

General Announcement::PROPOSED SECONDARY OFFERING AND LISTING OF THE SHARES OF DEL MONTE PHILIPPINES, INC. ON THE PSE

Issuer & Securities

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Description (Please provide a detailed description of the event in the box below)	<p>Please see attached:</p> <p>(1) Proposed Secondary Offering and Listing of the Ordinary Shares of Del Monte Philippines, Inc. on The Philippine Stock Exchange.</p> <p>(2) Del Monte Pacific Limited's Philippine Subsidiary, Del Monte Philippines, Inc., Prepares for an Initial Public Offering.</p>
Attachments	<p>DMPL - Announcement on DMPI Offering 1 Final.pdf</p> <p>DMPL - Announcement on DMPI Offering 2 Final.pdf</p> <p>Total size =594K</p>

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DEL MONTE PACIFIC LIMITED
(Incorporated in the British Virgin Islands)

**PROPOSED SECONDARY OFFERING AND LISTING OF THE ORDINARY SHARES OF
DEL MONTE PHILIPPINES, INC. ON THE PHILIPPINE STOCK EXCHANGE**

The Board of Directors (“**Board**”) of Del Monte Pacific Limited (the “**Company**” and together with its subsidiaries, the “**DMPL Group**”) wishes to announce the following:

- (1) The Company is proposing to undertake a public offering in the Philippines by way of (i) the sale of some of the existing ordinary shares (the “**DMPI Sale Shares**”) of Del Monte Philippines, Inc. (“**DMPI**”) to the public in the Philippines, and up to 30% of the DMPI Sale Shares to persons outside the United States in reliance on Regulation S under the United States Securities Act of 1933, as amended; and (ii) the listing of all the issued ordinary shares of DMPI on The Philippine Stock Exchange, Inc. (“**PSE**”) in the Philippines (collectively, the “**Proposed Public Offering**”).
- (2) Pursuant to a submission made by the Company to Singapore Stock Exchange Securities Trading Limited (“**SGX-ST**” or the “**Exchange**”), the Exchange has advised the Company that the Proposed Public Offering does not constitute a chain listing under Rule 210(6) of the listing manual of the SGX-ST (the “**Listing Manual**”). The Company will undertake that it will continue to own at least 67% of its shareholding in DMPI for five (5) years following the Proposed Public Offering.

Shareholders of the Company (“Shareholders”) are to note that the Exchange reserves the right to amend and/or vary the above confirmation and such confirmation is subject to changes in the Exchange’s policies.

- (3) The draft prospectus and accompanying supporting documents in relation to the Proposed Public Offering have been submitted to the Philippine Securities and Exchange Commission (“**SEC**”) on 5 February 2018 (“**Philippine Application**”).

As the Company intends to seek Shareholders’ approval for the Proposed Public Offering at an extraordinary general meeting to be convened in due course, a circular setting out the information required pursuant to Chapter 10 of the Listing Manual including the rationale for, the tangible benefits of and the financial effects of, the Proposed Public Offering, will be despatched to Shareholders in due course.

1. OVERVIEW OF THE PROPOSED PUBLIC OFFERING

Background of DMPI

- 1.1 DMPI is an indirect wholly-owned subsidiary of the Company¹. The business of DMPI includes the production and sale of food and beverage products in the Philippines under the Del Monte brand, such as fruit juices and juice drinks, packaged pineapple and mixed fruit, various tomato, spaghetti sauces and culinary mixes, and the export of these products under other brands.
- 1.2 DMPI generates sales primarily from the Philippines and from exports. It sells to the general trade (wholesalers, distributors), modern trade (large groceries and price clubs) and institutional accounts (restaurants, fast food chains, caterers, hotels, hospitals, schools, convenience stores, etc). Its major suppliers include tinplate suppliers from Japan, and pineapple fruit from its own-operated plantation in Bukidnon Philippines.

Details of the Proposed Public Offering²

- 1.3 The estimated maximum offering price of the shares of DMPI (the “**Offering Price**”) is PhP29.88 (approximately S\$0.76³) per DMPI share.

Shareholders are to note that the Offering Price is subject to various factors including the bookbuilding process and prevailing market conditions, and that the estimated maximum Offering Price should not be taken as an indication of the final pricing that the Proposed Public Offering would achieve.

- 1.4 Pursuant to the Proposed Public Offering, it is expected that the number of DMPI Sale Shares to be offered is 559,464,000, which will represent 20% of DMPI’s total existing number of ordinary shares.

Shareholders are to note that the number of shares to be offered is subject to various factors including the bookbuilding process and prevailing market conditions.

2. RATIONALE OF THE PROPOSED PUBLIC OFFERING

The Company aims to raise funds from the Proposed Public Offering to partially prepay/repay certain loan facility/ies. The balance of proceeds, if any, will be used for general corporate purposes. The prepayment of such loan(s) will allow the DMPL Group to deleverage and strengthen its balance sheet. Such prepayment is allowed under the current loan facility agreement(s) without any fee or penalty.

¹ DMPI is the wholly-owned subsidiary of Central American Resources, Inc. (“**CARI**”). CARI is a wholly-owned subsidiary of Del Monte Pacific Resources Limited who is in turn, the wholly-owned subsidiary of the Company.

² Shareholders are to note that the information disclosed is based on information extracted from the Philippine Application and may be subject to changes. The Company will provide further details and announce any material developments on the Proposed Public Offering as and when appropriate.

³ This is based on the exchange rate of 1 SG\$ = PhP39.1601 on 5 February 2018. **Source:** Bangko Sentral ng Pilipinas

3. RELATIVE FIGURES UNDER RULE 1006 OF THE LISTING MANUAL

- 3.1 For the purposes of Chapter 10 of the Listing Manual and based on the latest announced unaudited financial statements for DMPL for the financial period ended 31 October 2017, the relative figures for the Proposed Public Offering are computed on the bases set out in Rule 1006(a) to (e) of the Listing Manual and are as follows:

Rule 1006	Basis	Relative Figures
Rule 1006(a)	Net asset value of the assets to be disposed of, compared with the group's net asset value	12% ⁽¹⁾
Rule 1006(b)	Net profit attributable to the assets disposed of, compared with the group's net profits	(226)% ⁽²⁾
Rule 1006(c)	Aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	82% ⁽³⁾
Rule 1006(d)	Number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable
Rule 1006(e)	Aggregate volume of proved and probable reserves to be disposed of compared with the group's proved and probable reserves	Not applicable

Notes:

- (1) *The net asset value of the assets to be disposed of is approximately S\$92,878,180, which is based on the assumption that the percentage dilution of the DMPL Group's interest in DMPL arising from the Proposed Public Offering is 20%. The percentage dilution is based on the sale of 559,464,000 existing DMPL shares which represents 20% of DMPL's total existing number of ordinary shares; please see paragraph 1.4 of this announcement for more details.*

The net asset value of the DMPL Group is S\$746,546,023.

- (2) *The net profits before income tax, minority interest and extraordinary items attributable to assets to be disposed of, is approximately S\$9,144,850.*

The net loss before income tax, minority interest and extraordinary items of the DMPL Group is S\$4,037,800.

- (3) *The computation for Rule 1006(c) is based on the expected maximum gross proceeds of US\$324 million (approximately S\$427 million) from the Proposed Public Offering (see paragraphs 1.3 to 1.4) divided by the market capitalisation of the Company as at 5 February 2018 of approximately S\$521 million.*

The market capitalisation of the Company of approximately S\$521 million was determined by multiplying 1,943,960,024 total issued DMPL shares (excluding DMPL treasury shares) by the weighted average price of S\$0.268 per DMPL share on 5 February 2018, being the last market day preceding the date of this announcement.

- 3.2 Based on the above, the relative figure computed pursuant to Rule 1006(c) exceeds 20%. Accordingly, Rule 1014 provides that Chapter 10 of the Listing Manual is applicable and Shareholders' approval is required and in this regard, the Company will be seeking Shareholders' approval in respect of the Proposed Public Offering.
- 3.3 The Proposed Public Offering will give rise to a one-time gain. For illustrative purposes, assuming the Company raises net maximum proceeds of US\$314 million (approximately S\$415 million⁽¹⁾) from the Proposed Public Offering, the gain on disposal based on the Group's audited accounts for full year ended 30 April 2017 would be approximately US\$304 million (approximately S\$402 million⁽¹⁾).

Note:

(1) *This is based on the exchange rate of US\$1 = S\$1.319 on 5 February 2018. Source: Bangko Sentral ng Pilipinas.*

- 3.4 As at 31 October 2017, the net book value of 20% of DMPI is S\$92,878,180. Shareholders are to note that as DMPI will continue to remain as a subsidiary of the Company following the Proposed Public Offering, the net book value of the DMPL Group will remain the same as DMPI will remain fully consolidated in the accounts of the Company. As at 31 October 2017, the net book value of the DMPL Group is S\$746,546,023.

4. FINANCIAL EFFECTS OF THE PROPOSED PUBLIC OFFERING

The proforma financial effects of the Proposed Public Offering are set out below, and have been computed based on, *inter alia*, the following assumptions:

- (i) the maximum Offering Price of PhP29.88 (approximately S\$0.76) per DMPI share;
- (ii) the transaction costs in connection with the Proposed Public Offering are approximately S\$13 million; and
- (iii) the computations are based on the most recently completed financial year ended 30 April 2017.

Shareholders are to note that the assumptions are made for purposes of illustrations and should not be taken as an indication of the pricing that the Proposed Public Offering would achieve.

Net Tangible Assets (“NTA”)

Assuming the Proposed Public Offering had been effected as at 30 April 2017, the financial effect on the NTA is as follows:

	Before the Proposed Public Offering	After the Proposed Public Offering
NTA	S\$(226,743,537)	S\$198,045,422 ⁽¹⁾
No. of shares (excluding treasury shares)	1,943,214,106 ⁽²⁾	1,943,214,106 ⁽²⁾
NTA per share (Singapore cents)	S\$(0.12)	S\$0.10 ⁽¹⁾

Notes:

- (1) The NTA computation takes into consideration the one-time gain from the sale of the DMPI Sale Shares. For more details, please refer to Section 3.3 above. In computing the NTA and NTA per share, the Company have assumed a net maximum proceeds of S\$439 million and one-time gain of S\$425 million based on the exchange rate of US\$1 = S\$1.3956 as of 30 April 2017.
- (2) Shareholders are to note that the total number of issued ordinary DMPL shares as at 30 April 2017 was 1,943,214,106.

Earnings per Share (“EPS”)

Assuming the Proposed Public Offering had been effected on 1 May 2016, the financial effect on the Company’s EPS for the financial year ended 30 April 2017 is as follows:

	Before the Proposed Public Offering	After the Proposed Public Offering
Net profit attributable to Shareholders	S\$32,879,825	S\$457,151,142 ⁽¹⁾
Weighted average number of shares used (excluding treasury shares)	1,943,960,000 ⁽¹⁾	1,943,960,000 ⁽¹⁾⁽²⁾
Basic EPS (Singapore cents)	S\$1.69	S\$23.52 ⁽¹⁾

Notes:

- (1) The EPS computation takes into consideration the one-time gain from the sale of the DMPI Sale Shares. For more details, please refer to Section 3.3 above. In the EPS computations, the Company have assumed a net maximum proceeds of S\$439 million and one-time gain of S\$425 million based on the exchange rate of US\$1 = S\$1.3956 as of 30 April 2017.

(2) Shareholders are to note that the total number of issued ordinary DMPL shares on 30 April 2017 was 1,943,214,106. For purposes of the EPS computation, the weighted average number of shares includes the outstanding DMPL share options of 745,918.

5. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS AND SERVICE CONTRACTS

Save for their interests in the Company and as disclosed in this announcement, none of the Directors or controlling shareholders has any direct or indirect interest in the Proposed Public Offering.

No person is proposed to be appointed to the Board in connection with the Proposed Public Offering and accordingly, no service contract in relation thereto will be entered into between the Company and any such person.

6. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Public Offering, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which will make any statement in this announcement misleading.

Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

7. FOLLOW UP ANNOUNCEMENT(S) / FURTHER INFORMATION

7.1 **The Company would like to highlight that the Proposed Public Offering is in its preliminary stages and is dependent on, *inter alia*, the results of preparatory work to be undertaken, requisite approvals from the relevant regulatory authorities and the then-prevailing market conditions. Accordingly, there is no assurance that the Proposed Public Offering will materialise in due course. The Company will provide further details and announce any material developments on the Proposed Public Offering as and when appropriate.**

7.2 Shareholders and potential investors are advised to exercise caution when trading in the Shares. Shareholders and investors are also advised to read this announcement and any further announcements made by the Company carefully, and where in doubt as to the action that they should take, they should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they are in doubt about the actions that they should take.

BY ORDER OF THE BOARD

Antonio E S Ungson
Company Secretary
6 February 2018

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DEL MONTE PACIFIC LIMITED

(Incorporated in the British Virgin Islands with limited liability)

**DEL MONTE PACIFIC LIMITED'S PHILIPPINE SUBSIDIARY, DEL MONTE PHILIPPINES, INC.,
PREPARES FOR AN INITIAL PUBLIC OFFERING**

The Board of Directors of Del Monte Pacific Limited (the “**Board**” and the “**Company**”, respectively) wishes to announce that the Company’s wholly-owned Philippine subsidiary, Del Monte Philippines, Inc. (“**DMPI**”), has filed application documents for a proposed initial public offering of common shares comprising the sale of 20% of its issued capital in DMPI by DMPL, by way of a secondary offer, (the “**Offering**” and such shares, the “**Offer Shares**”).

DMPI intends to list the Offer Shares on the Main Board of The Philippine Stock Exchange, Inc. (“**PSE**”). In connection thereto, DMPI has on 5 February 2018: (i) filed for the registration of the Offer Shares with the Securities and Exchange Commission of the Philippines; and (ii) applied for the listing of all the issued and outstanding common shares of DMPI, including the Offer Shares, with the PSE. The Offering will be subject to receipt of the requisite regulatory approvals and market conditions.

The Company plans to use the expected proceeds from the Offering primarily for debt repayment and general corporate purposes.

BDO Capital & Investment Corporation has been appointed as the Issue Manager, Sole Global Coordinator and Sole Bookrunner for the Offering.

Approximately two-thirds of DMPI’s sales come from the Philippines predominantly under the Del Monte brand, and one-third from the export markets under the S&W brand and through private label.

DMPI is a market leader in canned pineapple juice and juice drinks, canned pineapple and tropical mixed fruits, tomato sauce, spaghetti sauce and tomato ketchup, and is a household name in the Philippines. It also operates one of the world’s largest fully-integrated pineapple operations, and has been growing and processing pineapple for over 90 years, supporting its market leadership and high quality products.

The Company will be seeking Shareholders’ approval for the Offering at an extraordinary general meeting to be convened, and a circular for this purpose will be dispatched in due course.

The Company will make further announcements as and when required and/or material developments arise in respect of the Offering.

BY ORDER OF THE BOARD

Antonio E S Ungson
Company Secretary

6 February 2018

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