second Lien loans.

## **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, excluding DMFHL and its subsidiaries, including, but not limited to, DMFI.

- For the US\$54.0 million loan to BOC, the debt shall not exceed 3 times the equity and the interest cover shall not be lower than 2.0 (EBIT over interest).
- For the US\$57.2 million loan and US\$ 75.0 million loan to DBP, the debt shall not exceed 3 times the equity.
- For the Php 1.5 billion loan to 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.

As at 31 January 2021 and 30 April 2020, the Company is in compliance with the covenants stipulated in its loan agreements.

## **Annex B**

### **DEL MONTE PACIFIC, LTD.**

#### **SUPPLEMENTARY SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS**

		Nine months ended 31 January	
Ratio	Formula	2021	2020
(i) Liquidity Analysis Ratios:			
Current Ratio or Working Capital Ratio	Current Assets / Current Liabilities	1.2	1.0
Quick Ratio	(Current Assets - Inventory - Prepaid expense - Biological - Assets held for sale) / Current Liabilities	0.3	0.2
(ii) Solvency Ratio	Total Assets / Total Debt*	1.3	1.2
Financial Leverage Ratios:			
Debt Ratio	Total Debt*/Total Assets	0.8	0.8
Debt-to-Equity Ratio	Total Debt*/Total Stockholders' Equity	3.2	4.6
(iii) Asset to Equity Ratio	Total Assets / Total Stockholders' Equity	4.2	5.6
(iv) Interest Coverage	Earnings Before Interest and Taxes (EBIT)** / Interest Charges	2.0	0.3
(v) Profitability Ratios			
Gross Profit Margin	Sales - Cost of Goods Sold or Cost of Service / Sales	25.39%	22.73%
Net Profit Margin attributable to owners of the company	Net Profit attributable to owners / Sales	2.93%	-4.63%
Net Profit Margin	Net Profit / Sales	3.53%	-5.28%
Return on Assets	Net Income / Total Assets	2.33%	-2.92%
Return on Equity	Net Income / Total Stockholders' Equity	9.70%	-16.34%

\* Total Debt refers to total liabilities which composed of financial liabilities, trade payables, accrued expenses, and other liabilities.

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



**DEL MONTE PACIFIC LIMITED**

## **Management Discussion and Analysis of Unaudited Financial Condition and Results of Operations for the Third Quarter and Nine Months Ended 31 January 2021**

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### **AUDIT**

Third Quarter FY2021 results covering the period from 1 November 2020 to 31 January 2021 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 FY2020 annual consolidated financial statements, except for the adoption of the following amendments effective beginning 1 May 2020, which the Group has adopted or is currently assessing the impact thereof:

Applicable for the first annual reporting period that begins on or after 1 May 2020 and onwards and are currently being assessed by the Group:

- Amendments to References to Conceptual Framework in IFRS Standards
- Amendments to IFRS 3, Definition of a Business
- Amendments to IAS 1, Presentation of Financial Statements, and IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors, Definition of Material
- Amendments to IFRS 7, Financial Instruments: Disclosures and IFRS 9, Financial Instruments, Interest Rate Benchmark Reform
- Amendments to IFRS 16, COVID-19-related Rent Concessions

### **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 for 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

10 March 2021

## NOTES ON THE 3Q FY2021 DMPL RESULTS

- On 30 April 2020, the Group recognised the sale of a 12% stake in Del Monte Philippines, Inc (DMPI) and started recognising this as non-controlling interest (NCI) on 1 May 2020. On 16 December 2020, the Group recognised an additional sale of 1% stake in DMPI thereby increasing the NCI share to 13%. In addition, DMPL's effective stake in Del Monte Foods, Inc (DMFI) increased to 93.6% starting 15 May 2020 and had henceforth recognised a 6.4% NCI. These two comprise the NCI line in the P&L. Net profit/(loss) is net of NCI.
- FY means Fiscal Year for the purposes of this MD&A.
- The Group adopted the amendments to IAS 16 and IAS 41 (Agriculture: Bearer Plants) in April 2017. The change in accounting standard was applied retrospectively. This involved reclassifying a portion of biological assets to plant, property and equipment leading to much higher depreciation expense. However, for EBITDA calculation, the Group retained the old calculation using the lower depreciation.

## FINANCIAL HIGHLIGHTS – THIRD QUARTER AND NINE MONTHS ENDED 31 JANUARY 2021

	For the three months ended 31 January			For the nine months ended 31 January		
	Fiscal Year 2021	Fiscal Year 2020	%Change	Fiscal Year 2021	Fiscal Year 2020	%Change
<i>in US\$'000 unless otherwise stated *</i>						
<b>With one-off items**</b>						
Turnover	628,353	555,344	13.1	1,664,864	1,489,949	11.7
Gross profit	168,911	113,444	48.9	422,762	338,727	24.8
Gross margin (%)	26.9	20.4	6.5	25.4	22.7	2.7
EBITDA	99,023	56,953	73.9	235,826	86,334	173.2
Operating profit	74,299	30,194	146.1	162,677	20,901	678.3
Operating margin (%)	11.8	5.4	6.4	9.8	1.4	8.4
Net profit attributable to owners of the Company	30,158	6,665	352.5	48,761	(68,950)	170.7
Net margin (%)	4.8	1.2	3.6	2.9	(4.6)	7.5
EPS (US cents)	1.30	0.09	1,344.4	1.75	(4.31)	140.6
EPS before preference dividends (US cents)	1.55	0.34	355.9	2.51	(3.55)	170.7
<b>Without one-off items**</b>						
Gross profit	168,911	113,444	48.9	422,762	338,727	24.8
EBITDA	99,023	57,628	71.8	235,826	165,872	42.2
Operating profit	74,299	30,869	140.7	162,677	100,439	62.0
Net profit attributable to owners of the Company	30,158	7,359	309.8	48,761	27,433	77.7
Net debt	1,325,918	1,603,081	(17.3)	1,325,918	1,603,081	(17.3)
Gearing*** (%)	219.2	333.0	(113.8)	219.2	333.0	(113.8)
Cash flow from operations	208,662	193,883	7.6	144,019	57,255	151.5
Capital expenditure	37,865	29,969	26.3	101,502	85,348	18.9
Inventory (days)	130	135	(5)	118	165	(47)
Receivables (days)	30	28	2	30	26	4
Account Payables (days)	42	37	5	43	34	9

\*The Company's reporting currency is US dollars. For conversion to S\$, the following exchange rates can be used: 1.37 in January 2021 and 1.37 in January 2020. For conversion to PhP, these exchange rates can be used: 48.92 in January 2021 and 51.44 in January 2020.

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

\*\*\*Gearing = Net Debt / Equity

## REVIEW OF OPERATING PERFORMANCE

### *Third Quarter*

The Group generated sales of US\$628.4 million for the third quarter of FY2021, higher by 13.1% versus the prior year quarter driven by higher sales in USA, Philippines and international markets from continued surge in demand brought about by the pandemic. The principal categories all experienced strong growth as consumers stayed home.

The Group's US subsidiary, Del Monte Foods, Inc (DMFI) generated US\$440.0 million or 70.0% of Group sales. DMFI's sales increased by 12.3% due to higher sales of branded retail, co-pack and USDA. The main categories delivered robust growth as consumers chose healthy, shelf-stable products in response to COVID-19. E-commerce sales saw significant increase continuing the strong momentum.

DMFI has launched a number of new products in recent years. New products contributed 5.1% to DMFI's total net sales in the third quarter.

DMFI won a "Product of the Year" award, the world's largest consumer-voted award for product innovation. Winners were determined by the votes of 40,000 consumers in a national survey conducted by Kantar, a global leader in consumer research.

Del Monte Deluxe Gold Pineapple, a premium canned pineapple produced by Del Monte Philippines, Inc (DMPI), and Del Monte Veggieful Pocket Pies won the award in the Fruit and Convenience Meal categories, respectively. These latest wins build on past recognition for Del Monte Veggie Bowls, Fruit Crunch Parfait and Pizzettas (2020), Fruit & Oats (2019), and Fruit Refreshers (2017).

DMFI generated a gross profit of US\$107.5 million, substantially higher by 73.1% versus prior year quarter of US\$62.1 million leading to much improved margin of 24.4% from 15.8%. This was mainly driven by favourable sales mix from higher sales of higher-margin branded products in retail channel, lower trade spending, lower costs driven by inputs and overheads as most sales came from current year inventory offsetting headwinds in freight cost, and cost savings from plant closures in the last financial year.

DMPL ex-DMFI generated sales of US\$200.6 million (inclusive of the US\$12.3 million sales by DMPL to DMFI which were netted out during consolidation) which were 17.9% higher than US\$170.2 million sales in the prior year period. Higher sales were mainly driven by all major segments including Philippines retail, exports of fresh and processed pineapples and packaged products.

The strong sales performance in the third quarter resulted in DMPL ex-DMFI delivering higher gross margin of 31.6% from 29.5% in the same period last year. Higher volume, favourable sales mix driven by higher sales to retail channel in the Philippines and exports of processed pineapples, better pricing in line with inflation, and lower cost of inputs led to overall margin improvement.

In the Philippines, sales rose 19.9% in US dollar terms and 13.8% in peso terms. Both retail channels of general trade and modern trade grew offsetting the decline in foodservice. DMPI also expanded its presence in e-commerce, investing in both digital capability and partnerships with leading online platforms Lazada and Shopee. Albeit from a low base, this resulted in significant growth in e-commerce sales during the lockdown period which continued even post-lockdown.

The strong revenue growth was driven by packaged fruit and culinary segments behind consumer campaigns promoting regular cooking with Del Monte pineapples and tomato sauces, as consumers continued to prepare meals at home. Season-relevant recipes were highlighted vis-à-vis meal planning in Del Monte Kitchenomics, the Company's successful long-running recipe program. DMPI introduced limited edition Christmas products such as Del Monte Deluxe Gold and Fiesta Fruit Cocktail in smaller, festive clear cans that are perfect for smaller in-home celebrations during the pandemic. DMPI continues to highlight its product portfolio's health benefits with targeted advertising, particularly behind its beverage brands. The Company also launched the Tomato Sauté (Tomato Ginisa) pack in January, as a low-unit price offer for the popular Del Monte Tomato Sauce, in an effort to extend its use to everyday dishes.

Exports of processed pineapples and packaged products, including S&W, increased by 23.0% due to higher sales in Americas, Europe and Indian subcontinent as the Group's supply of pineapples improved in the second half. Sales of fresh pineapples, the majority of which are branded S&W, grew by 11.4% in the third quarter versus the same period last year. The Company expects its fresh business to continue growing in the fourth quarter with more consumers going to retail stores in North Asia and increased e-commerce sales. The Group's branded pineapples are ranked number 1 in the imported pineapple category of China's JD.com and Pinduoduo.com.

DMPL's share in the FieldFresh joint venture in India was a US\$0.1 million loss, lower than prior year quarter's share in losses of US\$0.4 million, as business continued to rebound from the impact of COVID-19 on foodservice and QSR business. Retail and e-commerce sales continued to improve as B-to-B business recovers.

DMPL ex-DMFI generated an EBITDA of US\$39.8 million which was higher by 33.4% versus the same period last year mainly from the factors discussed above. DMPL ex-DMFI generated a net profit of US\$23.7 million which was 51.5% higher versus the US\$15.7 million in the same quarter last year driven by strong operating results from the Philippine market and exports of processed pineapples and packaged products.

DMFI delivered an EBITDA of US\$61.2 million, up 135.4% versus the US\$26.0 million in the prior year quarter due to higher gross profit as explained above, and lower marketing spend. DMFI generated a net profit of US\$15.8 million from a loss of US\$13.5 million last year, a turnaround from quarters of losses in the past. There were no one-off items this quarter and minimal in the prior year quarter.

The Group's EBITDA of US\$99.0 million was higher versus prior year's US\$57.6 million mainly driven by improved operating performance with higher sales, favourable pricing in line with inflation, lower trade spending and overall margin improvement in both Asia Pacific and Americas operations.

The Group reported a net income of US\$30.2 million for the quarter, higher versus prior year quarter's net income of US\$6.7 million.

The Group's cash flow from operations in the third quarter was US\$208.7 million, higher than last year's US\$193.9 million mainly from higher operating profit and lower receivables.

### **Nine Months**

For the nine months of FY2021, the Group generated sales of US\$1.7 billion, up 11.7% versus prior year period. DMFI generated US\$1.2 billion or 69.4% of Group sales, higher by 12.2% due to pandemic-related demand increases. The growth in sales across Asia and USA when GDP across geographies contracted in April to December 2020 is a testament to the resilience and strength of DMPL's brands and products.

In June, DMFI successfully launched the premium canned pineapple called Deluxe Gold. This is of the same pineapple variety sold in Asia as fresh. It also launched Del Monte Oats to Go which is a ready-to-eat single-serve oatmeal with half a serving of fruit and 100% whole grains.

Consumers are looking for easily accessible, nutritious foods with wholesome ingredients, and plant-based protein is a perfect category to address those needs. The Company introduced a new Del Monte Veggieful line of frozen vegetarian pocket pies which are delicious handheld snacks with plant-based ingredients and real cheese.

New products contributed 5.5% to DMFI's total sales in the nine months ended January 2021.

DMFI generated higher gross profit of US\$256.5 million from US\$195.0 million in the prior year period driven by higher sales from branded retail arising from pandemic-related demand, lower trade spending across all key segments and lower costs. Significant cost savings were realised from the plant closures in the last financial year.

The Philippine market sales were up 17.0% and 11.4% in US dollar and peso terms, respectively. Sales in the general trade segment grew offsetting the decline in foodservice.

In July, DMPI entered the dairy segment and successfully launched a new fruit yoghurt milk drink, Mr. Milk, across retail channels nationwide.

Exports of processed pineapples and S&W packaged products increased by 16.6% due to higher sales in Americas, North Asia and Southeast Asia. However, sales of fresh pineapples declined by 5.1% due to lower sales of fresh pineapples in China and the Middle East as impacted by the pandemic at the start of the fiscal year but this had already improved in the recent months.

DMPL ex-DMFI delivered higher gross margin of 31.2% from 28.7% in the same period last year mainly from higher volume, favourable mix, price increases across almost all markets in line with inflation, and lower delivered cost.

DMPL's share in the FieldFresh joint venture in India was at US\$1.0 million loss from a US\$1.1 million loss in the prior year period. The pandemic significantly impacted the foodservice category which accounted for half of total sales in India. However, retail and e-commerce sales continued to surge.

The Group posted an EBITDA of US\$235.8 million, significantly higher than the US\$86.3 million in the same period last year due to the presence of one-off expenses last year and strong operating results. DMFI accounted for US\$129.3 million of the US\$235.8 million EBITDA. Excluding one-off expenses, the Group's EBITDA was 42.2% higher versus the recurring EBITDA of US\$165.9 million in the prior year period. There were no one-off items for nine months of FY2021.

The Group reported a net income of US\$48.8 million for the nine months of FY2021, a turnaround versus the prior year period's net loss of US\$69.0 million. Last year's net loss included one-off expenses incurred by DMFI due to plant closures as well as dividend tax paid from receipt of dividend from DMPI. Without these one-off expenses, the Group's net income of US\$48.8 million was still substantially higher by 77.8% than the recurring net income of US\$27.4 million last year.

In May 2020, DMFI raised new financing of US\$1.3 billion consisting of a US\$500 million five-year bond issue, a new three-year ABL of US\$450 million, and equity of US\$379.5 million from DMPL, thereby recapitalising DMFI's balance sheet.

DMFI issued US\$500 million aggregate principal amount of 11.875% senior secured notes due 2025, with original issue discount equal to 3% of the principal amount (the Notes). DMFI also entered into a new US\$450 million asset-based loan facility due 2023 (the ABL Facility). Simultaneous with the Notes and the ABL Facility, DMPL invested US\$150 million in new preference equity in DMPL Foods Limited, the holding company of DMFI, and converted US\$229.5 million of Second Lien Repurchase Loans into common equity in DMFI.

In October 2020, DMPI successfully raised PhP6.47 billion (US\$134 million) worth of fixed-rate bonds. The issuance, which consisted of three-year bonds at 3.484% pa interest rate and five-year bonds at 3.7563% pa, was oversubscribed. It was well-received by a good mix of retail and institutional investors that included insurance companies, retirement funds and asset management groups, among others. DMPI's credit rating for this bond is Aaa, the highest rating assigned by the Philippine Rating Services Corporation. The proceeds of the offering were used to refinance existing loans with lower cost funding and longer maturities.

The Group gearing decreased to 2.2x equity as of 31 January 2021, from 3.3x in prior year quarter, due to lower loans from improved operating performance, increased shareholder's equity from the gain on sale of 13% stake in DMPI, and profits generated this year.

As at 31 January 2021, the Group improved its working capital to US\$177.4 million from a negative working capital of US\$667.3 million at the end of FY2020. This was mainly driven by the successful refinancing of DMFI's secured loans as mentioned above.

## **VARIANCE FROM PROSPECT STATEMENT**

The Group incurred a net profit of US\$48.8 million for the nine months ended 31 January 2020. The Group further expects to generate a net profit for the balance of the year and a net profit for the full year which is in line with earlier guidance.

## **BUSINESS OUTLOOK**

To meet sustained demand for its trusted, healthy and shelf-stable products, the Group will continue to optimise its production facilities while implementing strict safety measures and protecting its people against COVID-19. The Group will strengthen its core business and expand the product portfolio, in response to market trends for health and wellness, and grow its branded business, while reducing non-strategic business segments.

The Group will continue to strengthen its product offerings and enter new categories. It will continue to focus on business segments which are on-trend, pursue innovation to address growing consumer needs for more convenient, healthy and flavourful solutions, as well as build its distribution base in emerging channels.

DMFI's Asset-Light Strategy undertaken in the last fiscal year was a complex exercise, but a critical step in repositioning DMFI for the future. It led to more efficient and lower cost operations necessary for DMFI to remain competitive in a rapidly changing marketplace. In the nine months of FY2021, the Group recognised cost savings of US\$34 to US\$35 million which favourably impacted profitability. A portion of these cost savings will be reinvested in the growth and expansion of DMFI's iconic brands. DMFI is capitalising on growing consumer desire for convenient, healthy and tasty plant-based foods. It is expanding its brands beyond centre store grocery into higher growth categories such as frozen, produce and deli. DMFI is well-positioned for better results in FY2021 with better sales mix and management of costs.

The Group will continue to expand its existing branded business in Asia, through the Del Monte brand in the Philippines, where it is a dominant market leader. S&W, both packaged and fresh, will continue to gain more traction as it leverages its distribution expansion in Asia and the Middle East.

The Group has been exploring e-commerce opportunities for its range of products across markets.

## REVIEW OF TURNOVER, GROSS PROFIT AND OPERATING PROFIT

### AMERICAS

#### For the quarter ended 31 January

In US\$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2021	FY2020	% Chg	FY2021	FY2020	% Chg	FY2021	FY2020	% Chg
Packaged vegetable	178,643	174,805	2.2	64,243	33,341	92.7	35,900	10,449	243.6
Packaged fruit	167,149	144,905	15.4	28,965	22,329	29.7	7,982	1,772	350.5
Beverage	5,061	2,877	75.9	59	485	(87.8)	(251)	(21)	nm
Culinary	92,197	67,823	35.9	14,799	7,045	110.1	285	(4,533)	106.3
Others	214	3,584	(94.0)	(564)	455	(224.0)	(2,772)	(2,366)	(17.2)
Total	443,264	393,994	12.5	107,502	63,655	68.9	41,144	5,301	676.2

#### For the nine months ended 31 January

In US\$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2021	FY2020	% Chg	FY2021	FY2020	% Chg	FY2021	FY2020	% Chg
Packaged vegetable	443,992	416,317	6.6	151,991	97,608	55.7	83,563	31,009	169.5
Packaged fruit	479,325	429,070	11.7	66,804	73,902	(9.6)	(6,538)	2,302	(384.0)
Beverage	13,562	10,479	29.4	625	1,424	(56.1)	(972)	(1,099)	11.6
Culinary	228,367	173,600	31.5	41,840	27,782	50.6	3,364	(634)	630.6
Others	1,375	4,121	(66.6)	(1,779)	(296)	(501.0)	(5,632)	(76,683)	nm
Total	1,166,621	1,033,587	12.9	259,481	200,420	29.5	73,785	(45,105)	263.6

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.

Sales in the Americas increased by 12.5% to US\$443.3 million due to higher sales of branded retail, co-pack and USDA. The main categories delivered robust growth as consumers chose healthy, shelf-stable products in response to COVID-19.

Gross profit was significantly higher by 68.9% this quarter as a result of favourable sales mix from higher sales of branded products in retail channel, lower trade spending, lower costs of inputs and overheads plus cost savings from plant closures in the last financial year.

Americas reported an operating profit for the quarter of US\$41.1 million versus prior year quarter's operating profit of US\$5.3 million due to reasons mentioned above.

## ASIA PACIFIC

### For the quarter ended 31 January

In US\$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2021	FY2020	% Chg	FY2021	FY2020	% Chg	FY2021	FY2020	% Chg
Packaged vegetable	725	436	66.3	159	60	165.0	127	48	164.6
Packaged fruit	44,201	36,546	20.9	15,676	10,639	47.3	11,805	6,841	72.6
Beverage	33,863	36,224	(6.5)	9,320	10,094	(7.7)	3,313	4,685	(29.3)
Culinary	50,332	37,531	34.1	20,378	13,228	54.1	14,429	8,004	80.3
Others	45,216	41,342	9.4	13,278	15,464	(14.1)	1,734	5,653	(69.3)
Total	174,337	152,079	14.6	58,811	49,485	18.8	31,408	25,231	24.5

### For the nine months ended 31 January

In US\$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2021	FY2020	% Chg	FY2021	FY2020	% Chg	FY2021	FY2020	% Chg
Packaged vegetable	1,641	1,305	25.7	314	216	45.4	258	191	35.1
Packaged fruit	103,364	93,718	10.3	33,548	26,345	27.3	23,442	16,672	40.6
Beverage	112,777	97,674	15.5	35,147	26,530	32.5	19,980	11,912	67.7
Culinary	129,341	104,573	23.7	53,910	38,366	40.5	38,978	23,769	64.0
Others	129,571	135,653	(4.5)	35,710	47,125	(24.2)	3,170	15,383	(79.4)
Total	476,694	432,923	10.1	158,629	138,582	14.5	85,828	67,927	26.4

Reported under this segment 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.

Asia Pacific's sales in the third quarter increased by 14.6% to US\$174.3 million from US\$152.1 million mainly due to increase in all major segments including Philippines retail, exports of fresh and processed pineapples and packaged products.

Sales in the Philippines domestic market were up in both US dollar and peso terms by 19.9% and 13.8%, respectively, driven by the packaged fruit and culinary segments.

Moreover, exports of processed pineapples and packaged products, including S&W, increased by 23.0% due to improved supply of pineapples in the second half. Sales of fresh pineapples, the majority of which are branded S&W, grew by 11.4% in the third quarter versus the same period last year.

## EUROPE

### For the quarter ended 31 January

In US\$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2021	FY2020	% Chg	FY2021	FY2020	% Chg	FY2021	FY2020	% Chg
Packaged fruit	6,497	6,391	1.7	1,865	458	307.2	1,310	43	nm
Beverage	4,121	2,839	45.2	665	(166)	500.6	383	(387)	199.0
Culinary	134	41	226.8	68	12	466.7	54	6	800.0
Total	10,752	9,271	16.0	2,598	304	754.6	1,747	(338)	616.9

### For the nine months ended 31 January

In US\$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2021	FY2020	% Chg	FY2021	FY2020	% Chg	FY2021	FY2020	% Chg
Packaged fruit	15,127	15,882	(4.8)	3,600	511	604.5	2,448	(542)	551.7
Beverage	6,201	7,516	(17.5)	943	(798)	218.2	533	(1,385)	138.5
Culinary	221	41	439.0	109	12	808.3	83	6	nm
Total	21,549	23,439	(8.1)	4,652	(275)	nm	3,064	(1,921)	259.5

Included in this segment are sales of co-branded and unbranded products in Europe.

For the third quarter, Europe's sales increased by 16.0% to US\$10.8 million from US\$9.3 million in prior year quarter. Gross profit significantly increased by 754.6%, and Europe generated an operating income of US\$1.7 million, a turnaround from prior year period's operating loss of US\$0.3 million driven by better prices for pineapple juice concentrate and higher sales of packaged fruit.

## REVIEW OF COST OF GOODS SOLD AND OPERATING EXPENSES

% of Turnover	For the three months ended 31 January			For the nine months ended 31 January		
	FY2021	FY2020	Comments	FY2021	FY2020	Explanatory Notes
Cost of Goods Sold	73.1	79.6	Overall impact of increase in sales, than increase in cost of production, resulting to lower turnover rate	74.6	77.3	Same as 3Q
Distribution and Selling Expenses	9.3	10.3	Driven by lower spending on advertising and selling/marketing overhead	9.2	10.6	Same as 3Q
G&A Expenses	5.7	4.4	Higher administrative expenses in DMFI driven by higher personnel cost	6.4	5.9	Same as 3Q
Other Operating Expenses (Income)	0.0	0.2	Lower miscellaneous expenses from DMFI's discontinued operations	0.0	4.8	Same as 3Q

## REVIEW OF OTHER MATERIAL CHANGES TO INCOME STATEMENTS

In US\$'000	For the three months ended 31 January				For the nine months ended 31 January			
	FY2021	FY2020	%	Comments	FY2021	FY2020	%	Explanatory Notes
Depreciation and amortization	(46,498)	(45,733)	(1.7)	Higher depreciation on property and equipment	(127,954)	(124,548)	(2.7)	Higher depreciation on right-of-use asset
Reversal/ (Provision) of asset impairment	15	16	(6.3)	Driven by DMFI reversal of asset impairment	46	(40,761)	100.1	Higher provision for impairment of assets last year from DMFI plant closures
Reversal/ (Provision) for inventory obsolescence	(268)	1,276	(121.0)	Driven by DMFI provisions for inventory obsolescence	(295)	394	(174.9)	Same as 3Q
Reversal/ (Provision) for doubtful debts	(141)	54	(361.1)	Driven by provisions for bad debts from offshore companies.	(28)	(17)	(64.7)	Reversal in 2Q was offset by 3Q provision
Net gain/(loss) on disposal of fixed assets	6	1,146	(99.5)	Last period was driven by DMFI due to gain on sale of plant assets	2,783	(290)	1,059.7	Driven by DMFI due to gain on sale of plant assets
Foreign exchange gain/(loss)- net	530	659	(19.6)	Driven by appreciation of Mexican Peso and Philippine Peso	3,682	3,661	0.6	Same as 3Q
Interest income	(85)	1,898	(104.5)	Last period was driven by recognised gain on DMFI second lien buy-out	205	2,426	(91.5)	Higher recognised gain on DMFI second lien buy-out last year
Interest expense	(27,168)	(26,441)	(2.7)	Driven by interest on newly issued DMFI Senior Secured Notes	(83,042)	(78,511)	(5.8)	Same as 3Q
Share in net loss of JV	(92)	(544)	83.1	Lower losses in FieldFresh	(999)	(1,759)	43.2	Same as 3Q
Taxation Benefit (Expense)	(12,079)	(712)	(1,596.5)	Higher tax driven by higher profits, also last year was partly offset by higher tax benefits from DMFI	(23,833)	(25,418)	6.2	Final taxes paid on intercompany dividends last year

## REVIEW OF GROUP ASSETS AND LIABILITIES

Balance Sheet	31 Jan 2021 (Unaudited)	31 Jan 2020 (Unaudited)	30 April 2020 (Audited)	% Variance vs April FY20		Explanatory Notes
<b>In US\$'000</b>						
<b>ASSETS</b>						
Property, plant and equipment - net	523,978	486,201	507,497	3.2	nm	
Right-of-use (ROU) assets	144,271	201,902	166,085	(13.1)		Mainly due to amortisation
Investment in joint ventures	21,856	23,984	22,855	(4.4)	nm	
Intangible assets and goodwill	696,359	703,010	701,347	(0.7)	nm	
Other noncurrent assets	32,395	40,329	34,937	(7.3)		Driven by DMPI from lower advance rentals and deposits
Deferred tax assets - net	139,961	141,687	144,974	(3.5)	nm	
Pension assets	5,144	7,662	6,675	(22.9)		No actual funding due to overpayment of fund in prior years
Biological assets	53,214	64,022	63,278	(15.9)		Due to higher harvested tons this year
Inventories	606,382	745,758	482,463	25.7		Due to inventory buildup for seasonality of sales
Trade and other receivables	217,742	189,014	323,065	(32.6)		Mainly on collection of US\$120M receivable from sale of shares
Prepaid expenses and other current assets	47,059	48,404	67,712	(30.5)		Reclassification of prepaid consultancy fees to deferred financing costs following completion of DMFI refinancing
Cash and cash equivalents	33,274	20,488	33,465	(0.6)	nm	
Noncurrent assets held for sale	-	23,187	-	nm	nm	
<b>EQUITY</b>						
Share capital	49,449	49,449	49,449	0.0	nm	
Share premium	478,339	478,339	478,339	0.0	nm	
Retained earnings	75,159	6,392	60,763	23.7		Net profit for the period and gain on sale of DMPI shares partly offset by dividend payments
Reserves	(60,558)	(83,598)	(77,474)	21.8		Driven by remeasurement gain on retirement plans and changes in fair value of cash flow hedges
Non-controlling interest	62,498	30,865	54,820	14.0		Share in net comprehensive income offset by dividends received, and additional 1% share of subsidiary
<b>LIABILITIES</b>						
Loans and borrowings	1,359,192	1,623,569	1,396,029	(2.6)		Driven by lower DMFI loans from settlement of First and Second Lien Loan
Lease liabilities	139,159	199,269	158,525	(12.2)		Due to lease payments
Derivative liabilities	2,565	-	2,565	0.0	nm	
Other noncurrent liabilities	20,256	20,200	20,815	(2.7)	nm	
Employee benefits	106,853	116,872	105,345	1.4	nm	
Environmental remediation liabilities	9,092	14,627	9,587	(5.2)		Payments of environment charges
Deferred tax liabilities - net	13,382	8,005	12,447	7.5		Recognition of deferred final tax on undistributed profits of DMPI for the period.
Trade and other current liabilities	261,669	227,992	276,893	(5.5)		Driven by DMFI for the payment of accrued transaction costs last April 2020 relating to the issuance of Senior Secured Notes
Current tax liabilities	4,580	3,667	6,250	(26.7)		Driven by DMFI due to lower income tax payable from ICMOSA as well as DMPI due to timing of tax payments

## SHARE CAPITAL

Total shares outstanding were 1,973,960,024 (common shares 1,943,960,024 and preference shares 30,000,000) as of 31 January 2021 and 2020. Share capital was US\$49.5 million as of 31 January 2021 and 2020. Market price options and share awards were granted pursuant to the Company's Executive Stock Option Plan and Restricted Share Plan as set out in the table below.

Date of Grant	Options	Share Awards	Recipient(s)
7 March 2008	1,550,000	1,725,000	Key Executives
20 May 2008	–	1,611,000	CEO
12 May 2009	–	3,749,000	Key Executives
29 April 2011	–	2,643,000	CEO
21 November 2011	–	67,700	Non-Executive Director
30 April 2013	150,000	486,880	Key Executives
22 August 2013	–	688,000	Executive/Non-Executive Directors
1 July 2015	75,765	57,918	Executive/Non-Executive Directors

The number of shares outstanding included 975,802 shares held by the Company as treasury shares as at 31 January 2021 and 2020. There was no sale, disposal and cancellation of treasury shares during the quarter and as at 31 January 2021.

In April 2019, the Company converted its advances to wholly owned subsidiaries Del Monte Pacific Resources Limited (DMPRL) and DMPL India, Pte Ltd (DMPLI) in the amounts of US\$167.6 million and US\$70.1 million, respectively into additional paid in capital. The conversion was approved by the Board of directors on 30 April 2019.

In April 2017, the Company successfully completed the offering and listing of 20 million Series A-1 Preference Shares at an offer price of US\$10 per share in the Philippines generating US\$200 million in proceeds. In December 2017, the Company raised and listed another US\$100 million of Preference Shares (10 million Series A-2 shares).

The Company used the net proceeds to substantially refinance the US\$350 million BDO Unibank, Inc loan that was due in February 2019.

## BORROWINGS AND NET DEBT

<i>Liquidity in US\$'000</i>	31 Jan 2021 (Unaudited)	31 Jan 2020 (Unaudited)	30 April 2020 (Audited)
<b>Gross borrowings</b>	<b>(1,359,192)</b>	(1,623,569)	(1,396,029)
<b>Current</b>	<b>(455,463)</b>	(810,375)	(1,298,292)
<b>Secured</b>	<b>(170,204)</b>	(407,977)	(825,140)
<b>Unsecured</b>	<b>(285,259)</b>	(402,398)	(473,152)
<b>Non-current</b>	<b>(903,729)</b>	(813,194)	(97,737)
<b>Secured</b>	<b>(664,779)</b>	(680,953)	(22,737)
<b>Unsecured</b>	<b>(238,950)</b>	(132,241)	(75,000)
<b>Less: Cash and bank balances</b>	<b>33,274</b>	20,488	33,465
<b>Net debt</b>	<b>(1,325,918)</b>	(1,603,081)	(1,362,564)

The Group's net debt (borrowings less cash and bank balances) amounted to US\$1.3 billion as at 31 January 2021, lower than the US\$1.4 billion as at 30 April 2020 due to DMFI's repayment of its First and Second Lien Loans. Also, it was lower than the US\$1.6 billion as at 31 January 2020 due to improved operating performance and increased shareholder's equity from the gain on sale of 13% stake in DMPI.

## DIVIDENDS

No dividends were declared for this quarter and the prior year quarter. The Group does not declare dividend based on first quarter, third quarter or nine months results. The last dividend declaration was in October 2020, for preferred shareholders, and paid on 7 October 2020.

## 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 For the nine months ended 31 January	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)	
	FY2021	FY2020	FY2021	FY2020
NutriAsia, Inc	-	-	970	5,822
DMPI Retirement Fund	-	-	1,313	1,270
NutriAsia, Inc Retirement Fund	-	-	509	438
<b>Aggregate Value</b>	-	-	<b>2,792</b>	<b>7,530</b>

# **DEL MONTE PACIFIC LIMITED** **UNAUDITED CONSOLIDATED INCOME STATEMENT**

<i>Amounts in US\$'000</i>	For the three months ended 31 January			For the nine months ended 31 January		
	FY2021 (Unaudited)	FY2020 (Unaudited)	%	FY2021 (Unaudited)	FY2020 (Unaudited)	%
Turnover	628,353	555,344	13.1	1,664,864	1,489,949	11.7
Cost of sales	(459,442)	(441,900)	(4.0)	(1,242,102)	(1,151,222)	(7.9)
<b>Gross profit</b>	<b>168,911</b>	<b>113,444</b>	<b>48.9</b>	<b>422,762</b>	<b>338,727</b>	<b>24.8</b>
Distribution and selling expenses	(58,213)	(57,272)	(1.6)	(153,302)	(158,079)	3.0
General and administration expenses	(36,090)	(24,605)	(46.7)	(107,138)	(88,557)	(21.0)
Other operating income/(loss)	(309)	(1,373)	77.5	355	(71,190)	100.5
<b>Profit from operations</b>	<b>74,299</b>	<b>30,194</b>	<b>146.1</b>	<b>162,677</b>	<b>20,901</b>	<b>678.3</b>
Financial income*	493	2,369	(79.2)	4,049	6,214	(34.8)
Financial expense*	(27,216)	(26,253)	(3.7)	(83,204)	(78,638)	(5.8)
Share in net loss of joint venture	(92)	(544)	83.1	(999)	(1,759)	43.2
<b>Profit/(loss) before taxation</b>	<b>47,484</b>	<b>5,766</b>	<b>723.5</b>	<b>82,523</b>	<b>(53,282)</b>	<b>254.9</b>
Taxation	(12,079)	(712)	(1,596.5)	(23,833)	(25,418)	6.2
<b>Profit/(loss) after taxation</b>	<b>35,405</b>	<b>5,054</b>	<b>600.5</b>	<b>58,690</b>	<b>(78,700)</b>	<b>174.6</b>
<b>Profit/(loss) attributable to:</b>						
Owners of the Company	30,158	6,665	352.5	48,761	(68,950)	170.7
Non-controlling interest **	5,247	(1,611)	425.7	9,929	(9,750)	201.8
<b>Profit/(loss) for the period</b>	<b>35,405</b>	<b>5,054</b>	<b>600.5</b>	<b>58,690</b>	<b>(78,700)</b>	<b>174.6</b>
<b>Notes:</b>						
Depreciation and amortisation	(46,498)	(45,733)	(1.7)	(127,954)	(124,548)	(2.7)
Reversal (Provision) of asset impairment	15	16	(6.3)	46	(40,761)	100.1
Reversal of (provision for) inventory	(268)	1,276	(121.0)	(295)	394	(174.9)
Provision for doubtful debts	(141)	54	(361.1)	(28)	(17)	(64.7)
Gain (loss) on disposal of fixed assets	6	1,146	(99.5)	2,783	(290)	1,059.7
<b>*Financial income comprise:</b>						
Interest income	(85)	1,898	(104.5)	205	2,426	(91.5)
Foreign exchange gain	578	471	22.7	3,844	3,788	1.5
	493	2,369	(79.2)	4,049	6,214	(34.8)
<b>*Financial expense comprise:</b>						
Interest expense	(27,168)	(26,441)	(2.7)	(83,042)	(78,511)	(5.8)
Foreign exchange loss	(48)	188	(125.5)	(162)	(127)	(27.6)
	(27,216)	(26,253)	(3.7)	(83,204)	(78,638)	(5.8)

nm – not meaningful

Earnings per ordinary share in US cents	For the three months ended 31 January		For the nine months ended 31 January	
	FY2021	FY2020	FY2021	FY2020
Earnings per ordinary share based on net profit attributable to shareholders:				
(i) Based on weighted average no. of ordinary shares	1.30	0.09	1.75	(4.31)
(ii) On a fully diluted basis	1.30	0.09	1.75	(4.31)

\*\* Includes US\$716m for DMFI, US\$9,261m for DMPI and (US\$49m) for FieldFresh in the nine months ended 31 January of FY2021 and (US\$9,689m) for DMFI and (US\$61m) for FieldFresh in the nine months ended 31 January of FY2020. Includes US\$1,082m for DMFI, US\$4,169m for DMPI and (US\$5m) for FieldFresh in third quarter ended 31 January of FY2021 and (US\$1,592m) for DMFI and (US\$19m) for FieldFresh for the third quarter ended 31 January of FY2020.

# **DEL MONTE PACIFIC LIMITED** **UNAUDITED STATEMENT OF COMPREHENSIVE INCOME**

<b>Amounts in US\$'000</b>	<b>For the nine months ended 31 January</b>		
	<b>FY2021 (Unaudited)</b>	<b>FY2020 (Unaudited)</b>	<b>%</b>
<b>Profit /(Loss) for the period</b>	<b>58,690</b>	<b>(78,700)</b>	<b>174.6</b>
<b>Other comprehensive income (after reclassification adjustment):</b>			
<b>Items that will or may be reclassified subsequently to profit or loss</b>			
Exchange differences on translating of foreign operations	7,439	3,432	116.8
Effective portion of changes in fair value of cash flow hedges	4,222	240	1,657.0
Income tax expense on cash flow hedge	(1,034)	(984)	(5.0)
	<b>10,627</b>	<b>2,688</b>	<b>295.3</b>
<b>Items that will not be classified to profit or loss</b>			
Remeasurement of retirement benefit	10,543	(28,357)	137.2
Income tax expense on retirement benefit	(2,578)	5,407	(147.7)
	<b>7,965</b>	<b>(22,950)</b>	<b>134.7</b>
<b>Other comprehensive loss for the period</b>	<b>18,592</b>	<b>(20,262)</b>	<b>191.8</b>
<b>Total comprehensive income/(loss) for the period</b>	<b>77,282</b>	<b>(98,962)</b>	<b>178.1</b>
<b>Attributable to:</b>			
Owners of the Company	65,677	(86,721)	175.7
Non-controlling interests	11,605	(12,241)	194.8
<b>Total comprehensive income /(loss)for the period</b>	<b>77,282</b>	<b>(98,962)</b>	<b>178.1</b>

nm – not meaningful

Please refer to page 3 for the Notes

# **DEL MONTE PACIFIC LIMITED** **UNAUDITED STATEMENT OF FINANCIAL POSITION**

<i>Amounts in US\$'000</i>	<b>Group</b>			<b>Company</b>		
	<b>31 Jan 2021 (Unaudited)</b>	<b>31 Jan 2020 (Unaudited)</b>	<b>30 April 2020 (Audited)</b>	<b>31 Jan 2021 (Unaudited)</b>	<b>31 Jan 2020 (Unaudited)</b>	<b>30 April 2020 (Audited)</b>
<b>Non-Current Assets</b>						
Property, plant and equipment - net	523,978	486,201	507,497	-	-	-
Right-of-use (ROU) assets	144,271	201,902	166,085	50	-	-
Investment in subsidiaries	-	-	-	883,425	554,379	620,027
Investment in joint ventures	21,856	23,984	22,855	-	202	-
Intangible assets and goodwill	696,359	703,010	701,347	-	-	-
Other noncurrent assets	32,395	40,329	34,937	-	-	-
Deferred tax assets - net	139,961	141,687	144,974	41	11	40
Pension assets	5,144	7,662	6,675	-	-	-
Biological assets	2,577	1,966	2,118	-	-	-
Amount due from related company	-	-	-	-	223,595	228,683
	<b>1,566,541</b>	<b>1,606,741</b>	<b>1,586,488</b>	<b>883,516</b>	<b>778,187</b>	<b>848,750</b>
<b>Current Assets</b>						
Inventories	606,382	745,758	482,463	-	-	-
Biological assets	50,637	62,056	61,160	-	-	-
Trade and other receivables	217,742	189,014	323,065	87,816	95,263	95,131
Prepaid expenses and other current assets	47,059	48,404	67,712	150	253	180
Cash and cash equivalents	33,274	20,488	33,465	1,895	1,886	766
	<b>955,094</b>	<b>1,065,720</b>	<b>967,865</b>	<b>89,861</b>	<b>97,402</b>	<b>96,077</b>
Noncurrent assets held for sale	-	23,187	-	-	-	-
	<b>955,094</b>	<b>1,088,907</b>	<b>967,865</b>	<b>89,861</b>	<b>97,402</b>	<b>96,077</b>
<b>Total Assets</b>	<b>2,521,635</b>	<b>2,695,648</b>	<b>2,554,353</b>	<b>973,377</b>	<b>875,589</b>	<b>944,827</b>
	-	-	-	-	-	-
<b>Equity attributable to equity holders of the Company</b>						
Share capital	49,449	49,449	49,449	49,449	49,449	49,449
Share premium	478,339	478,339	478,339	478,478	478,478	478,478
Retained earnings	75,159	6,392	60,763	75,159	6,392	60,763
Reserves	(60,558)	(83,598)	(77,474)	(60,558)	(83,598)	(77,474)
Equity attributable to owners of the Company	542,389	450,582	511,077	542,528	450,721	511,216
Non-controlling interest	62,498	30,865	54,820	-	-	-
<b>Total Equity</b>	<b>604,887</b>	<b>481,447</b>	<b>565,897</b>	<b>542,528</b>	<b>450,721</b>	<b>511,216</b>
<b>Non-Current Liabilities</b>						
Loans and borrowings	903,729	813,194	97,737	323,508	132,241	75,000
Lease liabilities	115,831	169,829	127,696	-	-	-
Other noncurrent liabilities	20,256	20,200	20,815	-	-	-
Employee benefits	74,182	87,521	82,398	270	201	221
Derivative Liabilities	2,565	-	2,565	-	-	-
Environmental remediation liabilities	9,092	14,627	9,587	-	-	-
Deferred tax liabilities - net	13,382	8,005	12,447	-	-	-
	<b>1,139,037</b>	<b>1,113,376</b>	<b>353,245</b>	<b>323,778</b>	<b>132,442</b>	<b>75,221</b>
<b>Current Liabilities</b>						
Trade and other current liabilities	261,669	227,992	276,893	67,430	58,413	67,108
Loans and borrowings	455,463	810,375	1,298,292	39,641	234,013	291,282
Lease liabilities	23,328	29,440	30,829	-	-	-
Current tax liabilities	4,580	3,667	6,250	-	-	-
Employee benefits	32,671	29,351	22,947	-	-	-
	<b>777,711</b>	<b>1,100,825</b>	<b>1,635,211</b>	<b>107,071</b>	<b>292,426</b>	<b>358,390</b>
<b>Total Liabilities</b>	<b>1,916,748</b>	<b>2,214,201</b>	<b>1,988,456</b>	<b>430,849</b>	<b>424,868</b>	<b>433,611</b>
<b>Total Equity and Liabilities</b>	<b>2,521,635</b>	<b>2,695,648</b>	<b>2,554,353</b>	<b>973,377</b>	<b>875,589</b>	<b>944,827</b>
	-	-	-	-	-	-
NAV per ordinary share (US cents)	12.47	9.33	10.86	12.48	7.75	10.87
NTAV per ordinary share (US cents)	(23.35)	(26.83)	(25.22)	12.48	7.75	10.87

## DEL MONTE PACIFIC LIMITED

### UNAUDITED STATEMENTS OF CHANGES IN EQUITY

Amounts in US\$'000	Share capital	Share premium	Translation reserve	Revaluation reserve	Remeasure- ment of retirement plan	Hedging Reserve	Share Option reserve	Reserve for own shares	Retained earnings	Totals	Non- controlling interest	Total equity
<b>Group</b>												
<b>Fiscal Year 2021</b>												
At 1 May 2020	49,449	478,339	(87,997)	13,731	(2,873)	(1,802)	1,753	(286)	60,763	511,077	54,820	565,897
Impact of IFRS 16	-	-	-	-	-	-	-	-	(1,019)	(1,019)	-	(1,019)
At 1 May 2020, as restated	49,449	478,339	(87,997)	13,731	(2,873)	(1,802)	1,753	(286)	59,744	510,058	54,820	564,878
<b>Total comprehensive income for the period</b>												
Income for the year	-	-	-	-	-	-	-	-	48,761	48,761	9,929	58,690
<b>Other comprehensive income</b>												
Currency translation differences recognised directly in equity	-	-	6,479	-	-	-	-	-	-	6,479	960	7,439
Gain on property revaluation, net of tax	-	-	-	-	-	-	-	-	-	-	-	-
Remeasurement of retirement plan, net of tax	-	-	-	-	7,455	-	-	-	-	7,455	510	7,965
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	-	-	2,982	-	-	-	2,982	206	3,188
<b>Total other comprehensive income</b>	-	-	6,479	-	7,455	2,982	-	-	-	16,916	1,676	18,592
<b>Total comprehensive (loss)/income for the period</b>	-	-	6,479	-	7,455	2,982	-	-	48,761	65,677	11,605	77,282
<b>Transactions with owners recorded directly in equity</b>												
<b>Contributions by and distributions to owners</b>												
Sale of shares of a subsidiary	-	-	-	-	-	-	-	-	6,584	6,584	2,201	8,785
Payment of Dividends	-	-	-	-	-	-	-	-	(39,930)	(39,930)	(6,128)	(46,058)
<b>Total contributions by and distributions to owners</b>	-	-	-	-	-	-	-	-	(33,346)	(33,346)	(3,927)	(37,273)
<b>At 31 January 2021</b>	<b>49,449</b>	<b>478,339</b>	<b>(81,518)</b>	<b>13,731</b>	<b>4,582</b>	<b>1,180</b>	<b>1,753</b>	<b>(286)</b>	<b>75,159</b>	<b>542,389</b>	<b>62,498</b>	<b>604,887</b>

**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	Totals	Non- controlling interest	Total equity
<b>Group</b>												
<b>Fiscal Year 2020</b>												
At 1 May 2019	49,449	478,339	(93,375)	10,885	17,648	(2,452)	1,753	(286)	96,074	558,035	43,106	601,141
Impact of IFRS 16	-	-	-	-	-	-	-	-	(745)	(745)	-	(745)
At 1 May 2019, as restated	49,449	478,339	(93,375)	10,885	17,648	(2,452)	1,753	(286)	95,329	557,290	43,106	600,396
<b>Total comprehensive income for the period</b>												
Loss for the year	-	-	-	-	-	-	-	-	(68,950)	(68,950)	(9,750)	(78,700)
<b>Other comprehensive income</b>												
Currency translation differences recognised directly in equity	-	-	3,414	-	-	-	-	-	-	3,414	18	3,432
Remeasurement of retirement plan, net of tax	-	-	-	-	(20,520)	-	-	-	-	(20,520)	(2,430)	(22,950)
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	-	-	(665)	-	-	-	(665)	(79)	(744)
<b>Total other comprehensive income</b>	-	-	3,414	-	(20,520)	(665)	-	-	-	(17,771)	(2,491)	(20,262)
<b>Total comprehensive (loss)/income for the period</b>	-	-	3,414	-	(20,520)	(665)	-	-	(68,950)	(86,721)	(12,241)	(98,962)
<b>Transactions with owners recorded directly in equity</b>												
<b>Contributions by and distributions to owners</b>												
Value of employee services received for issue of share options	-	-	-	-	-	-	-	-	-	-	-	-
Share options exercised	-	-	-	-	-	-	-	-	-	-	-	-
Issuance of new preference shares	-	-	-	-	-	-	-	-	-	-	-	-
Transaction cost from issue of preference shares	-	-	-	-	-	-	-	-	-	-	-	-
Release of share awards	-	-	-	-	-	-	-	-	-	-	-	-
Payment of Dividends	-	-	-	-	-	-	-	-	(19,987)	(19,987)	-	(19,987)
<b>Total contributions by and distributions to owners</b>	-	-	-	-	-	-	-	-	(19,987)	(19,987)	-	(19,987)
<b>At 31 January 2020</b>	<b>49,449</b>	<b>478,339</b>	<b>(89,961)</b>	<b>10,885</b>	<b>(2,872)</b>	<b>(3,117)</b>	<b>1,753</b>	<b>(286)</b>	<b>6,392</b>	<b>450,582</b>	<b>30,865</b>	<b>481,447</b>

**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
<b>Company</b>										
<b>Fiscal Year 2021</b>										
At 1 May 2020	49,449	478,478	(87,997)	13,731	(2,873)	(1,802)	1,753	(286)	60,763	511,216
Impact of IFRS 16	-	-	-	-	-	-	-	-	(1,019)	(1,019)
At 1 May 2020, as restated	49,449	478,478	(87,997)	13,731	(2,873)	(1,802)	1,753	(286)	59,744	510,197
<b>Total comprehensive income for the period</b>										
Loss for the year	-	-	-	-	-	-	-	-	48,761	48,761
<b>Other comprehensive income</b>										
Currency translation differences recognised directly in equity	-	-	6,479	-	-	-	-	-	-	6,479
Remeasurement of retirement plan, net of tax	-	-	-	-	7,455	-	-	-	-	7,455
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	-	-	2,982	-	-	-	2,982
<b>Total other comprehensive income</b>	-	-	6,479	-	7,455	2,982	-	-	-	16,916
<b>Total comprehensive (loss)/income for the period</b>	-	-	6,479	-	7,455	2,982	-	-	48,761	65,677
<b>Transactions with owners recorded directly in equity</b>										
<b>Contributions by and distributions to owners</b>										
Sale of shares of a subsidiary	-	-	-	-	-	-	-	-	6,584	6,584
Payment of Dividends	-	-	-	-	-	-	-	-	(39,930)	(39,930)
<b>Total contributions by and distributions to owners</b>	-	-	-	-	-	-	-	-	(33,346)	(33,346)
<b>At 31 January 2021</b>	<b>49,449</b>	<b>478,478</b>	<b>(81,518)</b>	<b>13,731</b>	<b>4,582</b>	<b>1,180</b>	<b>1,753</b>	<b>(286)</b>	<b>75,159</b>	<b>542,528</b>

**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	Remeasurement of retirement plan	Hedging Reserve	Share Option reserve	Reserve for own shares	Retained earnings	Total equity
<b>Company</b>										
<b>Fiscal Year 2020</b>										
At 1 May 2019	49,449	478,478	(93,375)	10,885	17,648	(2,452)	1,753	(286)	96,074	558,174
Impact of IFRS 16	-	-	-	-	-	-	-	-	(745)	(745)
At 1 May 2019, as restated	49,449	478,478	(93,375)	10,885	17,648	(2,452)	1,753	(286)	95,329	557,429
<b>Total comprehensive income for the period</b>										
Loss for the year	-	-	-	-	-	-	-	-	(68,950)	(68,950)
<b>Other comprehensive income</b>										
Currency translation differences recognised directly in equity	-	-	3,414	-	-	-	-	-	-	3,414
Remeasurement of retirement plan, net of tax	-	-	-	-	(20,520)	-	-	-	-	(20,520)
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	-	-	(665)	-	-	-	(665)
<b>Total other comprehensive income</b>	-	-	3,414	-	(20,520)	(665)	-	-	-	(17,771)
<b>Total comprehensive (loss)/income for the period</b>	-	-	3,414	-	(20,520)	(665)	-	-	(68,950)	(86,721)
<b>Transactions with owners recorded directly in equity</b>										
<b>Contributions by and distributions to owners</b>										
Value of employee services received for issue of share options	-	-	-	-	-	-	-	-	-	-
Transaction cost from issue of preference shares	-	-	-	-	-	-	-	-	-	-
Payment of Dividends	-	-	-	-	-	-	-	-	(19,987)	(19,987)
<b>Total contributions by and distributions to owners</b>	-	-	-	-	-	-	-	-	(19,987)	(19,987)
<b>At 31 January 2020</b>	<b>49,449</b>	<b>478,478</b>	<b>(89,961)</b>	<b>10,885</b>	<b>(2,872)</b>	<b>(3,117)</b>	<b>1,753</b>	<b>(286)</b>	<b>6,392</b>	<b>450,721</b>

**DEL MONTE PACIFIC LIMITED**  
**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS**

<b>Amounts in US\$'000</b>	<b>For the three months ended 31 January</b>		<b>For the nine months ended 31 January</b>	
	<b>FY2021 (Unaudited)</b>	<b>FY2020 (Unaudited)</b>	<b>FY2021 (Unaudited)</b>	<b>FY2020 (Unaudited)</b>
<b>Cash flows from operating activities</b>				
Profit (loss) for the period	35,405	5,054	58,690	(78,700)
Adjustments for:				
Depreciation of property, plant and equipment	35,264	33,254	94,384	99,361
Amortisation of right-of-use assets	9,571	10,816	28,582	20,199
Amortisation of intangible assets	1,663	1,663	4,988	4,988
Impairment loss on property, plant and equipment	(15)	(16)	(46)	40,761
Gain/(loss) on disposal of property, plant and equipment	(6)	(1,146)	(2,783)	290
Equity-settled share-based payment transactions	-	-	-	-
Share in net loss of joint venture	92	544	999	1,759
Finance income	(493)	(2,369)	(4,049)	(6,214)
Finance expense	27,216	26,253	83,204	78,638
Tax expense - current	4,809	4,113	22,830	51,079
Tax expense (deferred)	7,270	(3,401)	1,003	(25,661)
Net loss (gain) on derivative financial instrument	39	125	50	758
Operating profit before working capital changes	120,815	74,890	287,852	187,258
Changes in:				
Other assets	(5,669)	3,557	3,091	(5,792)
Inventories	108,529	182,442	(123,318)	(88,211)
Biological assets	4,687	(8,382)	13,180	(8,700)
Trade and other receivables	47,039	19,452	(5,349)	(28,233)
Prepaid and other current assets	(6,000)	(5,328)	(3,943)	(8,404)
Trade and other payables	(60,865)	(80,662)	(24,232)	42,760
Employee Benefit	5,970	10,463	18,116	12,505
Operating cash flow	214,506	196,432	165,397	103,183
Income taxes paid	(5,844)	(2,549)	(21,378)	(45,928)
<b>Net cash flows used in operating activities</b>	<b>208,662</b>	<b>193,883</b>	<b>144,019</b>	<b>57,255</b>
<b>Cash flows from investing activities</b>				
Interest received	60	73	267	384
Proceeds from disposal of property, plant and equipment	4,329	10,074	6,758	10,614
Purchase of property, plant and equipment	(37,865)	(29,969)	(101,502)	(85,348)
Proceeds from additional sale of shares of subsidiary	8,967	-	8,967	-
Collection of receivables from prior year sale of shares of subsidiary and settlement of transaction costs	-	-	105,751	-
Additional investment in joint venture	-	(1,530)	-	(1,530)
<b>Net cash flows provided by (used in) investing activities</b>	<b>(24,509)</b>	<b>(21,352)</b>	<b>20,241</b>	<b>(75,880)</b>
<b>Cash flows from financing activities</b>				
Interest paid	(38,070)	(26,183)	(62,849)	(74,181)
Proceeds of borrowings	621,990	251,258	3,642,924	758,238
Repayment of borrowings	(763,069)	(401,286)	(3,655,917)	(623,452)
Payments of lease liability	(7,375)	(8,172)	(26,018)	(22,545)
Dividends paid	-	-	(46,058)	(19,987)
Payments of debt related costs	(198)	-	(18,985)	-
<b>Net cash flows provided by financing activities</b>	<b>(186,722)</b>	<b>(184,383)</b>	<b>(166,903)</b>	<b>18,073</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(2,569)</b>	<b>(11,852)</b>	<b>(2,643)</b>	<b>(552)</b>
<b>Cash and cash equivalents, beginning</b>	<b>32,825</b>	<b>35,221</b>	<b>33,465</b>	<b>21,636</b>
<b>Effect of exchange rate fluctuations on cash held in foreign currency</b>	<b>3,018</b>	<b>(2,881)</b>	<b>2,452</b>	<b>(596)</b>
<b>Cash and cash equivalents at end of period</b>	<b>33,274</b>	<b>20,488</b>	<b>33,274</b>	<b>20,488</b>

## **ONE-OFF EXPENSES/(INCOME)**

<i>Amounts in US\$ million</i>	For the three months ended 31 January			For the nine months ended 31 January		
	FY2021 (Unaudited)	FY2020 (Unaudited)	%	FY2021 (Unaudited)	FY2020 (Audited)	%
<b>DMFI one-off expenses:</b>						
Plant closures	-	0.2	nm	-	77.4	nm
Severance	-	0.4	nm	-	2.0	nm
Others	-	0.0	nm	-	0.1	nm
Total (pre-tax basis)	-	0.7	nm	-	79.5	nm
Tax impact	-	(0.2)	nm	-	(19.4)	nm
Non-controlling interest	-	(0.1)	nm	-	(6.4)	nm
<b>Total DMFI one-off expenses (post tax, post NCI basis)</b>	-	0.5	nm	-	53.8	nm
<b>Second Lien Loan Purchase:</b>						
Net (gain) cost due to the purchase of DMFI's second lien loan at a discount	-	(1.7)	nm	-	(1.5)	nm
Tax impact for the other one-off items	-	0.4	nm	-	0.4	nm
<b>Total one-off gain on second lien loan purchase (post tax basis)</b>	-	(1.3)	nm	-	(1.2)	nm
<b>Intercompany Dividends Tax:</b>						
Final tax paid on intercompany dividends	-	-	nm	-	39.6	nm
Deferred tax on undistributed share in profits	-	1.5	nm	-	4.1	nm
<b>Total one-off final taxes on intercompany dividends</b>	-	1.5	nm	-	43.8	nm
<b>Total (post-tax and post non-controlling interest)</b>	-	0.7	nm	-	96.4	nm