COVER SHEET

S.E.C. Registration Number

DEL MONTE PACIFIC LIMITED

(Company's Full Name)

Craigmuir Chambers, PO Box 71

Road Town, Tortola

British Virgin Islands

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

Antonio E.S. Ungson

Contact Person

+65 6324 6822

Company Telephone Number

SEC FORM (3rd Quarter FY2023)

Month *Day*

17-Q

FORM TYPE

Month *Day*

Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes.

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, 2023**

2. Commission identification number. **N/A**

3. BIR Tax Identification No. **N/A**

4. Exact name of issuer as specified in its charter **Del Monte Pacific Limited**

5. **British Virgin Islands**
   Province, country or other jurisdiction of incorporation or organization

6. Industry Classification Code: ______ (SEC Use Only)

7. c/o Philippine Resident Agent,
   Craigmuir Chambers, PO Box 71 Road Town,
   Tortola, British Virgin Islands Postal Code

8. **+65 6324 6822**
   Issuer's telephone number, including area code

9. **N/A**
   Former name, former address and former fiscal year, if changed since last report

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

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

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

    Yes [/] No [ ]

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

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

12. Indicate by check mark whether the registrant:

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

Yes [/] No [ ]

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

Yes [/] No [ ]

PART I--FINANCIAL INFORMATION

Item 1. Financial Statements.

Please refer to the Financial Statements (FS) section of this report, FS to FS65

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 P. Sachdeva
Parag Sachdeva
Chief Financial Officer and Duly Authorized Officer

Date March 13, 2023

Del Monte Pacific Limited and its Subsidiaries

Unaudited Interim Condensed Consolidated
Financial Statements
As at 31 January 2023
and for the Periods Ended 31 January 2023 and 2022
(With Comparative Audited Consolidated Statement of
Financial Position as at 30 April 2022)

Unaudited Interim Consolidated Statements of Financial Position

(With Comparative Audited Figures as at 30 April 2022)

	Note	As at 31 January 2023 US$'000 (Unaudited)	As at 30 April 2022 US$'000 (Audited)
Noncurrent assets			
Property, plant and equipment – net	6	**603,634**	577,647
Right-of-use assets	30	**105,918**	123,539
Investments in joint ventures	8	**18,930**	17,172
Intangible assets and goodwill	7	**755,628**	688,047
Deferred tax assets – net	22	**117,679**	116,745
Biological assets	10	**2,940**	2,735
Pension assets		**8,559**	9,799
Other noncurrent assets	9	**30,416**	30,411
		1,643,704	1,566,095
Current assets			
Biological assets	10	**49,107**	47,346
Inventories	11	**1,147,255**	685,958
Trade and other receivables	12, 24	**238,602**	214,553
Prepaid expenses and other current assets	13	**50,341**	49,052
Cash and cash equivalents	14, 24	**13,903**	21,853
		1,499,208	1,018,762
Total assets		**3,142,912**	2,584,857
Equity			
Share capital	28	**19,449**	29,449
Share premium		**208,339**	298,339
Retained earnings		**131,441**	140,320
Reserves	15	**(50,789)**	(42,541)
Equity attributable to owners of the Company		**308,440**	425,567
Non-controlling interests		**67,059**	69,138
Total equity		**375,499**	494,705
Noncurrent liabilities			
Loans and borrowings	16, 24	**912,355**	1,088,012
Lease liabilities	30	**81,357**	91,771
Employee benefits		**25,058**	24,342
Environmental remediation liabilities	19	**43**	203
Deferred tax liabilities – net	22	**6,035**	12,421
Other noncurrent liabilities	17	**22,147**	23,023
		1,046,995	1,239,772
Current liabilities			
Loans and borrowings	16, 24	**1,288,808**	479,354
Lease liabilities	30	**22,883**	29,549
Employee benefits		**33,345**	36,958
Trade and other current liabilities	20, 24	**371,316**	302,833
Current tax liabilities		**4,066**	1,686
		1,720,418	850,380
Total liabilities		**2,767,413**	2,090,152
Total equity and liabilities		**3,142,912**	2,584,857

Unaudited Interim Consolidated Statements of Income

	Note	Three months ended 31 January		Nine months ended 31 January	
		2023	2022	**2023**	2022
		US$'000	US$'000	**US$'000**	US$'000
Revenue	4, 21	**681,237**	659,423	**1,836,747**	1,772,548
Cost of sales		**(529,048)**	(496,237)	**(1,347,547)**	(1,297,461)
Gross profit	4	**152,189**	163,186	**489,200**	475,087
Distribution and selling expenses		**(61,489)**	(61,734)	**(176,745)**	(164,630)
General and administrative expenses	27	**(32,031)**	(32,792)	**(101,912)**	(98,854)
Other income (expense) – net		**(1,427)**	1,400	**334**	(1,537)
Results from operating activities		**57,242**	70,060	**210,877**	210,066
Finance income	33	**2,009**	761	**4,784**	2,404
Finance expense	33	**(37,341)**	(28,202)	**(161,319)**	(82,083)
Net finance expense		**(35,332)**	(27,441)	**(156,535)**	(79,679)
Share in net loss of joint ventures	4	**(337)**	(1,617)	**(383)**	(3,167)
Profit before taxation	4	**21,573**	41,002	**53,959**	127,220
Tax expense – current	22	**(7,400)**	(6,370)	**(21,426)**	(16,941)
Tax benefit (expense) – deferred	22	**(1,316)**	(4,161)	**4,539**	(17,051)
	22	**(8,716)**	(10,531)	**(16,887)**	(33,992)
Profit for the period		**12,857**	30,471	**37,072**	93,228
Profit attributable to:					
Non-controlling interest		**3,008**	4,537	**8,222**	13,171
Owners of the Company		**9,849**	25,934	**28,850**	80,057
		12,857	30,471	**37,072**	93,228
Earnings per share					
Basic earnings per share (U.S. cents)	29	**0.46**	1.08	**1.28**	3.36
Diluted earnings per share (U.S. cents)	29	**0.46**	1.08	**1.28**	3.36

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

Unaudited Interim Consolidated Statements of Comprehensive Income

	Three months ended 31 January		Nine months ended 31 January	
	2023 US$'000	**2022 US$'000**	**2023 US$'000**	**2022 US$'000**
Profit for the period	**12,857**	30,471	**37,072**	93,228
Other comprehensive income (loss)				
Items that will not be reclassified subsequently to profit or loss				
Share in remeasurement of retirement plans	**135**	6	**241**	30
Tax impact on share in remeasurement of retirement plans	**(20)**	–	**(35)**	(3)
	115	6	**206**	27
Items that may be reclassified subsequently to profit or loss				
Share in currency translation differences	**11,715**	(2,202)	**(7,869)**	(10,364)
Share in effective portion of changes in fair value of cash flow hedges of a subsidiary	**(1,765)**	(584)	**(2,189)**	(524)
Tax impact on share in cash flow hedges	**366**	143	**472**	128
	10,316	(2,643)	**(9,586)**	(10,760)
Other comprehensive income (loss) for the period, net of tax	**10,431**	(2,637)	**(9,380)**	(10,733)
Total comprehensive income for the period	**23,288**	27,834	**27,692**	82,495
Total comprehensive income attributable to:				
Owners of the Company	**18,891**	23,608	**20,602**	70,680
Non-controlling interests	**4,397**	4,226	**7,090**	11,815
	23,288	27,834	**27,692**	82,495

Unaudited Interim Consolidated Statements of Changes in Equity
Nine months ended 31 January 2023 and 2022

	<----- **Attributable to owners of the Company**								----->		
	Share capital US$'000 (Note 28)	**Share premium US$'000** (Note 28)	**Translation reserve US$'000**	**Revaluation reserve US$'000**	**Remeasurement of retirement plans US$'000**	**Hedging reserve US$'000**	**Share option reserve US$'000**	**Reserve for own shares US$'000**	**Retained earnings US$'000**	**Total US$'000**	**Non-controlling interests US$'000**	**Total equity US$'000**
Fiscal Year 2023												
At 1 May 2022	29,449	298,339	(95,322)	14,278	43,752	(4,963)	–	(286)	140,320	425,567	69,138	494,705
Total comprehensive income (loss) for the period												
Profit for the period (Note 29)	–	–	–	–	–	–	–	–	28,850	28,850	8,222	37,072
Other comprehensive income (loss)												
Currency translation differences	–	–	(6,840)	–	–	–	–	–	–	(6,840)	(1,029)	(7,869)
Remeasurement of retirement plans	–	–	–	–	179	–	–	–	–	179	27	206
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	(1,587)	–	–	–	(1,587)	(130)	(1,717)
Total other comprehensive income (loss)	–	–	(6,840)	–	179	(1,587)	–	–	–	(8,248)	(1,132)	(9,380)
Total comprehensive income (loss) for the period	–	–	(6,840)	–	179	(1,587)	–	–	28,850	20,602	7,090	27,692
Transactions with owners of the Company recognized directly in equity												
Contributions by and distributions to owners of the Company												
Redemption of preference shares	(10,000)	(90,000)	–	–	–	–	–	–	–	(100,000)	–	(100,000)
Payment of dividends	–	–	–	–	–	–	–	–	(37,729)	(37,729)	(9,169)	(46,898)
Total contributions by and distributions to owners	(10,000)	(90,000)	–	–	–	–	–	–	(37,729)	(137,729)	(9,169)	(146,898)
At 31 January 2023	19,449	208,339	(102,162)	14,278	43,931	(6,550)	–	(286)	131,441	308,440	67,059	375,499

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 2023 and 2022

	<--- Attributable to owners of the Company ------------------------------------->											
	Share capital US$'000 (Note 28)	**Share premium US$'000** (Note 28)	**Translation reserve US$'000**	**Revalua -tion reserve US$'000**	**Remeasure-ment of retirement plans US$'000**	**Hedging reserve US$'000**	**Share option reserve US$'000**	**Reserve for own shares US$'000**	**Retained earnings US$'000**	**Total US$'000**	**Non-controlling interests US$'000**	**Total equity US$'000**
Fiscal Year 2022												
At 1 May 2021	49,449	478,339	(81,971)	14,278	35,049	1,224	1,753	(286)	83,349	581,184	61,312	642,496
Total comprehensive income (loss) or the period												
Profit for the period (Note 23)	–	–	–	–	–	–	–	–	80,057	80,057	13,171	93,228
Other comprehensive income												
Currency translation differences	–	–	(9,031)	–	–	–	–	–	–	(9,031)	(1,333)	(10,364)
Remeasurement of retirement plans	–	–	–	–	25	–	–	–	–	25	2	27
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	(371)	–	–	–	(371)	(25)	(396)
Total other comprehensive income (loss)	–	–	(9,031)	–	25	(371)	–	–	–	(9,377)	(1,356)	(10,733)
Total comprehensive income (loss) for the period	–	–	(9,031)	–	25	(371)	–	–	80,057	70,680	11,815	82,495
Transactions with owners of the Company recognized directly in equity												
Contributions by and distributions to owners of the Company												
Payment of dividends	–	–	–	–	–	–	–	–	(33,185)	(33,185)	(4,691)	(37,876)
Total contributions by and distributions to owners	–	–	–	–	–	–	–	–	(33,185)	(33,185)	(4,691)	(37,876)
At 31 January 2022	49,449	478,339	(91,002)	14,278	35,074	853	1,753	(286)	130,221	618,679	68,436	687,115

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

Unaudited Interim Consolidated Statements of Cash Flows

	Note	Nine months ended 31 January 2023 US$'000	2022 US$'000
Cash flows from operating activities			
Profit for the period		**37,072**	93,228
Adjustments for:			
Depreciation of property, plant and equipment	26	**111,747**	110,318
Amortization of right-of-use assets		**26,798**	30,200
Amortization of intangible assets	7, 26	**5,180**	4,988
Impairment loss on property, plant and equipment	6	**5**	62
Gain on disposal of property, plant and equipment		**(32)**	(16)
Share in net loss of joint ventures	4	**383**	3,167
Net gain on derivative financial instrument		**(2,189)**	(343)
Finance income*	33	**(4,784)**	(2,404)
Finance expense*	33	**90,448**	82,083
Redemption fee on Senior Secured Loans	33	**44,530**	–
Write-off of deferred financing costs	33	**26,341**	–
Tax expense – current	22	**21,426**	16,941
Tax benefit (expense) – deferred	22	**(4,539)**	17,051
		352,386	355,275
Changes in:			
Other assets		**(11,002)**	(11,185)
Inventories		**(460,050)**	(200,993)
Biological assets		**(4,018)**	(3,634)
Trade and other receivables		**(29,413)**	(56,864)
Prepaid expenses and other current assets		**1,360**	1,573
Trade and other payables		**91,373**	7,306
Employee benefits		**(3,167)**	(2,619)
Operating cash flows		**(62,531)**	88,859
Taxes paid		**(16,547)**	(11,528)
Net cash flows (used in) provided by operating activities		**(79,078)**	77,331
Cash flows from investing activities			
Purchase of property, plant and equipment	4	**(149,650)**	(132,655)
Proceeds from disposal of property, plant and equipment		**197**	337
Purchase of Kitchen Basics brand	7	**(71,761)**	–
Interest received		**2,240**	900
Additional Investment in joint venture	8	**(1,462)**	(1,001)
Net cash flows used in investing activities		**(220,436)**	(132,419)

(continued on next page)

*Includes foreign exchange gains and losses

Unaudited Interim Consolidated Statements of Cash Flows (continued)

	Note	Nine months ended 31 January 2023 US$'000	2022 US$'000
Cash flows from financing activities			
Proceeds from borrowings		**1,882,199**	2,247,585
Repayment of borrowings		**(1,247,002)**	(2,035,967)
Interest paid		**(107,642)**	(81,637)
Payments of lease liabilities		**(37,229)**	(26,389)
Dividends paid		**(46,898)**	(37,876)
Redemption of preference shares		**(100,000)**	–
Redemption fee on Senior Secured Loans	33	**(44,530)**	–
Payment of debt related costs		**(16,871)**	(1,834)
Net cash flows provided by financing activities		**282,027**	63,882
Net (decrease) increase in cash and cash equivalents		**(17,296)**	8,794
Cash and cash equivalents at beginning of period		**21,853**	29,435
Effect of exchange rate changes on balances held in foreign currency		**9,346**	(4,891)
Cash and cash equivalents at end of period	14	**13,903**	33,338

Selected Notes to the Unaudited Interim Condensed Consolidated Financial Statements

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

1. Domicile and activities

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

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

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

The immediate holding company is NutriAsia Pacific Limited ("NAPL"), and the indirect shareholders of which are NutriAsia Inc. ("NAI") and Well Grounded Limited ("WGL"), which at 31 January 2023 and 30 April 2022, each held 57.8% and 42.2% interests in NAPL, respectively, through their intermediary company, NutriAsia Holdings Limited. NAPL, NAI and WGL were incorporated in the British Virgin Islands. The ultimate holding company is HSBC International Trustee Limited.

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

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

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

2. Basis of preparation

2.1 Statement of compliance

The accompanying unaudited interim condensed consolidated financial statements as at 31 January 2023 and for the three months and nine months ended 31 January 2023 and 2022 have been prepared in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting*. The unaudited interim condensed consolidated financial statements do not include all of the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the 2022 annual audited consolidated financial statements, comprising the consolidated statements of financial position as at 30 April 2022 and 2021 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 2022, 2021, and 2020.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

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

2.4 Use of estimates and judgements

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

Judgements

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

Note 7 – Assessment of useful life of intangible assets with indefinite useful life
Note 30 – Determination of lease term of contracts with renewal options
Note 31 – Contingencies

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. There are no changes in significant judgment and estimate since 30 April 2022.

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

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

2.5 Going concern

The Group's current liabilities were higher by US$221.2 million as at 31 January 2023, driven by the increase in current loans attributed to KB acquisition as well as due to the current portion of long-term loans maturing within the next fiscal year that will be refinanced as they fall due.

Management believes that the Group will be able to pay its liabilities as and when they fall due. Accordingly, the use of the going concern assumption is appropriate taking into account the following:

- The Group remains vigilant in managing its cost. Management has undertaken various measures to improve operating costs such as Del Monte Foods, Inc.'s ("DMFI") asset-light strategy recently undertaken and cost optimization initiatives including distribution center consolidations, among others, which has contributed to DMFI's improved operating performance following prior year's major operational restructuring and refinancing.

- The Group continuously reviews its manufacturing and distribution footprint in the US as well as continues to improve and streamline its operations to further promote operational efficiency with the intent of increasing future operating cash flows.

- The Group continues to find new sources of funding. DMPL has recently issued a 3-year unrated Senior Notes amounting to US$90.0 million, which was utilized to redeem its Series A-1 Preferred Shares on 7 April 2022 which were due for a step-up rate on 22 April 2022. The Group has sufficient credit lines available for drawdown and as such, management believes that the Group will have sufficient working capital to enable it to meet its objectives and future financial obligations.

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 2022 annual consolidated financial statements, except for the adoption of the following amendments effective beginning 1 May 2022, which did not have any significant impact on the Group's financial position or performance, unless otherwise indicated:

Effective beginning on or after 1 May 2022

- Amendments to IFRS 3, *Reference to the Conceptual Framework.* The amendments are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements, issued in 1989, with a reference to the Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirements. The amendments added an exception to the recognition principle of IFRS 3, *Business Combinations* to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37, *Provisions, Contingent Liabilities and Contingent Assets* or IFRIC 21, *Levies*, if incurred separately.

  At the same time, the amendments add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

  The amendments are effective for annual reporting periods beginning on or after 1 May 2022 and apply prospectively.

- Amendments to IAS 16, *Plant and Equipment: Proceeds before Intended Use.* The amendments prohibit entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in profit or loss.

  The amendment is effective for annual reporting periods beginning on or after 1 May 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

- Amendments to IAS 37, *Onerous Contracts – Costs of Fulfilling a Contract.* The amendments specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

  The amendments are effective for annual reporting periods beginning on or after 1 May 2022. The Group will apply these amendments to contracts for which it has yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments.

- *Annual Improvements to IFRSs* 2018-2020 Cycle

  - Amendments to IFRS 1, First-time Adoption of Philippines Financial Reporting Standards, Subsidiary as a first-time adopter. The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent’s date of transition to IFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D15(a) of IFRS 1.

    The amendment is effective for annual reporting periods beginning on or after 1 May 2022 with earlier adoption permitted.

  - Amendments to IFRS 9, Financial Instruments, Fees in the “10 per cent” test for derecognition of financial liabilities. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other’s behalf. An entity applies the amendment to financial liabilities that are modified or exchange on or after the beginning of the annual reporting period in which the entity first applies the amendment.

    The amendment is effective for annual reporting periods beginning on or after 1 May 2022 with earlier adoption permitted. The Group will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

  - Amendments to IAS 41, Agriculture, Taxation in fair value measurements. The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41.

    An entity applies the amendment prospectively to fair value measurements on or after the beginning of the first annual reporting period beginning on or after 1 May 2022 with earlier adoption permitted.

4. Operating segments

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

Geographical segments

Americas

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

Asia Pacific

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

Europe

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

Product segments

Packaged fruit and vegetable

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

Beverage

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

Culinary

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

Fresh fruit and others

Fresh fruit and others include sales and profit of S&W branded fresh pineapples in Asia Pacific and buyer's label or non-branded fresh pineapples in Asia, and sales and profit of cattle in the Philippines. The cattle operation helps in the disposal of pineapple pulp, a residue of pineapple processing which is fed to the animals. This also include non-branded sales to South America as well as various product innovations such as Mr. Milk, a new fruit yoghurt milk drink introduced in October 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 Three months ended 31 January		**Asia Pacific Three months ended 31 January**		**Europe Three months ended 31 January**		**Total Three months ended 31 January**	
	2023 US$'000	**2022 US$'000**	**2023 US$'000**	**2022 US$'000**	**2023 US$'000**	**2022 US$'000**	**2023 US$'000**	**2022 US$'000**
Revenue								
Packaged fruit and vegetable	**375,205**	368,431	**39,076**	43,584	**9,322**	5,071	**423,603**	417,086
Beverage	**19,193**	9,732	**38,975**	35,466	**5,419**	1,519	**63,587**	46,717
Culinary	**102,854**	91,159	**44,579**	48,935	**46**	61	**147,479**	140,155
Fresh fruit and others	**1,261**	1,951	**45,307**	53,514	–	–	**46,568**	55,465
Total	**498,513**	471,273	**167,937**	181,499	**14,787**	6,651	**681,237**	659,423
Gross profit (loss)								
Packaged fruit and vegetable	**79,987**	85,513	**11,891**	15,505	**2,209**	1,984	**94,087**	103,002
Beverage	**5,875**	1,267	**10,004**	9,392	**1,764**	275	**17,643**	10,934
Culinary	**15,874**	12,902	**13,916**	18,530	**18**	27	**29,808**	31,459
Fresh fruit and others	**(154)**	(18)	**10,805**	17,809	–	–	**10,651**	17,791
Total	**101,582**	99,664	**46,616**	61,236	**3,991**	2,286	**152,189**	163,186
Share in net profit (loss) of joint ventures								
Packaged fruit and vegetable	–	–	**(132)**	(233)	–	–	**(132)**	(233)
Beverage	–	–	**12**	(13)	–	–	**12**	(13)
Culinary	–	–	**307**	(420)	–	–	**307**	(420)
Fresh fruit and others	–	–	**(524)**	(951)	–	–	**(524)**	(951)
Total	–	–	**(337)**	(1,617)	–	–	**(337)**	(1,617)

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	Americas Three months ended 31 January		**Asia Pacific Three months ended 31 January**		**Europe Three months ended 31 January**		**Total Three months ended 31 January**	
	2023 US$'000	**2022 US$'000**	**2023 US$'000**	**2022 US$'000**	**2023 US$'000**	**2022 US$'000**	**2023 US$'000**	**2022 US$'000**
Profit (loss) before taxation								
Packaged fruit and vegetable	**7,284**	13,256	**7,056**	10,283	**1,300**	1,543	**15,640**	25,082
Beverage	**2,247**	(311)	**4,026**	3,532	**1,281**	107	**7,554**	3,328
Culinary	**(4,261)**	(4,134)	**8,484**	12,273	**5**	22	**4,228**	8,161
Fresh fruit and others	**(3,747)**	597	**(2,102)**	3,834	**–**	–	**(5,849)**	4,431
Total	**1,523**	9,408	**17,464**	29,922	**2,586**	1,672	**21,573**	41,002
Other information								
Capital expenditure	**9,666**	5,406	**49,648**	38,131	**–**	–	**59,314**	43,537

	Americas Nine months ended 31 January		**Asia Pacific Nine months ended 31 January**		**Europe Nine months ended 31 January**		**Total Nine months ended 31 January**	
	2023 US$'000	**2022 US$'000**	**2023 US$'000**	**2022 US$'000**	**2023 US$'000**	**2022 US$'000**	**2023 US$'000**	**2022 US$'000**
Revenue								
Packaged fruit and vegetable	**1,014,143**	1,006,905	**107,424**	117,430	**24,340**	15,770	**1,145,907**	1,140,105
Beverage	**45,997**	26,166	**105,492**	104,887	**11,935**	7,338	**163,424**	138,391
Culinary	**244,481**	215,290	**119,369**	122,482	**189**	138	**364,039**	337,910
Fresh fruit and others	**4,683**	4,544	**158,694**	151,598	**–**	–	**163,377**	156,142
Total	**1,309,304**	1,252,905	**490,979**	496,397	**36,464**	23,246	**1,836,747**	1,772,548
Gross profit (loss)								
Packaged fruit and vegetable	**267,066**	261,079	**33,238**	40,187	**6,162**	5,925	**306,466**	307,191
Beverage	**14,642**	3,909	**25,904**	30,419	**3,649**	1,918	**44,195**	36,246
Culinary	**48,541**	36,939	**42,607**	48,331	**92**	52	**91,240**	85,322
Fresh fruit and others	**(1,766)**	(560)	**49,065**	46,888	**–**	–	**47,299**	46,328
Total	**328,483**	301,367	**150,814**	165,825	**9,903**	7,895	**489,200**	475,087
Share in net profit (loss) of joint ventures								
Packaged fruit and vegetable	**–**	–	**(190)**	(798)	**–**	–	**(190)**	(798)
Beverage	**–**	–	**65**	(94)	**–**	–	**65**	(94)
Culinary	**–**	–	**828**	(1,234)	**–**	–	**828**	(1,234)
Fresh fruit and others	**–**	–	**(1,086)**	(1,041)	**–**	–	**(1,086)**	(1,041)
Total	**–**	–	**(383)**	(3,167)	**–**	–	**(383)**	(3,167)
Profit (loss) before taxation								
Packaged fruit and vegetable	**9,472**	57,183	**20,135**	26,206	**3,250**	3,744	**32,857**	87,133
Beverage	**1,543**	(914)	**7,284**	12,143	**2,587**	1,140	**11,414**	12,369
Culinary	**(13,129)**	(4,918)	**28,281**	30,438	**65**	33	**15,217**	25,553
Fresh fruit and others	**(9,113)**	(5,017)	**3,584**	7,182	**–**	–	**(5,529)**	2,165
Total	**(11,227)**	46,334	**59,284**	75,969	**5,902**	4,917	**53,959**	127,220
Other information								
Capital expenditure	**23,068**	16,231	**126,582**	116,424	**–**	–	**149,650**	132,655

Major customer

Revenues from a major customer of the Americas segment

	Three months ended 31 January		**Nine months ended 31 January**	
	2023	**2022**	**2023**	**2022**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Revenue	**169,512**	149,651	**448,475**	424,201
% over total Americas segment revenue	**34.0%**	31.8%	**34.3%**	33.9%

5. Seasonality of operations

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

The Group operates 11 production facilities in the USA, Mexico, and the Philippines as at 31 January 2023 and 30 April 2022. Fruit plants are located in California and Washington in the United States and in the Philippines. Most of its vegetable plants are located in the U.S. Midwest and its tomato plant are located in California.

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

6. Property, plant and equipment

	<------ 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**
Group						
Cost/Valuation						
At 1 May 2022	**229,900**	**602,399**	**57,384**	**382,782**	**61,878**	**1,334,343**
Additions	**7,214**	**1,188**	**39,896**	**106,679**	**–**	**154,977**
Disposals	**(40)**	**(4,265)**	**–**	**–**	**–**	**(4,305)**
Write off - closed fields	**–**	**–**	**–**	**(84,891)**	**–**	**(84,891)**
Reclassifications from CIP	**2,419**	**19,724**	**(22,143)**	**–**	**–**	**–**
Currency realignment	**(3,020)**	**(9,447)**	**(991)**	**(15,665)**	**(601)**	**(29,724)**
At 31 January 2023	**236,473**	**609,599**	**74,146**	**388,905**	**61,277**	**1,370,400**
At 1 May 2021	227,519	593,896	34,953	374,803	63,145	1,294,316
Additions	6,596	17,429	47,509	133,622	–	205,156
Disposals	(167)	(12,106)	–	–	–	(12,273)
Write off - closed fields	–	–	–	(95,754)	–	(95,754)
Reclassifications from CIP	1,942	21,871	(23,813)	–	–	–
Currency realignment	(5,990)	(18,691)	(1,265)	(29,889)	(1,267)	(57,102)
At 30 April 2022	229,900	602,399	57,384	382,782	61,878	1,334,343
Accumulated depreciation and impairment losses						
At 1 May 2022	**117,622**	**424,819**	**–**	**205,719**	**8,536**	**756,696**
Charge for the period	**7,523**	**25,455**	**–**	**81,156**	**–**	**114,134**
Impairment loss	**–**	**5**	**–**	**–**	**–**	**5**
Write off - closed fields	**–**	**–**	**–**	**(84,891)**	**–**	**(84,891)**
Disposals	**(16)**	**(2,413)**	**–**	**–**	**–**	**(2,429)**
Currency realignment	**(1,436)**	**(7,132)**	**–**	**(8,181)**	**–**	**(16,749)**
At 31 January 2023	**123,693**	**440,734**	**–**	**193,803**	**8,536**	**766,766**
At 1 May 2021	110,782	415,584	–	214,638	8,536	749,540
Charge for the year	10,163	35,201	–	104,753	–	150,117
Write off - closed fields	–	–	–	(95,754)	–	(95,754)
Disposals	(138)	(11,036)	–	–	–	(11,174)
Currency realignment	(3,185)	(14,930)	–	(17,918)	–	(36,033)
At 30 April 2022	117,622	424,819	–	205,719	8,536	756,696
Carrying amounts						
At 31 January 2023	**112,780**	**165,865**	**74,146**	**195,102**	**52,741**	**603,634**
At 30 April 2022	112,278	177,580	57,384	177,063	53,342	577,647

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

The Group has property, plant and equipment acquisitions of US$5.3 million as at 31 January 2023 (30 April 2022: US$3.0 million) presented under "Accrued operating expenses" in "Trade and other current liabilities". Down payments made by the Group for the acquisition of property, plant and equipment amounted to US$3.5 million as at 31 January 2023 (30 April 2022: US$4.2 million) recorded under "Advances to suppliers" in "Other noncurrent assets". The cost of fields closed and written off amounted to US$84.9 million for the nine months ended 31 January 2023 (30 April 2022: US$95.8 million).

7. Intangible assets and goodwill

	Goodwill US$'000	Indefinite life trademarks US$'000	Amortizable trademarks US$'000	Customer relationship and others US$'000	Total US$'000
Cost					
At 1 May 2022	**203,432**	**408,043**	**24,180**	**107,000**	**742,655**
Additions	–	**64,320**	**–**	**8,441**	**72,761**
31 January 2023	**203,432**	**472,363**	**24,180**	**115,441**	**815,416**
At 1 May 2021/ 30 April 2022	203,432	408,043	24,180	107,000	742,655
Accumulated amortization					
At 1 May 2022	**–**	**–**	**10,819**	**43,789**	**54,608**
Amortization	**–**	**–**	**975**	**4,205**	**5,180**
At 31 January 2023	**–**	**–**	**11,794**	**47,994**	**59,788**
At 1 May 2021	–	–	9,519	38,439	47,958
Amortization	–	–	1,300	5,350	6,650
At 30 April 2022	–	–	10,819	43,789	54,608
Carrying amounts					
At 31 January 2023	**203,432**	**472,363**	**12,386**	**67,447**	**755,628**
At 30 April 2022	203,432	408,043	13,361	63,211	688,047

Amortization expense amounted to US$5.2 million and US$5.0 for the nine months ended 31 January 2023 and 2022, respectively.

Goodwill

Goodwill of US$203.4 million, related to the acquisition of Consumer Food Business, was allocated to Del Monte Foods, Inc. (DMFI) and its subsidiaries, which is considered as one cash generating unit ("CGU").

On 3 August 2022, DMFI acquired certain assets associated with the Kitchen Basics brand of ready-to-use stock and broth from McCormick & Company. The assets, which were comprised mainly of intellectual property and inventory, were acquired for an aggregate consideration of US$100.4 million. Such price was established through an auction process and negotiations between the parties. The acquisition was financed through available credit facilities.

The consideration was allocated as follows:

	US$'000
Trademark	64,320
Inventory	27,659
Customer Relationships	3,800
Product Formulations	2,600
Residual Goodwill	2,041
Total	**100,420**

Kitchen Basics products are distributed nationally in the United States and include a range of conventional and organic stock and broth offerings.

The acquisition is consistent with DMFI's overall growth strategy, as it focuses on innovation, renovation and customization of its iconic brand portfolio. Kitchen Basics will join Del Monte's brand portfolio as the company expands its retail presence in the category.

Goodwill arising from the acquisition of Kitchen Basics brand amounted to US$2.0 million.

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$394.0 million arising from the acquisition of Consumer Food Business relate to those of DMFI for the use of the "Del Monte" trademarks in the United States and South America market, and the "College Inn" trademark in the United States, Australia, Canada and Mexico.

The "Kitchen Basic" trademark in the United States and Canada was estimated to have an indefinite useful life and was valued at US$62.9 million.

The Philippines trademarks

On 1 May 2020, Dewey Sdn Bhd., assigned to Philippine Packing Management Services Corporation, various trademarks which include the "Del Monte" and "Today's" trademarks for use in connection with processed foods in the Philippines ("The Philippines trademarks") with carrying value amounting to US$1.8 million.

Indian sub-continent trademark

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

Asia S&W trademark

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

Impairment test

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

Amortizable trademarks and customer relationships

	Net Carrying amount		Remaining amortization period (years)	
	31 January 2023 US$'000	**30 April 2022 US$'000**	**31 January 2023**	**30 April 2022**
Asia S&W Trademark	–	–	–	–
America S&W trademark	**213**	363	**1.1**	1.8
America Contadina trademark	**12,173**	12,998	**11.1**	11.8
	12,386	13,361		

Asia S&W trademark

The amortizable trademark pertains to "Label Development" trademark. The trademark was fully amortized on 31 July 2019.

America trademarks

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

Customer relationships and others

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

Newly acquired customer relationships related to the "Kitchen Basics" brand was estimated to have a remaining useful life of 13 years and was valued at US$3.8 million at acquisition date.

	31 January 2023 US$'000	**30 April 2022 US$'000**
Consumer Food Business		
Net carrying amount	**59,200**	63,211
Remaining amortization period	**11.1**	11.8
Kitchen Basics		
Net carrying amount	**8,247**	–
Remaining amortization period	**12.5**	–

Other intellectual properties pertain to the product formulations acquired with the Kitchen Basics brand, which were valued at US$2.6 million and have an indefinite life.

Source of estimation uncertainty

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

8. Investments in joint ventures

Name of joint venture	Principal activities	Place of Incorporation and Business	Effective Equity Held by the Group As at 31 Jan 2023 %	Effective Equity Held by the Group As at 30 Apr 2022 %
Del Monte Foods Private Limited (DMFPL) (formerly FieldFresh Foods Private Limited (FFPL)) *	Production and sale of fresh and processed fruits and vegetable food products	India	**47.63**	47.56
Nice Fruit Hong Kong Limited (NFHKL)	Production and sale of frozen fruits and vegetable food products	Hong Kong	**35.00**	35.00
Del Monte - Vinamilk Dairy Philippines, Inc. (DVDPI)	Distribution of milk and dairy products	Philippines	**43.50**	43.50

* In July 2022, DMPL India Pte Ltd invested an additional US$1.0 million in DMPL India Limited, who invested the same in DMFPL.

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

	31 January 2023 US$'000	30 April 2022 US$'000
Assets		
Current assets	**21,810**	23,686
Noncurrent assets	**11,382**	11,600
Total assets	**33,192**	35,286
Liabilities		
Current liabilities	**(12,184)**	(12,879)
Noncurrent liabilities	**(19,109)**	(21,890)
Total liabilities	**(31,293)**	(34,769)
Net assets (liabilities)	**1,899**	517

	31 January 2023 US$'000	30 April 2022 US$'000
Results		
Revenue	**2,509**	66,871
Profit (loss) from continuing operations	**830**	(6,810)
Other comprehensive income	**–**	–
Total comprehensive profit (loss)	**830**	(6,810)

	31 January 2023 US$'000	30 April 2022 US$'000
Carrying amount of interest in DMFPL at beginning of the period	**14,336**	19,741
Capital injection during the year	**968**	–
Impairment loss	**–**	(2,000)
Group's share of:		
- Profit (loss) from continuing operations	**1,096**	(3,405)
- Other comprehensive income	**–**	–
Total comprehensive profit (loss)	**1,096**	(3,405)
Carrying amount of interest at end of the period/year	**16,400**	14,336

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

	31 January 2023 US$'000	30 April 2022 US$'000
Carrying amount of interest in NFHKL at beginning of the period/year	**2,836**	2,789
Additional advances during the year	**–**	595
Group's share of:		
- Loss from continuing operations	**(306)**	(548)
- Other comprehensive income	**–**	–
Total comprehensive loss	**(306)**	(548)
Carrying amount of interest at end of the period/year	**2,530**	2,836
Capital investment	**3,502**	3,502
Advances	**4,095**	4,095
Cumulative share in comprehensive income (losses)	**(5,067)**	(4,761)
	2,530	2,836

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

	31 January 2023 US$'000	30 April 2022 US$'000
Carrying amount of interest in DVDPI at beginning of the period/year	**–**	–
Capital injection	**495**	1,001
Group's share of:		
- Loss from continuing operations	**(1,173)**	(1,001)
- Other comprehensive income	**–**	–
Total comprehensive loss	**(1,173)**	(1,001)
Net movement during the period	**(678)**	–
Offset to receivables from DVDPI	**678**	–
Carrying amount of interest at end of the period/year	–	**–**
Capital investment	**1,496**	1,001
Cumulative share in comprehensive losses	**(2,174)**	(1,001)
Offset to receivables from DVDPI	**678**	–
	–	–

The Group continued recognizing losses in excess of the cost of investment as DMPI has committed to provide further financial support to DVDPI in accordance with the Agreement on Equity Plan executed on 3 October 2022.

The negative carrying amount of interest in DVDPI was offset against the receivables of the Group from DVDPI.

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

	31 January 2023 US$'000	30 April 2022 US$'000
Group's interest in joint ventures		
FFPL	**16,400**	14,336
NFHKL	**2,530**	2,836
Del Monte - Vinamilk Dairy Philippines, Inc.	**–**	–
Carrying amount of investment in joint ventures	**18,930**	17,172

Determination of Joint Control and the Type of Joint Arrangement

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

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

(a) the structure of the joint arrangement.
(b) when the joint arrangement is structured through a separate vehicle:

i. the legal form of the separate vehicle;
ii. the terms of the contractual arrangement; and
iii. when relevant, other facts and circumstances.

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

Source of Estimation Uncertainty

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

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

9. Other noncurrent assets

	31 January 2023 US$'000	30 April 2022 US$'000
Advance rentals and deposits	**18,664**	16,679
Advances to suppliers	**4,136**	4,212
Excess insurance	**3,669**	3,762
Receivable from sale and leaseback	**2,702**	2,818
Note receivables	–	1,000
Lease receivable	**186**	194
Others	**1,059**	1,746
	30,416	30,411

Advance rentals and deposits consist of 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.

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

Advances to suppliers represents advance payments made on capital projects.

Receivable from sale and leaseback is the noncurrent portion of receivable relating to certain assets sold to DMPI Employees Agrarian Reform Beneficiaries Cooperation ("DEARBC") and subsequently leased back to the Group in fiscal year 2021. The current portion of US$0.02 million is presented under "Trade and other receivables".

As at 30 April 2022, notes receivable of US$1.0 million relates to the sale by DMFI of certain assets at Plymouth in fiscal year 2019. This receivable will be due on 2 July 2023 and was reclassified to "Trade and other receivables" as at 31 January 2023 since it is already current.

Lease receivable is the noncurrent portion of receipts to be received from the Group's sublease agreements.

10. Biological assets

	31 January 2023 US$'000	30 April 2022 US$'000
Livestock		
At beginning of the period/year	**2,735**	2,655
Purchases of livestock	**882**	895
Sales of livestock	**(572)**	(601)
Currency realignment	**(105)**	(214)
At end of the period/year	**2,940**	2,735

	31 January 2023 US$'000	30 April 2022 US$'000
Agricultural produce		
At beginning of the period/year	**13,768**	10,878
Additions	**14,129**	16,177
Harvested	**(11,286)**	(12,016)
Currency realignment	**746**	(1,271)
At end of the period/year	**17,357**	13,768
Fair value gain on produce prior to harvest	**31,750**	33,578
At end of the period/year	**49,107**	47,346

	31 January 2023 US$'000	30 April 2022 US$'000
Current	**49,107**	47,346
Noncurrent	**2,940**	2,735
Totals	**52,047**	50,081

11. Inventories

	31 January 2023 US$'000	30 April 2022 US$'000
Finished goods		
- at cost	**675,171**	430,070
- at net realizable value	**27,919**	20,380
Semi-finished goods		
- at cost	**272,563**	94,966
- at net realizable value	**11,411**	8,182
Raw materials and packaging supplies		
- at cost	**79,628**	75,165
- at net realizable value	**80,563**	57,195
	1,147,255	685,958

Total cost of inventories carried at net realizable value amounted to US$131.2 million as at 31 January 2023 (30 April 2022: U$92.2 million).

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

	Note	31 January 2023 US$'000	30 April 2022 US$'000
At beginning of the period/year		**6,464**	13,254
Allowance for the period/year	26	**6,858**	4,135
Write-off against allowance		**(1,817)**	(10,157)
Currency realignment		**(197)**	(768)
At end of the period/year		**11,308**	6,464

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

Source of estimation uncertainty

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

Estimates of net realizable value are based on the most reliable evidence available at the time the estimates are made of the amount the inventories are expected to be realized. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after reporting date to the extent that such events confirm conditions existing at the reporting date.

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

12. Trade and other receivables

	31 January 2023 US$'000	30 April 2022 US$'000
Trade receivables	**205,631**	189,839
Nontrade receivables	**42,677**	34,881
Allowance for expected credit loss – trade	**(5,384)**	(5,850)
Allowance for expected credit loss – nontrade	**(4,322)**	(4,317)
Trade and other receivables	**238,602**	214,553

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

	31 January 2023					
	Days past due					
	Current	<30 days	30-60 days	61-120 days	Over 120 days	Total
	US'000s	US'000s	US'000s	US'000s	US'000s	US'000s
Trade receivables	109,282	48,345	7,861	7,385	32,758	205,631
Expected credit loss rate	0.00%	0.00%	0.00%	0.00%	16.44%	–
Expected credit loss	–	–	–	–	5,384	5,384

	30 April 2022					
	Days past due					
	Current	<30 days	30-60 days	61-120 days	Over 120 days	Total
	US'000s	US'000s	US'000s	US'000s	US'000s	US'000s
Trade receivables	121,769	42,343	5,565	1,948	18,214	189,839
Expected credit loss rate	0.00%	0.00%	0.00%	0.00%	32.12%	–
Expected credit loss	–	–	–	–	5,850	5,850

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

Source of estimation uncertainty

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

13. Prepaid expenses and other current assets

	31 January 2023 US$'000	**30 April 2022 US$'000**
Prepaid expenses	**34,207**	32,622
Down payment to contractors and suppliers	**15,501**	12,737
Short-term placements	**18**	1,288
Derivative asset	**84**	1,486
Others	**531**	919
	50,341	49,052

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

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

Short-term placements have maturities of five months to nine months and earn interest at 0.75%-1.00% per annum.

Derivative

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

As at 31 January 2023 and 30 April 2022, the Group designated each of its derivative contracts, as a hedge of a highly probable forecasted transaction or of the variability of cash flows to be received or paid related to a recognized asset or liability ("cash flow hedge").

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

	Note	31 January 2023 US$'000	30 April 2022 US$'000
Commodity contracts		**(1,029)**	685
Foreign currency forward contracts		**(385)**	801
Interest rate cap		**(7,896)**	(7,896)
Total		**(9,310)**	(6,410)
Included in:			
Prepaid expenses and other current assets		**84**	1,486
Trade and other current liabilities	20	**(1,498)**	–
Other noncurrent liabilities	17	**(7,896)**	(7,896)
		(9,310)	(6,410)

The notional amounts of the Group's commodity contracts were as follows as of 31 January 2023 and 30 April 2022:

	31 January 2023	30 April 2022
Natural gas – Metric Million British Thermal Unit (MMBTU)	**834**	1,329
Diesel (gallons)	**3,621**	1,029
Gas Oil (barrels)	**11,951**	–

Foreign Currency

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

	31 January 2023 US$'000	30 April 2022 '000
Mexican pesos	**–**	221,199
United States dollar	**7,000**	**–**

Amounts Relating to Hedged Items

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

	31 January 2023		
	Change in value used for calculating hedge effectiveness US$'000	**Cash flow hedge reserve US$'000**	**Balances remaining in the cash flow hedge reserve from hedging relationships for which hedge accounting is no longer applied US$'000**
Interest rate risk			
Variable rate instruments	–	(5,922)	–
Commodity price risk			
Inventory purchases	3,134	(868)	–
Foreign exchange risk			
Inventory purchases	2,480	(320)	–

	30 April 2022		
	Change in value used for calculating hedge effectiveness US$'000	**Cash flow hedge reserve US$'000**	**Balances remaining in the cash flow hedge reserve from hedging relationships for which hedge accounting is no longer applied US$'000**
Interest rate risk			
Variable rate instruments	7,896	(5,922)	–
Commodity price risk			
Inventory purchases	5,986	116	–
Foreign exchange risk			
Inventory purchases	165	413	–

Amounts Relating to Hedging Instruments (cont'd)

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

	31 January 2023				During the first nine months of fiscal 2023		
	Notional amount	Carrying amount		Line item in the statement of financial position where the hedged instrument is included	Change in the value of hedge instrument recognized in OCI	Amount reclassified from hedging reserve to profit or loss	Line item in profit or loss affected by the reclassification
		Assets	Liabilities				
	US$'000						
Interest rate risk							
Interest rate swaps	575,000	–	(7,896)	Derivative liabilities Non-Current Liabilities	–	–	Net finance expense
Commodity price risk							
Commodity contracts							
Natural gas (MMBTU)	834	–	(1,074)	Derivative liabilities Current Liabilities	(2,196)	(1,086)	Cost of sales
Diesel (gallons)	3,621	–	(39)	Derivative liabilities Current Liabilities	(1,022)	(708)	Cost of sales
Gas oil (barrels)	11,951	84	–	Prepaid and Other Current Assets	84	–	Cost of sales
Foreign exchange risk							
Foreign currency forwards							
Mexican Peso	–	–	–	Prepaid and Other Current Assets	(2,190)	(1,726)	Cost of sales
US Dollar	7,000	–	(385)	Derivative liabilities Current Liabilities	(290)	95	Net finance expense

	30 April 2022				During fiscal 2022		
	Notional amount	Carrying amount		Line item in the statement of financial position where the hedged instrument is included	Change in the value of hedge instrument recognized in OCI	Amount reclassified from hedging reserve to profit or loss	Line item in profit or loss affected by the reclassification
		Assets	Liabilities				
				US$'000			
Interest rate risk							
Interest rate swaps	575,000	–	(7,896)	Derivative liabilities Non-Current Liabilities	(7,896)	–	Net finance expense
Commodity price risk							
Commodity contracts							
Natural gas (MMBTU)	1,329	24	–	Prepaid and Other Current Assets	(1,872)	(1,701)	Cost of sales
Diesel (gallons)	1,029	661	–	Prepaid and Other Current Assets	(4,114)	(2,830)	Cost of sales
Foreign exchange risk							
Foreign currency forwards	221,199	801	–	Prepaid and Other Current Assets	(165)	(710)	Cost of sales

Hedging Reserves

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

	Group	
	31 January 2023 US$'000	**30 April 2022 US$'000**
Balance at beginning of year	**(5,395)**	1,218
Changes in fair value:		
- Commodity risk	**(3,134)**	(5,986)
- Foreign exchange risk	**(2,480)**	(165)
- Interest rate risk	–	(7,896)
Amount reclassified to profit or loss		
- Commodity risk	**1,794**	4,531
- Foreign exchange risk	**1,631**	710
Tax movements on reserves during the year	**472**	2,193
Balance at end of year	**(7,112)**	(5,395)

14. Cash and cash equivalents

	31 January 2023 US$'000	**30 April 2022 US$'000**
Cash on hand	**84**	67
Cash in banks	**13,117**	20,902
Cash equivalents	**702**	884
Cash and cash equivalents	**13,903**	21,853

Certain cash in bank accounts earn interest at floating rates based on daily bank deposit rates ranging from 0.01% to 0.50% per annum for the period (30 April 2022: 0.01% to 0.50% per annum). Cash equivalents are short-term placements which are made for varying periods of up to three months depending on the immediate cash requirements of the Group and earn interest rate of 3.50% per annum in fiscal year 2023 (30 April 2022: 0.75% to 1.00% per annum).

15. Reserves

	31 January 2023 US$'000	30 April 2022 US$'000
Translation reserve	**(102,162)**	(95,322)
Remeasurement of retirement plan	**43,931**	43,752
Revaluation reserve	**14,278**	14,278
Hedging reserve	**(6,550)**	(4,963)
Reserve for own shares	**(286)**	(286)
	(50,789)	(42,541)

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

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

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

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

The reserve for the Company's own shares comprises the cost of the Company's shares held by the Group. As at 31 January 2023 and 30 April 2022, the Group held 975,802 of the Company's shares.

16. Loans and borrowings

	31 January 2023 US$'000	30 April 2022 US$'000
Current liabilities		
Unsecured bank loans	**591,851**	327,794
Secured bank loans	**696,957**	151,560
	1,288,808	479,354
Non-current liabilities		
Unsecured bank loans	**234,045**	384,524
Secured bank loans	**678,310**	703,488
	912,355	1,088,012
	2,201,163	1,567,366

Terms and debt repayment schedule

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

				31 January 2023		**30 April 2022**	
	Currency	**Nominal interest rate**	**Year of maturity**	**Face value**	**Carrying amount**	**Face value**	**Carrying amount**
		% p. a.		**US$'000**	**US$'000**	**US$'000**	**US$'000**
Group							
Secured bank loans	PHP	4.125%	2025	**27,487**	**27,403**	28,662	28,532
Unsecured bank loans	PHP	5.11%-6.75%	2022-2025	**154,753**	**154,653**	141,015	140,870
Unsecured 3Y bonds	PHP	3.4840%	2023	**106,880**	**106,433**	111,446	110,519
Unsecured 5Y bonds	PHP	3.7563%	2025	**11,836**	**11,726**	12,342	12,198
Unsecured bank loans	USD	3.20%-7.80%	2022-2025	**464,524**	**464,520**	360,760	360,755
Secured bank loans	USD	7.40%-8.10%	2023-2025	**175,000**	**174,595**	145,000	144,309
Secured bridging loan	USD	3.0585%	2023	**60,000**	**59,995**	67,500	67,488
Unsecured bonds	USD	3.75%	2024	**90,000**	**88,564**	90,000	87,986
Term Loans	USD	8.86156%	2029	**600,000**	**586,925**	–	–
Secured senior notes	USD	11.875%	2025	**–**	**–**	500,000	473,659
Secured bank loan under ABL Credit Agreement	USD	Base B - 8.5% 402MM SOFR - 6.08771% 100MM SOFR - 5.83895%	2025	**532,600**	**526,349**	146,000	141,060
				2,223,080	**2,201,163**	1,602,725	1,567,366

The balance of unamortized debt issuance cost follows:

	Nine months ended 31 January 2023 US$'000	**Year ended 30 April 2022 US$'000**
At beginning of the period/year	**35,359**	44,702
Additions	**16,870**	2,915
Amortization	**(3,971)**	(12,258)
Write-off	**(26,341)**	–
At end of the period/year	**21,917**	35,359

Long Term Borrowings

Long-term Borrowings	Original Principal (In '000)	Outstanding Balance as of 31 January 2023 (In '000)	Interest Rate % p.a.	Year of Maturity	Payment Terms (e.g., annually, quarterly, etc.)	Interest paid 1 May 2022 to 31 January 2023 (In '000)
Term Loans	USD 600,000	USD 600,000	8.86156%	2029	Monthly interest payments and quarterly installment payments of US$1.5 million beginning January 2023 and balance on maturity date.	USD 29,429
Unsecured Bonds	PHP 6,478,460	PHP 6,478,460	3Y 3.4840% 5Y 3.7563%	2023/ 2025	Quarterly interest payments and principal on maturity date.	PHP 138,073
Secured Bridging Loan	USD 75,000	USD 60,000	3.0585%	2023	Quarterly interest payment and principal 10% on August 2021, 10% on August 2022 and 80% on maturity date.	USD 1,008
Unsecured Loan	USD 75,000	USD 69,886	6.2947%	2024	Quarterly interest payment and principal 15% on 11 equal quarterly installments starting January 2022 and 85% on maturity date.	USD 2,258
Secured Loan	USD 45,000	USD 45,000	8.100%	2025	Quarterly interest payment and principal 5% on April 2023, 5% on April 2024 and 90% on maturity date.	USD 1,936
Unsecured Loan	USD 30,000	USD 28,500	7.85%	2025	Quarterly interest payment and principal 20% on four equal semi-annual installments starting October 2022 and 80% on maturity date.	USD 1,230
Secured Loan	USD 100,000	USD 100,000	7.89%	2023	Monthly interest payments and principal on maturity date.	USD 5,842
Unsecured Loan	PHP 1,500,000	PHP 1,500,000	5.11%	2025	Quarterly interest payment; and principal on eight quarterly installments starting February 2024	PHP 35,539
Secured Loan	PHP 1,500,000	PHP 1,500,000	4.125%	2023	Quarterly interest payment; and principal on nine quarterly installments starting August 2023	PHP 46,922
Unsecured Loan	USD 57,300	USD 50,138	6.3136%	2024	Quarterly interest payment and principal 5%, 10% and 85% in fiscal year 2022, 2023 and 2024, respectively.	USD 1,751
Unsecured Bonds	USD 90,000	USD 90,000	3.75%	2024	Semi-annual interest payments and principal on maturity date.	USD 3,375

Secured loans	USD 30,000	USD 30,000	7.40%	2024	Quarterly interest payments and principal 20% in fiscal year 2024, and balance on maturity.	USD nil

On 14 December 2022, DMPL obtained a long-term loan from Banco de Oro Unibank, Inc (BDO) amounting to US$30.0 million maturing on 14 December 2024, to partially finance the redemption of series A-2 Preference Shares.

DMFI Term Loan B

On 16 May 2022, Del Monte Foods, Inc. (DMFI) issued US$600.0 million of Term Loans ("Notes"). The Notes bear interest equal to a 1-month secured overnight financing rate (SOFR), plus a spread adjustment of 0.10%, plus a margin of 4.25%. As of 31 January 2023, the interest rate for the Notes is 8.86% per annum.

Interest is initially payable monthly and can be paid quarterly at DMFI's option. The Notes will mature on 16 May 2029. Proceeds of US$600.0 million from the issuance were used to pay the existing US$500.0 million Senior Secured Notes and the remainder was used for original issue discount, interest, and fees. The Group paid redemption fee of US$44.5 million and wrote- off the unamortized debt issuance costs of US$26.3 million on the Senior Secured Notes (see note 33).

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.

ABL Credit Agreement

On 15 May 2020, Del Monte Foods Holdings Limited (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 U$450.0 million, subject to availability under the borrowing base, with a term of three years until 15 May 2023. On 15 May 2020, $100.2 million was drawn on this facility. Loans under the ABL Credit Agreement bear interest based on either the Eurodollar rate or the alternative base rate, plus an applicable margin.

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

On 21 September 2022, the agreement was amended to increase the total available commitment to US$625.0 million. Effective on the same date, the loans bear interest based on either the Term SOFR rate or the alternative base rate, plus an applicable margin.

As at 31 January 2023, there were US$532.6 million (30 April 2022: US$146.0 million) of loans outstanding and US$24.3 million of letters of credit issued (30 April 2022: USS$24.3 million). The net availability to DMFHL Group under the ABL Credit Agreement was US$68.1 million as at 31 January 2023 (30 April 2022: US$279.7 million). The weighted average interest rate was approximately 6.82% per annum on 31 January 2023 (30 April 2022: 4.31%). The

ABL Credit Agreement provided for a sub limit for letters of credit and for borrowings on same day notice, referred to as "swingline loans."

Security interests

Restrictive and Financial Covenants. The ABL Credit Agreement includes restrictive covenants limiting the DMFHL Group's ability, and the ability of the DMFHL 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 DMFHL Group's capital stock, make investments, loans or advances, prepay certain indebtedness, engage in certain transactions with affiliates, amend agreements governing certain subordinated indebtedness adverse to the lenders, and change the Group's lines of business.

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

Unsecured Bank Loans

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

17. Other noncurrent liabilities

	31 January 2023 US$'000	**30 April 2022 US$'000**
Workers' compensation	**13,739**	14,639
Accrued vendors liabilities	**449**	488
Derivative liabilities	**7,959**	7,896
	22,147	23,023

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

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

18. Employee Benefits

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

The DMPI Plan

DMPI has both funded defined benefit and defined contribution retirement plans (collectively the "Plan") which cover all of its regular employees. Contributions and costs are determined in accordance with the actuarial study made for the Plan. Annual cost is determined using the projected unit credit method. DMPI's latest actuarial valuation date was 30 April 2022. Valuations are obtained on a periodic basis.

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

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

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

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

DMPI does not expect to make contributions to the plan in fiscal year 2023.

The ROHQ Plan

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

Benefits are based on the total amount of contributions and earnings credited to the personal retirement account of the plan member at the time of separation or 125% of the final basis salary multiplied by the number of credited years of service under the plan, whichever is higher. The manner of payment is lump sum, payable on retirement. The ROHQ's annual contribution to the pension plan consists of payments covering the current service cost for the year plus payments towards funding the actuarial accrued liability, if any.

The ROHQ does not expect to make contributions to the plan in fiscal year 2023.

The DMFI Plan

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

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

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

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

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

DMFI does not expect to make contributions to the plan in fiscal year 2023.

19. Environmental remediation liabilities

	Note	31 January 2023 US$'000	30 April 2022 US$'000
At beginning of the period/year		**203**	7,429
Provisions used during the period/year		–	(7,164)
Provisions released during the period/year		**(160)**	(62)
At end of the period/year		**43**	203

The current portion of environmental liabilities of US$0.2 million is included in "Trade and other current liabilities" in the consolidated statements of financial position (see note 20).

20. Trade and other current liabilities

	Note	31 January 2023 US$'000	30 April 2022 US$'000
Trade payables		**275,208**	196,833
Accrued operating expenses:			
Freight and warehousing		**15,742**	8,898
Trade promotions		**11,909**	8,607
Taxes and insurance		**9,304**	9,044
Professional fees		**9,264**	6,762
Advertising		**9,237**	8,825
Interest		**6,414**	34,122
Salaries, bonuses and other employee benefits		**3,087**	3,042
Utilities		**2,930**	3,704
Tinplate and consigned stocks		**2,760**	2,569
Miscellaneous		**11,946**	5,541
Accrued payroll expenses		**4,935**	5,304
Deferred revenue		**3,582**	2,091
Withheld from employees (taxes and social security cost)		**2,774**	1,466
Derivative liabilities		**1,498**	–
VAT payables		**263**	129
Advances from customers		**240**	241
Overdrafts		**223**	5,655
		371,316	302,833

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

21. Revenue

Disaggregation of revenue is presented in Note 4.

Contract balances

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

	Note	31 January 2023 US$'000	30 April 2022 US$'000
Receivables, included in Trade and other receivables			
- Gross of ECL allowance	12	**205,631**	189,839
Contract liabilities	20	**3,582**	2,091

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

22. Income taxes

	Three months ended 31 January		Nine months ended 31 January	
	2023 US$'000	2022 US$'000	2023 US$'000	2022 US$'000
Current tax expense				
- Current year	**7,400**	6,370	**21,426**	16,941
Deferred tax expense (benefit)				
- Origination and reversal of temporary differences	**1,316**	4,161	**(4,539)**	17,051
	8,716	10,531	**16,887**	33,992

	Three months ended 31 January		Nine months ended 31 January	
	2023	**2022**	**2023**	**2022**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Reconciliation of effective tax rate				
Profit before taxation	**21,573**	41,002	**53,959**	127,220
Taxation on profit at applicable tax rates	**4,807**	7,755	**8,132**	23,736
Final tax on dividend	**2,665**	2,830	**5,041**	8,295
Non-deductible expenses	**1,195**	(96)	**3,706**	1,766
Non-taxable income	**(3)**	(2)	**(6)**	(5)
Others	**52**	44	**14**	200
	8,716	10,531	**16,887**	33,992

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities	
	31 January 2023	**30 April 2022**	**31 January 2023**	**30 April 2022**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Group				
Provisions	**7,540**	6,532	**–**	–
Employee benefits	**14,525**	13,954	**–**	–
Property, plant and equipment - net	**–**	–	**(14,832)**	(14,959)
Intangible assets and goodwill	**–**	–	**(100,182)**	(92,089)
Effective portion of changes in fair value of cash flow hedges	**2,075**	1,603	**–**	–
Tax loss carry-forwards	**145,704**	155,391	**–**	–
Inventories	**1,409**	1,409	**–**	–
Biological assets	**–**	–	**(1,784)**	(1,916)
Interest	**47,441**	29,234	**–**	–
Undistributed profits from subsidiaries	**–**	–	**(1,351)**	(5,730)
Charitable contributions	**3,321**	3,321	**–**	–
Others	**7,778**	7,574	**–**	–
Deferred tax assets (liabilities)	**229,793**	219,018	**(118,149)**	(114,694)
Set off of tax	**(112,114)**	(102,273)	**112,114**	102,273
Deferred Taxes	**117,679**	116,745	**(6,035)**	(12,421)

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

**based on gross profit for the year*

Sources of estimation uncertainty

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

23. Stock option and incentive plans

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

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

Fair value of share options/awards and assumptions

Date of grant of options/awards	7 March 2008	30 April 2013	1 July 2015	12 May 2009	29 April 2011	30 April 2013	22 August 2013	1 July 2015
	<----------------ESOP------------>			<--------------- Del Monte Pacific RSP ------------->				
Fair value at measurement date	US$0.12	US$0.18	US$0.29	US$0.37	US$0.40	US$0.18	US$0.65	US$0.29
Share price (Singapore Dollars) at grant date	0.615	0.810	0.385	0.540	0.485	0.810	0.840	0.385
Exercise price (Singapore Dollars)	0.627	0.627	0.578	–	–	–	–	–
Expected volatility	5.00%	2.00%	2.00%	–	–	–	–	–
Time to maturity	2 years	2 years	2 years	–	–	–	–	–
Risk-free interest rate	3.31%	1.51%	2.51%	–	–	–	–	–

The expected volatility is based on the historic volatility (calculated based on the weighted average expected life of the share options), adjusted for any expected changes to future volatility due to publicly available information.

There are no market conditions associated with the share option grants. Service conditions and non-market performance conditions are not taken into account in the measurement of the fair value of the services to be received at the grant date.

Del Monte Foods Holding Equity Compensation Plan

During the second quarter of fiscal year 2016, Del Monte Foods Holdings, Inc. (DMFHI) established a new plan, the 2015 Executive Long-Term Incentive Plan ("LTIP"), which intends to provide key executives with the opportunity to receive grants of stock options, cash-based awards and other stock-based awards. 9,000,000 shares of common stock of DMFHI were reserved for grant under the plan. In fiscal year 2016, DMFHL granted nonqualified stock options and cash incentive awards under the plan.

In September 2016, the authorized shares reserved for grant under the plan was increased from 9,000,000 to 15,000,000. The plan was already retired in fiscal year 2022.

The fair value for stock options granted was estimated at the date of grant using a Black-Scholes option pricing model. This model estimates the fair value of the options based on a number of assumptions, such as expected option life, interest rates, the current fair market value and expected volatility of common stock and expected dividends. The expected term of options granted was based on the "simplified" method. Expected stock price volatility was determined based on the historical volatilities of comparable companies over a historical period that matches the expected life of the options. The risk-free interest rate was based on the expected U.S. Treasury rate over the expected life. The dividend yield was based on the expectation that no dividends will be paid.

The following table presents the weighted-average assumptions for performance-based stock options granted for the periods indicated:

	3 November 2015
Expected life (in years)	5.5
Expected volatility	38.49%
Risk-free interest rate	1.64%

Stock option activity and related information during the periods indicated are as follows:

	30 April 2022	
	Number of options	**Weighted average exercise price**
Outstanding at beginning of year	223,500	5
Cancelled	(223,500)	5
Outstanding at end of year	–	–
Exercisable at end of year	–	–

The remaining 223,500 options were cancelled in fiscal year 2022 through a "buy-out" as a means of retiring the plan. Each holder was offered US$1 per share with a total cost of US$0.2 million.

24. Accounting classification and fair values

Fair values versus carrying amounts

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

	Note	Financial assets at amortized cost US$'000	Derivatives US$'000	Other financial liabilities US$'000	Total carrying amount US$'000	Fair value US$'000
31 January 2023						
Cash and cash equivalents	14	**13,903**	**–**	**–**	**13,903**	**13,903**
Trade and other receivables*	12	**241,490**	**–**	**–**	**241,490**	**241,490**
Short-term placements	13	**18**	**–**	**–**	**18**	**18**
Refundable deposits**	9	**1,837**	**–**	**–**	**1,837**	**1,837**
Derivative assets	13	**–**	**84**	**–**	**84**	**84**
		257,248	**84**	**–**	**257,332**	**257,332**
Loans and borrowings	16	**–**	**–**	**2,201,163**	**2,201,163**	**2,273,925**
Trade and other current liabilities****	20	**–**	**–**	**362,959**	**362,959**	**362,959**
Derivative liabilities	17,20	**–**	**9,457**	**–**	**9,457**	**9,457**
		–	**9,457**	**2,564,122**	**2,573,579**	**2,646,341**

** includes noncurrent portion of receivables from sale and leaseback and lease receivables*
*** included under advance rentals and deposits*
**** excludes derivative liabilities, advances from customers, contract liabilities, withheld from employees (taxes and social security cost) and VAT payables*

	Note	Financial assets at amortized cost US$'000	Derivatives US$'000	Other financial liabilities US$'000	Total carrying amount US$'000	Fair value US$'000
30 April 2022						
Cash and cash equivalents	14	21,853	–	–	21,853	21,853
Trade and other receivables*	12	217,565	–	–	217,565	217,565
Short-term placements	13	1,288	–	–	1,288	1,288
Notes receivables	9	1,000	–	–	1,000	1,000
Refundable deposits**	9	2,136	–	–	2,136	2,136
Derivative assets	13	–	1,486	–	1,486	1,486
		243,842	1,486	–	245,328	245,328
Loans and borrowings	16	–	–	1,567,366	1,567,366	1,642,995
Trade and other current liabilities***	20	–	–	298,906	298,906	298,906
Derivative liabilities	17, 20	–	7,896	–	7,896	7,896
		–	7,896	1,866,272	1,874,168	1,949,797

** includes noncurrent portion of receivables from sale and leaseback and lease receivables*
*** included under advance rentals and deposits*
**** excludes derivative liabilities, advances from customers, contract liabilities, withheld from employees (taxes and social security cost) and VAT payables*

25. Determination of fair values

Fair value hierarchy

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

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

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

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

		31 January 2023			
	Note	**Level 1**	**Level 2**	**Level 3**	**Totals**
Financial assets					
Derivative assets	13	–	84	–	84
Non-financial assets					
Fair value of agricultural produce harvested under inventories		–	–	3,475	3,475
Fair value of agricultural produce	10	–	–	49,107	49,107
Freehold land	6	–	–	52,741	52,741
Financial liabilities					
Derivative liabilities	13, 20	–	9,457	–	9,457
Lease liabilities		–	–	104,239	104,239
Loans and borrowings		–	1,528,302	745,623	2,273,925

		30 April 2022			
	Note	**Level 1**	**Level 2**	**Level 3**	**Totals**
Financial assets					
Derivative assets	13	–	1,486	–	1,486
Notes receivable	9	–	–	1,000	1,000
Non-financial assets					
Fair value of agricultural produce harvested under inventories		–	–	3,375	3,375
Fair value of agricultural produce	10	–	–	47,346	47,346
Freehold land	6	–	–	53,342	53,342
Financial liabilities					
Derivative liabilities	13, 20	–	7,896	–	7,896
Lease liabilities		–	–	131,723	131,723
Loans and borrowings		–	858,253	784,742	1,642,995

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

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

Financial instruments measured at fair value

Type	Valuation technique
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 Redeemable and Controllable Preference Shares (RCPS) and call option as at 31 January 2023, is based on the Cox-Ross-Rubinstein (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.

Financial instruments not measured at fair value

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

Other non-financial assets

Assets	Valuation technique	Significant unobservable inputs
Freehold land	The fair value of freehold land is determined by external, independent property valuers, having appropriate recognized professional qualifications and recent experience in the location and category of property being valued. The valuation method used is sales comparison approach. This is a comparative approach that considers the sales of similar or substitute properties and related market data and establish a value estimate by involving comparison (Level 3).	The unobservable inputs used to determine market value are the net selling prices, sizes, property location and market values. Other factors considered to determine market value are the desirability, neighborhood, utility, terrain, and the time element involved. The market value per square meter ranges from US$75.4 to US$79.3. The market value per acre ranges from US$4,252 to US$94,556.
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.

Assets	Valuation technique	Significant unobservable inputs
Harvested crops – sold as fresh fruits	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 plants	The growing produce are measured at fair value from the time of maturity of the bearer plant until harvest. Management used future selling prices and gross margin of finished goods, adjusted to remove the margin associated to further processing, less future growing costs applied to the estimated volume of harvest as the basis of fair value.	The unobservable inputs are estimated pineapple selling price and gross margin per ton for fresh and processed products, estimated volume of harvest and future growing costs.

26. Profit for the period

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

	Note	Three months ended 31 January		Nine months ended 31 January	
		2023	**2022**	**2023**	**2022**
		US$'000	**US$'000**	**US$'000**	**US$'000**
Provision for inventory obsolescence		**4,444**	20	**6,858**	779
Provision of allowance for ECL (trade and nontrade)		**184**	(91)	**184**	(80)
Amortization of intangible assets	7	**1,780**	1,663	**5,180**	4,988
Amortization of right-of-use assets	30	**9,462**	9,984	**24,536**	29,153
Depreciation of property, plant and equipment		**37,033**	32,957	**111,747**	110,318

27. General and administrative expenses

This account consists of the following:

	Three months ended 31 January		Nine months ended 31 January	
	2023	**2022**	**2023**	**2022**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Personnel costs	**17,354**	20,058	**57,429**	57,614
Professional and contracted services	**4,793**	5,416	**16,128**	16,727
Computer costs	**3,236**	2,916	**9,065**	9,120
Facilities expense	**2,211**	2,063	**6,315**	6,376
Employee-related expenses	**1,304**	1,048	**3,067**	2,316
Travelling and business meals	**442**	189	**1,552**	818
Postage and telephone	**189**	270	**764**	820
Utilities	**249**	153	**633**	472
Research and development projects	**144**	223	**436**	563
Materials and supplies	**130**	93	**289**	287
Auto operating and maintenance costs	**70**	67	**269**	166
Machinery and equipment maintenance	**122**	61	**369**	268
Miscellaneous overhead	**1,787**	235	**5,596**	3,307
	32,031	32,792	**101,912**	98,854

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

28. Share capital

	31 January 2023		30 April 2022	
	No. of shares ('000)	**US$'000**	**No. of shares ('000)**	**US$'000**
Authorized:				
Ordinary shares of US$0.01 each	**3,000,000**	**30,000**	3,000,000	30,000
Preference shares of US$1.00 each	**600,000**	**600,000**	600,000	600,000
	3,600,000	**630,000**	3,600,000	630,000
Issued and fully paid:				
Ordinary shares of US$0.01 each	**1,944,936**	**19,449**	1,944,936	19,449
Preference shares of US$1.00 each	–	–	10,000	10,000
	1,944,936	**19,449**	1,954,936	29,449

The Series A-1 Preference shares were redeemed on 7 April 2022. The Series A-2 Preference shares are non-convertible, have no maturity date and are redeemable on the option of the Company on the fifth anniversary from the issue date (the "Step Up Date") or on any dividend payment date thereafter. The preference shares bear a cumulative non-participating cash dividend at an initial dividend rate of 6.50% per annum, applicable from the issue date up to the Step Up Date. The dividends are payable semi-annually every 7 April and 7 October of each year, being the last day of each 6-month period following the issue date. If the preference shares have not been redeemed on the Step Up Date, the dividend rate shall be adjusted on the Step Up Date to the sum of the 10-year U.S. Treasury Bond rate (prevailing as of the Step Up Date) plus initial spread plus margin of 2.50% per annum (the "Step Up Rate"). The initial spread shall be 4.44% per annum. However, if the initial dividend rate is higher than the applicable Step Up Rate, there shall be no adjustment to the dividend rate, and the initial dividend rate shall continue to be the dividend rate. The preference shares rank ahead of the ordinary shares in the event of a liquidation. The Series A-2 Preference shares were redeemed on 15 December 2022.

Dividends

On 23 June 2022, the Company declared dividends of US$0.0170 per share to ordinary shareholders on record as at 13 July 2022. The special dividend was paid on 27 July 2022.

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

Capital management

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

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

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

29. Earnings per share

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

	Three months ended 31 January		Nine months ended 31 January	
	2023	**2022**	**2023**	**2022**
Earnings per share is based on:				
Profit (loss) attributable to owners of the Company (US$'000)	**9,849**	25,934	**28,850**	80,057
Cumulative preference share dividends (US$'000)	**813**	4,938	**4,063**	14,813
	9,036	20,996	**24,787**	65,244
Weighted average number of ordinary shares ('000):				
Outstanding ordinary shares at 1 Nov /1 May	**1,943,960**	1,943,960	**1,943,960**	1,943,960
Effect of shares awards granted	**–**	–	**–**	–
Weighted average number of ordinary shares at end of period (basic)	**1,943,960**	1,943,960	**1,943,960**	1,943,960
Basic/diluted earnings (loss) per share (in U.S. cents)	**0.46**	1.08	**1.28**	3.36

30. Leases

Group as a lessee

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

	Buildings, land improvements and leasehold improvements US$'000	Land US$'000	Machineries and equipment US$'000	Total US$'000
Cost/Valuation				
At 1 May 2022	**137,477**	**57,076**	**40,918**	**235,471**
Additions	**10,478**	**2,011**	**704**	**13,193**
Disposals	**–**	**(494)**	**(4,446)**	**(4,940)**
Transfers/Adjustments	**(229)**	**–**	**(110)**	**(339)**
Currency realignment	**(1,512)**	**(2,338)**	**–**	**(3,850)**
At 31 January 2023	**146,214**	**56,255**	**37,066**	**239,535**
At 1 May 2021	128,492	50,166	37,384	216,042
Additions	16,131	12,174	3,534	31,839
Disposals	(4,249)	(1,258)	–	(5,507)
Currency realignment	(2,897)	(4,006)	–	(6,903)
At 30 April 2022	137,477	57,076	40,918	235,471

	Buildings, land improvements and leasehold improvements US$'000	Land US$'000	Machineries and equipment US$'000	Total US$'000
Accumulated amortization				
At 1 May 2022	**59,933**	**20,312**	**31,687**	**111,932**
Amortization	**15,696**	**6,465**	**5,457**	**27,618**
Disposals	**–**	**(494)**	**(4,446)**	**(4,940)**
Currency realignment	**(282)**	**(711)**	**–**	**(993)**
At 31 January 2023	**75,347**	**25,572**	**32,698**	**133,617**
At 1 May 2021	43,632	14,521	22,681	80,834
Amortization	21,452	8,645	9,006	39,103
Disposals	(4,222)	(1,258)	–	(5,480)
Currency realignment	(929)	(1,596)	–	(2,525)
At 30 April 2022	59,933	20,312	31,687	111,932
Carrying amounts				
At 31 January 2023	**70,867**	**30,683**	**4,368**	**105,918**
At 30 April 2022	77,544	36,764	9,231	123,539

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

	Three months ended 31 January		Nine months ended 31 January	
	2023 US$'000	**2022 US$'000**	**2023 US$'000**	**2022 US$'000**
Amortization expense of right-of-use assets	**9,462**	9,984	**24,536**	29,153
Interest expense on lease liabilities	**1,333**	1,445	**4,181**	4,640
Expenses relating to short-term leases	**3,769**	2,807	**10,083**	9,076
Variable lease payments	**227**	54	**258**	272
Total amount recognized in consolidated statement of income	**14,791**	14,290	**39,058**	43,141

Amortization expense is net of amount capitalized to inventory amounting to US$2.3 million and US$1.0 million for the nine months ended 31 January 2023 and 2022, respectively.

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

	31 January 2023 US$'000	**30 April 2022 US$'000**
At the beginning of period/year	**121,320**	128,803
Additions	**16,350**	28,075
Accretion of interest	**5,139**	7,534
Payments of principal	**(37,229)**	(38,870)
Adjustments	–	(10)
Terminations	**886**	(151)
Currency realignment	**(2,227)**	(4,061)
At the end of period/year	**104,239**	121,320
Current	**22,883**	29,549
Non-current	**81,357**	91,771
	104,240	121,320

31. Commitments and contingencies

Purchase commitments

The Group had entered into non-cancellable agreements with growers, co-packers, packaging suppliers and other service providers with commitments generally ranging from one year to ten years, to purchase certain quantities of raw products, including fruit, vegetables, tomatoes and packaging services. As at the reporting date, the Group has commitments for future minimum payments under non-cancellable agreements at approximately US$867.5 million.

Contingencies

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

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

32. Related parties

Related party transactions

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

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

Category/ Transaction	Period	Amount of the transaction US$'000	Outstanding balance – receivables/ (payables) US$'000	Terms	Conditions
Under Common Control					
Shared IT services	**January 2023**	**80**	**38**	Due and demandable;	Unsecured;
	April 2022	112	41	non–interest bearing	no impairment
Sale of raw materials	**January 2023**	**24**	**(4)**	Due and demandable;	Unsecured;
	April 2022	48	(68)	non–interest bearing	no impairment
Sale of apple juice concentrate/materials	**January 2023**	**13**	**9**	Due and demandable;	Unsecured;
	April 2022	12	–	non–interest bearing	no impairment
Purchases	**January 2023**	**76**	**(9)**	Due and demandable;	Unsecured;
	April 2022	122	(6)	non–interest bearing	no impairment
Tollpack fees	**January 2023**	–	–	Due and demandable;	Unsecured;
	April 2022	12	58	non–interest bearing	no impairment
Security deposit and other charges	**January 2023**	**3**	–	Due and demandable;	Unsecured;
	April 2022	**7**	–	non–interest bearing	no impairment
Cash advances	**January 2023**	**–**	**–**	Short-term;	Unsecured;
	April 2022	1,261	1,261	non–interest bearing	no impairment
Other Related Party					
Management fees from DMPI Retirement fund	**January 2023**	**15**	**–**	Due and demandable;	Unsecured;
	April 2022	53	9	non–interest bearing	no impairment
Rental to DMPI Retirement	**January 2023**	**1,375**	**–**	Due and demandable;	Unsecured
	April 2022	1,837	(362)	non–interest bearing	
Rental to NAI Retirement	**January 2023**	**470**	**–**	Due and demandable;	Unsecured
	April 2022	652	(121)	non–interest bearing	
Rental to DMPI Provident Fund	**January 2023**	–	–	Short-term;	Unsecured;
	April 2022	7	–	non–interest bearing	no impairment
	January 2023	**2,056**	**34**		
	April 2022	4,123	812		

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

All outstanding balances at financial reporting date are unsecured, interest-free, to be settled in cash, and are collectible or payable on demand. As at 31 January 2023 and 30 April 2022, the Group has not made any provision for ECL relating to amounts owed by related parties.

33. Net Finance Expense

	Three months ended 31 January		**Nine months ended 31 January**	
	2023	**2022**	**2023**	**2022**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Finance income				
Foreign exchange gain	**1,782**	533	**4,049**	1,808
Interest income from:				
Bank deposits	**28**	15	**53**	37
Others	**199**	213	**682**	559
	2,009	761	**4,784**	2,404
Finance expense				
Interest expenses on:				
Bank loans	**(34,515)**	(23,106)	**(82,154)**	(67,434)
Redemption costs related to refinancing	**–**	–	**(44,530)**	–
Written off portion of debt discount/deferred financing fee	**–**	–	**(26,341)**	–
Amortization of debt issue cost, discount	**(1,365)**	(3,062)	**(3,973)**	(9,044)
Leases	**(1,333)**	(1,445)	**(4,181)**	(4,640)
Foreign exchange loss	**(128)**	(589)	**(140)**	(965)
	(37,341)	(28,202)	**(161,319)**	(82,083)
Net finance expense	**(35,332)**	(27,441)	**(156,535)**	(79,679)

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

On 24 July 2020, the Company, 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 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 IPO of DMPI.

- Upon the occurrence of any of certain agreed “RCPS Default Events”, SEA Diner may require the Company, CARI or DMPI to redeem all of the RCPS at the agreed redemption price, which is the amount of RCPS consideration plus the agreed rate of return (compounded on a per annum basis) calculated from 20 May 2020 up to the date of redemption.

- In case of “Other Redemption Events”, redemption shall be subject to the mutual agreement of the parties. If DMPI does not consent to the RCPS holder’s written redemption request, the internal rate of return would be increased annually by 3%, and this increased rate of return shall apply for each year that the RCPS remain outstanding and shall be compounded on a per annum basis.

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

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

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

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

Call Option Agreement

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

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

(A) commencing on:

(i) in the event where an IPO of DMPI is consummated on or before 30 April 2022, and:

(a) such IPO of DMPI is consummated at a price per DMPI share which implies an IPO pre-money market capitalization of US$2,000,000,000 or lower, the date on which such IPO of DMPI is consummated; or

(b) such IPO of DMPI is consummated at a price per DMPI share which implies an IPO pre-money market capitalisation of more than US$2,000,000,000 and following such IPO, the SEA Diner sells any DMPI shares at a price per DMPI share which implies that DMPI's valuation is at or lower than an IPO pre-money market capitalisation of US$2,000,000,000, the date on which the SEA Diner makes such sale of DMPI shares; or

(ii) 30 April 2022, if DMPI does not consummate an IPO on or before 30 April 2022; and

(B) ending on the earliest of:

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

Source of estimation uncertainty

The Call Option Agreement may give rise to an obligation on the part of CARI to sell additional shares to SEA Diner at the stipulated price subject to certain conditions stated therein. Management assessed that the Group's derivative liability to sell additional shares to SEA Diner is immaterial as at 31 January 2023 and 30 April 2022 as the estimated pre-money market capitalisation has been established to be higher than the threshold in the Agreement, and the exercise of the call option is subject to mutual consent of both parties.

The fair value of the derivative liability related to the call option is measured using CRR binomial tree model. The inputs to this model are taken from a combination of observable markets and unobservable market data. Changes in inputs about these factors could affect the reported fair value of the derivative liabilities and impact profit or loss.

35. Other Matters

a. There were no known trends, demands, commitments, events or uncertainties that will have a material impact on the Group's liquidity.

b. There were no known trends, events or uncertainties that have had or that are reasonably expected to have a favorable or unfavorable impact on net sales or revenues or income from continuing operations.

c. Other than those disclosed in other notes, there were no known events that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation and there were no changes in contingent liabilities and contingent assets since the last annual consolidated statements of financial position date

d. There were no material off-statements of financial position transactions, arrangements, obligations (including contingent obligations), and other relationship of the Group with unconsolidated entities or other persons created during the reporting period.

e. The effects of seasonality or cyclicality 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 2023. These consist of construction, acquisition, upgrade or repair of fixed assets needed for normal operations of the business. The said projects will be carried forward to the next quarter until its completion. The fund to be used for these projects will come from available cash, short-term loans and long-term loans.

g. The Group is the subject of, or a party to, various suits and pending or threatened litigations. While it is not feasible to predict or determine the ultimate outcome of these matters, the Group believes that none of these legal proceedings will have a material adverse effect on its consolidated financial position.

h. The retained earnings is restricted for the payment of dividends to the extent representing the accumulated equity in net earnings of the subsidiaries and unrealized asset revaluation reserve. The accumulated equity in net earnings of the subsidiaries is not available for dividend distribution until such time that the Company receives the dividends from the subsidiaries.

i. Deferment of DMPI IPO Due to Volatile Market Conditions

   In light of increased market volatility, on 4 August 2021, the Board of the Company, in consultation with its advisors, had decided to delay the IPO of DMPI on the PSE. The Board believed that it is in the best interests of the Company, its shareholders and potential investors to defer the listing until conditions improve.

   The Board remains committed to listing DMPI and continues to believe strongly in the growth and resilience of its business.

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-Jan-23	31-Jan-22	30-Apr-22	Benchmark
Current Ratio	**0.8714**	**1.4109**	**1.1980**	**Minimum of 1.20**

Lower current ratio attributed to increase in current loans attributed due to current portion of long term loans maturing within the next fiscal year that will be refinanced as they fall due.

B. Net Debt to Equity*

	31-Jan-23	31-Jan-22	30-Apr-22	Benchmark
Net Debt to Equity	**5.8249**	**2.1101**	**3.1241**	**Maximum of 2.50**

Higher net debt to equity driven by higher loans from DMPL's US$200 million Series A-1 Preference Shares redemption in April 2022, US$100 million Series A-2 Preference Shares redemption in December 2022, DMFI's Senior Secured Notes refinancing in May 2022 and resulting lower equity due to net losses arising from refinancing costs, increase in DMFI's ABL (working capital) loans which includes acquisition of Kitchen Basics.

C. Net Profit Margin

	31-Jan-23	31-Jan-22	30-Apr-22	Benchmark
Net Profit Margin attributable to owners of the company	**1.57%**	**4.52%**	**4.27%**	**Minimum of 3%**

Lower net profit margin driven by the refinancing costs incurred in the first quarter.

D. Return on Asset**

	31-Jan-23	31-Jan-22	30-Apr-22	Benchmark
Return on Asset	**1.89%**	**5.48%**	**4.47%**	**Minimum of 1.21**

Lower return driven by net loss in the first quarter of fiscal year 2023 from the incurred refinancing costs.

E. Return on Equity*

	31-Jan-23	31-Jan-22	30-Apr-22	Benchmark
Return on Equity	**15.81%**	**21.01%**	**23.35%**	**Minimum of 8%**

Lower return driven by net loss in the first quarter of fiscal year 2023 from the incurred refinancing costs.

* *Net debt refers to total loans and borrowings less cash and cash equivalents*
** *Based on last twelve months returns*

Material Changes in Accounts

A. Inventories
Mainly driven by higher cost of production

B. Intangible assets and Goodwill
Increase driven by acquisition of Kitchen Basics Brand

C. Loans and borrowings
Driven by DMFI refinancing, refinancing of preference capital and higher short term loans for working capital requirements

D. Trade and other current liabilities
Higher trade payables in the US due to timing

E. Share Capital
Redemption of US$100 million A-2 preference shares

Liquidity and Covenant Compliance

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

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

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

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

- For the US$57.3 million loan and US$75.0 million loan from Development Bank of the Philippines (DBP), the debt shall not exceed 3 times the equity.

- For the US$30.0 million loan from Bank of Commerce (BOC), interest coverage ratio shall not fall below 2.0x and the debt shall not exceed 3 times the equity.

- For the Php1.5 billion loan from DBP, and DMPI bonds, DMPI's debt service coverage ratio shall not fall below 1.2x and its debt shall not exceed 2.5 times the equity.

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

Annex B
DEL MONTE PACIFIC, LTD.
SUPPLEMENTARY SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS

		Nine months ended 31 January	
Ratio	**Formula**	**2023**	**2022**
(i) Liquidity Analysis Ratios:			
Current Ratio or Working Capital Ratio	Current Assets / Current Liabilities	0.9	1.4
Quick Ratio	(Current Assets - Inventory - Prepaid expense - Biological assets) / Current Liabilities	0.1	0.3
(ii) Solvency Ratio	Total Assets / Total Debt*	1.1	1.4
Financial Leverage Ratios:			
Debt Ratio	Total Debt*/Total Assets	0.9	0.7
Debt-to-Equity Ratio	Total Debt*/Total Stockholders' Equity	7.4	2.8
(iii) Asset to Equity Ratio	Total Assets / Total Stockholders' Equity	8.4	3.8
(iv) Interest Coverage	Earnings Before Interest and Taxes (EBIT)** / Interest Charges	6.8	2.2
(v) Profitability Ratios			
Gross Profit Margin	Sales - Cost of Goods Sold or Cost of Service / Sales	26.63%	26.80%
Net Profit Margin attributable to owners of the company	Net Profit attributable to owners / Sales	1.57%	4.52%
Net Profit Margin	Net Profit / Sales	2.02%	5.26%
Return on Assets	Net Income*** / Total Assets	1.89%	4.21%
Return on Equity	Net Income*** / Total Stockholders' Equity	15.81%	16.16%

* *Total Debt refers to total loans and borrowings.*
*** EBIT =Profit before tax plus finance expenses excluding foreign exchange gain/loss*
****Last twelve months net income*

DEL MONTE PACIFIC LIMITED

Management Discussion and Analysis of Unaudited Financial Condition and Results of Operations for the Third Quarter and Nine Months Ended 31 January 2023

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AUDIT

Third Quarter FY2023 results covering the period from 1 November to 31 January 2023 have neither been audited nor reviewed by the Group's auditors.

ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's FY2022 annual consolidated financial statements, except for the adoption of the following amendments effective beginning 1 May 2022. Adoption of these new standards did not have any significant impact on the Group's consolidated financial statements.

- Amendments to IFRS 3, Reference to the Conceptual Framework.
- Amendments to IAS 16, Plant and Equipment: Proceeds before Intended Use.
- Amendments to IAS 37, Onerous Contracts – Costs of Fulfilling a Contract.
- Annual Improvements to IFRSs 2018-2020 Cycle

DISCLAIMER

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

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

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

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

SIGNED UNDERTAKING FROM DIRECTORS AND EXECUTIVE OFFICERS

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

DIRECTORS' ASSURANCE

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

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

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

(Signed)
Rolando C. Gapud
Executive Chairman

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

9 March 2023

NOTES ON THE 3Q FY2023 DMPL RESULTS

1. On 30 April 2020, the Group recognized the sale of a 12% stake in Del Monte Philippines, Inc. (DMPI) and started recognizing this as non-controlling interest (NCI) on 1 May 2020. On 16 December 2020, the Group recognized 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 recognized a 6.4% NCI. These two comprise the NCI line in the P&L. Net profit/(loss) is net of NCI. Please refer also to profit and loss summary of DMFI and DMPI on page 19 (gross of NCI).

2. FY means Fiscal Year for the purposes of this MD&A.

3. 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 2023

	For the three months ended 31 January			**For the nine months ended 31 January**		
in US$'000 unless otherwise stated [1]	**Fiscal Year 2023**	**Fiscal Year 2022**	**% Change**	**Fiscal Year 2023**	**Fiscal Year 2022**	**% Change**
Turnover	**681,237**	659,423	3.3	**1,836,747**	1,772,548	3.6
Gross profit	**152,189**	163,186	(6.7)	**489,200**	475,087	3.0
Gross margin (%)	***22.3***	*24.7*	*(2.4)*	***26.6***	*26.8*	*(0.2)*
EBITDA	**80,244**	90,997	(11.8)	**274,711**	273,340	0.5
Operating profit	**57,242**	70,060	(18.3)	**210,877**	210,066	0.4
Operating margin (%)	***8.4***	*10.6*	*(2.2)*	***11.5***	*11.9*	*(0.4)*
Net profit attributable to owners of the Company	**9,849**	25,934	(62.0)	**28,850**	80,057	(64.0)
Net margin (%)	***1.4***	*3.9*	*(2.5)*	***1.6***	*4.5*	*(2.9)*
EPS (US cents)	**0.46**	1.08	(57.4)	**1.28**	3.36	(61.9)
EPS before preference dividends (US cents)	**0.51**	1.33	(61.7)	**1.48**	4.12	(64.1)
					53,854	
Without one-off items [2]						
EBITDA	**83,450**	90,997	(8.3)	**280,207**	273,340	2.5
Operating profit	**60,448**	70,060	(13.7)	**216,373**	210,066	3.0
Net profit attributable to owners of the Company	**11,947**	25,934	(53.9)	**82,704**	80,057	3.3
Net debt	**2,187,260**	1,449,891	50.9	**2,187,260**	1,449,891	50.9
Gearing (%) [3]	***582.5***	*211.0*	*371.5*	***582.5***	*211.0*	*371.5*
Net debt to adjusted EBITDA [4]	***6.1***	*4.2*	*1.9*	***6.1***	*4.2*	*1.9*
Cash flow from operations	**71,431**	173,130	(58.7)	**(79,498)**	77,331	(202.8)
Capital expenditure	**59,314**	43,537	36.2	**149,650**	132,655	12.8
Inventory (days)	**204**	149	55	**184**	137	47
Receivables (days)	**31**	32	(1)	**29**	29	-
Account Payables (days)	**60**	42	18	**50**	40	10

1 *The Company's reporting currency is US dollars. For conversion to S$, the following exchange rates can be used: 1.39 in January 2023 and 1.35 in January 2022. For conversion to PhP, these exchange rates can be used: 55.98 in January 2023 and 49.84 in January 2022.*

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

3 *Gearing = Net Debt / Equity*

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

REVIEW OF OPERATING PERFORMANCE

Third Quarter

The Group generated sales of US$681.2 million for the third quarter of FY2023, higher by 3.3% versus the prior year quarter driven by higher sales in the US and international markets. Excluding Kitchen Basics (KB), Group's net sales are higher by 1.1% versus the prior quarter.

The Group's US subsidiary, Del Monte Foods, Inc. (DMFI) generated US$495.7 million or about 73% of Group sales. DMFI's sales increased by US$27.3 million or 5.8% on higher retail branded sales of canned vegetables, canned fruit and tomato, coupled with incremental sales of US$14.3 million contributed by the recently acquired KB ready-to-use stock and broth business. Excluding the latter, DMFI's sales were up 2.8%. DMFI continues to hold leading market share positions across its core business on the back of strong commercial execution, increased distribution of core products, and new product expansion, all supported by efficient supply chain operations.

DMFI continues to pursue its innovation efforts and expand on new product offerings in recent years. In foodservice, Del Monte has placed its Joyba bubble tea in over 20 college campuses and has started selling its pineapple juice to Bloomin Brands' which operates Outback and Fleming's Steakhouse, among others. New products launched in the past three years contributed 7.0% to DMFI's total sales in the third quarter.

The higher sales performance in the third quarter resulted in DMFI generating a gross profit of US$98.8 million, slightly higher by 1.1% versus prior year quarter's US$97.7 million. However, gross margin at 19.9% was lower by 93 basis points from prior year quarter's 20.9% as inflationary pressures resulted to higher conversion and logistics costs, which more than offset the pricing adjustments taken to address inflation.

DMPL ex-DMFI generated sales of US$203.7 million (inclusive of the US$18.1 million sales by DMPL to DMFI which were netted out during consolidation) which was slightly higher than the US$202.5 million sales in the prior year quarter. This was mainly driven by strong sales performance in international market due to higher exports of packaged pineapples and other products and better pricing across all markets. This was however offset by lower sales of fresh pineapples due to extended lockdown in China and lower sales in the Philippines driven mainly by peso devaluation.

DMPL ex-DMFI delivered a lower gross margin of 26.1% from 32.5% in the same period last year. This was mainly driven by commodity headwinds which drove higher costs of raw material, packaging, farm inputs, fuel and related products including energy costs, and freight. The above factors heavily weighed on the margins despite strong volume performance as well as pricing our products to offset inflation. This was further aggravated by the negative impact of peso devaluation on all imported products including local sales.

The Group's second largest subsidiary, DMPI, achieved sales of PhP11.3 billion, up 13.1% in peso terms versus the prior year period mainly driven by higher sales from the Philippines and the international markets. However, net profit of PhP1.2 billion was down 22.4% in peso terms as higher sales were offset by higher costs driven by commodity headwinds, higher distribution costs, and increased interest rates. About 54% of DMPI's sales are in the Philippines, with the balance in international market and others.

The Philippine market delivered sales of US$109.8 million, 5.8% higher in peso terms but 6.4% lower in US dollar terms due to peso depreciation. Higher sales of beverage, culinary and innovation categories offset the decline in packaged tropical fruit. Del Monte reinforced its leadership presence during the key Christmas season with superior holiday in-store merchandising and promotions across its core categories. Compelling communication campaigns built relevance for Del Monte products in family meals and value-for-money offers amidst the high inflationary environment. Del Monte improved its market shares and maintained its dominance across core categories. Foodservice sales increased by 15.5% behind the accelerating business of quick service restaurants (QSR), while convenience store sales grew by 67.6%. Innovation especially dairy and snacking are gaining traction, accounting for 6.9% of Philippine sales.

International markets, composed of fresh produce and packaged goods, generated higher sales of US$80.8 million, up 19.3%, driven by strong performance of packaged pineapple, mixed fruit and juice drink exports to USA and Europe. Higher volume and better pricing led to robust sales growth of 53.3% for packaged products. However, sales of fresh pineapple were lower by 8.4%, driven by China due to reduced volume from extended lockdowns. During Chinese New Year, S&W Deluxe Premium and S&W Sweet 16 pineapples in China had special promotions in key chains such as Pagoda, Hema and Xianfeng.

DMPL's share in Del Monte Foods Private Limited (formerly FieldFresh), the joint venture in India, was a profit of US$0.4 million, an improvement from prior year quarter's share in losses of US$0.5 million. This was driven by strong sales performance across B2B and B2C channels as well as sustained margins from continued cost management.

DMFI delivered an EBITDA of US$46.9 million, down by 1.4% versus the US$47.6 million in the prior year quarter; and a net profit of US$5.9 million, lower by 23.0% versus prior quarter's US$7.7 million. This was mainly driven by commodity headwinds, logistics cost as well as increased interest rates. Moreover, a one-off cost of US$2.1 million, net of tax and non-controlling interest, was booked from the write-down of excess of costs of KB inventory over net realizable value as well as legal claims settlement. Excluding the impact of the one-off costs, DMFI delivered a net income of US$8.0 million which was higher by 4.0% versus the prior period net income.

DMPL ex-DMFI generated an EBITDA of US$33.2 million, lower by 25.9%, and a net profit of US$13.2 million lower by 52.0% versus the US$27.5 million in the same quarter last year driven by gross margin decline, as discussed above, as well as higher interest rates.

The Group generated an EBITDA of US$80.2 million, 11.8% lower versus prior quarter's US$91.0 million, mainly driven by higher cost of sales and logistics, as discussed above. Consequently, the Group delivered a net profit of US$9.8 million, 62.0% lower than prior quarter's US$25.9 million mainly due to unfavorable operating results, and higher interest rates. Excluding the one-off cost, the Group delivered a net income of US$11.9 million lower by 53.9% versus the prior period net income.

The Group's cash outflow from operations in the third quarter was US$71.4 million, lower versus last year's US$173.1 million mainly due to the decrease in trade payables of DMFI mainly due to higher settlement of payables in the third quarter versus prior year quarter.

First Nine Months

For the nine months of FY2023, the Group generated sales of US$1.8 billion, up 3.6% versus prior year period, driven by higher sales in the US, and international markets. Excluding Kitchen Basics, Group net sales were higher by 2.1% versus prior year period. DMFI generated US$1.3 billion or about 71.0% of Group sales, higher by 4.9% as pricing improvements to address inflation and favorable sales mix from multipacks more than offset lower volume driven by inventory de-loading from the first quarter, exit from low-margin private label and co-pack items. In addition, the acquisition of KB contributed US$26.4 million or 2.0% of DMFI's net sales. Excluding KB, Group's net sales were higher by 2.7% versus prior year.

Despite a challenging third quarter, DMFI had an overall improvement in its gross profit for the nine-month period as it recorded US$319.0 million, 8.5% higher than the US$294.0 million in the prior year. This led to better gross margin of 24.5% from 23.6%, mainly driven by pricing actions to counter inflationary increase in cost of production, and exit in sales from low-margin products.

In August 2022, DMFI acquired certain assets associated with the Kitchen Basics brand of ready-to-use stock and broth from McCormick & Company. The assets, which were comprised mainly of intellectual property and inventory, were acquired for an aggregate consideration of US$99 million. Such price was established through an auction process and negotiations between the parties. The acquisition was financed through available credit facilities. No property, plant and/or equipment were acquired.

DMFI continues to pursue its innovation efforts and expand on new product offerings in the recent years. Recently, DMFI launched Take Root Organics, its new organics brand, which includes six tomato products grown throughout California's Central Valley. The launch of Take Root Organics provides DMFI an exciting new brand to reach the growing consumer base that seeks high-quality and accessibly-priced organic food. It also launched Del Monte specialty vegetable items Artichoke and Mushrooms. New products launched in the past three years contributed 7.1% to DMFI's total sales in the nine-month period.

The Philippine market sales were up 6.5% in peso terms but down 5.3% in US dollar terms due to peso depreciation. This was mainly driven by higher sales across almost all channels, except e-commerce, and across all product categories, except packaged fruit. Innovations grew strongly due to higher sales of Mr. Milk and Potato Crisp in the snacking segment. New products launched in the past 3 years contributed 7.4% to total Philippine market sales.

Export sales of S&W fresh pineapples and other packaged products grew by 16.0% driven by higher sales across all geographical segments particularly Southeast Asia, the Middle East, Europe and the Indian Subcontinent. The Company recently launched the naturally-ripened extra sweet S&W Deluxe Premium fresh pineapple in China, Japan and South Korea with favorable market feedback, which has continued to gain traction in China's retail segment.

DMPL ex-DMFI delivered lower gross margin of 28.8% from 31.8% in the same period last year mainly from the impact of higher cost of sales and distribution cost as discussed above.

DMPL's share in Del Monte Foods Private Limited (formerly FieldFresh) joint venture in India was at US$1.0 million gain from a US$1.7 million loss in the prior year period driven by strong growth across key categories particularly B2C on the back of sustained performance from modern trade and e-commerce platforms. B2B business also delivered strongly driven by increase in sales from foodservice from a lower base last year due to the pandemic.

In May 2022, DMFI raised US$600 million through a 7-year Term Loan B facility maturing in 2029 at Adjusted Secured Overnight Financing Rate (SOFR), with a floor of 0.5%, plus 4.25% p.a. Proceeds were used to primarily redeem the US$500 million Senior Secured Notes plus redemption fees and accrued interest. The said Notes had an interest rate of 11.875% p.a. and were due to mature in 2025. The redemption of the Notes incurred a one-off cost of US$71.9 million or US$50.2 million post tax and NCI. US$26.3 million of the US$71.9 million was non-cash. Please refer to page 26 for the details of the one-off cost.

As a result of the above one-off cost, DMFI incurred a net income of US$1.6 million versus the net income of US$35.2 million from the prior nine-month period. Excluding the impact of the one-off costs, DMFI delivered a net income of US$55.4 million which was significantly higher by 57.3% versus the prior period net income of US$35.2 million. DMFI delivered EBITDA of US$169.4 million, up 8.7% versus the US$155.8 million in the prior year due to higher gross profit as explained above and lower marketing spend.

DMPI achieved sales of Php31.5 billion, up 13.0% in peso terms, while net profit of PhP3.5 billion, was down 13.5% in peso terms driven by commodity headwinds and higher distribution cost. More than half of DMPI's sales are in the Philippines, with the balance in the international market and others.

DMPL ex-DMFI generated an EBITDA of US$102.9 million, lower by 15.2% and a net profit of US$47.8 million, lower by 31.3% versus the US$69.5 million last year driven by the unfavorable impact of high cost as discussed above and high interest costs which further eroded profits.

The Group generated an EBITDA of US$274.7 million, in line with prior period's US$273.3 million, and a net profit of US$28.8 million, lower than last year's US$80.1 million. The latter was mainly driven by the one-off refinancing cost as discussed above. Without the one-off cost, net profit of US$82.7 million was higher by 3.3% due to the strong performance of DMFI amidst an adverse economic environment.

The Group's net debt/adjusted EBITDA increased to 6.1x from 4.2x last year and gearing to 5.8x from 2.1x due to higher loans from redemption of DMPL's US$200 million Series A-1 Preference Shares and US$100 million Series A-2 Preference Shares in April and December 2022, respectively. In addition, DMFI's Senior Secured Notes refinancing in May 2022 and resulting lower equity due to net losses arising from refinancing costs; and increase in DMFI's ABL (working capital) loans which includes acquisition of Kitchen Basics, further increased Group loans.

Although debt levels had gone up, the refinancing of the US$300 million preference shares with bank loans at an average interest rate of 5.14% versus the preference share coupon of 10% on a step-up basis if not redeemed, saved the company US$8.8 million for the nine-month period, and potentially US$11-13 million per year depending on bank rates.

The Group's cash outflow from operations in the first nine months was US$79.5 million, lower versus last year's inflow of US$77.3 million mainly due to higher inventories. Increase in inventory was mainly inflationary-driven and higher inventory in certain segments to support customer service levels.

The Group has negative working capital as at 31 January 2023 amounting to US$219.4 million which was partly attributed to increase in current loans attributed to working capital as well as due to current portion of long-term loans maturing within the next fiscal year that will be refinanced as they fall due.

VARIANCE FROM PROSPECT STATEMENT

The Group expects to generate profits for the balance of the year. It is on track to achieving a net profit after the one-off redemption cost.

BUSINESS OUTLOOK

The global environment remains uncertain with cost pressures and consumers being more cautious with their spending. We will remain vigilant in managing our operating expenses which include packaging materials optimization; power and fuel initiatives; investments in plants to improve efficiency, productivity and minimize wastage; and product bundling initiatives in distribution centers. Our most recent price increase in February in the USA will assist us in offsetting inflationary impact while offering consumers nutritious products at an affordable price.

We expect a new growth stream from our recent acquisition of Kitchen Basics in the United States, as well as from a new e-commerce infrastructure. Moreover, we are planning to substantially increase our MD2 fresh pineapple production which will support our premium exports.

Barring unforeseen circumstances, the Group expects to generate a net profit in FY2023 after one-off redemption expenses incurred in the first quarter.

REVIEW OF TURNOVER, GROSS PROFIT AND OPERATING PROFIT

AMERICAS

For the three months ended 31 January

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2023	FY2022	%Chg	FY2023	FY2022	%Chg	FY2023	FY2022	%Chg
Packaged vegetable	**195,459**	176,468	10.8	**55,757**	55,170	1.1	**29,262**	28,327	3.3
Packaged fruit	**179,746**	191,963	(6.4)	**24,230**	30,343	(20.1)	**476**	4,031	(88.2)
Beverage	**19,193**	9,732	97.2	**5,875**	1,267	363.7	**3,535**	200	nm
Culinary	**102,854**	91,159	12.8	**15,874**	12,902	23.0	**2,836**	669	323.9
Others	**1,261**	1,951	(35.4)	**(154)**	(18)	(755.6)	**(3,712)**	700	(630.3)
Total	**498,513**	471,273	5.8	**101,582**	99,664	1.9	**32,397**	33,927	(4.5)

For the nine months ended 31 January

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2023	FY2022	%Chg	FY2023	FY2022	%Chg	FY2023	FY2022	%Chg
Packaged vegetable	**517,684**	496,498	4.3	**192,931**	176,961	9.0	**120,850**	105,560	14.5
Packaged fruit	**496,459**	510,407	(2.7)	**74,135**	84,118	(11.9)	**1,164**	8,746	(86.7)
Beverage	**45,997**	26,166	75.8	**14,642**	3,909	274.6	**6,809**	652	944.3
Culinary	**244,481**	215,290	13.6	**48,541**	36,939	31.4	**13,876**	7,225	92.1
Others	**4,683**	4,544	3.1	**(1,766)**	(560)	(215.4)	**(8,596)**	(4,761)	(80.6)
Total	**1,309,304**	1,252,905	4.5	**328,483**	301,367	9.0	**134,103**	117,422	14.2

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 food service industry and other food processors.

Sales in the Americas increased by 5.8% to US$498.5 million, driven by higher retail branded sales of canned vegetables, canned fruit and tomato, coupled with incremental sales contributed by the recently acquired Kitchen Basics ready-to-use stock and broth business. DMFI continues to hold leading market share positions across its core business on the back of strong commercial execution, increased distribution of core products, and new product expansion, all supported by efficient supply chain operations.

Gross profit was higher by 1.9% this quarter, higher than prior quarters mainly due to higher sales, partly offset by inflation.

Americas reported an operating profit for the quarter of US$32.4 million, 4.5% lower versus prior year quarter's results as a result of higher freight and logistics cost.

ASIA PACIFIC

For the three months ended 31 January

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2023	FY2022	% Chg	FY2023	FY2022	% Chg	FY2023	FY2022	% Chg
Packaged vegetable	**406**	325	24.9	**70**	62	12.9	**69**	54	27.8
Packaged fruit	**38,670**	43,259	(10.6)	**11,821**	15,443	(23.5)	**8,063**	11,140	(27.6)
Beverage	**38,975**	35,466	9.9	**10,004**	9,392	6.5	**4,953**	4,092	21.0
Culinary	**44,579**	48,935	(8.9)	**13,916**	18,530	(24.9)	**9,250**	13,461	(31.3)
Others	**45,307**	53,514	(15.3)	**10,805**	17,809	(39.3)	**(424)**	5,613	(107.6)
Total	**167,937**	181,499	(7.5)	**46,616**	61,236	(23.9)	**21,911**	34,360	(36.2)

For the nine months ended 31 January

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2023	FY2022	% Chg	FY2023	FY2022	% Chg	FY2023	FY2022	% Chg
Packaged vegetable	**1,372**	1,256	9.2	**229**	258	(11.2)	**201**	216	(6.9)
Packaged fruit	**106,052**	116,174	(8.7)	**33,009**	39,929	(17.3)	**22,406**	28,730	(22.0)
Beverage	**105,492**	104,887	0.6	**25,904**	30,419	(14.8)	**9,460**	13,970	(32.3)
Culinary	**119,369**	122,482	(2.5)	**42,607**	48,331	(11.8)	**29,990**	33,697	(11.0)
Others	**158,694**	151,598	4.7	**49,065**	46,888	4.6	**8,041**	10,730	(25.1)
Total	**490,979**	496,397	(1.1)	**150,814**	165,825	(9.1)	**70,098**	87,343	(19.7)

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 declined by 7.5% to US$167.9 million from US$181.5 million driven strong sales performance in international market due to higher exports of packaged pineapples and other products and better pricing across all markets. This was however offset by lower sales of fresh pineapples due to extended lockdown in China and lower sales in the Philippines driven mainly by peso devaluation.

The Philippine market delivered sales of US$109.8 million, 5.5% higher in peso terms but 6.4% lower in US dollar terms due to the peso depreciation. Higher sales of beverage, culinary and innovation categories offset the decline in packaged tropical fruit. Del Monte reinforced its leadership presence during the key Christmas season with superior holiday in-store merchandising and promotions across its core categories. Compelling communication campaigns built relevance for Del Monte products in family meals and value-for-money offers amidst the high inflationary environment. Del Monte improved its market shares and maintained its number one ranking across core categories. Foodservice sales increased behind the accelerating business of quick service restaurants (QSR), while convenience store sales jumped significantly.

EUROPE

For the three months ended 31 January

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2023	FY2022	% Chg	FY2023	FY2022	% Chg	FY2023	FY2022	% Chg
Packaged fruit	**9,322**	5,071	83.8	**2,209**	1,984	11.3	**1,521**	1,621	(6.2)
Beverage	**5,419**	1,519	256.7	**1,764**	275	541.5	**1,407**	129	990.7
Culinary	**46**	61	(24.6)	**18**	27	(33.3)	**6**	23	(73.9)
Total	**14,787**	6,651	122.3	**3,991**	2,286	74.6	**2,934**	1,773	65.5

For the nine months ended 31 January

In US$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2023	FY2022	% Chg	FY2023	FY2022	% Chg	FY2023	FY2022	% Chg
Packaged fruit	**24,340**	15,770	54.3	**6,162**	5,925	4.0	**3,766**	4,005	(6.0)
Beverage	**11,935**	7,338	62.6	**3,649**	1,918	90.3	**2,841**	1,261	125.3
Culinary	**189**	138	37.0	**92**	52	76.9	**69**	35	97.1
Total	**36,464**	23,246	56.9	**9,903**	7,895	25.4	**6,676**	5,301	25.9

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

For the third quarter, Europe's sales increased by 122.3% to US$14.7 million from US$6.7 million on higher sales of packaged fruit and beverage. However, culinary sales significantly decreased, at 24.6% compared to prior year's same quarter. Overall, Europe delivered an operating income of US$2.9 million, higher than prior year period's US$1.8 million due to higher sales.

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		
	FY2023	FY2022	Explanatory Notes	FY2023	FY2022	Explanatory Notes
Cost of Goods Sold	**77.7**	75.3	Increase in sales was more than offset by higher production cost.	**73.4**	73.2	Same as 3Q
Distribution and Selling Expenses	**9.0**	9.4	Driven by lower advertising and promotions in DMFI and DMPI	**9.6**	9.3	Higher transfer and ocean freight cost in DMFI and DMPI
G&A Expenses	**4.7**	5.0	Lower turnover as increase in G&A was more than offset by increase in sales.	**5.5**	5.6	Same as 3Q
Other Operating Expenses (Income)	**0.2**	(0.2)	Other expense this quarter was mainly from write-off of excess of NRV over cost of inventory of the newly acquired KB brand	**0.0**	0.1	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**			
	FY2023	**FY2022**	**%**	**Explanatory Notes**	**FY2023**	**FY2022**	**%**	**Explanatory Notes**
Depreciation and amortization	**(48,370)**	(44,911)	(7.7)	Higher depreciation of bearer plants from DMPI due to higher harvested tons	**(143,725)**	(145,506)	1.2	Driven by lower amortization of right-of-use assets in DMFI
Reversal/ (Provision) of asset impairment	**(5)**	(29)	82.8	n.m.	**(5)**	(62)	91.9	Impairment losses last year in DMFI driven by Hanford
Reversal/ (Provision) for inventory obsolescence	**(1,062)**	270	(493.3)	Driven by higher obsolescence on DMPI's finished goods	**(1,456)**	325	(548.0)	Same as 3Q
Reversal/ (Provision) for doubtful debts	**184**	(106)	273.6	Reversal of bad debt provision for trade receivables	**184**	(80)	330.0	Same as 3Q
Net gain/(loss) on disposal of fixed assets	**(78)**	(78)	0.0	n.m.	**32**	16	100.0	Gain on disposal of DMPI's capital assets
Foreign exchange gain/(loss)-net	**1,655**	(56)	n.m.	Driven by forex gain from ICMOSA	**3,910**	843	363.8	Same as 3Q
Interest income	**226**	228	(0.9)	n.m.	**734**	596	23.2	Driven by DMPI, higher interest income from lease advances
Interest expense	**(37,213)**	(27,613)	(34.8)	Driven by higher market rates in the Philippines and US, partially offset by savings from refinancing	**(161,179)**	(81,118)	(98.7)	Driven by redemption cost and write-off of deferrred financing cost related to refinancing
Share in net loss of JV	**(337)**	(1,617)	79.2	Improvement in results for the Indian JV from higher sales and margins.	**(383)**	(3,167)	87.9	Same as 3Q
Taxation benefit (expense)	**(8,716)**	(10,531)	17.2	Lower taxable income this quarter versus last year	**(16,887)**	(33,992)	50.3	Lower taxable income in DMFI due to one-off refinancing costs.

REVIEW OF GROUP ASSETS AND LIABILITIES

Balance Sheet	**31 January 2023 (Unaudited)**	**31 January 2022 (Unaudited)**	**30 April 2022 (Audited)**	**% Variance vs April FY22**	**Explanatory Notes**
In US$'000					
ASSETS					
Property, plant and equipment - net	**603,634**	547,688	577,647	4.5	nm
Right-of-use (ROU) assets	**105,918**	110,787	123,539	(14.3)	Mainly due to amortizations on ROU assets
Investment in joint ventures and others	**23,953**	20,364	17,172	39.5	Additional investments during the period
Intangible assets and goodwill	**755,628**	689,709	688,047	9.8	Increase driven by acquistion of Kitchen Basics Brand
Other noncurrent assets	**30,416**	31,741	30,411	0.0	nm
Deferred tax assets - net	**117,679**	117,659	116,745	0.8	nm
Pension assets	**8,559**	6,078	9,799	(12.7)	Driven by accrual of retirement expense in DMPI
Biological assets	**52,047**	48,431	50,081	3.9	nm
Inventories	**1,147,255**	754,728	685,958	67.2	Mainly driven by higher cost of production
Trade and other receivables	**233,579**	234,988	214,553	8.9	Timing of collection of sales
Prepaid expenses and other current assets	**50,257**	41,022	49,052	2.5	nm
Cash and cash equivalents	**13,903**	33,338	21,853	(36.4)	Timing of cash flow from operating activities
EQUITY					
Share capital	**19,449**	49,449	29,449	(34.0)	Redemption of A-2 preference shares
Share premium	**208,339**	478,339	298,339	(30.2)	Redemption of A-2 preference shares
Retained earnings	**131,441**	130,221	140,320	(6.3)	Driven by dividend distribution
Reserves	**(50,789)**	(39,330)	(42,541)	(19.4)	Driven by translation adjustment
Non-controlling interest	**67,059**	68,436	69,138	(3.0)	Driven by dividend received
LIABILITIES					
Loans and borrowings	**2,201,163**	1,483,229	1,567,366	40.4	Driven by DMFI refinancing, refinancing of preference capital and higher short term loans for working capital requirements
Lease liabilities	**104,240**	106,363	121,320	(14.1)	Driven by lease payments
Other noncurrent liabilities	**22,147**	15,661	23,023	(3.8)	nm
Employee benefits	**58,403**	65,814	61,300	(4.7)	Driven by DMFI due to payout of benefits in the first nine months
Environmental remediation liabilities	**43**	203	203	(78.8)	Settlement of enviornmental remediation liabilities
Deferred tax liabilities - net	**6,035**	10,554	12,421	(51.4)	Driven by increase in deferred taxes related to final tax on intercompany dividends
Trade and other current liabilities	**371,232**	263,147	302,833	22.6	Higher trade payables in the US due to timing
Current tax liabilities	**4,066**	4,447	1,686	141.2	Timing of tax payment for DMPI

SHARE CAPITAL

Total shares outstanding were 1,943,960,024 (all common shares as preference shares have all been redeemed) as of 31 January 2023. On 7 April 2022 and 15 December 2002, the Company redeemed all of the outstanding 20,000,000 Series A-1 Preference Shares and 10,000,000 Series A-2 Preference Shares. Share capital was US$19.5 million as of 31 January 2023 and US$29.5 as of 31 January 2022. 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. No options or share awards were granted since 2015.

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 excludes 975,802 shares held by the Company as treasury shares as at 31 January 2023 and 2022. There was no sale, disposal and cancellation of treasury shares during the quarter and as at 31 January 2023.

BORROWINGS AND NET DEBT

Liquidity in US$'000	31 January 2023 (Unaudited)	31 January 2022 (Unaudited)	30 April 2022 (Audited)
Gross borrowings	**(2,201,163)**	(1,483,229)	(1,567,366)
Current	**(1,282,700)**	(460,492)	(479,354)
Secured	**(690,849)**	(286,827)	(151,560)
Unsecured	**(591,851)**	(173,665)	(327,794)
Non-current	**(918,463)**	(1,022,737)	(1,088,012)
Secured	**(684,418)**	(659,835)	(703,488)
Unsecured	**(234,045)**	(362,902)	(384,524)
Less: Cash and bank balances	**13,903**	33,338	21,853
Net debt	**(2,187,260)**	(1,449,891)	(1,545,513)

The Group's net debt (borrowings less cash and bank balances) amounted to US$2.2 billion as at 31 January 2023, higher than the US$1.5 billion as at 30 April 2022 due to higher loans from DMPL's US$100 million Series A-2 Preference Shares redemption in December 2022, DMFI's Senior Secured Notes refinancing in May 2022, and increase in DMFI's ABL (working capital) loans which included the acquisition of Kitchen Basics.

DIVIDENDS

No dividends were declared for this quarter and the prior year quarter. The Group generally declares dividends based on yearend full year results. The last dividend declaration was in June 2022 based on FY2022 results, and paid on 27 July 2022.

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**	**Nature of Relationship**	**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)**	
		FY2023	FY2022	**FY2023**	FY2022
NutriAsia, Inc	Affiliate of the Company	**-**	-	**209**	201
NutriAsia Pacific Limited	Affiliate of the Company	**-**	-	**-**	830
DMPI Retirement Fund	Retirement Fund of Subsidiary's Employees	**-**	-	**1,378**	1,362
NutriAsia, Inc Retirement Fund	Retirement Fund of Affiliate's Employees	**-**	-	**470**	477
Aggregate Value		**-**	-	**2,057**	2,870

DEL MONTE PACIFIC LIMITED
UNAUDITED CONSOLIDATED INCOME STATEMENT

Amounts in US$'000	**For the three months ended 31 January**			**For the nine months ended 31 January**		
	FY2023 (Unaudited)	FY2022 (Unaudited)	%	**FY2023 (Unaudited)**	FY2022 (Unaudited)	%
Turnover	**681,237**	659,423	3.3	**1,836,747**	1,772,548	3.6
Cost of sales	**(529,048)**	(496,237)	(6.6)	**(1,347,547)**	(1,297,461)	(3.9)
Gross profit	**152,189**	163,186	(6.7)	**489,200**	475,087	3.0
Distribution and selling expenses	**(61,489)**	(61,734)	0.4	**(176,745)**	(164,630)	(7.4)
General and administration expenses	**(32,031)**	(32,792)	2.3	**(101,912)**	(98,854)	(3.1)
Other operating income/(loss)	**(1,427)**	1,400	nm	**334**	(1,537)	121.7
Profit from operations	**57,242**	70,060	(18.3)	**210,877**	210,066	0.4
Financial income*	**2,009**	761	164.0	**4,784**	2,404	99.0
Financial expense**	**(37,341)**	(28,202)	(32.4)	**(161,319)**	(82,083)	(96.5)
Share in net loss of joint venture	**(337)**	(1,617)	79.2	**(383)**	(3,167)	87.9
Profit before taxation	**21,573**	41,002	(47.4)	**53,959**	127,220	(57.6)
Taxation	**(8,716)**	(10,531)	17.2	**(16,887)**	(33,992)	50.3
Profit after taxation	**12,857**	30,471	(57.8)	**37,072**	93,228	(60.2)
Profit attributable to:						
Owners of the Company	**9,849**	25,934	(62.0)	**28,850**	80,057	(64.0)
Non-controlling interest***	**3,008**	4,537	(33.7)	**8,222**	13,171	(37.6)
Profit for the period	**12,857**	30,471	(57.8)	**37,072**	93,228	(60.2)
Notes:						
Depreciation and amortization	**(48,370)**	(44,911)	(7.7)	**(143,725)**	(145,506)	1.2
Reversal of (provision for) asset impairment	**(5)**	(29)	82.8	**(5)**	(62)	91.9
Reversal of (provision for) inventory obsolescence	**(1,062)**	270	(493.3)	**(1,456)**	325	(548.0)
Provision for doubtful debts	**9**	(106)	108.5	**9**	(80)	111.3
Gain (loss) on disposal of fixed assets	**(78)**	(78)	-	**32**	16	100.0
***Financial income comprise:**						
Interest income	**226**	228	(0.9)	**734**	596	23.2
Foreign exchange gain	**1,783**	533	234.5	**4,050**	1,808	124.0
	2,009	761	164.0	**4,784**	2,404	99.0
****Financial expense comprise:**						
Interest expense	**(37,213)**	(27,613)	(34.8)	**(161,179)**	(81,118)	(98.7)
Foreign exchange loss	**(128)**	(589)	78.3	**(140)**	(965)	85.5
	(37,341)	(28,202)	(32.4)	**(161,319)**	(82,083)	(96.5)

nm – not meaningful

Earnings per ordinary share in US cents	**For the three months ended 31 January**		**For the nine months ended 31 January**	
	FY2023	FY2022	**FY2023**	FY2022
Earnings per ordinary share based on net profit attributable to shareholders:				
(i) Based on weighted average no. of ordinary shares	**0.46**	1.08	**1.28**	3.36
(ii) On a fully diluted basis	**0.46**	1.08	**1.28**	3.36

****Includes US$108m for DMFI, US$8,060m for DMPI and US$54m for Del Monte Foods Private Limited (previously FieldFresh) in the nine months ended 31 January of FY2023 and US$2,422m for DMFI, US$10,838m for DMPI and (US$88m) for Del Monte Foods Private Limited in the nine months ended 31 January of FY2022. Includes US$409m for DMFI, US$2,578m for DMPI and US$20m for Del Monte Foods Private Limited in the third quarter ended 31 January of FY2023 and US$530m for DMFI, US$4,035m for DMPI and (US$27m) for Del Monte Foods Private Limited in third quarter ended 31 January of FY2022.*

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

Amounts in US$'000	**For the three months ended 31 January**			**For the nine months ended 31 January**		
	FY2023 (Unaudited)	FY2022 (Unaudited)	**%**	**FY2023 (Unaudited)**	FY2022 (Unaudited)	**%**
Profit for the period	**12,857**	30,471	(57.8)	**37,072**	93,228	(60.2)
Other comprehensive income (after reclassification adjustment):						
Items that will or may be reclassified subsequently to profit or loss						
Exchange differences on translating of foreign operations	**11,715**	(2,202)	632.0	**(7,869)**	(10,364)	24.1
Effective portion of changes in fair value of cash flow hedges	**(1,765)**	(584)	(202.2)	**(2,189)**	(524)	(317.7)
Income tax expense on cash flow hedge	**366**	143	155.9	**472**	128	268.8
	10,316	(2,643)	490.3	**(9,586)**	(10,760)	10.9
Items that will not be classified to profit or loss						
Remeasurement of retirement benefit	**135**	6	2,150.0	**241**	30	703.3
Income tax expense on retirement benefit	**(20)**	-	n.m.	**(35)**	(3)	(1,066.7)
	115	6	1,816.7	**206**	27	663.0
Other comprehensive income/(loss) for the period	**10,431**	(2,637)	495.6	**(9,380)**	(10,733)	12.6
Total comprehensive income for the period	**23,288**	27,834	(16.3)	**27,692**	82,495	(66.4)
Attributable to:						
Owners of the Company	**18,891**	23,608	(20.0)	**20,602**	70,680	(70.9)
Non-controlling interests	**4,397**	4,226	4.0	**7,090**	11,815	(40.0)
Total comprehensive income for the period	**23,288**	27,834	(16.3)	**27,692**	82,495	(66.4)

Please refer to page 3 for the Notes

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENT OF FINANCIAL POSITION

Amounts in US$'000	**Group**			**Company**		
	31 January 2023 (Unaudited)	31 January 2022 (Unaudited)	30 April 2022 (Audited)	**31 January 2023 (Unaudited)**	31 January 2022 (Unaudited)	30 April 2022 (Audited)
Non-Current Assets						
Property, plant and equipment - net	**603,634**	547,688	577,647	**-**	-	-
Right-of-use (ROU) assets	**105,918**	110,787	123,539	**102**	12	132
Investment in subsidiaries	**-**	-	-	**954,174**	962,779	980,008
Investment in joint ventures and others	**23,953**	20,364	17,172	**7,552**	2,344	2,836
Intangible assets and goodwill	**755,628**	689,709	688,047	**-**	-	-
Other noncurrent assets	**30,416**	31,741	30,411	**-**	-	49
Deferred tax assets - net	**117,679**	117,659	116,745	**12**	107	-
Pension assets	**8,559**	6,078	9,799	**-**	-	-
Biological assets	**2,940**	2,738	2,735	**-**	-	-
	1,648,727	1,526,764	1,566,095	**961,840**	965,242	983,025
Current Assets						
Inventories	**1,147,255**	754,728	685,958	**-**	-	-
Biological assets	**49,107**	45,693	47,346	**-**	-	-
Trade and other receivables	**233,579**	234,988	214,553	**26,509**	120,690	84,832
Prepaid expenses and other current assets	**50,257**	41,022	49,052	**51**	933	931
Cash and cash equivalents	**13,903**	33,338	21,853	**1,631**	1,396	2,129
	1,494,101	1,109,769	1,018,762	**28,191**	123,019	87,892
Total Assets	**3,142,828**	2,636,533	2,584,857	**990,031**	1,088,261	1,070,917
	-	-	-	-	-	-
Equity attributable to equity holders of the Company						
Share capital	**19,449**	49,449	29,449	**19,449**	49,449	29,449
Share premium	**208,339**	478,339	298,339	**208,478**	478,478	298,478
Retained earnings	**131,441**	130,221	140,320	**131,441**	130,221	140,320
Reserves	**(50,789)**	(39,330)	(42,541)	**(50,789)**	(39,330)	(42,541)
Equity attributable to owners of the Company	**308,440**	618,679	425,567	**308,579**	618,818	425,706
Non-controlling interest	**67,059**	68,436	69,138	**-**	-	-
Total Equity	**375,499**	687,115	494,705	**308,579**	618,818	425,706
Non-Current Liabilities						
Loans and borrowings	**918,463**	1,022,737	1,088,012	**266,521**	367,947	434,587
Lease liabilities	**81,357**	81,608	91,771	**-**	-	-
Other noncurrent liabilities	**22,147**	15,661	23,023	**-**	-	-
Employee benefits	**25,058**	32,104	24,342	**93**	450	12
Environmental remediation liabilities	**43**	203	203	**-**	-	-
Deferred tax liabilities - net	**6,035**	10,554	12,421	**-**	-	8
	1,053,103	1,162,867	1,239,772	**266,614**	368,397	434,607
Current Liabilities						
Trade and other current liabilities	**371,232**	263,147	302,833	**108,656**	34,441	40,029
Loans and borrowings	**1,282,700**	460,492	479,354	**306,153**	66,605	170,571
Lease liabilities	**22,883**	24,755	29,549	**-**	-	-
Current tax liabilities	**4,066**	4,447	1,686	**29**	-	4
Employee benefits	**33,345**	33,710	36,958	**-**	-	-
	1,714,226	786,551	850,380	**414,838**	101,046	210,604
Total Liabilities	**2,767,329**	1,949,418	2,090,152	**681,452**	469,443	645,211
Total Equity and Liabilities	**3,142,828**	2,636,533	2,584,857	**990,031**	1,088,261	1,070,917
NAV per ordinary share (US cents)	15.87	16.39	16.75	15.87	16.40	16.75
NTAV per ordinary share (US cents)	(23.00)	(19.09)	(18.65)	15.87	16.40	16.75

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**
Group												
Fiscal Year 2023												
At 1 May 2022	29,449	298,339	(95,322)	14,278	43,752	(4,963)	-	(286)	140,320	425,567	69,138	494,705
Total comprehensive income for the period												
Profits for the period									28,850	28,850	8,222	37,072
Other comprehensive income												
Currency translation differences recognized directly in equity	-	-	(6,840)	-	-	-	-	-	-	(6,840)	(1,029)	(7,869)
Remeasurement of retirement plan, net of tax	-	-	-	-	179	-	-	-	-	179	27	206
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	-	-	(1,587)	-	-	-	(1,587)	(130)	(1,717)
Total other comprehensive income/(loss)	-	-	(6,840)	-	179	(1,587)	-	-	-	(8,248)	(1,132)	(9,380)
Total comprehensive (loss)/income for the period	-	-	(6,840)	-	179	(1,587)	-	-	28,850	20,602	7,090	27,692
Transactions with owners recorded directly in equity												
Contributions by and distributions to owners												
Redemption of preference shares	(10,000)	(90,000)	-	-	-	-	-	-	-	(100,000)	-	(100,000)
Payment of Dividends	-	-	-	-	-	-	-	-	(37,729)	(37,729)	(9,169)	(46,898)
Total contributions by and distributions to owners	(10,000)	(90,000)	-	-	-	-	-	-	(37,729)	(137,729)	(9,169)	(146,898)
At 31 January 2023	**19,449**	**208,339**	**(102,162)**	**14,278**	**43,931**	**(6,550)**	**-**	**(286)**	**131,441**	**308,440**	**67,059**	**375,499**

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

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
Group												
Fiscal Year 2022												
At 1 May 2021	49,449	478,339	(81,971)	14,278	35,049	1,224	1,753	(286)	83,349	581,184	61,312	642,496
Total comprehensive income for the period												
Profits for the period	-	-	-	-	-	-	-	-	80,057	80,057	13,171	93,228
Other comprehensive income												
Currency translation differences recognized directly in equity	-	-	(9,031)	-	-	-	-	-	-	(9,031)	(1,333)	(10,364)
Remeasurement of retirement plan, net of tax	-	-	-	-	25	-	-	-	-	25	2	27
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	-	-	(371)	-	-	-	(371)	(25)	(396)
Total other comprehensive income/(loss)	-	-	(9,031)	-	25	(371)	-	-	-	(9,377)	(1,356)	(10,733)
Total comprehensive (loss)/income for the period	-	-	(9,031)	-	25	(371)	-	-	80,057	70,680	11,815	82,495
Transactions with owners recorded directly in equity												
Contributions by and distributions to owners												
Payment of Dividends	-	-	-	-	-	-	-	-	(33,185)	(33,185)	(4,691)	(37,876)
Total contributions by and distributions to owners	-	-	-	-	-	-	-	-	(33,185)	(33,185)	(4,691)	(37,876)
At 31 January 2022	**49,449**	**478,339**	**(91,002)**	**14,278**	**35,074**	**853**	**1,753**	**(286)**	**130,221**	**618,679**	**68,436**	**687,115**

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

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	Total equity
Company										
Fiscal Year 2023										
At 1 May 2022	29,449	298,478	(95,322)	14,278	43,752	(4,963)	-	(286)	140,320	425,706
Total comprehensive income for the period										
Profits for the period									28,850	28,850
Other comprehensive income										
Currency translation differences recognized directly in equity	-	-	(6,840)	-	-	-	-	-	-	(6,840)
Remeasurement of retirement plan, net of tax	-	-	-	-	179	-	-	-	-	179
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	-	-	(1,587)	-	-	-	(1,587)
Total other comprehensive income/(loss)	-	-	(6,840)	-	179	(1,587)	-	-	-	(8,248)
Total comprehensive (loss)/income for the period	-	-	(6,840)	-	179	(1,587)	-	-	28,850	20,602
Transactions with owners recorded directly in equity										
Contributions by and distributions to owners										
Redemption of preference shares	(10,000)	(90,000)	-	-	-	-	-	-	-	(100,000)
Payment of Dividends	-	-	-	-	-	-	-	-	(37,729)	(37,729)
Total contributions by and distributions to owners	(10,000)	(90,000)	-	-	-	-	-	-	(37,729)	(137,729)
At 31 January 2023	**19,449**	**208,478**	**(102,162)**	**14,278**	**43,931**	**(6,550)**	**-**	**(286)**	**131,441**	**308,579**

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

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	Total equity
Company										
Fiscal Year 2022										
At 1 May 2021	49,449	478,478	(81,971)	14,278	35,049	1,224	1,753	(286)	83,349	581,323
Total comprehensive income for the period										
Profits for the period	-	-	-	-	-	-	-	-	80,057	80,057
Other comprehensive income										
Currency translation differences recognized directly in equity	-	-	(9,031)	-	-	-	-	-	-	(9,031)
Remeasurement of retirement plan, net of tax	-	-	-	-	25	-	-	-	-	25
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	-	-	(371)	-	-	-	(371)
Total other comprehensive income/(loss)	-	-	(9,031)	-	25	(371)	-	-	-	(9,377)
Total comprehensive (loss)/income for the period	-	-	(9,031)	-	25	(371)	-	-	80,057	70,680
Transactions with owners recorded directly in equity										
Contributions by and distributions to owners										
Payment of Dividends	-	-	-	-	-	-	-	-	(33,185)	(33,185)
Total contributions by and distributions to owners	-	-	-	-	-	-	-	-	(33,185)	(33,185)
At 31 January 2022	**49,449**	**478,478**	**(91,002)**	**14,278**	**35,074**	**853**	**1,753**	**(286)**	**130,221**	**618,818**

DEL MONTE PACIFIC LIMITED
UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

Amounts in US$'000	**For the three months ended 31 January**		**For the nine months ended 31 January**	
	FY2023 (Unaudited)	FY2022 (Unaudited)	**FY2023 (Unaudited)**	FY2022 (Unaudited)
Cash flows from operating activities				
Profit for the period	**12,857**	30,471	**37,072**	93,228
Adjustments for:				
Depreciation of property, plant and equipment	**37,033**	32,957	**111,747**	110,318
Amortization of right-of-use assets	**9,557**	10,291	**26,798**	30,200
Amortization of intangible assets	**1,780**	1,663	**5,180**	4,988
Impairment loss on property, plant and equipment	**5**	29	**5**	62
Gain on disposal of property, plant and equipment	**78**	78	**(32)**	(16)
Share in net (profit) loss of joint venture	**337**	1,617	**383**	3,167
Finance income	**(2,009)**	(761)	**(4,784)**	(2,404)
Finance expense	**37,341**	28,202	**90,448**	82,083
Redemption fee on Senior Secured Loans	**-**	-	**44,530**	-
Write-off of deferred financing costs	**-**	-	**26,341**	-
Tax expense - current	**7,825**	6,370	**21,426**	16,941
Tax expense (deferred)	**891**	4,161	**(4,539)**	17,051
Net loss (gain) on derivative financial instrument	**(2,189)**	(19)	**(2,189)**	(343)
Operating profit before working capital changes	**103,506**	115,059	**352,386**	355,275
Changes in:				
Other assets	**(10,040)**	(4,876)	**(11,002)**	(11,185)
Inventories	**106,626**	128,845	**(461,470)**	(200,993)
Biological assets	**(598)**	(2,170)	**(4,018)**	(3,634)
Trade and other receivables	**86,372**	34,171	**(29,413)**	(56,864)
Prepaid and other current assets	**2,629**	8,949	**1,360**	1,573
Trade and other payables	**(211,336)**	(106,400)	**92,373**	7,306
Employee Benefit	**1,019**	2,934	**(3,167)**	(2,619)
Operating cash flow	**78,178**	176,512	**(62,951)**	88,859
Income taxes paid	**(6,747)**	(3,382)	**(16,547)**	(11,528)
Net cash flows provided by operating activities	**71,431**	173,130	**(79,498)**	77,331
Cash flows from investing activities				
Interest received	**1,167**	366	**2,240**	900
Proceeds from disposal of property, plant and equipment	**104**	126	**197**	337
Purchase of property, plant and equipment	**(59,314)**	(43,537)	**(149,650)**	(132,655)
Purchase of Kitchen Basics brand	**-**	-	**(71,341)**	-
Additional investment in joint venture	**-**	-	**(1,462)**	(1,001)
Net cash flows used in investing activities	**(58,043)**	(43,045)	**(220,016)**	(132,419)
Cash flows from financing activities				
Interest paid	**(37,395)**	(38,397)	**(107,642)**	(81,637)
Proceeds of borrowings	**309,340**	688,038	**1,882,199**	2,247,585
Repayment of borrowings	**(186,045)**	(771,752)	**(1,247,002)**	(2,035,967)
Payments of lease liability	**(15,787)**	(5,686)	**(37,229)**	(26,389)
Dividends paid	**(3,893)**	(1,083)	**(46,898)**	(37,876)
Redemption of preference shares	**(100,000)**	-	**(100,000)**	-
Redemption fee on Senior Secured Loans	**-**	-	**(44,530)**	-
Payments of debt related costs	**(345)**	(1,834)	**(16,871)**	(1,834)
Net cash flows provided by (used in) financing activities	**(34,125)**	(130,714)	**282,027**	63,882
Net increase (decrease) in cash and cash equivalents	**(20,737)**	(1,441)	**(17,487)**	8,794
Cash and cash equivalents, beginning	**19,482**	37,248	**21,853**	29,435
Effect of exchange rate fluctuations on cash held in foreign cu	**15,158**	(2,469)	**9,537**	(4,891)
Cash and cash equivalents at end of period	**13,903**	33,338	**13,903**	33,338

PROFIT AND LOSS SUMMARY OF MAJOR SUBSIDIARIES

DEL MONTE FOODS HOLDINGS LIMITED AND SUBSIDIARIES
UNAUDITED CONSOLIDATED INCOME STATEMENT

Amounts in US$'000	**For the three months ended 31 January**			**For the nine months ended 31 January**		
	FY2023 (Unaudited)	FY2022 (Unaudited)	**%**	**FY2023 (Unaudited)**	FY2022 (Unaudited)	**%**
Turnover	**495,689**	468,356	5.8	**1,304,432**	1,243,933	4.9
Cost of sales	**(396,889)**	(370,664)	(7.1)	**(985,454)**	(949,898)	(3.7)
Gross profit	**98,800**	97,692	1.1	**318,978**	294,035	8.5
Distribution and selling expenses	**(43,680)**	(42,965)	(1.7)	**(117,228)**	(109,424)	(7.1)
General and administration expenses	**(22,213)**	(23,307)	4.7	**(72,280)**	(70,383)	(2.7)
Other operating income/(loss)	**(2,290)**	1,153	(298.6)	**(2,766)**	(1,636)	(69.1)
Profit from operations	**30,617**	32,573	(6.0)	**126,704**	112,592	12.5
Interest income	**7**	10	(30.0)	**27**	30	(10.0)
Interest expense	**(23,940)**	(21,016)	(13.9)	**(127,273)**	(61,570)	(106.7)
Forex exchange gain (loss)	**1,834**	(587)	412.4	**2,791**	(928)	400.8
Profit before taxation	**8,518**	10,980	(22.4)	**2,249**	50,124	(95.5)
Taxation	**(2,181)**	(2,734)	20.2	**(576)**	(12,481)	95.4
Profit after taxation	**6,337**	8,246	(23.2)	**1,673**	37,643	(95.6)

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

	For the three months ended 31 January					
	FY2023 (Unaudited)	FY2022 (Unaudited)	**%**	**FY2023 (Unaudited)**	FY2022 (Unaudited)	**%**
	In PHP'000			***In US$'000***		
Turnover	**11,303,736**	9,998,608	13.1	**198,739**	197,127	0.8
Cost of sales	**(8,406,306)**	(6,825,931)	(23.2)	**(147,908)**	(134,536)	(9.9)
Gross profit	**2,897,430**	3,172,677	(8.7)	**50,831**	62,591	(18.8)
Distribution and selling expenses	**(979,828)**	(916,512)	(6.9)	**(17,158)**	(18,060)	5.0
General and administration expenses	**(302,378)**	(273,220)	(10.7)	**(5,314)**	(5,385)	1.3
Other operating loss	**(14,724)**	(43,470)	66.1	**(253)**	(859)	70.5
Profit from operations	**1,600,500**	1,939,475	(17.5)	**28,106**	38,287	(26.6)
Interest income	**59,867**	18,933	216.2	**1,060**	375	182.7
Interest expense	**(232,673)**	(165,665)	(40.4)	**(4,087)**	(3,256)	(25.5)
Forex exchange gain (loss)	**6,283**	24,857	(74.7)	**104**	488	(78.7)
Share in net loss of joint venture	**(31,649)**	(45,855)	31.0	**(560)**	(920)	39.1
Profit before taxation	**1,402,328**	1,771,745	(20.9)	**24,623**	34,974	(29.6)
Taxation	**(224,584)**	(253,299)	11.3	**(3,953)**	(5,004)	21.0
Profit after taxation	**1,177,744**	1,518,446	(22.4)	**20,670**	29,970	(31.0)

	For the nine months ended 31 January					
	FY2023 (Unaudited)	FY2022 (Unaudited)	**%**	**FY2023 (Unaudited)**	FY2022 (Unaudited)	**%**
	In PHP'000			***In US$'000***		
Turnover	**31,496,191**	27,872,281	13.0	**562,633**	559,235	0.6
Cost of sales	**(22,724,110)**	(19,234,360)	(18.1)	**(405,933)**	(385,922)	(5.2)
Gross profit	**8,772,081**	8,637,921	1.6	**156,700**	173,313	(9.6)
Distribution and selling expenses	**(3,165,835)**	(2,604,446)	(21.6)	**(56,553)**	(52,256)	(8.2)
General and administration expenses	**(852,870)**	(770,430)	(10.7)	**(15,235)**	(15,458)	1.4
Other operating loss	**(75,653)**	(111,041)	31.9	**(1,351)**	(2,228)	39.4
Profit from operations	**4,677,723**	5,152,004	(9.2)	**83,561**	103,371	(19.2)
Interest income	**119,125**	45,608	161.2	**2,128**	915	132.6
Interest expense	**(669,709)**	(511,829)	(30.8)	**(11,963)**	(10,269)	(16.5)
Forex exchange gain	**54,921**	79,532	(30.9)	**981**	1,596	(38.5)
Share in net loss of joint venture	**(66,167)**	(45,855)	(44.3)	**(1,182)**	(920)	(28.5)
Profit before taxation	**4,115,893**	4,719,460	(12.8)	**73,525**	94,693	(22.4)
Taxation	**(601,221)**	(656,272)	8.4	**(10,740)**	(13,168)	18.4
Profit after taxation	**3,514,672**	4,063,188	(13.5)	**62,785**	81,525	(23.0)

Forex translation used: 55.98 in January 2023 and 49.84 in January 2022

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

	For the three months ended 31 January						For the nine months ended 31 January					
	FY23	**FY22**	**% Chg**	**FY23**	**FY22**	**% Chg**	**FY23**	**FY22**	**% Chg**	**FY23**	**FY22**	**% Chg**
	(In PHP'000)			***(In US$'000)***			***(In PHP'000)***			***(In US$'000)***		
Revenues												
Convenience Cooking and Desert	**4,150,864**	4,201,875	(1.2)	**73,105**	83,106	(12.0)	**10,774,724**	10,356,818	4.0	**192,475**	207,801	(7.4)
Healthy Beverages and Snacks	**2,116,508**	1,735,644	21.9	**37,250**	34,174	9.0	**5,659,385**	5,069,482	11.6	**101,097**	101,715	(0.6)
Premium Fresh Fruit	**1,703,682**	1,661,026	2.6	**29,751**	32,754	(9.2)	**6,030,108**	4,599,696	31.1	**107,719**	92,289	16.7
Packaged fruit and Beverages - Export	**2,564,154**	1,497,773	71.2	**45,146**	29,306	54.1	**6,738,715**	5,320,701	26.7	**120,377**	106,756	12.8
Others	**39,395**	27,522	43.1	**694**	545	27.3	**95,184**	64,437	47.7	**1,700**	1,293	31.5
Changes in fair value – PAS 41	**729,133**	874,768	(16.6)	**12,793**	17,242	(25.8)	**2,198,075**	2,461,147	(10.7)	**39,265**	49,381	(20.5)
Total	**11,303,736**	9,998,608	13.1	**198,739**	197,127	0.8	**31,496,191**	27,872,281	13.0	**562,633**	559,235	0.6
Gross income												
Convenience Cooking and Desert	**1,356,304**	1,622,961	(16.4)	**23,833**	32,087	(25.7)	**3,864,086**	4,065,452	(5.0)	**69,026**	81,570	(15.4)
Healthy Beverages and Snacks	**538,783**	463,390	16.3	**9,493**	9,100	4.3	**1,374,084**	1,476,444	(6.9)	**24,546**	29,624	(17.1)
Premium Fresh Fruit	**649,349**	733,868	(11.5)	**11,305**	14,455	(21.8)	**2,517,063**	2,112,243	19.2	**44,964**	42,380	6.1
Packaged fruit and Beverages - Export	**356,837**	235,402	51.6	**6,285**	4,595	36.8	**924,375**	892,204	3.6	**16,513**	17,901	(7.8)
Others	**14,321**	13,427	6.7	**250**	266	(6.0)	**40,537**	29,787	36.1	**723**	598	20.9
Changes in fair value - PAS 41	**(18,164)**	103,629	(117.5)	**(335)**	2,088	(116.0)	**51,936**	61,791	(15.9)	**928**	1,240	(25.2)
Total	**2,897,430**	3,172,677	(8.7)	**50,831**	62,591	(18.8)	**8,772,081**	8,637,921	1.6	**156,700**	173,313	(9.6)
Earnings before interest and tax												
Convenience Cooking and Desert	**830,412**	1,064,796	(22.0)	**14,576**	21,057	(30.8)	**2,466,908**	2,637,335	(6.5)	**44,068**	52,916	(16.7)
Healthy Beverages and Snacks	**176,116**	149,074	18.1	**3,130**	2,913	7.4	**275,755**	550,542	(49.9)	**4,926**	11,046	(55.4)
Premium Fresh Fruit	**392,531**	464,478	(15.5)	**6,849**	9,145	(25.1)	**1,423,344**	1,356,508	4.9	**25,426**	27,217	(6.6)
Packaged fruit and Beverages - Export	**184,433**	128,115	44.0	**3,258**	2,486	31.1	**419,823**	557,435	(24.7)	**7,500**	11,184	(32.9)
Others	**9,806**	8,405	16.7	**172**	167	3.0	**28,711**	22,070	30.1	**512**	444	15.3
Changes in fair value - PAS 41	**(18,164)**	103,609	(117.5)	**(335)**	2,087	(116.1)	**51,936**	61,791	(15.9)	**928**	1,240	(25.2)
Total	**1,575,134**	1,918,477	(17.9)	**27,650**	37,855	(27.0)	**4,666,477**	5,185,681	(10.0)	**83,360**	104,047	(19.9)

Forex translation used: 55.98 in January 2023 and 49.84 in January 2022

DMPI's Product segments

Convenience Cooking and Dessert

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

Healthy Beverages and Snacks

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

Packaged Fruits and Beverages – Export

This segment includes packaged fruit and beverages products sold internationally.

Packaged Fruit

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

Beverages

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

Premium Fresh Fruit

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

Others

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

ONE-OFF EXPENSES

Amounts in US$ million	For the three months ended 31 January			For the nine months ended 31 January		
	FY2023 (Unaudited)	FY2022 (Unaudited)	**%**	**FY2023 (Unaudited)**	FY2022 (Unaudited)	**%**
DMFI one-off expenses:						
Redemption fee	**-**	-	nm	**44.5**	-	nm
Write-off of deferred financing costs (non cash)	**-**	-	nm	**26.3**	-	nm
Excess of NRV over cost of inventory (Note)	**2.2**	-	nm	**4.5**	-	nm
Ticking fee	**-**	-	nm	**1.0**	-	nm
Settlement of legal claims	**1.0**	-	nm	**1.0**	-	nm
Total (pre-tax basis)	**3.2**	-	nm	**77.4**	-	nm
Tax impact	**(1.0)**	-	nm	**(19.8)**	-	nm
Non-controlling interest	**(0.1)**	-	nm	**(3.7)**	-	nm
Total DMFI one-off expenses (post tax, post NCI basis)	**2.1**	-	nm	**53.9**	-	nm

Note 1 *Excess of NRV over cost of inventory related to KB acquisition for the nine months ended 31 January 2023 includes US$2.2 million of the cost from second quarter not previously disclosed as one-off cost.*