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 (1st Quarter FY2019)

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

S T A M P S

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 **July 31, 2018**

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

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

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

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

6. Industry Classification Code: [ ] (SEC Use Only)

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

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

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

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

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
Common Shares	1,943,960,024
Preference Shares	30,000,000

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

    Yes [/] No [ ]

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

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

12. Indicate by check mark whether the registrant:

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

Yes [/] No [ ]

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

Yes [/] No [ ]

PART I--FINANCIAL INFORMATION

Item 1. Financial Statements.

Please refer to the Financial Statements (FS) section of this report, FS to FS39.

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

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

PART II--OTHER INFORMATION

Not Applicable

SIGNATURES

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

Issuer **Del Monte Pacific Limited**

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

Date September 14, 2018

Del Monte Pacific Limited and its Subsidiaries

Unaudited Interim Condensed Consolidated
Financial Statements
For the Three Months Ended
31 July 2018 and 31 July 2017
(With Comparative Audited Consolidated Statement of
Financial Position as at 30 April 2018)

Unaudited Interim Consolidated Statements of Financial Position
(With Comparative Audited Figures as at 30 April 2018)

	Note	As at 31 July 2018 US$'000 (Unaudited)	As at 30 April 2018 US$'000 (Audited)
Noncurrent assets			
Property, plant and equipment – net	5	**597,855**	610,889
Investments in joint ventures	7	**25,112**	25,195
Intangible assets and goodwill	6	**712,985**	714,651
Deferred tax assets – net		**85,222**	79,829
Biological assets	9	**1,582**	1,629
Pension assets		**10,682**	10,607
Other noncurrent assets	8	**41,761**	41,223
		1,475,199	1,484,023
Current assets			
Biological assets	9	**43,424**	41,963
Inventories	10	**795,228**	760,981
Trade and other receivables	11, 17	**168,124**	161,627
Prepaid expenses and other current assets	12	**36,074**	30,782
Cash and cash equivalents	13, 17	**33,296**	24,246
Noncurrent assets held for sale		**3,958**	5,504
		1,080,104	1,025,103
Total assets		**2,555,303**	2,509,126
Equity			
Share capital	21	**49,449**	49,449
Share premium		**478,339**	478,323
Retained earnings		**98,527**	95,505
Reserves		**(71,084)**	(64,082)
Equity attributable to owners of the company		**555,231**	559,195
Non-controlling interests		**46,117**	49,065
Total equity		**601,348**	608,260
Noncurrent liabilities			
Loans and borrowings	14, 17	**887,169**	983,603
Employee benefits		**71,741**	76,905
Environmental remediation liabilities		**152**	144
Deferred tax liabilities – net		**8,539**	7,128
Other noncurrent liabilities	15	**33,262**	35,195
		1,000,863	1,102,975
Current liabilities			
Loans and borrowings	14, 17	**644,212**	481,620
Employee benefits		**38,936**	37,645
Trade and other current liabilities	16, 17	**267,215**	276,618
Current tax liabilities		**2,729**	2,008
		953,092	797,891
Total liabilities		**1,953,955**	1,900,866
Total equity and liabilities		**2,555,303**	2,509,126

Unaudited Interim Consolidated Income Statements

	Note	Three months ended 31 July 2018 US$'000	Three months ended 31 July 2017 US$'000
Revenue	10	**437,229**	473,844
Cost of sales		**(359,203)**	(375,960)
Gross profit		**78,026**	97,884
Distribution and selling expenses		**(42,548)**	(45,547)
General and administrative expenses	20	**(35,644)**	(39,048)
Other income – net		**2,189**	1,555
Results from operating activities		**2,023**	14,844
Finance income		**17,910**	1,755
Finance expense		**(23,063)**	(26,128)
Net finance expense		**(5,153)**	(24,373)
Share in net loss of joint ventures	7	**(83)**	(519)
Loss before taxation		**(3,213)**	(10,048)
Tax expense – current		**(1,681)**	(2,304)
Tax benefit - deferred		**4,532**	11,176
		2,851	8,872
Loss for the period		**(362)**	(1,176)
Profit (loss) attributable to:			
Non-controlling interest		**(3,384)**	(1,916)
Owners of the Company		**3,022**	740
Earnings/(loss) per share			
Basic earnings (loss) per share (U.S. cents)	22	**(0.10)**	(0.13)
Diluted earnings (loss) per share (U.S. cents)	22	**(0.10)**	(0.13)

Unaudited Interim Consolidated Statements of Comprehensive Income

	Three months ended 31 July 2018 US$'000	Three months ended 31 July 2017 US$'000
Loss for the period	**(362)**	(1,176)
Other comprehensive income (loss)		
Items that will not be reclassified subsequently to profit or loss		
Remeasurement of retirement plans	**2,989**	(4,056)
Income tax effect on remeasurement of retirement plans	**(516)**	(911)
	2,473	(4,967)
Items that may be reclassified subsequently to profit or loss		
Currency translation differences	**(10,258)**	(5,613)
Effective portion of changes in fair value of cash flow hedges	**1,249**	8,636
Income tax effect on cash flow hedges	**(306)**	(795)
	(9,315)	2,228
Other comprehensive loss for the period, net of tax	**(6,842)**	(2,739)
Total comprehensive loss for the period	**(7,204)**	(3,915)
Total comprehensive loss attributable to:		
Non-controlling interests	**(3,136)**	(1,620)
Owners of the Company	**(4,068)**	(2,295)
	(7,204)	(3,915)

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

Unaudited Interim Consolidated Statements of Changes in Equity
Three months ended 31 July 2018

	<----- Attributable to owners of the Company									----->		
	Share capital US$'000	**Share premium US$'000**	**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 2019												
At 1 May 2018	49,449	478,323	(91,515)	10,885	18,225	(2,764)	1,373	(286)	95,505	559,195	49,065	608,260
Total comprehensive income for the period												
Profit/(loss) for the period	–	–	–	–	–	–	–	–	3,022	3,022	(3,384)	(362)
Other comprehensive income												
Currency translation differences	–	–	(10,238)	–	–	–	–	–	–	(10,238)	(20)	(10,258)
Remeasurement of retirement plans	–	–	–	–	2,305	–	–	–	–	2,305	168	2,473
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	843	–		–	843	100	943
Total other comprehensive income	–	–	(10,238)	–	2,305	843	–	–	–	(7,090)	248	(6,842)
Total comprehensive income for the period	–	–	(10,238)	–	2,305	843	–	–	3,022	(4,068)	(3,136)	(7,204)
Transactions with owners of the Company recognised directly in equity												
Contributions by and distributions to owners of the Company												
Transaction costs related to the issuance of preference share	–	16	–	–	–	–	–	–	–	16	–	16
Value of employee services received for issue of share options	–	–	–	–	–	–	88	–	–	88	188	276
Total contributions by and distributions to owners	–	16	–	–	–	–	88	–	–	104	188	292
At 31 July 2018	49,449	478,339	(101,753)	10,885	20,530	(1,921)	1,461	(286)	98,527	555,231	46,117	601,348

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

Unaudited Interim Consolidated Statements of Changes in Equity
Three months ended 31 July 2017

	<--- Attributable to owners of the Company											
	Share capital US$'000	Share premium US$'000	Translation reserve US$'000	Revaluation reserve US$'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 2018												
At 1 May 2017	39,449	390,320	(78,087)	10,885	1,808	(7,443)	1,779	(802)	159,169	517,078	61,477	578,555
Total comprehensive income for the period												
Profit (loss) for the period	–	–	–	–	–	–	–	–	740	740	(1,916)	(1,176)
Other comprehensive income												
Currency translation differences	–	–	(5,616)	–	–	–	–	–	–	(5,616)	3	(5,613)
Remeasurement of retirement plans	–	–	–	–	(5,123)	–	–	–	–	(5,123)	156	(4,967)
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	7,704	–	–	–	7,704	137	7,841
Total other comprehensive income	–	–	(5,616)	–	(5,123)	7,704	–	–	–	(3,035)	296	(2,739)
Total comprehensive income for the period	–	–	(5,616)	–	(5,123)	7,704	–	–	740	(2,295)	(1,620)	(3,915)
Transactions with owners of the Company recognised directly in equity												
Contributions by and distributions to owners of the Company												
Transaction costs related to the issuance of preference share	–	(70)	–	–	–	–	–	–	–	(70)	–	(70)
Value of employee services received for issue of share options	–	–	–	–	–	–	95	–	–	95	9	104
Total contributions by and distributions to owners	–	(70)	–	–	–	–	95	–	–	25	9	34
At 31 July 2017	39,449	390,250	(83,703)	10,885	(3,315)	261	1,874	(802)	159,909	514,808	59,866	574,674

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

Unaudited Interim Consolidated Statements of Cash Flows

	Note	Three months ended 31 July 2018 US$'000	2017 US$'000
Cash flows from operating activities			
Loss for the period		**(362)**	(1,176)
Adjustments for:			
Depreciation of property, plant and equipment	19	**30,158**	35,246
Amortisation of intangible assets	6,19	**1,666**	2,337
Reversal of impairment loss on property, plant and equipment		**(25)**	–
Loss on disposal of property, plant and equipment		**1,886**	113
Equity-settled share-based payment transactions		**276**	104
Share in net loss of joint ventures	7	**83**	519
Net loss on derivative settlement		**(9,261)**	1,105
Finance income*		**(17,910)**	(1,755)
Finance expense*		**23,063**	26,128
Tax expense - current		**1,681**	2,304
Tax expense – deferred		**(4,532)**	(11,176)
		26,723	53,749
Changes in:			
Other noncurrent assets		**(3,512)**	(37,565)
Inventories		**(33,469)**	(91,022)
Biological assets		**(5,825)**	17,981
Trade and other receivables		**(910)**	4,597
Prepaid and other current assets		**(4,946)**	(874)
Trade and other payables		**(19,038)**	13,551
Employee benefits		**3,636**	4,013
Net cash flows provided by operating activities		**(37,341)**	(35,570)
Cash flows from investing activities			
Purchase of property, plant and equipment	5	**(25,098)**	(22,502)
Proceeds from disposal of property, plant and equipment		**2,337**	40
Interest received		**138**	132
Net cash flows used in investing activities		**(22,623)**	(22,330)

To be continued

* Includes foreign exchange gains and losses

Unaudited Interim Consolidated Statements of Cash Flows (continued)

	Note	Three months ended 31 July 2018 US$'000	Three months ended 31 July 2017 US$'000
Cash flows from financing activities			
Proceeds from borrowings		**282,411**	373,414
Repayment of borrowings		**(201,011)**	(319,427)
Interest paid		**(21,788)**	(23,162)
Transactions costs related to issuance of preference shares		**16**	(69)
Net cash flows provided by financing activities		**59,628**	30,756
Net decrease in cash and cash equivalents		**(339)**	(27,144)
Cash and cash equivalents at beginning of period		**24,246**	37,570
Effect of exchange rate changes on balances held in foreign currency		**9,386**	9,060
Cash and cash equivalents at end of period	13	**33,296**	19,486

Selected Notes to the Unaudited Interim Condensed Consolidated Financial Statements

1. Domicile and activities

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

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

The principal activity of the Company is that of investment holding. Its subsidiaries are principally engaged in growing, processing, and selling canned and fresh pineapples, pineapple juice concentrate, tropical mixed fruit, canned peaches and pears, canned vegetables, tomato-based products, and certain other food and beverage products mainly under the brand names of "Del Monte", "S&W", "Today's", "Contadina", "College Inn" and other brands. The Company's subsidiaries also produce and distribute private label food products.

The immediate holding company is NutriAsia Pacific Limited ("NAPL") whose ultimate shareholders are NutriAsia Inc. ("NAI") and Well Grounded Limited ("WGL"), which at 31 July 2018 and 30 April 2018, 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.

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

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

The financial statements of the Group as at and for the year ended 31 July 2018 comprise the Company and its subsidiaries (together referred to as the "Group", and individually as "Group entities"), and the Group's interests in joint ventures.

2. Basis of preparation

2.1 Statement of compliance

The accompanying unaudited interim condensed consolidated financial statements as at 31 July 2018 and for the three months ended 31 July 2018 and 2017 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 2018 annual audited consolidated financial statements, comprising the consolidated statements of financial position as at 30 April 2018 and 2017 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 2018, 2017, and 2016.

2.2 Basis of measurement

The accompanying financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

2.3 Functional and presentation currency

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

2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

3. Significant accounting policies

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 2018 annual consolidated financial statements, except for the adoption of the following amendments effective beginning 1 May 2018, which did not have significant impact to the Group:

Applicable 1 May 2018

- Amendments to IFRS 2, *Share-based Payment, Classification and Measurement of Share-based Payment Transactions*
- Amendments to IFRS 4, *Insurance Contracts, Applying IFRS 9, Financial Instruments, with IFRS 4*
- Amendments to IAS 28, Measuring an Associate or Joint Venture at Fair Value (Part of Annual Improvements to IFRSs 2014 - 2016 Cycle)
- Amendments to IAS 40, *Investment Property, Transfers of Investment Property*
- IFRIC 22, *Foreign Currency Transactions and Advance Consideration*
- IFRS 9, *Financial Instruments*
- IFRS 15, *Revenue from Contracts with Customers*

The Group will adopt the following new standards when they become effective.

Applicable 1 May 2019

- IFRS 16, *Leases*
- IFRIC 23, *Uncertainty over Income Tax Treatments*
- Amendments to IFRS 9, *Prepayment Features with Negative Compensation*
- Amendments to IAS 28, *Long-term Interests in Associates and Joint Ventures*
- Amendments to IAS 19, *Plan amendment, curtailment or settlement*
- Amendments to IFRS 10 and IAS 28, *Sale or contribution of assets between an investor and its associates or joint venture*

Applicable 1 May 2021

- IFRS 17, *Insurance Contracts*

3. 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 under the Contadina, S&W, College Inn and other brands. This segment also includes sales of private label food products. Sales across various channels include retail markets, as well as to the United States military, certain export markets, the food service industry and other food processors.

Asia Pacific

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

Europe and Middle East

Included in Europe segment are sales of unbranded products in Europe and Middle East.

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

Beverage

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

Culinary

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

Fresh fruit and others

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

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

Segment assets and liabilities

Segment assets consist primarily of property, plant and equipment, intangible assets and goodwill, trade and other receivables, biological assets, inventories, deferred tax assets - net, and investments in joint ventures. Segment liabilities consist of loans and borrowings, employee benefits, tax liabilities, and trade and other payables.

Information about reportable segments

	Americas		Asia Pacific		Europe and Middle East		Total	
	Three months ended 31 July		Three months ended 31 July		Three months ended 31 July		Three months ended 31 July	
	2018	2017	2018	2017	2018	2017	2018	2017
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Revenue								
Packaged fruit and vegetable	**258,220**	279,031	**21,903**	29,388	**6,294**	6,273	**286,417**	314,692
Beverage	**4,960**	6,193	**31,245**	32,181	**4,060**	1,535	**40,265**	39,909
Culinary	**42,158**	50,184	**24,816**	25,926	**—**	—	**66,974**	76,110
Others	**961**	337	**42,612**	42,796	**—**	—	**43,573**	43,133
Total	**306,299**	335,745	**120,576**	130,291	**10,354**	7,808	**437,229**	473,844
Gross profit								
Packaged fruit and vegetable	**36,098**	46,854	**5,965**	8,448	**1,252**	2,725	**43,315**	58,027
Beverage	**404**	1,066	**7,843**	10,510	**(2,106)**	(113)	**6,141**	11,463
Culinary	**5,575**	5,127	**9,788**	10,548	**—**	—	**15,363**	15,675
Others	**238**	72	**12,969**	12,647	**—**	—	**13,207**	12,719
Total	**42,315**	53,119	**36,565**	42,153	**(854)**	2,612	**78,026**	97,884

	Americas		Asia Pacific		Europe and Middle East		Total	
	Three months ended 31 July		Three months ended 31 July		Three months ended 31 July		Three months ended 31 July	
	2018	2017	2018	2017	2018	2017	2018	2017
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Share in net loss of joint ventures								
Packaged fruit and vegetable	–	–	**(25)**	(161)	–	–	**(25)**	(161)
Beverage	–	–	**(6)**	(37)	–	–	**(6)**	(37)
Culinary	–	–	**(49)**	(307)	–	–	**(49)**	(307)
Fresh fruit and others	–	–	**(3)**	(14)	–	–	**(3)**	(14)
Total	–	–	**(83)**	(519)	–	–	**(83)**	(519)
Profit (loss) before taxation								
Packaged fruit and vegetable	**(14,963)**	(23,328)	**9,973**	3,939	**636**	1,902	**(4,354)**	(17,487)
Beverage	**(809)**	(937)	**1,695**	3,629	**(2,401)**	(359)	**(1,515)**	2,333
Culinary	**(2,803)**	(6,976)	**5,567**	5,243	–	–	**2,764**	(1,733)
Others	**95**	628	**(203)**	6,211	–	–	**(108)**	6,839
Total	**(18,480)**	(30,613)	**17,032**	19,022	**(1,765)**	1,543	**(3,213)**	(10,048)

	Americas		**Asia Pacific**		**Europe and Middle East**		**Total**	
	31 Jul 2018	**30 April 2018**	**31 Jul 2018**	**30 April 2018**	**31 Jul 2018**	**30 April 2018**	**31 Jul 2018**	**30 April 2018**
	US$'000	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**
Reportable								
segment assets	**1,995,264**	1,972,616	**533,402**	521,213	**26,637**	15,297	**2,555,303**	2,509,126
segment liabilities	**1,223,040**	1,198,647	**668,037**	624,249	**62,878**	77,970	**1,953,955**	1,900,866
Capital expenditure	**5,486**	30,937	**19,612**	79,801	–	77,970	**25,098**	110,738

Major customer

Revenues from a major customer of the Americas segment for the quarters ended 31 July 2018 and 2017 amounted to US$105.7 million and US$135.1 million, respectively representing 28.7% and 29.1% of the total revenue, respectively.

4. 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 three months from August to October.

The Group operates several production facilities in the U.S., Mexico, and Philippines. Fruit plants are located in California and Washington in the United States and Philippines, most of its vegetable plants are located in the U.S. Midwest and its tomato plants are located in California and Indiana.

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.

5. Property, plant and equipment

During the quarter ended 30 July 2018, the Group acquired assets with a cost of US$25.1 million (year ended 30 April 2018: US$110.7 million), which includes noncash acquisition.

6. Intangible assets and goodwill

	Goodwill US$'000	Indefinite life trademarks US$'000	Amortisable trademarks US$'000	Customer relationship US$'000	Total US$'000
Cost					
At 1 May 2018	203,432	408,043	24,180	107,000	742,655
Addition/Disposal	–	–	–	–	–
At 31 July 2018	203,432	408,043	24,180	107,000	742,655
At 1 May 2017	203,432	408,043	36,080	120,500	768,055
Disposal	–	–	(11,900)	(13,500)	(25,400)
At 30 April 2018	203,432	408,043	24,180	107,000	742,655
Accumulated amortisation					
At 1 May 2018	–	–	5,616	22,388	28,004
Amortisation	–	–	329	1,337	1,666
Disposal	–	–	–	–	–
At 31 July 2018	–	–	5,945	23,725	29,670
At 1 May 2017	–	–	6,405	20,624	27,029
Amortisation	–	–	1,731	6,053	7,784
Disposal	–	–	(2,520)	(4,289)	(6,809)
At 30 April 2018	–	–	5,616	22,388	28,004
Carrying amounts					
At 31 July 2018	**203,432**	**408,043**	**18,235**	**83,275**	**712,985**
At 30 April 2018	203,432	408,043	18,564	84,612	714,651

Goodwill

Goodwill arising from the acquisition of DMFI was allocated to DMFI and its subsidiaries, which is considered as one cash generating unit ("CGU").

Indefinite life trademarks

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

America trademarks

The indefinite life trademarks of US$394 million arising from the acquisition of Consumer Food Business relate to those of DMFI for the use of the "Del Monte" trademark in the United States and South America market, and the "College Inn" trademark in the United States, Australia, Canada and Mexico.

The Philippines trademarks

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

Indian sub-continent trademark

In November 1996, a subsidiary, DMPRL, entered into a sub-license agreement with an affiliated company to acquire the exclusive right to use the "Del Monte" trademark in the Indian sub-continent territories 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"). This led to the acquisition of a joint venture, FFPL in 2007 and the grant of trademarks to FFPL to market the Company's product under the "Del Monte" brand name. The trademark has a carrying value of US$4.1 million.

Impairment test

Management has performed impairment testing for all indefinite life trademarks and concluded that no impairment exist at the reporting date.

Asia S&W trademark

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

Amortisable trademarks and customer relationships

	Net Carrying amount		Remaining amortisation period (years)	
	31 July 2018 US$'000	**30 April 2018 US$'000**	**31 July 2018**	**30 April 2018**
Sager Creek trademarks	**–**	4	**–**	0.2
America S&W trademark	**1,112**	1,162	**5.6**	5.8
America Contadina trademark	**17,123**	17,398	**15.6**	15.8
	18,235	18,564		

Asia S&W trademark

The amortisable trademark pertains to "Label Development" trademark.

America trademarks

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

Sager Creek trademarks

The trademarks were acquired when the Group acquired the Sager Creek business in March 2015. Sager Creek's well-known brands include Veg-All, Freshlike, Popeye, Princella and Allens', among others. The Sager Creek trademarks were included in the sale of certain assets of Sager Creek in September 2017.

Customer relationships

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

	31 July 2018 US$'000	30 April 2018 US$'000
Net carrying amount	**83,275**	84,612
Remaining amortisation period	**15.6**	15.8

Management has included the DMFI customer relationships in the DMFI CGU impairment assessment and concluded no impairment exist at the reporting date.

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

7. Investments in joint ventures

Name of joint venture	Principal activities	Place of Incorporation and Business	Effective Equity Held by the Group As at 31 Jul 2018 %	 As at 30 Apr 2018 %
FFPL	Production and sale of fresh and processed fruits and vegetable food products	India	**47.47**	47.47
Nice Fruit Hong Kong Limited (NFHKL)	Production and sale of frozen fruits and vegetable food products	Hong Kong	**35.00**	35.00

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

	31 July 2018 US$'000	30 April 2018 US$'000
Assets		
Current assets	**22,380**	21,882
Noncurrent assets	**13,912**	14,657
Total assets	**36,292**	36,539
Liabilities		
Current liabilities	**(14,157)**	(17,992)
Noncurrent liabilities	**(17,230)**	(13,684)
Total liabilities	**(31,387)**	(31,676)
Net assets	**4,905**	4,863

	31 July 2018 US$'000	31 July 2018 US$'000
Results		
Revenue	**19,235**	17,873
Profit/loss from continuing operations	**290**	(1,046)
Other comprehensive income	–	–
Total comprehensive loss	**290**	(1,046)

	31 July 2018 US$'000	30 April 2018 US$'000
Group's interest in net assets of FFPL at beginning of the period/year	**23,557**	23,872
Capital injection during the period/year	–	–
Group's share of:		
- Profit/loss from continuing operations	**145**	(315)
- other comprehensive income	–	–
- total comprehensive income	**145**	(315)
Carrying amount of interest at end of the period/year	**23,702**	23,557

	31 July 2018 US$'000	30 April 2018 US$'000
Group's interest in net assets of NFHKL at beginning of the period/year	**1,638**	1,925
Capital injection during the period/year	**–**	950
Group's share of:		
- loss from continuing operations	**(228)**	(1,237)
- other comprehensive income	–	–
- total comprehensive income	**(228)**	(1,237)
Carrying amount of interest at end of the period/year	**1,410**	1,638

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

	31 July 2018 US$'000	30 April 2018 US$'000
Group's interest in joint ventures		
FFPL	**23,702**	23,557
NFHKL	**1,410**	1,638
Carrying amount of investment in joint ventures	**25,112**	25,195

Source of Estimation Uncertainty

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

Since its acquisition, the Indian sub-continent trademark (Note 6) and the investment in FFPL were allocated to the Indian sub-continent cash-generating unit ("Indian sub-continent CGU"). The recoverable amount of Indian sub-continent CGU was estimated using the discounted cash flows based on five-year cash flow projections.

8. Other noncurrent assets

	31 July 2018 US$'000	30 April 2018 US$'000
Advances to growers	**14,105**	13,358
Note receivables	**7,843**	7,744
Land expansion (development costs of acquired leased areas)	**7,075**	6,353
Advance rentals and deposits	**6,449**	6,233
Excess insurance	**5,062**	5,960
Prepayments	**208**	268
Others	**1,019**	1,307
	41,761	41,223

Excess insurance relate mainly to reimbursements from insurers to cover certain workers' compensation claims liabilities (see Note 15).

The note receivables of US$7.8 million relates to the sale of certain assets of Sager Creek which is payable in three years until 2020. The note receivables are payable in four installments bearing interest of 3.50% per annum for the first installment and 5.22% from the second installment up to the final installment. The current portion of US$2.6 million is presented under "Trade and other receivables".

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

9. Biological assets

	31 July 2018 US$'000	30 April 2018 US$'000
Livestock		
At beginning of the period/year	**1,629**	1,420
Purchases of livestock	**206**	909
Sales of livestock	**(210)**	(646)
Currency realignment	**(43)**	(54)
At end of the period/year	**1,582**	1,629

	31 July 2018 US$'000	30 April 2018 US$'000
Agricultural produce		
At beginning of the period/year	**23,473**	23,307
Additions	**3,214**	10,458
Harvested	**(2,715)**	(9,452)
Currency realignment	**(633)**	(840)
At end of the period/year	**23,339**	23,473
Fair value gain on produce prior to harvest	**20,085**	18,490
At end of the period/year	**43,424**	**41,963**

	31 July 2018 US$'000	30 April 2018 US$'000
Current	**43,424**	41,963
Noncurrent	**1,582**	1,629
Totals	**45,006**	43,592

10. Inventories

	31 July 2018 US$'000	30 April 2018 US$'000
Finished goods		
- at cost	**539,452**	554,712
- at net realisable value	**42,556**	33,448
Semi-finished goods		
- at cost	**880**	454
- at net realisable value	**16,323**	18,945
Raw materials and packaging supplies		
- at net realisable value	**196,017**	153,422
	795,228	760,981

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

	Note	31 July 2018 US$'000	30 April 2018 US$'000
At beginning of the period/year		**26,616**	15,086
Allowance for the period/year	19	**4,968**	21,823
Write-off against allowance		**(15,392)**	(9,284)
Currency realignment		**(212)**	(1,009)
At end of the period/year		**15,980**	26,616

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

Source of Estimation Uncertainty

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

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

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

11. Trade and other receivables

		31 July 2018 US$'000	30 April 2018 US$'000
Trade receivables		**150,100**	145,094
Non trade receivables	*10*	**24,992**	21,946
Amounts due from joint venture (nontrade)		–	1,570
Allowance for doubtful accounts – trade		**(2,336)**	(2,440)
Allowance for doubtful accounts – nontrade		**(4,602)**	(4,543)
Trade and other receivables		**168,124**	161,627

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

	Gross		Impairment losses	
	Trade	**Non trade**	**Trade**	**Non trade**
At 31 July 2018	**US$'000**	**US$'000**	**US$'000**	**US$'000**
Not past due	**95,915**	**9,522**	**–**	**–**
Past due 0 - 60 days	**32,814**	**4,521**	**–**	**–**
Past due 61 - 90 days	**5,021**	**618**	**–**	**–**
Past due 91 - 120 days	**3,145**	**1,876**	**–**	**–**
More than 120 days	**13,205**	**8,455**	**(2,336)**	**(4,602)**
	150,100	**24,992**	**(2,336)**	**(4,602)**

	Gross		Impairment losses	
	Trade	**Non trade**	**Trade**	**Non trade**
At 30 April 2018	**US$'000**	**US$'000**	**US$'000**	**US$'000**
Not past due	116,543	6,630	–	–
Past due 0 - 60 days	13,457	1,612	–	–
Past due 61 - 90 days	2,677	1,640	–	–
Past due 91 - 120 days	1,123	617	–	–
More than 120 days	11,294	13,017	(2,440)	(4,543)
	145,094	23,516	(2,440)	(4,543)

The recorded impairment loss falls within the Group's historical experience in the collection of accounts receivables. Therefore, management believes that there is no significant additional credit risk beyond what has been recorded.

12. Prepaid expense and other current assets

	31 July 2018 US$'000	**30 April 2018 US$'000**
Prepaid expenses	**29,301**	24,931
Downpayment to contractors and suppliers	**5,573**	4,166
Derivative asset	**-**	305
Others	**1,200**	1,380
	36,074	30,782

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

13. Cash and cash equivalents

	31 July 2018 US$'000	**30 April 2018 US$'000**
Cash on hand	**47**	51
Cash in banks	**32,027**	17,370
Cash equivalents	**1,222**	6,825
Cash and cash equivalents	**33,296**	24,246

Certain cash in bank accounts earn interest at floating rates based on daily bank deposit rates ranging from 0.01% to 1.85% (31 April 2018: 0.01% to 3.38% 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 0.38% (31 April 2018: 0.38%) per annum.

14. Loans and borrowings

	31 July 2018 US$'000	30 April 2018 US$'000
Current liabilities		
Unsecured bank loans	**494,654**	471,204
Secured bank loans	**149,558**	10,416
	644,212	481,620
Non-current liabilities		
Unsecured bank loans	**186,069**	187,584
Secured bank loans	**701,100**	796,019
	887,169	983,603
	1,531,381	1,465,223

Terms and debt repayment schedule

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

	Currency	Nominal interest rate	Year of maturity	31 July 2018 Face value US$'000	31 July 2018 Carrying amount US$'000	30 April 2018 Face value US$'000	30 April 2018 Carrying amount US$'000
Unsecured bank loans	PHP	4.50%	2020	**56,430**	**56,430**	61,856	61,856
Unsecured bank loans	USD	2.35-3.85%	2018	**440,726**	**440,726**	413,444	413,444
Unsecured bridging loan	USD	5.87%	2019	**54,000**	**53,928**	54,000	53,894
Unsecured bridging loan	USD	4.50%	2020	**130,000**	**129,639**	130,000	129,594
Secured bank loan under ABL Credit Agreement	USD	Base rate Tranche A – 5.75% Tranche B – 6.25%	2019/2020	**148,000**	**143,956**	10,000	6,442
Secured First lien term loan	USD	Higher of Libor rate + 3.25% or 7.25%/ 5.58%	2021	**679,825**	**671,299**	681,600	671,247
Secured Second lien term Loan	USD	Higher of Libor +7.25% or 9.75%	2021	**37,791**	**35,403**	135,055	128,746
				1,546,772	**1,531,381**	1,485,955	1,465,223

The Group's financial liabilities slightly increased by US$66 million mainly driven by the increase in DMFI loan under an ABL Credit Agreement (a senior secured asset-based revolving facility) to be used for working capital needs and general corporate purposes (the "ABL Facility") from US$10 million to US$148 million as of 31 July 2018.

The unsecured bridging loans of US$54 million as at 30 April 2018 is the remaining balance for the bridging loan that were obtained by the Company to finance the acquisition of Sager Creek and its related costs. In 2017, the Company signed a two-year extension of the US$350.0 million BDO loans from 10 February 2017 to 2019 on the same terms and conditions. In April 2017, DMPL settled US$196.0 million of the US$350.0 million BDO loan using the proceeds from the issuance of preference shares. In December 2017, DMPL settled an additional US$100.0 million using the proceeds from the 10,000,000 Series A-2 Preference Shares.

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, debt service coverage ratio, 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, and changes in business, dividends and other transfers.

The Group is compliant with its loan covenants as at 31 July 2018 and 30 April 2018.

Long Term Borrowings

Long Term Borrowings	**Principal Amount (In Thousands)**	**Interest Rate**	**Maturity**	**Payment Terms (e.g. annually, quarterly, etc.)**	**Interest already paid 1 May 2018 to 31 July 2018**	
Senior secured variable rate first lien term loan	USD 710,000	Higher of Libor rate + 3.25% or 7.25%/ 5.58%	2021	0.25% quarterly principal payments from 30 April 2014 to July 31, 2021; Balance due in full at its maturity, 18 February 2021.	USD	8,686
Senior secured second lien variable rate term loan	USD 35,015	Higher of Libor +7.25% or 9.75%	2021	Due in full at its maturity, August 18, 2021.	USD	3,247
BDO Long-Term Loan	USD 30,000	4.50%	2020	Quarterly interest payment and principal on maturity date.	USD	326
BDO Long-Term Loan	USD 100,000	4.50%	2020	Quarterly interest payment and principal on maturity date.	USD	1,088
BDO Long-Term Loan	PHP 3,000,000	3.5% for the first 60 days; 4.5% for the remaining term + 5% GRT	2020	Quarterly interest payment and principal on maturity date.	PHP	35,149

The balance of unamortised debt issuance cost follows:

	Three months ended 31 July 2018 US$'000	**Year ended 30 April 2018 US$'000**
Beginning of period/year	**20,732**	25,663
Additions	**166**	4,223
Amortisation	**(5,868)**	(9,154)
End of period/year	**15,030**	20,732

15. Other noncurrent liabilities

	31 July 2018 US$'000	30 April 2018 US$'000
Workers' compensation	**21,712**	22,209
Accrued lease liabilities	**7,378**	7,555
Deferred rental liabilities	**1,568**	333
Derivative liabilities	**996**	1,803
Accrued vendors liabilities	–	1,208
Due to related party - non current	–	684
Other payables	**1,608**	1,403
	33,262	35,195

16. Trade and other payables

	31 July 2018 US$'000	30 April 2018 US$'000
Trade payables	**151,285**	156,450
Deferred revenue	**2,999**	13,592
Accrued operating expenses:		
Trade promotions	**24,957**	32,145
Advertising	**11,967**	12,582
Professional fees	**10,494**	10,189
Freight and warehousing	**10,311**	5,214
Taxes and insurance	**7,365**	7,355
Plant closure costs	**2,238**	3,025
Accrued interest	**854**	9,594
Miscellaneous	**5,300**	3,625
Accrued payroll expenses	**6,879**	5,583
Overdrafts	**24,603**	3,606
Withheld from employees (taxes and social security cost)	**2,898**	1,527
Derivative liabilities	**2,473**	3,260
VAT payables	**1,096**	1,215
Advances from customers	**260**	317
Other payables	**1,236**	7,339
	267,215	276,618

17. 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	Loans and receivables US$'000	Other noncurrent assets	Derivatives US$'000	Other financial liabilities US$'000	Total carrying amount US$'000	Fair value US$'000
Group							
31 July 2018							
Cash and cash equivalents	13	**33,296**	**–**	**–**	**–**	**33,296**	**33,296**
Notes receivables		**–**	**7,843**	**–**	**–**	**7,843**	**7,843**
Refundable deposit		**–**	**1,767**	**–**	**–**	**1,767**	**1,767**
Trade and other receivables	11	**168,124**	–	–	**–**	**168,124**	**168,124**
		201,420	**9,610**	**–**	**–**	**211,030**	**211,030**
Loans and borrowings	14	–	**–**	**–**	**1,531,381**	**1,531,381**	**1,472,958**
Trade and other payables*	16	–	**–**	**–**	**257,489**	**257,489**	**257,489**
Derivative liabilities	15, 16	–	**–**	**3,469**	–	**3,469**	**3,469**
		–	**–**	**3,469**	**1,788,870**	**1,792,339**	**1,733,916**

	Note	Loans and receivables US$'000	Other noncurrent assets	Derivatives US$'000	Other financial liabilities US$'000	Total carrying amount US$'000	Fair value US$'000
Group							
30 April 2018							
Cash and cash equivalents	13	24,246	–	–	–	24,246	24,246
Trade and other receivables	11	161,627	–	–	–	161,627	161,627
Notes receivables		–	7,744	–	–	7,744	7,744
Refundable deposits		–	1,858		–	1,858	1,858
Derivative asset	12	–	–	305	–	305	305
		185,873	9,602	305	–	195,780	195,780
Loans and borrowings	14	–	–	–	1,465,223	1,465,223	1,362,771
Trade and other payables*	16	–	–	–	256,707	256,707	256,707
Derivative liabilities	15, 16	–	–	5,063	–	5,063	5,063
		–	–	5,063	1,721,930	1,726,993	1,624,541

* *excludes advances from customers, derivative liabilities, deferred revenue, withheld from employees and VAT payable*

18. Determination of fair values

Fair value hierarchy

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

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

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing the categorization at the end of each reporting period.
For purposes of the fair value disclosure, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

		31 July 2018			
	Note	**Level 1**	**Level 2**	**Level 3**	**Totals**
Financial assets					
Derivative assets	12	–	–	–	–
Non-financial assets					
Fair value of agricultural produce harvested under inventories		–	–	6,881	6,881
Fair value of growing produce	9	–	–	43,424	43,424
Freehold land		–	–	62,014	62,014
Noncurrent assets held for sale		–	–	3,958	3,958
Financial liabilities					
Derivative liabilities	15, 16	–	3,468	–	3,468

		31 April 2018			
	Note	**Level 1**	**Level 2**	**Level 3**	**Totals**
Financial assets					
Derivative assets	12	–	305	–	305
Non-financial assets					
Fair value of agricultural produce harvested under inventories		–	–	9,174	9,174
Fair value of growing produce	9	–	–	41,963	41,963
Freehold land		–	–	62,812	62,812
Noncurrent assets held for sale		–	–	5,504	5,504
Financial liabilities					
Derivative liabilities	15, 16	–	5,063	–	5,063

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.

Determination of fair values of financial assets

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
Forward exchange contracts	Market comparison technique: The fair values are based on brokers' quotes. Fair values reflect the credit risk of the instrument and include adjustments to take into account the credit risk of the Group and counterparty when appropriate.
Interest rate swaps	Market comparison technique: The fair values are calculated using a discounted cash flow analysis based on terms of the swap contracts and the observable interest rate curve. Fair values reflect the risk of the instrument and include adjustments to take into account the credit risk of the Group and counterparty when appropriate.
Commodities contracts	Market comparison technique: The commodities are traded over-the-counter and are valued based on the Chicago Board of Trade quoted prices for similar instruments in active markets or corroborated by observable market data available from the Energy Information Administration. The values of these contracts are based on the daily settlement prices published by the exchanges on which the contracts are traded.

Financial instruments not measured at fair value

Type	Valuation technique
Financial liabilities	The fair value of the secured first and second lien term loans 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). The fair value of noncurrent loans and borrowings under this category amounted to US$644.2 million and US$751.2 million as of 31 July 2018 and 30 April 2018, respectively. The fair value of the other loans is based on the discounted value of expected future cash flows using risk free rates and credit spread ranging from 2.0% to 5.3% (Level 3). The fair value of noncurrent loans and borrowings under this category amounted to US$828.8 million and US$611.5 million as at 30 April 2018, respectively. Current loans and borrowings approximate its carrying amount as of 31 July 2018 and 30 April 2018 due to short-term maturities.
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. All other financial assets and liabilities are discounted to determine their fair values.

Other non-financial assets

Assets	Valuation technique	Significant unobservable inputs
Freehold land	The fair value of freehold land is determined by external, independent property valuers, having appropriate recognized professional qualifications and recent experience in the location and category of property being valued. The valuation method used is sales comparison approach. This is a comparative approach that consider the sales of similar or substitute properties and related market data and establish a value estimate by involving comparison (Level 3).	The unobservable inputs used to determine market value are the net prices, sizes, property location and market values. Other factors considered to determine market value are the desirability, neighbourhood, utility, terrain, and the time element involved. The freehold land was last revalued in 2016. The market value per square meter ranges from US$62.9 to US$69.6. The market value per acre ranges from US$2,300 to US$80,582.
Harvested crops – sold as fresh fruit	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 fresh fruit adjusted for margin and 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 (concentrates, pineapple beverages, sliced pineapples, etc.) adjusted for margin and associated costs related to production (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 now measured at fair value from the time of maturity of the bearer plant until harvest. Management used future selling prices of finished goods 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.

19. Profit for the period

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

	Note	Three months ended 31 July 2018 US$'000	Three months ended 31 July 2017 US$'000
Provision for inventory obsolescence		**(159)**	719
Reversal (provision) of allowance for doubtful receivables (trade)		**12**	(205)
Amortisation of intangible assets	6	**1,666**	2,337
Depreciation of property, plant and equipment		**30,158**	35,246

20. General and administrative expenses

This account consists of the following:

	Three months ended 31 July 2018 US$'000	Three months ended 31 July 2017 US$'000
Personnel costs	**16,959**	19,094
Professional and contracted services	**5,938**	8,442
Computer cost	**4,278**	3,783
Facilities expense	**1,670**	1,711
Postage and telephone	**980**	854
Travelling and business meals	**624**	536
Rental	**572**	939
Employee-related expenses	**669**	204
Machinery and equipment maintenance	**172**	542
Utilities	**176**	145
R&D projects	**78**	206
Materials and supplies	**98**	81
Auto operating and maintenance costs	**166**	264
Miscellaneous overhead	**3,264**	2,247
	35,644	39,048

Miscellaneous overhead consists of donation, corporate initiatives, and other expenses. Personnel cost last year is net of the DMFI retirement plan change impact.

21. Share capital

		31 July 2018 No. of shares ('000)	31 July 2018 US$'000	30 April 2018 No. of shares ('000)	30 April 2018 US$'000
Authorised:					
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	**30,000**	**30,000**	30,000	30,000
		1,974,936	**49,449**	1,974,936	49,449

Reconciliation of number of outstanding ordinary shares in issue:

	Period ended 31 July 2018 ('000)	**Year ended 30 April 2018 ('000)**
At beginning of the period/year	**1,943,960**	1,943,214
Release of share awards	**–**	746
At end of the period/year	**1,943,960**	1,943,960

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

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

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

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

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

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

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

No dividends were paid as of 31 July 2018. Undeclared preference dividends as of 31 July 2018 amounted to US$6.3 million.

Capital management

The BOD's policy is to maintain a sound capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company's capital comprises its share capital and reserves. The BOD monitors the return on capital, which the Company defines as profit or loss for the year divided by total shareholders' equity. The BOD also monitors the level of dividends paid to ordinary shareholders.

The bank loans of the Company contain various capital covenants with respect to capital maintenance and ability to incur additional indebtedness. The BOD 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 Company's approach to capital management during the period.

22. Earnings (loss) per share

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

	Three months ended 31 July	
	2018	**2017**
Basic profit/loss per share is based on:		
Profit attributable to owners of the Company (US$'000)	**3,022**	740
Cumulative preference share dividends (US$'000)	**(4,938)**	(3,313)
	(1,916)	(2,573)
Basic weighted average number of ordinary shares ('000):		
Issued ordinary shares at 1 May	**1,943,670**	1,943,214
Effect of shares option held	**–**	–
Weighted average number of ordinary shares at end of period (basic)	**1,943,670**	1,943,214
Basic loss per share (in U.S. cents)	**(0.10)**	(0.13)

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

	Three months ended 31 July	
Diluted profit per share is based on:		
Profit (loss) attributable to owners of the Company (US$'000)	**3,022**	740
Cumulative preference share dividends (US$'000)	**(4,938)**	(3,313)
	(1,916)	(2,573)
Diluted weighted average number of shares ('000):		
Weighted average number of ordinary shares (basic)	**1,943,670**	1,943,214
Effect of share options on issue	**–**	746
Weighted average number of ordinary issued and potential shares assuming full conversion	**1,943,670**	1,943,670
Diluted loss per share (in U.S. cents)	**(0.10)**	(0.13)

The potential ordinary shares issuable under the Executive Stock Options Plan (ESOP) were excluded from the diluted weighted average number of ordinary shares calculation because they have an anti-dilutive effect.

23. Commitments and contingencies

Operating lease commitments

The Group leases certain property, equipment and office and warehouse facilities. At the reporting date, the Group have commitments for future minimum lease payments under non-cancellable operating leases at approximately US$269.2 million.

The leases typically run for an initial period of 2 to 25 years, with an option to renew the lease after that date. Some of the leases contain escalation clauses but do not provide for contingent rents. Lease terms do not contain any restrictions on Group activities concerning dividends, additional debts or further leasing.

Purchase commitments

The Group has entered into non-cancellable agreements with growers, co-packers, packaging suppliers and other service providers with commitments generally ranging from one year to ten years, to purchase certain quantities of raw products, including fruit, vegetables, tomatoes and packaging services. At the reporting date, the Group have commitments for future minimum payments under non-cancellable agreements at approximately US$1.1 million.

DMPL India Limited

As at 31 July 2018, a subsidiary, DMPL India Limited has a contingent liability amounting to nil (30 April 2018: US$0.9 million) in the form of a letter of undertaking securing 50% of the obligations of FFPL under its Loan Agreement with Infrastructure Development Finance Company Limited, in proportion to its equity interest.

24. Related parties

Related party transactions

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

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

Category/ Transaction	Period (as of)	Amount of the transaction US$'000	Outstanding balance – receivables/ (payables) US$'000	Terms	Conditions
Under Common Control					
▪ Shared IT & JYCC Fit-out services	July 2018	**41**	**(58)**	Due and demandable;	Unsecured;
	April 2018	343	247	non–interest bearing	no impairment
▪ Sale of tomato paste	July 2018	**–**	**–**	Due and demandable;	Unsecured;
	April 2018	32	–	non–interest bearing	no impairment
▪ Purchases	July 2018	**31**	**49**	Due and demandable;	Unsecured;
	April 2018	393	–	non–interest bearing	no impairment
▪ Inventory count storage	July 2018	**–**	**–**	Due and demandable;	Unsecured
	April 2018	**33**	–	non–interest bearing	
▪ Tollpack fees	July 2018	**108**	**130**	Due and demandable;	Unsecured
	April 2018	572	110	non–interest bearing	no impairment
Other Related Party					
▪ Management fees from Del Monte Philippines, Inc. ("DMPI") Retirement fund	July 2018	**93**	**(1)**	Due and demandable;	Unsecured;
	April 2018	19	446	non–interest bearing	
▪ Rental to DMPI Retirement	July 2018	**390**	**405**	Due and demandable;	Unsecured
	April 2018	1,858	–	non–interest bearing	
▪ Rental to NAI Retirement	July 2018	**167**	**132**	Due and demandable;	Unsecured
	April 2018	543	–	non–interest bearing	
▪ Rental to DMPI provident fund	July 2018	**5**	**5**	Due and demandable;	Unsecured;
	April 2018	–	–	non–interest bearing	no impairment

The transactions with related parties are carried out based on terms agreed between the parties. Pricing for the sales of products are market driven, less certain allowances. For purchases, the Group policy is to solicit competitive quotations. Bids from any related party are evaluated on arm's length commercial terms and subject to bidding against third party suppliers. Purchases are normally awarded based on the lowest price.

25. Other Matters

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

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

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

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

e. The effects of seasonality or 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 July 2018. These consist of construction, acquisition, upgrade or repair of fixed assets needed for normal operations of the business. The said projects will be carried forward to the next quarter until its completion. The fund to be used for these projects will come from available cash, short and long-term loans.

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

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

i. On 14 March 2018, the Company, a trust owned by Del Monte Foods Holdings II, Inc. (DMFHII) and certain seller lenders entered into a Purchase Agreement wherein the Company, or its designated affiliate, agreed to purchase certain Second Lien term loans from the seller lenders at an amount equal to 70% of the principal amount of the loans to be sold, plus accrued and unpaid interest thereon. On 27 March 2018, DMFI, DMFHI and the lenders signed the second amendment to the Second Lien term loan allowing the Company, or its eligible assignee, to purchase any and all loans outstanding under the amended agreement which were duly submitted by the lenders for purchase at a price equal to 70% of the principal amount.

j. On 7 June 2018, the Company announced that its Philippine subsidiary, Del Monte Philippines, Inc. (DMPI), was deferring its initial public offering due to volatile market conditions. To safeguard the interests of the Company and DMPI, the offering was deferred until such time when market conditions improve.

Annex A

Key Performance Indicators

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

A. Current Ratio

	31-Jul-18	31-Jul-17	30-Apr-18	Benchmark
Current Ratio	**1.1333**	**1.5119**	**1.2848**	**Minimum of 1.20**

Current ratio increased versus last year due to lower current financial liabilities and trade and other payables.

B. Debt to Equity

	31-Jul-18	31-Jul-17	30-Apr-18	Benchmark
Debt to Equity	**3.2493**	**3.9241**	**3.1251**	**Maximum of 2.50**

Debt ratio decreased versus last year due to loan payment and higher equity from preference share offering.

C. Net Profit Margin

	31-Jul-18	31-Jul-17	30-Apr-18	Benchmark
Net Profit Margin attributable to owners of the company	**0.69%**	**0.16%**	**-1.66%**	**Minimum of 3%**

Higher net profit than last year mainly due to gain on the purchase of DMFI 2nd lien loans.

D. Return on Asset

	31-Jul-18	31-Jul-17	30-Apr-18	Benchmark
Return on Asset	**-0.01%**	**-0.04%**	**-2.04%**	**Minimum of 1.21**

Unfavourable than last year due to lower net profit as mentioned above.

E. Return on Equity

	31-Jul-18	31-Jul-17	30-Apr-18	Benchmark
Return on Equity	**-0.06%**	**-0.20%**	**-8.40%**	**Minimum of 8%**

Unfavourable than last year due to lower net profit as mentioned above.

Material Changes in Accounts

A. Cash and cash equivalent

Higher due to better working capital management mainly on lower inventories.

B. Inventories

Decrease in inventory is mainly due to reduced inventory driven by plant closure.

C. Trade and other receivables

The increase in trade and other receivables is mainly on the timing of collection.

E. Intangible assets

Decrease in intangibles is mainly attributed to the amortization for the year and sale of intangible assets of Sager Creek.

F. Trade & other payables

Decrease in trade and other payables is mainly due to lower trade payables and derivative liabilities.

H. Financial liabilities

Decrease in financial liabilities mainly due to payment of borrowings after issuance of 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.

For the U.S.$154.0 million loan, the debt shall not exceed 8 times the equity; the interest cover shall not be lower than 2.0 (EBIT over interest); and the capital expenditures shall not exceed U.S.$40.0 million.

For the U.S.$130 million loan, the debt shall not exceed 6.7 times the equity by end of FY 2017 and 3.0 times from FY 2018 to FY 2020; and the interest cover shall not be lower than 1.5 (EBIT over interest) in FY 2016 and 2.0 from FY 2017 to FY 2020.

The foregoing financial covenants apply to the Company and its subsidiaries, as Borrower, excluding DMFHL and its subsidiaries, including, but not limited to, DMFI.

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

As at 31 July 2018 and 30 April 2018, the Company is in compliance with the covenants stipulated in its loan agreements.

Use of Proceeds

DMPL completed in March 2015 a rights offering in the Philippines which was simultaneously conducted with the rights issue in Singapore. 641,935,335 Ordinary Shares ("Rights Shares") were offered to eligible shareholders at an issue price per share of S$0.325 in Singapore and ₱10.60 in the Philippines. The application of proceeds from this offering for the first quarter of fiscal year 2019 is broken down as follows:

Use of Proceeds	Amounts in U.S. Dollars
Balance of Proceeds as at 30 April 2018	**483,011.95**
Less:	
Expenses incurred from 1 May to 31 July 2018	–
Balance of Proceeds as of 31 July 2018	**483,011.95**

Annex B

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

Ratio	Formula	For the three months ended July 31, 2018	For the three months ended July 31, 2017
(i) Liquidity Analysis Ratios:			
Current Ratio or Working Capital Ratio	Current Assets / Current Liabilities	1.1	1.5
Quick Ratio	(Current Assets - Inventory - Prepaid expense - Biological - Assets held for sale) / Current Liabilities	0.2	0.2
(ii) Solvency Ratio	Total Assets / Total Debt*	1.3	1.3
Financial Leverage Ratios:			
Debt Ratio	Total Debt*/Total Assets	0.8	0.8
Debt-to-Equity Ratio	Total Debt*/Total Stockholders' Equity	3.2	3.9
(iii) Asset to Equity Ratio	Total Assets / Total Stockholders' Equity	4.2	4.9
(iv) Interest Coverage	Earnings Before Interest and Taxes (EBIT)** / Interest Charges	0.2	0.6
(v) Profitability Ratios			
Gross Profit Margin	Sales - Cost of Goods Sold or Cost of Service / Sales	17.85%	20.66%
Net Profit Margin attributable to owners of the company	Net Profit attributable to owners / Sales	0.69%	0.16%
Net Profit Margin	Net Profit / Sales	-0.08%	-0.25%
Return on Assets	Net Income / Total Assets	-0.01%	-0.04%
Return on Equity	Net Income / Total Stockholders' Equity	-0.06%	-0.20%

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

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

DEL MONTE PACIFIC LIMITED

Management Discussion and Analysis of Unaudited Financial Condition and Results of Operations for the First Quarter Ended July 2018

For enquiries, please contact:

Iggy Sison	Jennifer Luy
Tel: +632 856 2888	Tel: +65 6594 0980
isison@delmontepacific.com	jluy@delmontepacific.com

AUDIT

First Quarter FY2019 results covering the period from 1 May 2018 to 31 July 2018 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 FY2018 annual consolidated financial statements, except for the adoption of the following amendments effective beginning 1 May 2018, which did not have significant impact to the Group:

- Amendment to IFRS 12, Clarification of the Scope of the Standard (Part of Annual Improvements to IFRSs 2014 - 2017 Cycle)
- Amendments to IAS 7, Statement of Cash Flows, Disclosure Initiative
- Amendments to IAS 12, Income Taxes, Recognition of Deferred Tax Assets for Unrealised Losses

The Group will adopt the following new standards on the respective effective dates:

Applicable 1 May 2018

- Amendments to IFRS 2, Share-based Payment, Classification and Measurement of Share-based Payment Transactions
- Amendments to IFRS 4, Insurance Contracts, Applying IFRS 9, Financial Instruments, with IFRS 4
- Amendments to IAS 28, Measuring an Associate or Joint Venture at Fair Value (Part of Annual Improvements to IFRSs 2014 - 2016 Cycle)
- Amendments to IAS 40, Investment Property, Transfers of Investment Property
- IFRIC-22, Foreign Currency Transactions and Advance Consideration
- IFRS 9, Financial Instruments
- IFRS 15, Revenue from Contracts with Customers

Applicable 1 May 2019

- IFRS 16, Leases
- IFRIC 23, Uncertainty over Income Tax Treatments
- Amendments to IFRS 9, Prepayment Features with Negative Compensation
- Amendments to IAS 28, Long-term Interests in Associates and Joint Ventures

DISCLAIMER

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

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

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

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

SIGNED UNDERTAKING FROM DIRECTORS AND EXECUTIVE OFFICERS

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

DIRECTORS' ASSURANCE

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

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

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

(Signed)
Rolando C Gapud
Executive Chairman

(Signed)
Joselito D Campos, Jr
Executive Director

12 September 2018

NOTES ON THE 1Q FY2019 DMPL RESULTS

1. DMPL's effective stake in DMFI is 89.4%, hence the non-controlling interest line (NCI) in the P&L. Net income/(loss) is net of NCI.

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

3. DMPL 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 for comparability.

FINANCIAL HIGHLIGHTS – FIRST QUARTER ENDED 31 JULY 2018

	For the three months ended 31 July		
in US$'000 unless otherwise stated*	**Fiscal Year 2019**	**Fiscal Year 2018**	**% Change**
With one-off items**			
Turnover	**437,229**	473,844	(7.7)
Gross profit	**78,026**	97,884	(20.3)
Gross margin (%)	***17.8***	*20.7*	*(2.9)*
EBITDA	**18,846**	32,172	(41.4)
Operating profit	**2,023**	14,844	(86.4)
Operating margin (%)	***0.5***	*3.1*	*(2.6)*
Net profit attributable to owners of the Company	**3,022**	740	308.4
Net margin (%)	***0.7***	*0.2*	*0.5*
EPS (US cents)	**(0.10)**	(0.13)	(23.1)
Without one-off items**			
Gross profit	**81,426**	97,884	(16.8)
EBITDA	**27,288**	33,080	(17.5)
Operating profit	**10,465**	15,752	(33.6)
Net profit attributable to owners of the Company	**(3,731)**	1,243	(400.0)
Net debt	**1,497,084**	1,748,379	(14.4)
*Gearing*** (%)*	***249.1***	*304.2*	*(55.1)*
Cash outflow from operations	**(37,979)**	(35,570)	6.8
Capital expenditure	**25,098**	22,502	11.5
Inventory (days)	**195**	233	(38)
Receivables (days)	**29**	27	2
Account Payables (days)	**48**	52	(4)

nm – not meaningful

**The Company's reporting currency is US dollars. For conversion to S$, the following exchange rates can be used: 1.34 in July 2018, 1.39 in July 2017. For conversion to Php, these exchange rates can be used: 52.97 in July 2018, 50.05 in July 2017.*

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

****Gearing = Net Debt / Equity*

REVIEW OF OPERATING PERFORMANCE

The Group achieved sales of US$437.2 million for the first quarter of FY2019, down 7.7% versus the prior year period mainly due to lower sales across categories in the US and lower exports of processed pineapple products. The Sager Creek vegetable business was divested in September 2017. Stripping out Sager Creek's sales, the Group sales in the first quarter would have been lower by 6.7%.

The Group's US subsidiary, Del Monte Foods, Inc (DMFI) generated US$308.3 million or 70.5% of Group sales. DMFI's sales declined by 8.4% from US$336.5 million driven by lower volume across categories most significantly branded tomatoes and private label sales as well as unfavourable impact of lower pricing in foodservice for pineapple juice concentrate (PJC). The decline in sales was in line with DMFI's strategy to deprioritise non-profitable businesses, including private label.

The Company's thrust on innovation continued. Following the success of *Del Monte Fruit Refreshers* and *Del Monte Fruit & Chia*, *Del Monte Fruit & Oats* was launched in the USA in June. *Del Monte Fruit & Oats* combines healthy fruit and wholesome oats in a cup, is delicious, filling as well as convenient for breakfast and snack. Feedback from the trade has been encouraging. The Group also entered new product categories for foodservice with shipments of *Riced Cauliflower* and other vegetables with broadly positive industry reception.

Del Monte Nice Fruit Fresh Frozen Pineapple had also been placed at some regional chains in the USA. With the Nice Fruit revolutionary technology, frozen pineapple, when thawed, has the same physical properties as fresh cut pineapple.

Continued investments in consumer advertising and insights are paying dividends as DMFI's market share in canned vegetable, canned fruit and fruit cup snacks continue to grow.

DMFI generated lower gross profit and margin of 12.9% from 14.8% in the prior year period. Gross margin was impacted by increased cost to liquidate Sager Creek products, lower PJC pricing, and higher fixed cost per unit due to planned reduction in production volume in FY2018 to reduce inventory, in particular canned vegetable products, partly offset by lower trade spend.

As part of the Group's strategy to improve operational excellence and streamline operations, DMFI divested its underperforming Sager Creek vegetable business and also shut its Plymouth, Indiana tomato production facility in FY2018. These resulted in incremental one-off expenses amounting to US$8.4 million pre-tax in the first quarter of FY2019, mostly for Sager Creek. Please refer to the last page of this MD&A for a schedule of the one-off items.

Excluding the one-off items, DMFI contributed an EBITDA of US$4.2 million and a net loss of US$18.7 million to the Group.

DMPL ex-DMFI generated sales of US$140.9 million (inclusive of the US$12.0 million sales by DMPL to DMFI which were netted out during consolidation). Sales were lower mainly due to decreased exports of processed pineapple products, and significantly lower PJC pricing as a result of the oversupply situation in Thailand, the main exporter of PJC. The Group has been shifting to more branded consumer beverage given the volatile nature of this industrial and commodity PJC.

DMPL ex-DMFI delivered lower gross margin of 26.5% from 31.7% in the prior year quarter mainly driven by lower PJC and packaged pineapple pricing, sales mix, higher product costs driven by commodity headwinds, devaluation of peso and lower benefit from revaluation of biological assets. These were partly offset by price increases in the Philippine market in line with inflation. DMPL ex-DMFI generated an EBITDA of US$22.2 million which was lower by 19.6% and a net income of US$10.8 million, lower versus the US$15.2 million in the same period last year driven by lower margin as explained above partially offset by lower operating expenses.

Sales in the Philippines domestic market were flat in peso terms and down 5.3% in US dollar terms due to peso depreciation. Key accounts in foodservice and retail continued to grow offset by lower sales of Mixed Fruits in retail due to excess trade inventory. Del Monte Philippines (DMPI) launched *Del Monte Juice & Chews* nationally, a snack-in-a-drink combining nata and pineapple with fruit juice blends, a drink popular amongst teens. Foodservice sales in the Philippines remained strong, riding on the rapid expansion of quick service restaurants and convenience stores with partnerships and menu creation with major accounts.

Sales of the S&W branded business in Asia and the Middle East declined in the first quarter versus the prior year period mainly driven by lower sales of S&W packaged products mostly in North Asia and Turkey. Lower canned pineapple sales in North Asia were due to intense competition from cheaper products from Thailand and Indonesia. Due to the oversupply situation in Thailand, their exporters cut their canned pineapple prices significantly. Turkey, on the other hand, was impacted by political instability and currency devaluation. To diversify its business, the Group had introduced tomato and pasta sauces from the Philippines into S&W's Asian markets in FY2018. Despite lower sales, the S&W business was able to deliver higher operating profit and a 5.5 ppt increase in operating margin due to lower costs.

The Group's Nice Fruit joint venture in frozen pineapple successfully launched frozen pineapple spears in Japan last June. These are produced in Bukidnon, Philippines. Individually packaged and known as "Pineapple Stick", it is available in about 70% of 7-Eleven outlets or about 14,000 stores in Japan. It is positioned as an on-the-go healthy snack placed in the store's chiller section, and has received good feedback.

DMPL's share in the Field Fresh joint venture in India was favourable at US$0.1 million profit, a significant improvement from the US$0.5 million loss in the prior year period due to improved sales and margins.

The Group's gross profit and operating profit were lower than prior year period due to lower exports of processed pineapple products, lower sales of branded products in the US, unfavourable impact of lower, cyclical PJC pricing, unfavourable sales mix in Philippines, incremental costs to liquidate residual Sager Creek inventory, and higher product costs both in Asian operations and in the US that were partly offset by the price increase in Philippines in line with inflation, and lower trade spend in the US.

The Group's EBITDA of US$18.8 million was lower than prior year quarter's EBITDA of US$32.2 million. This quarter's EBITDA included the US$8.4 million of one-off expenses mentioned above. Without the one-off expenses, the Group recurring EBITDA was US$27.3 million. This was lower versus prior year quarter's recurring EBITDA of US$33.1 million due to the factors mentioned above.

The Group reported a net income of US$3.0 million for the quarter, higher compared to the net income of US$0.7 million in the prior year quarter. This quarter's one-off expenses from DMFI's plant closures and sale of Sager Creek were more than offset by the one-off gain worth US$15.9 million pre-tax or US$12.5 million post-tax from the additional purchase of US$99.0 million of DMFI's second lien loan at a discount in the secondary market. Total loans bought back including the one from FY2018 amounted to US$225 million out of the total US$260 million.

Without the one-off items, the Group reported a recurring net loss of US$3.7 million as compared to last year's recurring net income of US$1.2 million.

The Group reduced its gearing to 2.5x equity as of 31 July 2018, from 3.0x in prior year period, primarily due to the US$100 million Preference Shares issued by DMPL in December 2017 to raise equity and the purchase of DMFI loans at a discount in the past two quarters.

The Group's cash outflow from operations in the first quarter was US$38.0 million, slightly higher than last year's US$35.6 million mainly on lower other payables, partially offset by lower inventories.

Past the production peak in October, cash flows are expected to improve in the seasonally stronger second semester with peak sales around Thanksgiving and Christmas, as well as Easter in the last quarter ending April.

VARIANCE FROM PROSPECT STATEMENT

The Group expects to generate a net profit for the balance of the year on a recurring basis. It is on track to achieving a net profit for the full year on a recurring basis which is in line with earlier guidance.

BUSINESS OUTLOOK

DMFI faces headwinds due to shifts in consumer demographics, shifts in the way American consumers are eating and shopping, as well as shifts in consumer preferences. It will continue to build on its Del Monte brand heritage and will realign its business with those consumer trends over time. Its plan focuses on business segments which are on-trend and will rationalise non-profitable businesses, in particular the non-branded segment. It will continue to optimise its cost structure and invest in a multiyear restructuring project for its operations and supply chain footprint to more efficiently support its commercial strategy.

With the four new joint ventures with Fresh Del Monte Produce Inc, DMFI has the potential to greatly extend the reach of the Del Monte brand to the growing store perimeter while allowing both companies to optimise economies of scale. Business plans are being finalised for the joint ventures in chilled juices, guacamole and avocado products, and retail food and beverage outlets, while business plans are being executed for prepared refrigerated fruit snacks.

The Group will continue to expand its existing branded business in Asia, through the Del Monte brand in the Philippines, where it is a dominant market leader. S&W, both packaged and fresh, will continue to gain more traction as it leverages its distribution expansion in Asia and the Middle East, while the Group's joint venture in India will continue to generate higher sales and maintain its positive EBITDA.

The Nice Fruit frozen pineapple plant is in operation, with trial shipments to key markets.

The Group will be exploring e-commerce opportunities for its range of products across markets.

Barring unforeseen circumstances, the Group is expected to be profitable for FY2019 on a recurring basis.

As part of the Group's deleveraging plan, subject to market conditions, DMPL plans to sell 20% of its stake in wholly-owned subsidiary Del Monte Philippines, Inc through a public offering on the Philippine Stock Exchange. The IPO was deferred due to volatile market conditions. The Company will announce as and when it relaunches this.

REVIEW OF TURNOVER, GROSS PROFIT AND OPERATING PROFIT

AMERICAS

For the three months ended 31 July

In US$'000	Turnover			Gross Profit			Operating Profit/(Loss)		
	FY2019	FY2018	% Chg	FY2019	FY2018	% Chg	FY2019	FY2018	% Chg
Packaged vegetable	**130,091**	148,836	(12.6)	**15,129**	23,001	(34.2)	**(8,965)**	(3,073)	191.7
Packaged fruit	**128,129**	130,195	(1.6)	**20,969**	23,853	(12.1)	**(2,311)**	(380)	508.2
Beverage	**4,960**	6,193	(19.9)	**404**	1,066	(62.1)	**(724)**	(476)	52.1
Culinary	**42,158**	50,184	(16.0)	**5,575**	5,127	8.7	**(2,174)**	(3,411)	(36.3)
Others	**961**	337	185.2	**238**	72	230.6	**108**	652	(83.4)
Total	**306,299**	335,745	(8.8)	**42,315**	53,119	(20.3)	**(14,066)**	(6,688)	110.3

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 under the Contadina, S&W, College Inn and other brands. This segment also includes sales of private label food products. Sales in the Americas are distributed across the United States, in all channels serving retail markets, as well as to the US military, certain export markets, the foodservice industry and other food processors.

Sales in the Americas declined by 8.8% to US$306.3 million driven by lower volume across categories most significantly branded tomatoes and private label sales as well as unfavourable impact of lower pricing in foodservice for pineapple juice concentrate. The decline in sales was in line with DMFI's strategy to deprioritise non-profitable businesses, including private label. The Company's thrust on innovation continued with the launch in June of *Del Monte Fruit & Oats*, a combination of healthy fruit and wholesome oats in a cup. It is delicious and filling, as well as convenient for breakfast and snack. Feedback from the trade has been encouraging. DMFI also entered new product categories for foodservice with shipments of *Riced Cauliflower* and other vegetables with broadly positive industry reception. *Del Monte Nice Fruit Fresh Frozen Pineapple* had also been placed at some regional chains in the USA. With the Nice Fruit revolutionary technology, frozen pineapple, when thawed, has the same physical properties as fresh cut pineapple.

Continued investments in consumer advertising and insights are paying dividends as DMFI's market share in canned vegetables, canned fruit and fruit cup snack continue to grow.

DMFI generated lower gross profit and margin, impacted by increased cost to liquidate Sager Creek products, lower PJC pricing, and higher fixed cost per unit due to planned reduction in production volume in FY2018 to reduce inventory, in particular canned vegetable products, partly offset by lower trade spend.

Americas reported an operating loss for the quarter of US$14.1 million versus prior year quarter's operating loss of US$6.7 million due to incremental one-off expenses from the sale of Sager Creek residual inventory and closure of Plymouth plant which impacted operating margin. The one-off expenses amounted to US$8.4 million pre-tax for the first quarter. Please refer to the last page of this MD&A for a schedule of the one-off expenses.

DMFI's first quarter is seasonally its weakest quarter accounting for only 19-21% of full year sales. As such, the first quarter is generally the least profitable quarter for DMFI.

ASIA PACIFIC

For the three months ended 31 July

In US$'000	Turnover			Gross Profit			Operating Profit		
	FY2019	FY2018	% Chg	FY2019	FY2018	% Chg	FY2019	FY2018	% Chg
Packaged vegetable	**609**	324	88.0	**171**	104	64.4	**116**	75	54.7
Packaged fruit	**21,294**	29,064	(26.7)	**5,794**	8,344	(30.6)	**2,613**	4,121	(36.6)
Beverage	**31,245**	32,181	(2.9)	**7,843**	10,510	(25.4)	**1,877**	3,771	(50.2)
Culinary	**24,816**	25,926	(4.3)	**9,788**	10,548	(7.2)	**5,756**	5,634	2.2
Fresh fruit and others	**42,612**	42,796	(0.4)	**12,969**	12,647	2.5	**7,434**	6,362	16.9
Total	**120,576**	130,291	(7.5)	**36,565**	42,153	(13.3)	**17,796**	19,963	(10.9)

Reported under this segment are sales and profit on sales in the Philippines, comprising primarily of Del Monte branded packaged products, including Del Monte traded goods; 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 first quarter decreased by 7.5% to US$120.6 million from US$130.3 million mainly due to decreased exports of processed pineapple products and unfavourable sales mix in the Philippines. The sales of Del Monte packaged fruit declined in the Philippines, and S&W sales in North Asia and Middle East were also impacted.

Sales in the Philippines domestic market were flat in peso terms and down 5.3% in US dollar terms due to peso depreciation. Key accounts in foodservice and retail continued to grow offset by lower sales of Mixed Fruits in retail due to excess trade inventory. Del Monte Philippines launched *Del Monte Juice & Chews* nationally, a snack-in-a-drink combining nata and pineapple with fruit juice blends, a drink popular amongst teens. Foodservice sales in the Philippines remained strong, riding on the rapid expansion of quick service restaurants and convenience stores with partnerships and menu creation with major accounts.

EUROPE

For the three months ended 31 July

In US$'000	Turnover			Gross Profit			Operating Profit/(Loss)		
	FY2019	FY2018	% Chg	FY2019	FY2018	% Chg	FY2019	FY2018	% Chg
Packaged fruit	**6,294**	6,273	0.3	**1,252**	2,725	(54.1)	**671**	1,923	(65.1)
Beverage	**4,060**	1,535	164.5	**(2,106)**	(113)	1,763.7	**(2,378)**	(354)	571.8
Total	**10,354**	7,808	32.6	**(854)**	2,612	(132.7)	**(1,707)**	1,569	(208.8)

Included in this segment are sales of unbranded products in Europe.

For the first quarter, Europe's sales improved by 32.6% to US$10.4 million from US$7.8 million mainly on higher beverage sales. Gross profit and operating profit decreased by 132.7% and 208.8%, respectively, driven by significantly lower PJC pricing.

REVIEW OF COST OF GOODS SOLD AND OPERATING EXPENSES

% of Turnover	**For the three months ended 31 July**		
	FY2019	FY2018	**Comments**
Cost of Goods Sold	**82.2**	79.3	Sugar tax in Philippines imposed since fourth quarter of FY2018, commodity headwinds, higher fixed cost per unit in DMFI due to planned reduction in canned vegetable production to reduce inventory
Distribution and Selling Expenses	**9.7**	9.6	No change
G&A Expenses	**8.2**	8.2	No change
Other Operating Expenses	**(0.5)**	(0.3)	Higher miscellaneous income

REVIEW OF OTHER MATERIAL CHANGES TO INCOME STATEMENTS

in US$'000	**For the three months ended 31 July**			
	FY2019	FY2018	**%**	**Comments**
Depreciation and amortisation	**(31,824)**	**(37,583)**	(15.3)	Mainly due to lower asset base due to plant disposal
Reversal/(provision) for inventory obsolescence	**159**	**(719)**	(122.1)	Due to disposal of pineapple juice concentrate that was provided for in FY2018
Reversal/(provision) for doubtful debts	**(12)**	**205**	(105.9)	Due to settlement of receivables
Loss on disposal of fixed assets	**(1,886)**	**(113)**	nm	Higher disposal of assets due to DMFI plant closures
Foreign exchange gain, net	**1,763**	**1,583**	11.4	Favourable impact of peso depreciation for the quarter
Interest income	**16,110**	**126**	nm	Mainly on gain on purchase of DMFI's 2nd lien loans
Interest expense	**(23,026)**	**(26,082)**	(11.7)	Lower level of borrowings due to purchase of 2nd lien loans of DMFI refinanced through loans with lower interest rates
Share of loss of JV, (attributable to the owners of the Company)	**(90)**	**(493)**	(81.7)	Improved profitability and higher sales in JV
Tax benefit	**2,851**	**8,872**	(67.9)	Due to lower DMFI loss position

REVIEW OF GROUP ASSETS AND LIABILITIES

Extract of Accounts with Significant Variances	**31 July 2018**	**31 July 2017**	**30 April 2018**	**Comments**
in US$'000				
Investment in Joint venture	**25,111**	25,278	25,195	Driven by the higher loss of Nice Fruit, partially offset by lower loss of FieldFresh
Deferred tax assets	**84,771**	101,210	79,829	Due to write-off of deferred tax asset
Other non-current assets	**41,762**	28,933	41,223	Due to increase in land expansion
Biological assets	**45,006**	42,994	43,592	Mainly due to translation
Inventories	**795,228**	1,024,623	760,981	Due to lower sales
Trade and other receivables	**159,293**	157,163	161,627	Due to timing of collection
Prepaid and other current assets	**36,074**	41,190	30,782	Due to higher prepaid taxes
Cash and cash equivalents	**33,296**	19,486	24,246	Mainly on decreased borrowings
Loans and Borrowings – non-current	**886,168**	1,266,309	983,603	Reclassification of loans

Other non-current liabilities	**33,262**	42,825	35,195	Due to settlement of liabilities
Employee benefits– non-current	**71,741**	87,930	76,905	Due to DMFI decrease in employee retirement plan
Loans and Borrowings – current	**644,212**	501,556	481,620	Due to reclassification of loans
Trade and other payables	**261,529**	314,205	276,618	Due to lower accrued expenses
Current tax liabilities	**2,729**	1,659	2,008	Due to timing of tax payment

SHARE CAPITAL

Total shares outstanding were at 1,973,960,024 (common shares 1,943,960,024 and preference shares 30,000,000) as of 31 July 2018; (31 July 2017: common shares 1,943,214,106). Share capital is at US$49.5 million as of 31 July 2018 (31 July 2017: US$39.5 million). Market price options and share awards were granted pursuant to the Company's Executive Stock Option Plan and Restricted Share Plan as set out in the table below.

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

The number of shares outstanding includes 975,802 shares held by the Company as treasury shares as at 31 July 2018 (31 July 2017: 1,721,720). There was no sale, disposal and cancellation of treasury shares during the period and as at 31 July 2018.

The Company does not have any subsidiary holdings as at 31 July 2018.

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

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

BORROWINGS AND NET DEBT

	As at 31 July		As at 30 April
Liquidity in US$'000	**2018**	2017	2018
Gross borrowings	**(1,530,380)**	(1,767,865)	(1,465,223)
Current	**(644,212)**	(501,556)	(481,620)
Secured	**(149,558)**	(195,122)	(10,416)
Unsecured	**(494,654)**	(306,434)	(471,204)
Non-current	**(886,168)**	(1,266,309)	(983,603)
Secured	**(700,099)**	(923,999)	(796,019)
Unsecured	**(186,069)**	(342,310)	(187,584)
Less: Cash and bank balances	**33,296**	19,486	24,246
Net debt	**(1,497,084)**	(1,748,379)	(1,440,977)

The Group's net debt (cash and bank balances less borrowings) amounted to US$1.5 billion as at 31 July 2018, lower than last year due to payment of borrowings, including the extinguishment of DMFI's second lien loans amounting to US$225.0 million purchased from the secondary market at a discount.

DIVIDENDS

No dividends were declared for this quarter and corresponding prior year quarter.

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 first quarter of the fiscal year**	**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)**	
	FY2019	FY2018	**FY2019**	FY2018
NutriAsia, Inc	**–**	–	**272**	277
DMPI Retirement Fund	**–**	–	**396**	411
NutriAsia, Inc Retirement Fund	**–**	–	**167**	132
Aggregate Value	**–**	–	**835**	820

DEL MONTE PACIFIC LIMITED
UNAUDITED CONSOLIDATED INCOME STATEMENT

Amounts in US$'000	**For the three months ended 31 July**		
	FY2019 (Unaudited)	FY2018 (Unaudited)	**%**
Turnover	**437,229**	473,844	(7.7)
Cost of sales	**(359,203)**	(375,960)	(4.5)
Gross profit	**78,026**	97,884	(20.3)
Distribution and selling expenses	**(42,548)**	(45,547)	(6.6)
General and administration expenses	**(35,644)**	(39,048)	(8.7)
Other operating income	**2,189**	1,555	40.8
Profit from operations	**2,023**	14,844	(86.4)
Financial income*	**17,910**	1,755	920.5
Financial expense*	**(23,063)**	(26,128)	(11.7)
Net finance expense	**(5,153)**	(24,373)	(78.9)
Share of loss of joint venture, net of tax	**(83)**	(519)	84.0
Loss before taxation	**(3,213)**	(10,048)	(68.0)
Taxation	**2,851**	8,872	(67.9)
Loss after taxation	**(362)**	(1,176)	(69.2)
Profit/(Loss) attributable to:			
Owners of the Company	**3,022**	740	307.8
Non-controlling interest**	**(3,384)**	(1,916)	76.6
Loss for the period	**(362)**	(1,176)	(69.2)
Notes:			
Depreciation and amortization	**(31,824)**	(37,583)	(15.3)
Reversal/(provision) for inventory obsolescence	**159**	(719)	(122.1)
Reversal/(provision) for doubtful debts	**(12)**	205	(105.9)
Loss on disposal of fixed assets	**(1,886)**	(113)	nm
***Financial income comprise:**			
Interest income	**16,110**	126	nm
Foreign exchange gain	**1,800**	1,629	10.5
	17,910	1,755	920.5
***Financial expense comprise:**			
Interest expense	**(23,026)**	(26,082)	(11.7)
Foreign exchange loss	**(37)**	(46)	(19.6)
	(23,063)	(26,128)	(11.7)

nm – not meaningful

Earnings per ordinary share in US cents	**For the three months ended 31 July**	
	FY2019	**FY2018**
Earnings per ordinary share based on net profit attributable to shareholders:		
(i) Based on weighted average no. of ordinary shares	**(0.10)**	(0.13)
(ii) On a fully diluted basis	**(0.10)**	(0.13)

***Includes (US$3,390) for DMFI and US$7 for FieldFresh in the first quarter ended 31 July of FY2019 and (US$1,890) for DMFI and (US$26) for FieldFresh in the first quarter of FY2018.*

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

Amounts in US$'000	**For the three months ended 31 July**		
	FY2019	**FY2018**	**%**
Loss for the period	**(362)**	(1,176)	(69.2)
Other comprehensive income/(loss) (after reclassification adjustment):			
Items that will or may be reclassified subsequently to profit or loss			
Exchange differences on translating of foreign operations	**(10,642)**	(5,613)	89.6
Effective portion of changes in fair value of cash flow hedges	**1,249**	8,636	(85.5)
Income tax benefit on cash flow hedge	**(306)**	(795)	(61.5)
	(9,699)	2,228	(535.3)
Items that will not be classified to profit or loss			
Remeasurement of retirement benefit	**2,999**	(4,056)	(173.9)
Income tax benefit (expense) on retirement benefit	**(516)**	(911)	(43.4)
	2,483	(4,967)	(150.0)
Other comprehensive loss for the period	**(7,216)**	(2,739)	163.5
Total comprehensive loss for the period	**(7,578)**	(3,915)	93.6
Attributable to:			
Owners of the Company	**(4,442)**	(2,295)	93.6
Non-controlling interests	**(3,136)**	(1,620)	93.6
Total comprehensive loss for the period	**(7,578)**	(3,915)	93.6

nm – not meaningful

Please refer to page 3 for the Notes

DEL MOTE PACIFIC LIMITED
UNAUDITED STATEMENT OF FINANCIAL POSITION

Amounts in US$'000	**Group**			**Company**		
	31 July 2018 (Unaudited)	**31 July 2017** (Unaudited)	**30 April 2018** (Audited)	**31 July 2018 (Unaudited)**	**31 July 2017** (Unaudited)	**30 April 2018** (Audited)
Non-Current Assets						
Property, plant and equipment	**597,855**	644,857	610,889	–	–	–
Subsidiaries	–	–	–	**705,799**	836,998	707,644
Joint ventures	**25,111**	25,278	25,195	**1,407**	1,928	1,636
Intangible assets and goodwill	**714,145**	738,689	714,651	–	–	–
Other noncurrent assets	**41,762**	28,933	41,223	–	–	–
Deferred tax assets – net	**84,771**	101,210	79,829	**6**	2	9
Employee benefits	**10,682**	5,356	10,607			–
Biological assets	**1,582**	1,453	1,629	–	–	–
Due from a related party	–	–	–	**177,140**	–	88,880
	1,475,908	1,545,776	1,484,023	**884,352**	838,928	798,169
Current Assets						
Inventories	**795,228**	1,024,623	760,981	–	–	–
Biological assets	**43,424**	41,541	41,963	–	–	–
Trade and other receivables	**159,293**	157,163	161,627	**168,250**	117,362	180,948
Prepaid and other current assets	**36,074**	41,190	30,782	**146**	208	212
Cash and cash equivalents	**33,296**	19,486	24,246	**906**	767	2,709
	1,067,315	1,284,003	1,019,599	**169,302**	118,337	183,869
Noncurrent assets held for sale	**3,958**	–	5,504	–	–	–
	1,071,273	1,284,003	1,025,103	**169,302**	118,337	183,869
Total Assets	**2,547,181**	2,829,779	2,509,126	**1,053,654**	957,265	982,038
Equity attributable to equity holders of the Company						
Share capital	**49,449**	39,449	49,449	**49,449**	39,449	49,449
Retained earnings	**98,527**	159,909	95,505	**98,527**	159,909	95,505
Reserves	**406,880**	315,450	414,241	**406,349**	315,588	414,380
Equity attributable to owners of the Company	**554,856**	514,808	559,195	**554,325**	514,946	559,334
Non-controlling interest	**46,117**	59,866	49,065	–	–	–
Total Equity	**600,973**	574,674	608,260	**554,325**	514,946	559,334
Non-Current Liabilities						
Loans and borrowings	**886,168**	1,266,309	983,603	**129,639**	282,910	129,594
Other non-current liabilities	**33,262**	42,825	35,195	–	–	–
Employee benefits	**71,741**	87,930	76,905	–	–	3
Environmental remediation liabilities	**152**	6,205	144	–	–	–
Deferred tax liabilities	**7,479**	2,558	7,128	–	–	–
	998,802	1,405,827	1,102,975	**129,639**	282,910	129,597

To be continued

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENT OF FINANCIAL POSITION (CONTINUED)

Amounts in US$'000	**Group**			**Company**		
	31 July 2018 (Unaudited)	**31 July 2017** (Unaudited)	**30 April 2018** (Audited)	**31 July 2018 (Unaudited)**	**31 July 2017** (Unaudited)	**30 April 2018** (Audited)
Current Liabilities						
Trade and other payables	**261,529**	314,205	276,618	**141,320**	109,439	87,073
Loans and borrowings	**644,212**	501,556	481,620	**228,368**	49,970	206,034
Current tax liabilities	**2,729**	1,659	2,008	**–**	–	–
Employee benefits	**38,936**	31,857	37,645	**2**	–	–
	947,406	849,277	797,891	**369,690**	159,409	293,107
Total Liabilities	**1,946,208**	2,255,104	1,900,866	**499,329**	442,319	422,704
Total Equity and Liabilities	**2,547,181**	2,829,779	2,509,126	**1,053,654**	957,265	982,038
NAV per ordinary share (US cents)	**30.45**	29.58	30.81	**28.08**	26.23	28.34

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENTS OF CHANGES IN EQUITY

	Share capital	Share premium	Translation reserve	Revaluation reserve	Remeasure-ment of retirement plan	Hedging Reserve	Share Option reserve	Revenue reserve	Reserve for own shares	Totals	Non-controlling interest	Total equity
	US$'000	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**
Group												
Fiscal Year 2019												
At 1 May 2018, as previously stated	49,449	478,323	(91,515)	10,885	18,225	(2,764)	1,373	95,505	(286)	559,195	49,065	608,260
Total comprehensive income for the period												
Profit/(Loss) for the period	–	–	–	–	–	–	–	3,022	–	3,022	(3,384)	(362)
Other comprehensive income												
Currency translation differences recognised directly in equity	–	–	(10,623)	–	–	–	–	–	–	(10,623)	20	(10,643)
Remeasurement of retirement plan	–	–	–	–	2,315	–	–	–	–	2,315	168	2,483
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	843	–	–	–	843	100	943
Total other comprehensive income/(loss)	–	–	(10,623)	–	2,315	843	–	–	–	(7,465)	248	(7,217)
Total comprehensive loss for the period	–	–	(10,623)	–	2,315	843	–	3,022	–	(4,443)	(3,136)	(7,579)
Transactions with owners recorded directly in equity												
Contributions by and distributions to owners												
Transaction costs related to the issuance of preference share	–	16	–	–	–	–	–	–	–	16	–	16
Value of employee services received for issue of share options	–	–	–	–	–	–	88	–	–	88	188	276
Total contributions by and distributions to owners	–	–	–	–	–	–	88	–	–	104	188	292
At 31 July 2018	**49,449**	**478,339**	**(102,138)**	**10,885**	**20,540**	**(1,921)**	**1,461**	**98,527**	**(286)**	**554,856**	**46,117**	**600,973**

DEL MONTE PACIFIC LIMITED

UNAUDITED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

	Share capital	Share premium	Translation reserve	Revaluation reserve	Remeasure-ment of retirement plan	Hedging Reserve	Share Option reserve	Revenue reserve	Reserve for own shares	Totals	Non-controlling interest	Total equity
	US$'000	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**
Group												
Fiscal Year 2018												
At 1 May 2017, as previously stated	39,449	390,320	(78,087)	10,885	1,808	(7,443)	1,779	159,169	(802)	517,078	61,477	578,555
Total comprehensive income for the period												
Profit/(Loss) for the period	–	–	–	–	–	–	–	740	–	740	(1,916)	(1,176)
Other comprehensive income												
Currency translation differences recognised directly in equity	–	–	(5,616)	–	–	–	–	–	–	(5,616)	3	(5,613)
Remeasurement of retirement plan	–	–	–	–	(5,123)	–	–	–	–	(5,123)	156	(4,967)
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	7,704	–	–	–	7,704	137	7,841
Total other comprehensive income/(loss)	–	–	(5,616)	–	(5,123)	7,704	–	–	–	(3,035)	296	(2,739)
Total comprehensive loss for the period	–	–	(5,616)	–	(5,123)	7,704	–	740	–	(2,295)	(1,620)	(3,915)
Transactions with owners recorded directly in equity												
Contributions by and distributions to owners												
Transaction costs related to the issuance of preference share	–	(70)	–	–	–	–	–	–	–	(70)	–	(70)
Value of employee services received for issue of share options	–	–	–	–	–	–	95	–	–	95	9	104
Total contributions by and distributions to owners	–	(70)	–	–	–	–	95	–	–	25	9	34
At 31 July 2017	**39,449**	**390,250**	**(83,703)**	**10,885**	**(3,315)**	**261**	**1,874**	**159,909**	**(802)**	**514,808**	**59,866**	**574,674**

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

Company	Share Capital US$'000	Share Premium US$'000	Translation Reserve US$'000	Revaluation reserve US$'000	Remeasure -ment retirement plan US$'000	Share option reserve US$'000	Hedging Reserve US$'000	Reserve for own shares US$'000	Retained earnings US$'000	Total Equity US$'000
Fiscal Year 2019										
At 1 May 2018	49,449	478,462	(91,515)	10,885	18,225	1,373	(2,764)	(286)	95,505	559,334
Total comprehensive income for the period										
Profit for the period	–	–	–	–	–	–	–	–	3,022	3,022
Other comprehensive income										
Currency translation differences recognised directly in equity	–	–	(10,346)	–	–	–	–	–	–	(10,346)
Remeasurement of retirement plan	–	–	–	–	1,369	–	–	–	–	1,369
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	–	843	–	–	843
Total other comprehensive income	–	–	(10,346)	–	1,369	–	843	–	–	(8,134)
Total comprehensive loss for the period	–	–	(10,346)	–	1,369	–	843	–	3,022	(5,112))
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owners										
Refund of transaction costs related to the issuance of share capital	–	15	–	–	–	–	–	–	–	15
Value of employee services received for issue of share options	–	–	–	–	–	88	–	–	–	88
Total contributions by and distributions to owners	–	15	–	–	–	88	–	–	–	103
At 31 July 2018	**49,449**	**478,477**	**(101,861)**	**10,885**	**19,594**	**1,461**	**(1,921)**	**(286)**	**98,527**	**554,325**

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

Company	Share Capital US$'000	Share Premium US$'000	Translation Reserve US$'000	Revaluation reserve US$'000	Remeasure-ment retirement plan US$'000	Share option reserve US$'000	Hedging Reserve US$'000	Reserve for own shares US$'000	Retained earnings US$'000	Total Equity US$'000
Fiscal Year 2018										
At 1 May 2017, as previously stated	39,449	390,459	(78,087)	10,885	1,808	1,779	(7,443)	(802)	159,169	517,217
Impact of change of accounting policies	–	–	–	–	–	–	–	–	–	–
At 1 May 2017, as restated	39,449	390,459	(78,087)	10,885	1,808	1,779	(7,443)	(802)	159,169	517,217
Total comprehensive income for the period										
Loss for the period	–	–	–	–	–	–	–	–	740	740
Other comprehensive income										
Currency translation differences recognised directly in equity	–	–	(5,617)	–	–	–	–	–	–	(5,617)
Remeasurement of retirement plan	–	–	–	–	(5,123)	–	–	–	–	(5,123)
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	–	7,704	–	–	7,704
Total other comprehensive income	–	–	(5,617)	–	(5,123)	–	7,704	–	–	(3,036)
Total comprehensive loss for the period	–	–	(5,617)	–	(5,123)	–	7,704	–	740	(2,296)
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owners										
Transaction costs related to the issuance of share capital	–	(70)	–	–	–	–	–	–	–	(70)
Value of employee services received for issue of share options	–	–	–	–	–	95	–	–	–	95
Total contributions by and distributions to owners	–	(70)	–	–	–	95	–	–	–	25
At 31 July 2017	**39,449**	**390,389**	**(83,704)**	**10,885**	**(3,315)**	**1,874**	**261**	**(802)**	**159,909**	**514,946**

DEL MONTE PACIFIC LIMITED
UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

Amounts in US$'000	**For the three months ended 31 July**	
	FY2019 (Unaudited)	FY2018 (Unaudited)
Cash flows from operating activities		
Loss for the period	**(362)**	(1,176)
Adjustments for:		
Depreciation of property, plant and equipment	**30,158**	35,246
Amortisation of intangible assets	**1,666**	2,337
Reversal of impairment loss on property, plant and equipment	**(25)**	–
Loss on disposal of property, plant and equipment	**1,886**	113
Equity-settled share-based payment transactions	**88**	104
Share of loss of joint venture, net of tax	**83**	519
Finance income	**(17,910)**	(1,755)
Finance expense	**23,063**	26,128
Tax expense (benefit) - net	**(2,851)**	(9,053)
Net loss on derivative financial instrument	**(9,261)**	1,105
Operating profit before working capital changes	**26,535**	53,568
Changes in:		
Other assets	**(3,513)**	(37,565)
Inventories	**(34,065)**	(91,022)
Biological assets	**(5,825)**	17,981
Trade and other receivables	**(910)**	4,597
Prepaid and other current assets	**(4,946)**	(874)
Trade and other payables	**(18,891)**	13,732
Employee benefits	**3,636**	4,013
Operating cash flow	**(37,979)**	(35,570)
Income taxes paid	**–**	–
Net cash outflows from operating activities	**(37,979)**	(35,570)
Cash flows from investing activities		
Interest received	**138**	132
Proceeds from disposal of property, plant and equipment	**2,337**	40
Purchase of property, plant and equipment	**(25,098)**	(22,502)
Additional investment in joint venture	**641**	–
Net cash flows used in investing activities	**(21,982)**	(22,330)
Cash flows from financing activities		
Interest paid	**(21,788)**	(23,162)
Proceeds of borrowings	**81,400**	53,987
Transactions costs related to rights issue	**16**	(70)
Net cash flows from financing activities	**59,628**	30,755
Net decrease in cash and cash equivalents	**(333)**	(27,145)
Cash and cash equivalents at 1 May	**24,249**	37,571
Effect of exchange rate fluctuations on cash held	**9,380**	9,060
Cash and cash equivalents at 31 July	**33,296**	19,486

<u>One-off expenses/(income)</u>

in US$ million	For the three months ended 31 July **FY2019 (Unaudited)**	FY2018 (Unaudited)	% Change
DMFI one-off expenses:			
Closure of Sager Creek Arkansas plant	**7.4**	–	nm
Severance	**1.0**	0.9	14.7
Total (pre-tax basis)	**8.4**	0.9	829.7
Tax impact	**(2.0)**	(0.3)	479.8
Non-controlling interest	**(0.7)**	(0.1)	nm
Total DMFI one-off expenses (post-tax, post NCI basis)	**5.8**	0.5	nm
Second Lien Loan purchase:			
Gain due to the purchase of DMFI's second lien loan at a discount	**(15.9)**	–	nm
Tax impact	**3.3**	–	nm
Total one-off gain on Second Lien loan purchase (post-tax basis)	**(12.5)**	–	nm
Total (post-tax and post non-controlling interest)	**(6.8)**	0.5	nm

nm. – not meaningful