

## Issuer & Securities

### Issuer/ Manager

DEL MONTE PACIFIC LIMITED

### Security

DEL MONTE PACIFIC LIMITED - VGG270541169 - D03

## Announcement Details

### Announcement Title

Annual General Meeting

### Date & Time of Broadcast

**ANNUAL GENERAL MEETING::VOLUNTARY**

### Status

New

### Announcement Reference

SG190805MEETGQ27

### Submitted By (Co./ Ind. Name)

Antonio E S Ungson

### Designation

Company Secretary

### Financial Year End

30/04/2019

## Event Narrative

Narrative Type	Narrative Text
Additional Text	<p>Please see attached the following:</p> <ul style="list-style-type: none"> <li>(1) Notice of Annual General Meeting;</li> <li>(2) Information Memorandum in relation to Renewal of Shareholders' Mandate for Interested Person Transactions; and</li> <li>(3) Circular to Shareholders in Relation to the Proposed Renewal of Share Purchase Mandate.</li> </ul>

## Event Dates

### Meeting Date and Time

28/08/2019 10:00:00

## Event Venue(s)

## Place

Venue(s)	Venue details
Meeting Venue	Banquet Suite, Level 10 of M Hotel, 81 Anson Road, Singapore 079908

## Attachments

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[DMPL%20AGM%20Notice%20for%20FY2019%20FINAL.pdf](#)

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[DMPL%20IPT%20Memorandum%202019%20FINAL.pdf](#)

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[DMPL%20Circular%20on%20Share%20Purchase%20Mandate%202019%20FINAL.pdf](#)

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Total size =376K MB

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**DEL MONTE PACIFIC LIMITED**  
(Incorporated in the British Virgin Islands with limited liability on 27 May 1999)

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## NOTICE OF ANNUAL GENERAL MEETING

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NOTICE IS HEREBY GIVEN that the Annual General Meeting (“**AGM**”) of Del Monte Pacific Limited (the “**Company**”) will be held at Banquet Suite, Level 10 of M Hotel, 81 Anson Road, Singapore 079908, on Wednesday, 28 August 2019 at 10.00 a.m., for the following purposes:

### AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements of the Company, together with the Auditors’ Report thereon, for the financial year ended 30 April 2019. **[Resolution 1]**
2. To re-appoint the following Directors retiring pursuant to Article 88 of the Company’s Articles of Association and Rule 720(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”):
  - (i) Dr Emil Q Javier (Retiring under Article 88 and Rule 720(5) of the Listing Manual of the SGX-ST) **[Resolution 2]**
  - (ii) Mrs Yvonne Goh (Retiring under Article 88 and Rule 720(5) of the Listing Manual of the SGX-ST) **[Resolution 3]**

*Dr Emil Q Javier will, upon re-appointment as a Director of the Company, remain as a member of the Audit and Risk Committee, the Remuneration and Share Option Committee and the Nominating and Governance Committee, and will be considered independent.*

*Mrs Yvonne Goh will, upon re-appointment as a Director of the Company, remain as Chairperson of the Nominating and Governance Committee, and as a member of the Audit and Risk Committee and the Remuneration and Share Option Committee, and will be considered independent.*

*[See Explanatory Note (i)]*

3. To transact any other ordinary business which may be transacted at an AGM.

### AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions:

4. To approve the payment of Directors’ fees of up to US\$496,800/- for the financial year ending 30 April 2020 (“**FY2020**”) (FY2019: US\$496,800/-), to be paid quarterly in arrears, computed based on the fee structure set out below:
  - Board Chairman: US\$79,200 per annum
  - Directors: US\$43,200 per annum
  - Audit and Risk Committee Chairman: US\$19,800 per annum
  - Remuneration and Share Option Committee Chairman: US\$9,900 per annum
  - Nominating and Governance Committee Chairman: US\$9,900 per annum
  - Audit and Risk Committee Members: US\$10,800 per annum
  - Remuneration and Share Option Committee Members: US\$5,400 per annum
  - Nominating and Governance Committee Members: US\$5,400 per annum*[See Explanatory Note (ii)]* **[Resolution 4]**
5. To authorise the Directors of the Company to fix, increase or vary the emoluments of Directors of up to US\$100,000/- with respect to services to be rendered in any capacity to the Company. *[See Explanatory Note (iii)]* **[Resolution 5]**

6. To re-appoint Ernst & Young LLP as the Auditors of the Group and to authorise the Directors of the Company to fix their remuneration.

[Resolution 6]

7. To re-appoint Sycip Gorres Velayo & Co. (Ernst & Young Philippines) as the Philippine Auditors of the Group and to authorise the Directors of the Company to fix their remuneration.

[Resolution 7]

8. **Authority to Issue Shares**

That pursuant to Article 15(2) of the Company's Articles of Association and Rule 806 of the Listing Manual of the SGX-ST, the Directors of the Company be authorised and empowered to:

- (a) (i) issue shares in the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including, but not limited to, the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions, and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

- (1) the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings in each class) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro rata basis to Shareholders of the Company shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings in each class) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings in each class) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings in each class) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
- (a) new Shares arising from the conversion or exercise of any convertible securities;
- (b) new Shares arising from the exercise of share options which are outstanding or subsisting at the time of the passing of this Resolution; and
- (c) any subsequent bonus issue, consolidation or subdivision of Shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association of the Company; and
- (4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (iv)]

[Resolution 8]

9. **Authority to Allot and Issue Shares under the Del Monte Pacific Executive Share Option Plan 2016**

That approval be and is hereby granted to the Directors of the Company, acting through its Remuneration and Share Option Committee, to allot and issue from time to time such Shares as may be allotted and issued pursuant to the exercise of the Del Monte Pacific Executive Share Option Plan 2016 (“**ESOP**”), provided always that the aggregate number of Shares to be allotted and issued pursuant to the ESOP shall not exceed ten per cent (10%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings in each class) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (v)]

[Resolution 9]

10. **Renewal of Shareholders’ Mandate for Interested Person Transactions**

That for the purposes of Chapter 9 of the Listing Manual of the SGX-ST:

- (a) approval be given for the renewal of the mandate for the Company, its subsidiaries and target associated companies or any of them to enter into any of the transactions falling within the types of Interested Person Transactions as set out on page 6 of the Company’s information memorandum (“**Information Memorandum**”) with any party who is of the class of Interested Persons described in the Information Memorandum, provided that such transactions are carried out in the normal course of business, at arm’s length and on commercial terms, and in accordance with the guidelines of the Company for Interested Person Transactions, as set out in the Information Memorandum (the “**IPT Mandate**”);
- (b) the IPT Mandate shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next AGM of the Company; and
- (c) authority be given to the Directors to complete and do all such acts and things (including executing all such documents as may be required) as they may consider necessary, desirable or expedient to give effect to the IPT Mandate as they may think fit.

[See Explanatory Note (vi)]

[Resolution 10]

11. **The Proposed Renewal of the Share Purchase Mandate**

That:

- (a) for the purposes of the Business Companies Act 2004 of the British Virgin Islands (the “**Act**”) and otherwise in accordance with the rules and regulations of the SGX-ST, the exercise by the Board of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company (the “**Shares**”) not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price or prices as may be determined by the Board from time to time, up to the Maximum Purchase Price (as hereafter defined), whether by way of:
  - (i) on-market purchases (each a “**Market Purchase**”), transacted on the SGX-ST (or any other stock exchange on which the Shares may be listed or quoted), through one or more duly licensed stockbrokers/dealers appointed by the Company for the purpose; and/or
  - (ii) off-market purchases (each an “**Off-Market Purchase**”) (if effected otherwise than on the SGX-ST or, as the case may be, any other stock exchange on which the Shares may for the time being be listed or quoted) in accordance with any equal access schemes as may be determined or formulated by the Board as they consider fit, which schemes shall satisfy all the conditions prescribed by the Act,

and otherwise in accordance with all other laws, regulations and rules of the SGX-ST or, as the case may be, any other stock exchange on which the Shares may for the time being be listed or quoted, as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Share Purchase Mandate**”);

- (b) unless varied or revoked by the Company in a general meeting, the authority conferred on the Board pursuant to the Share Purchase Mandate, may be exercised by the Board at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earliest of:
- (i) the date on which the next AGM of the Company is held;
  - (ii) the date by which the next AGM of the Company is required by law to be held; or
  - (iii) the date on which purchases and acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated;
- (c) in this Resolution:

**“Prescribed Limit”** means that number of Shares representing 5 per cent. (5%) of the issued Shares as at the date of the passing of this Resolution (excluding any Shares which are held as treasury shares and subsidiary holdings in each class);

**“Maximum Purchase Price”** in relation to a Share to be purchased, means the purchase price (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

- (i) in the case of a Market Purchase, 105 per cent. (105%) of the Average Closing Price (as defined hereafter); and
- (ii) in the case of an Off-Market Purchase of a Share, 130 per cent. (130%) of the Average Closing Price (as defined hereafter).

where:

**“Average Closing Price”** is the average of the closing market prices of a Share over the last five (5) market days on which the Shares were transacted on the SGX-ST or, as the case may be, any other stock exchange on which the Shares may for the time being be listed or quoted, preceding the day of the Market Purchase or, as the case may be, the day of the making of the offer pursuant to an Off-Market Purchase, as deemed to be adjusted for any corporate action that occurs after the relevant five (5) market day period;

**“day of the making of the offer”** means the day on which the Company makes an offer for the purchase or acquisition of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

**“market day”** means a day on which the SGX-ST is open for securities trading; and

- (d) the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this Resolution.

*[See Explanatory Note (vii)]*

**[Resolution 11]**

By Order of the Board

Antonio E S Ungson  
Company Secretary  
5 August 2019

## Explanatory Notes to Resolutions to be passed –

- (i) The bio data of Directors seeking re-appointment are appended for Shareholders' information:

Dr Emil Q Javier, Independent Director, 78

(Appointed on 30 April 2007 and last re-appointed on 30 August 2016)

Dr Emil Q Javier, if re-appointed, will remain as a member of the Audit and Risk Committee, the Remuneration and Share Option Committee and the Nominating and Governance Committee. He is considered an Independent Non-Executive Director. In line with Guideline 4.7 of the Code of Corporate Governance: (a) there are no relationships including immediate family relationships between Dr Javier and the other Directors, the Company or its 10% shareholders; and (b) the list of all current directorship(s) held by Dr Javier in other listed companies, as well as the details of his other principal commitments can be found in the FY2019 Annual Report, under the "Board of Directors" section.

Additional information on Dr Javier as required to be furnished pursuant to Rule 720(6) of the Listing Manual of the SGX-ST is also found in the FY2019 Annual Report, under the "Board of Directors" section.

Dr Emil Q Javier is a Filipino agronomist with a broad understanding of developing country agriculture. He was the first and only developing country scientist to Chair the Technical Advisory Committee of the prestigious Consultative Group for International Agricultural Research (CGIAR), a global consortium led by the World Bank and the Food and Agriculture Organization of the United Nations (FAO). He was Director General of the Asian Vegetable Research and Development Center (AVRDC) based in Taiwan and has served as Chairman of the Board of International Rice Research Institute (IRRI), and as Chairman and Acting Director of the Southeast Asian Regional Center for Graduate Study and Research in Agriculture (SEARCA). In the Philippines at various periods, he had been President of the University of the Philippines, Minister for Science and Technology and President of the National Academy of Science and Technology, Philippines (NAST PHL). In May 2019, he was elected by his peers in NAST as a National Scientist, the highest honour conferred by the President of the Philippines to a Filipino in the field of science and technology. Dr Javier is an Independent Director of Del Monte Foods, Inc, DMPL's US subsidiary, and of Del Monte Philippines, Inc, DMPL's Philippine subsidiary, and is an Independent Director of Philippine-listed Centro Escolar University. He holds doctorate and master's degrees in plant breeding and agronomy from Cornell University and University of Illinois at Urbana-Champaign, respectively. He completed his bachelor's degree in agriculture at the University of the Philippines Los Baños.

Mrs Yvonne Goh, Independent Director, 66

(Appointed on 4 September 2015 and last re-appointed on 30 August 2016)

Mrs Yvonne Goh, if re-appointed, will remain as a Chairperson of the Nominating and Governance Committee and a member of the Audit and Risk Committee and the Remuneration and Share Option Committee. She is considered an Independent Non-Executive Director. In line with Guideline 4.7 of the Code of Corporate Governance: (a) there are no relationships including immediate family relationships between Mrs Goh and the other Directors, the Company or its 10% shareholders; and (b) Mrs Goh does not hold directorships in other listed companies, and the details of her other principal commitments can be found in the FY2019 Annual Report, under the "Board of Directors" section.

Additional information on Mrs Goh as required to be furnished pursuant to Rule 720(6) of the Listing Manual of the SGX-ST is also found in the FY2019 Annual Report, under the "Board of Directors" section.

Mrs Yvonne Goh is a Director of UNLV Singapore Limited, the Singapore campus of the University of Nevada Las Vegas (UNLV), USA. Mrs Goh is also a Director of EQUAL-ARK Singapore Ltd, a charity registered under the Charities Act and an Institution of a Public Character (IPC), assisting at-risk-kids through equine-assisted learning. She also serves on the Board of Del Monte Foods, Inc, DMPL's US subsidiary. Mrs Goh was previously Managing Director of the KCS Group in Singapore, a professional services organisation and Managing Director of Boardroom Limited, a company listed on the SGX. Mrs Goh had served on the Board of WWF Singapore Limited, a registered charity and an IPC, and the Singapore chapter of WWF International, a leading global NGO. She had served as a Council Member and Vice Chairman of the Singapore Institute of Directors as well as Chairman of its Professional Development Committee. Mrs Goh was also a Director of the Accounting and Corporate Regulatory Authority (ACRA) and a past Chairman of the Singapore Association of the Institute of Chartered Secretaries and Administrators. Mrs Goh is a Fellow of the Singapore Institute of Directors and a Fellow of the Institute of Chartered Secretaries and Administrators, UK.

- (ii) The Ordinary Resolution 4 above is to approve the payment of Directors' fees for FY2020, to be paid quarterly in arrears in accordance with the proposed fee structure. The fee structure is based on guidelines recommended by the Singapore Institute of Directors and disclosed in the Corporate Governance Report in the Annual Report. The proposed Directors' fees for FY2020 are commensurate with the onerous responsibilities placed on the Directors and in particular, to better reflect the time and contribution of each Director towards the improved performance of the Company.



The Ordinary Resolution 4 if passed, will authorise the payment of Directors' fees for FY2020, in accordance with the fee structure, amounting up to US\$496,800/- and there is no change from prior year on a per Director basis.

- (iii) The Ordinary Resolution 5 proposed above, if passed, will also authorise the Directors of the Company to fix, increase or vary the emoluments of Directors of up to US\$100,000/- with respect of services to be rendered in any capacity to the Company. This would provide flexibility for the Company to engage or procure the specialist services of Directors as appropriate and as may be required by the Company. In particular, this resolution is meant for the specialist services of Dr Emil Q Javier, for his services rendered to the Company at the plantation and for chairing the Group's Plantation Oversight Committee.
- (iv) The Ordinary Resolution 8 proposed above, if passed, will empower the Directors of the Company, effective until the conclusion of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments, up to a number not exceeding, in total, 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings in each class) in the capital of the Company, of which up to 15% may be issued other than on a pro rata basis to Shareholders. For determining the aggregate number of Shares that may be issued, the total number of issued Shares (excluding treasury shares and subsidiary holdings in each class) will be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings in each class) in the capital of the Company at the time this Ordinary Resolution is passed, after adjusting for new Shares arising from the conversion or exercise of any convertible securities or share options which are outstanding or subsisting at the time when this Ordinary Resolution is passed, and any subsequent bonus issue, consolidation or subdivision of Shares.
- (v) The Ordinary Resolution 9 proposed above, if passed, will empower the Directors of the Company, effective until the conclusion of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to allot and issue from time to time such number of fully-paid Shares in the capital of the Company, as may be required to be issued pursuant to the exercise of options under the ESOP. The aggregate number of Shares which may be issued pursuant to the ESOP and any other share option plan(s)/ share plan(s) which the Company may have in place shall not exceed ten percent (10%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings in each class) in the capital of the Company from time to time.
- (vi) The Ordinary Resolution 10 proposed above, if passed, will authorise the Interested Person Transactions, as described in the Information Memorandum accompanying the FY2019 Annual Report and recurring in the year; and will empower the Directors to do all acts necessary to give effect to the IPT Mandate. This authority will, unless previously revoked or varied by the Company at a general meeting, expire at the conclusion of the next AGM of the Company.
- (vii) The Ordinary Resolution 11 proposed above, if passed, will empower the Board, effective until the conclusion of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held, or the date on which purchases and acquisitions of shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated, whichever is the earlier, to repurchase Shares by way of market purchases or off-market purchases of up to 5% of the total number of issued shares (excluding treasury shares and subsidiary holdings in each class) in the capital of the Company at the Maximum Purchase Price. Information relating to this proposed Resolution is set out in the Circular attached.
- (viii) **Dividend Policy for Ordinary Shares**

The Company's dividend payment policy is to distribute a minimum of 33% of full year profit but remains subject to review by the Board.

The dividend payout was 75% from 2006 to 2012 and 50% for 2013, 2016, 2017 and 2019.

#### **A. Notes for Shareholders in Singapore:**

1. A Shareholder entitled to attend and vote at the AGM is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a Member of the Company.
2. If a Depositor wishes to appoint a proxy/proxies to attend the AGM, then he/she must complete and deposit the Depositor proxy form at the office of the Share Transfer Agent in Singapore, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, at least forty-eight (48) hours before the time of the AGM.
3. If the Depositor is a corporation, the instrument appointing a proxy must be executed under seal or the hand of its duly authorised officer or attorney.



**B. Notes for Shareholders in the Philippines:**

1. Proceedings of the AGM in Singapore will be made available to Shareholders in the Philippines via a videoconference facility at the 1st Floor, JY Campos Centre, 9th Avenue corner 30th Street, Bonifacio Global City, Taguig City, Metro Manila Philippines 1634.
2. While electronic poll voting is not available to Shareholders in the Philippines who are unable to attend the AGM in Singapore, they will still be able to vote by manual poll voting in Manila. However, Shareholders in the Philippines who wish to attend the AGM in Singapore will be able to participate in the electronic poll voting. To facilitate registration, please bring a valid government-issued ID.
3. Shareholders in the Philippines who wish to vote but cannot attend either the AGM in Singapore or the videoconference in the Philippines may still do so by appointing a proxy to attend the meeting in Singapore or in Manila. He/she must complete the enclosed proxy form and submit the same on or **before 26 August 2019 at 10.00 a.m.** to the Company's Philippine Stock Transfer Agent, BDO Unibank Inc — Trust and Investments Group, at its office address at the Securities Services and Corporate Agencies Department, 15th Floor South Tower, BDO Corporate Centre, 7899 Makati Avenue, Makati City, 0726 Philippines, for the attention of Ms Carla B Salonga.
4. Only Shareholders at record date at the close of business on 26 August 2019<sup>1</sup> are entitled to attend and vote at the AGM.
5. Shareholders in the Philippines may also be entitled to appoint not more than two (2) proxies to attend in his/her stead. A proxy need not be a Member or Shareholder of the Company.
6. Validation of proxies shall be held on **27 August 2019 at 12.00 p.m.** at the office of the Company's Philippine Stock Transfer Agent, BDO Unibank Inc — Trust and Investments Group.

***Personal data privacy:***

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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<sup>1</sup> Since 26 August 2019 is a regular holiday in the Philippines, the cut-off date for Philippine Shareholders will be as of end of business of 23 August 2019.





**DEL MONTE PACIFIC LIMITED**  
(Incorporated in the British Virgin Islands with limited liability)

***This is the Information Memorandum in relation to the renewal of the shareholders' mandate for Interested Person Transactions referred to in Explanatory Note (vi) in the Notice of Annual General Meeting dated 5 August 2019.***

## **INFORMATION MEMORANDUM**

**in relation to**

### **RENEWAL OF SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS**

#### **1. Background**

Pursuant to Chapter 9 of the Listing Manual ("**Listing Manual**") of the Singapore Exchange Securities Trading Limited, Del Monte Pacific Limited ("**DMPL**" or the "**Company**") was granted a shareholders' mandate on 26 July 2006 ("**IPT Mandate**") to enable the Company, its subsidiaries and associated companies (as defined in the Appendix\* to this Information Memorandum ["**Appendix**"]), or any of them, to enter into any of the transactions falling within the classes of Interested Persons described in the Appendix\* ("**Interested Persons**"), provided that such transactions are made on normal commercial terms and in accordance with the review procedures for Interested Person Transactions ("**IPTs**") as set out in the Appendix. This Appendix is a revised and updated version of Appendix 1 of the Company's Circular to shareholders dated 4 July 2006 which provides information on the rationale of the IPT Mandate, the scope of the IPT Mandate, the benefit to shareholders, the classes of Interested Persons, the particulars of the IPTs and the review procedures for IPTs in respect of which shareholders' approval is sought for the IPT Mandate to be renewed.

#### **2. Audit and Risk Committee's Statement**

Pursuant to Rule 920(1)(c) of the Listing Manual, the Audit and Risk Committee ("**ARC**"), comprising Mr Benedict Kwek Gim Song, Mr Godfrey E Scotchbrook, Dr Emil Q Javier and Mrs Yvonne Goh, confirms that:

- (i) the review procedures for IPTs set out in the Appendix ("**Review Procedures**") have not changed since shareholders approved the IPT Mandate at the Company's General Meeting of 26 July 2006; and
- (ii) the Review Procedures are sufficient to ensure that the IPTs will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders.

All transactions carried out with Interested Persons are subject to the periodic review of the ARC to ensure that the prevailing rules and regulations of the Listing Manual (in particular Chapter 9 of the Listing Manual) are complied with.

The ARC will also consider from time to time whether the Review Procedures have become inappropriate or are insufficient to ensure that the transactions are on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders.

#### **3. Disclosures**

Disclosure will be made in the Company's Annual Report on the aggregate value of all IPTs conducted pursuant to the IPT Mandate during the financial year from 1 May 2018 to 30 April 2019, and in the Annual Reports for the subsequent financial years that the IPT Mandate is renewed and continues in force, in accordance with the form set out in Rule 907 of the Listing Manual. Further, the aggregate value of the transactions conducted pursuant to the IPT Mandate for each quarterly period will also be disclosed in the quarterly financial statements that will be reported in accordance with Rule 705 of the Listing Manual.

The Company will comply with the provisions of Chapter 9 of the Listing Manual in respect of all future IPTs and, if required under the Listing Manual, the Company will seek a fresh mandate from shareholders should the existing guidelines and procedures for transactions with Interested Persons become inappropriate. If a member of the ARC has an interest in a transaction, he will abstain from participating in the review and approval process in relation to that transaction.

The classes of Interested Persons for which the renewal of the IPT Mandate is sought are:

- (i) NutriAsia Inc and its associates (as such term is defined in paragraph 1.5(c) of the Appendix); and
- (ii) NutriAsia Holdings Ltd and its subsidiaries.

#### **4. Directors' and substantial shareholders' interests**

The interests of the Directors and substantial shareholders of the Company in the issued share capital of the Company can be found in the Company's FY2019 Annual Report.

NutriAsia Pacific Limited and its respective associates, being Interested Persons in relation to the proposed renewal of the IPT Mandate, will abstain from voting their respective shareholdings (if any) in the Company on Resolution 10 relating to the renewal of the IPT Mandate at the forthcoming Annual General Meeting to be held on 28 August 2019.

***This Appendix is a revised and updated extract of Appendix 1 of the Company's Circular to Shareholders dated 4 July 2006 on the rationale and scope of the IPT Mandate, the benefit to shareholders, the classes of Interested Persons, the particulars of the IPTs, and the review procedures for IPTs in respect of which the IPT Mandate is sought to be renewed.***

## **1. CHAPTER 9 OF THE LISTING MANUAL**

1.1 Chapter 9 of the Listing Manual ("**Listing Manual**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") governs transactions by a listed company, as well as transactions by its subsidiaries and associated companies that are considered to be at risk, with the listed company's Interested Persons. When this Chapter applies to a transaction and the value of that transaction alone or in aggregation with other transactions conducted with the interested person during the financial year reaches, or exceeds, certain materiality thresholds, the listed company is required to make an immediate announcement, or to make an immediate announcement and seek its shareholders' approval for that transaction.

1.2 Except for certain transactions which, by reason of the nature of such transactions, are not considered to put the listed company at risk to its interested person and hence are excluded from the ambit of Chapter 9 of the Listing Manual, immediate announcement and shareholders' approval would be required in respect of transactions with Interested Persons if certain financial thresholds (which are based on the value of the transaction as compared with the listed company's latest audited consolidated net tangible assets ("**NTA**") are reached or exceeded. In particular, shareholders' approval is required for an interested person transaction of a value equal to, or which exceeds:

- (a) 5 per cent of the listed company's latest audited consolidated NTA; or
- (b) 5 per cent of the listed company's latest audited consolidated NTA, when aggregated with other transactions entered into with the same interested person (as such term is construed under Chapter 9 of the Listing Manual) during the same financial year.

1.3 Based on the latest audited consolidated accounts of the Company and its subsidiaries (the "**DMPL Group**" or "**Group**") for the financial year ended 30 April 2019, the consolidated NTA of the DMPL Group was (US\$106,856,719) and 5 per cent of this was (US\$ 5,342,836).

1.4 Chapter 9 of the Listing Manual permits a listed company, however, to seek a mandate from its shareholders for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials (but not in respect of the purchase or sale of assets, undertakings or businesses) that may be carried out with the listed company's Interested Persons.

1.5 Under the Listing Manual:

- (a) an "**entity at risk**" (EAR) means:
  - (i) the listed company;
  - (ii) a subsidiary of the listed company that is not listed on the SGX-ST or an approved exchange; or
  - (iii) an associated company of the listed company that is not listed on the SGX-ST or an approved exchange, provided that the listed company and/or its subsidiaries (the "**listed group**"), or the listed group and its interested person(s), has control over the associated company;
- (b) an "**associated company**" means a company in which at least 20% but not more than 50% of its shares are held by the listed company or listed group;
- (c) an "**associate**" in relation to an interested person who is a director, chief executive officer or controlling shareholder, includes an immediate family member (that is, the spouse, child, adopted-child, step-child, sibling or parent) of such director, chief executive officer or controlling shareholder, the trustees of any trust of which the director/his immediate family, the chief executive officer/his immediate family or controlling shareholder/his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object, and any company in which the director/his immediate family, the chief executive officer/his immediate family or controlling shareholder/his immediate family has an aggregate interest (directly or indirectly) of 30% or more, and, where a controlling shareholder is a corporation, its subsidiary or holding company or fellow subsidiary or a company in which it and/or they have (directly or indirectly) an interest of 30% or more;

- (d) an **“approved exchange”** means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9 of the Listing Manual;
- (e) an **“interested person”<sup>1</sup>** means a director, chief executive officer or controlling shareholder of the listed company or an associate of such director, chief executive officer or controlling shareholder; and
- (f) an **“interested person transaction”** means a transaction between an entity at risk and an interested person.

## **2. RATIONALE FOR THE NEW IPT MANDATE<sup>1</sup> FOR THE INTERESTED PERSON TRANSACTIONS**

*It is envisaged that, in the ordinary course of their businesses, transactions between companies in the EAR Group (as defined below) and the Company’s Interested Persons are likely to occur from time to time. Such transactions would include, but are not limited to, the provision of goods and services in the ordinary course of business of the EAR Group to the Company’s Interested Persons or the obtaining of goods and services from them.*

*In view of the time-sensitive nature of commercial transactions, the obtaining of a mandate (the **“New IPT Mandate”**) pursuant to Chapter 9 of the Listing Manual will enable:*

- (a) DMPL;
- (b) subsidiaries of DMPL (other than subsidiaries listed on the SGX-ST or an approved exchange); and
- (c) associated companies of DMPL (other than associated companies listed on the SGX-ST or an approved exchange) over which the DMPL Group, or the DMPL Group and interested person(s) of DMPL has or have control, (together, the **“EAR Group”**), or any of them, in the ordinary course of their businesses, to enter into the categories of transactions (**“Interested Person Transactions”**) set out in paragraph 6 below with the specified classes of DMPL’s Interested Persons (the **“Interested Persons”**) set out in paragraph 5 below, provided such Interested Person Transactions are made on normal commercial terms.

## **3. SCOPE OF THE NEW IPT MANDATE<sup>1</sup>**

- 3.1 *The New IPT Mandate will cover Interested Person Transactions as set out in paragraph 6 below.*
- 3.2 *The New IPT Mandate will not cover any transaction by a company in the EAR Group with an Interested Person that is below S\$100,000 in value as the threshold and aggregation requirements of Chapter 9 of the Listing Manual would not apply to such transactions.*
- 3.3 *Transactions with Interested Persons (including the Interested Persons) that do not fall within the ambit of the New IPT Mandate will be subject to the relevant provisions of Chapter 9 of the Listing Manual and/or other applicable provisions of the Listing Manual.*

## **4. BENEFIT TO SHAREHOLDERS**

*The New IPT Mandate (and its subsequent renewal thereafter on an annual basis) will enhance the ability of companies in the EAR Group to pursue business opportunities which are time-sensitive in nature, and will eliminate the need for DMPL to announce, or to announce and convene separate general meetings on each occasion to seek Shareholders’ prior approval for the entry by the relevant company in the EAR Group into such transactions. This will substantially reduce the expenses associated with the convening of general meetings on an ad hoc basis, improve administrative efficacy considerably, and allow manpower resources and time to be channeled towards attaining other corporate objectives.*

## **5. CLASSES OF INTERESTED PERSONS**

*The New IPT Mandate will apply to the Interested Person Transactions which are carried out with the following classes of Interested Persons:*

- (a) *NutriAsia Inc and its associates (as such term is defined in paragraph 1.5(c) of this Appendix 1) (the **“NutriAsia Inc Group”**);*

<sup>1</sup> The IPT Mandate which was approved by shareholders in a general meeting held on 26 July 2006 was subsequently renewed on 27 April 2007, 28 April 2008, 27 April 2009, 28 April 2010, 29 April 2011, 30 April 2012, 30 April 2013, 15 April 2014, 28 August 2015, 30 August 2016, 30 August 2017, and 17 August 2018 respectively.



- (b) *NutriAsia Holdings Limited and its subsidiaries (the “NutriAsia Holdings Group”); and*
- (c) *Mr Edgardo M Cruz, Jr, Mr Rolando C Gapud, and their respective associates (as such term is defined in paragraph 1.5(c) of this Appendix 1).*

## **6. CATEGORIES OF INTERESTED PERSON TRANSACTIONS**

*The Interested Person Transactions with the Interested Persons (as described in paragraph 5 above) which will be covered by the New IPT Mandate are set out below:*

### **(a) General Transactions**

*This category relates to general transactions (“General Transactions”) in connection with the provision to, or the obtaining from, Interested Persons of products and services in the normal course of business of the EAR Group or which are necessary for the day-to-day operations of the EAR Group comprising the following:*

- (i) *the sale and/or purchase, or joint sale and/or purchase, of packaging materials, food or food-related supplies, items and livestock;*
- (ii) *the provision and obtaining of expansion of food service distribution;*
- (iii) *the provision and obtaining of food preparation, manufacturing, processing, toll packing and related services;*
- (iv) *the provision and obtaining of, and sale/purchase of, technical, IT, insurance and other related services (such as warehouse/inventory management, software support etc.);*
- (v) *the provision and obtaining of call centre and customer hotline services; and*
- (vi) *the provision or the obtaining of such other products and/or services which are incidental to, or in connection with, the provision or obtaining of products and/or services in sub-paragraphs (i) to (v) above and which are recurring transactions of a revenue or trading nature or necessary for its business.*

### **(b) Treasury Transactions**

*Treasury transactions comprise the entry into with any Interested Person of forex, swap and option transactions for hedging purposes or in connection with the operations of the DMPL Group (“Treasury Transactions”).*

*The EAR Group may be able to benefit from competitive rates and quotes in an expedient manner on the entry into any forex, swap and option transactions with any Interested Persons.*

## **7. REVIEW PROCEDURES FOR INTERESTED PERSON TRANSACTIONS**

*7.1 The EAR Group has established the following procedures to ensure that Interested Person Transactions are undertaken on an arm’s length basis and on normal commercial terms.*

### **(a) General Transactions**

#### Review Procedures

*In general, there are procedures established by the EAR Group to ensure that Interested Person Transactions with Interested Persons are undertaken on an arm’s length basis and on normal commercial terms consistent with the EAR Group’s usual business practices and policies, which are generally no more favourable to the Interested Persons than those extended to unrelated third parties.*

*In particular, the following review procedures have been put in place.*

#### **(aa) Provision of Services or the Sale of Products**

*The review procedures are:*

- (i) *all contracts entered into or transactions with Interested Persons are to be carried out at the prevailing market rates or prices of the service or product providers, on terms which are no*

more favourable to the Interested Person than the usual commercial terms extended to unrelated third parties (including, where applicable, preferential rates/prices/discounts accorded to corporate customers or for bulk purchases) or otherwise in accordance with applicable industry norms; and

- (ii) where the prevailing market rates or prices are not available due to the nature of the service to be provided or the product to be sold, the EAR Group's pricing for such services to be provided or products to be sold to Interested Persons is determined in accordance with the EAR Group's usual business practices and pricing policies, consistent with the usual margin to be obtained by the EAR Group for the same or substantially similar type of contract or transaction with unrelated third parties. Such comparisons are based on the EAR Group's business experience in relation to those services or products previously provided or sold, which are as comparable as possible to the service or product to be provided or sold. In determining the transaction price payable by Interested Persons for such services or products, factors such as, but not limited to, quantity, volume, consumption, customer requirements, specifications, duration of contract and strategic purposes of the transaction will be taken into account.

**(bb) Obtaining of Services or the Purchasing of Products**

The review procedures are:

- (i) all purchases made by the EAR Group, including purchases from Interested Persons, are governed by the same internal control procedures which detail matters such as the constitution of internal approving authorities, their monetary jurisdictions, the number of vendors from whom bids are to be obtained and the review procedures. The guiding principle is to objectively obtain the best products and/or services on the best terms. In determining whether the price and terms offered by vendors, including Interested Persons, are fair and reasonable, factors such as, but not limited to, delivery schedules, specification compliance, track record, experience and expertise, and where applicable, preferential rates, rebates or discounts accorded for bulk purchases, will also be taken into account; and
- (ii) in the event that quotations from unrelated third party vendors cannot be obtained (for instance, if there are no unrelated third party vendors of similar products or services, or if the product is a proprietary item), both the Chief Financial Officer ("CFO") and Chief Executive Officer ("CEO") of the Company (as long as they have no interest, direct or indirect in that transaction) will determine whether the price and terms offered by the Interested Persons are fair and reasonable by using their business experience in relation to those services or products previously obtained or purchased, which are as comparable as possible to the service or product to be obtained or purchased and will ensure that the terms of supply will (where applicable) be in accordance with, or not higher than, industry norms. If any one of the two has an interest in the transaction, whether direct or indirect, the reasonableness of the price shall be determined by the Audit and Risk Committee of the Company ("ARC").

**(b) Treasury Transactions**

Review Procedures

In general, there are procedures established by the EAR Group to ensure that Treasury Transactions with Interested Persons are undertaken on an arm's length basis and on normal commercial terms consistent with the EAR Group's usual business practices and policies, which are generally no more favourable to the Interested Persons than those extended to unrelated third parties.

In relation to forex, swap and option transactions with any Interested Person by the EAR Group, the Company will require that rate quotations shall be obtained from such Interested Person and at least two commercial banks. The EAR Group will only enter into such forex, swap or option transactions with such Interested Person provided that such terms quoted are no less favourable than the terms quoted by such banks.

7.2 In addition to the review procedures, the EAR Group will supplement its internal systems to ensure that Interested Person Transactions are undertaken with Interested Persons on an arm's length basis and on normal commercial terms as follows:

- (a) each Interested Person Transaction equal to or exceeding S\$100,000 (or such equivalent in US\$) but less than S\$1,000,000 (or such equivalent in US\$) in value will be endorsed by the CFO of the Company and approved by the CEO of the Company, and the ARC shall be advised; and
- (b) each Interested Person Transaction equal to or exceeds S\$1,000,000 (or such equivalent in US\$) in value will be endorsed by the CFO and CEO of the Company, respectively, and approved by the ARC.

Where the CFO of the Company has any interest, direct or indirect, in the Interested Person Transaction, such Interested Person Transaction shall be approved by the CEO of the Company. Where such CEO is not available, the ARC shall approve such Interested Person Transaction.

Where the CEO of the Company has any interest, direct or indirect, in the Interested Person Transaction, such Interested Person Transaction shall be approved by the ARC. Where any member of the ARC is interested in any of the Interested Person Transactions, he will abstain from voting in relation to such transactions.

7.3 The Company will maintain a register of transactions carried out with Interested Persons pursuant to the New IPT Mandate (recording the transaction values, basis, including the quotations obtained to support such basis, on which they were entered into), and the Company's internal audit plan will incorporate an annual review of all transactions entered into in the relevant financial year pursuant to the New IPT Mandate.

7.4 The ARC shall review the internal audit report on Interested Person Transactions to ascertain that the established review procedures to monitor Interested Person Transactions have been complied with. The ARC shall review the Interested Person Transactions on a quarterly basis.

7.5 If, during these periodic reviews by the ARC, the ARC is of the view that the review procedures as stated above have become inappropriate or insufficient in view of changes to the nature of, or the manner in which, the business activities of the EAR Group are conducted, the Company will revert to Shareholders for a fresh mandate based on new guidelines and review procedures to ensure that Interested Person Transactions will be on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

## **8. EXPIRY AND SUBSEQUENT RENEWAL OF THE NEW IPT MANDATE**

If approved by Shareholders at the Annual General Meeting of the Company which is scheduled to be held on 28 August 2019, the New IPT Mandate will take effect from the date of passing of the ordinary resolution relating thereto and will continue in force until the conclusion of the next Annual General Meeting of the Company, unless revoked or varied by the Company in a general meeting.

The Company will seek the approval of Shareholders for the subsequent renewal of the New IPT Mandate at every Annual General Meeting, subject to the satisfactory review by the ARC of the continued requirements of the New IPT Mandate and the procedures for the Interested Person Transactions.

## **9. DISCLOSURE OF INTERESTED PERSON TRANSACTIONS PURSUANT TO THE NEW IPT MANDATE**

The Company will announce the aggregate value of transactions conducted with Interested Persons pursuant to the New IPT Mandate for the quarterly financial periods which the Company is required to report on pursuant to the Listing Manual and within the time required for the announcement of such report.

Disclosure will be made in the Annual Report of the Company for the financial year ended 30 April 2019 of the aggregate value of transactions conducted with Interested Persons pursuant to the New IPT Mandate during the financial year, and will be made in the Company's Annual Reports for subsequent financial years that the New IPT Mandate continues to be in force, in accordance with the requirements of Chapter 9 of the Listing Manual.



CIRCULAR DATED 5 AUGUST 2019

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.**

**If you are in any doubt about its contents or the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.**

If you have sold or transferred all your shares (as defined in this Circular) in the capital of Del Monte Pacific Limited (the “**Company**”) held through The Central Depository (Pte) Limited (“**CDP**”) or the Philippine Depository & Trust Corporation (“**PDTC**”), you need not forward this circular with the Notice of Annual General Meeting (“**AGM**”) and the attached Proxy Form to the purchaser or transferee as arrangements will be made by CDP or PDTC for a separate circular with the Notice of AGM and the attached Proxy Form to be sent to the purchaser or transferee.

If you have sold or transferred all your shares in the capital of the Company represented by physical share certificate(s), you should at once hand this circular with the Notice of AGM and the attached Proxy Form immediately to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

Your attention is drawn to page 24 of this Circular in respect of actions to be taken if you wish to attend and vote at the AGM.

Neither the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) nor The Philippine Stock Exchange, Inc. (“**PSE**”) assumes any responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this circular.



**DEL MONTE PACIFIC LIMITED**

(Incorporated in British Virgin Islands with limited liability on 27 May 1999)

**CIRCULAR TO SHAREHOLDERS  
IN RELATION TO THE PROPOSED RENEWAL OF SHARE PURCHASE MANDATE**

***Important Dates and Times:***

Last date and time for lodgement of Proxy Form : 26 August 2019 at 10.00 a.m.

Date and time of AGM : 28 August 2019 at 10.00 a.m.

Place of AGM : Banquet Suite, Level 10 of M Hotel, 81 Anson Road,  
Singapore 079908

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# LETTER TO SHAREHOLDERS

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In this Circular, the following definitions apply throughout unless otherwise stated:

<i>“Act”</i>	:	Business Companies Act 2004 of the British Virgin Islands as amended, modified or supplemented from time to time
<i>“AGM”</i>	:	Annual General Meeting of the Company to be held on Wednesday, 28 August 2019 at Banquet Suite, Level 10 of M Hotel, 81 Anson Road, Singapore 079908
<i>“Articles”</i>	:	Articles of Association of the Company
<i>“Associated Company”</i>	:	A company in which at least 20% but not more than 50% of its shares are held by the Company or the Group
<i>“Board”</i>	:	The Board of Directors of the Company for the time being
<i>“BVI”</i>	:	British Virgin Islands
<i>“CDP”</i>	:	The Central Depository (Pte) Limited
<i>“Circular”</i>	:	This circular to Shareholders dated 5 August 2019
<i>“Company”</i>	:	Del Monte Pacific Limited, a company incorporated in the British Virgin Islands
<i>“Controlling Shareholder”</i>	:	A person who: (a) holds directly or indirectly 15% or more of the voting rights in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or (b) in fact exercises control over the Company
<i>“Depositor”</i>	:	An account holder or a depository agent but does not include a sub-account holder
<i>“Depository Agent”</i>	:	An entity registered as a depository agent with CDP or PDTC or the purpose of maintaining securities sub-accounts for its own account and for the account of others
<i>“Depository Register”</i>	:	A register maintained by the CDP or PDTC in respect of the Shares
<i>“Directors”</i>	:	The directors of the Company as at the date of this Circular
<i>“EPS”</i>	:	Earnings per Share
<i>“FY”</i>	:	The financial year ended or ending 30 April

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# LETTER TO SHAREHOLDERS

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<i>“Group”</i>	:	The Company and its subsidiaries
<i>“Latest Practicable Date”</i>	:	10 July 2019, being the latest practicable date prior to the printing of this Circular
<i>“Listing Rules”</i>	:	The rules of the Listing Manual
<i>“Listing Manual”</i>	:	The listing manual of the SGX-ST, as amended, modified or supplemented from time to time
<i>“Market Day”</i>	:	A day on which the SGX-ST is open for securities trading
<i>“Memorandum and Articles”</i>	:	The memorandum and articles of association of the Company
<i>“Notice of AGM”</i>	:	The notice of the AGM as set out on pages N1 to N7 of this Circular
<i>“NTA”</i>	:	Net tangible assets
<i>“PDTC”</i>	:	The Philippine Depository & Trust Corporation
<i>“PSE”</i>	:	The Philippine Stock Exchange, Inc.
<i>“SFA”</i>	:	The Securities and Futures Act (Chapter 289) of Singapore, as amended, modified or supplemented from time to time
<i>“SGX-ST”</i>	:	Singapore Exchange Securities Trading Limited
<i>“Share”</i>	:	Ordinary share(s) of US\$0.01 each in the capital of the Company
<i>“Shareholder”</i>	:	The registered holder/holders of the Shares except that where the registered holder is CDP or the PCD Nominee (in PDTC), the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the persons named as depositors in the Depository Register maintained by CDP or PDTC and into whose Securities Accounts those Shares are credited. Any reference to Shares held by Shareholders shall include Shares standing to the credit of the respective Shareholders’ Securities Account
<i>“Share Purchase Mandate”</i>	:	A general mandate given by Shareholders to authorise the Directors to purchase, on behalf of the Company, Shares in accordance with the terms set out in the Circular, as well as the rules and regulations set forth in the Listing Manual

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# LETTER TO SHAREHOLDERS

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<i>“Subsidiary”</i>	:	A company in which at least 50 per cent. (50%) of its shares is held by the Company and over which the Company has control
<i>“Substantial Shareholder”</i>	:	A Shareholder who has an interest in not less than five per cent. (5%) of the issued Shares
<i>“Take-over Code”</i>	:	The Singapore Code on Take-overs and Mergers, as amended or modified from time to time
<i>“trading day”</i>	:	A day on which Shares are traded on the SGX-ST
<i>“Treasury Shares”</i>	:	Such shares as defined in the Act or any other statutory modification thereof. For the purpose of the Listing Rules, treasury shares will be excluded from references to “issued share capital” and “equity securities”, and for the calculation of market capitalisation and public float where referred to in the Listing Rules
<i>“US\$” and “US cents”</i>	:	US dollar and cents respectively
<i>“%” or “per cent.”</i>	:	Per centum or percentage

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine shall, where applicable, include the feminine and neuter gender and vice versa. References to persons shall, where applicable, include corporations.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act or any statutory modification thereof and used in this Circular shall have the same meaning assigned to it under the Act, or any statutory modification thereof, unless otherwise provided.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures which precede them.

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# LETTER TO SHAREHOLDERS

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## DEL MONTE PACIFIC LIMITED

(Incorporated in British Virgin Islands with limited liability on 27 May 1999)

### **Directors:**

Mr Rolando C Gapud (Executive Chairman)  
Mr Joselito D Campos, Jr (Managing Director and Chief Executive Officer)  
Mr Edgardo M Cruz, Jr (Executive Director)  
Mr Benedict Kwek Gim Song (Lead Independent Director)  
Mr Godfrey E Scotchbrook (Independent Director)  
Dr Emil Q Javier (Independent Director)  
Mrs Yvonne Goh (Independent Director)

### **Registered Office:**

Craigmuir Chambers  
PO Box 71  
Road Town, Tortola  
British Virgin Islands

5 August 2019

To: The Shareholders of Del Monte Pacific Limited

Dear Sir/Madam,

### ***Circular to Shareholders in relation to the Proposed Renewal of the Share Purchase Mandate***

## **1. INTRODUCTION**

### **1.1 Annual General Meeting**

The Board is proposing to seek the Shareholders' approval for the proposed renewal of the Share Purchase Mandate at the forthcoming AGM of the Company.

### **1.2 Purpose of this Circular**

The purpose of this Circular is to explain the reasons for, and to provide Shareholders with, information relating to the aforesaid proposal and to seek Shareholders' approval in relation thereto at the AGM to be held on Wednesday, 28 August 2019 at Banquet Suite, Level 10 of M Hotel, 81 Anson Road, Singapore 079908. The text of the resolutions are as set out in the Notice of the AGM dated 5 August 2019 under Ordinary Resolution 11 on pages N1 to N7 of this Circular.

This Circular has been prepared solely for the purposes outlined above and may not be relied upon by any persons (other than the Shareholders to whom this Circular is despatched to by the Company) or for any other purpose.

## **2. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE**

### **2.1 Background**

The Company's existing Share Purchase Mandate was approved by the Shareholders at a General Meeting held on 17 August 2018 (the "**2018 Mandate**"). The authority conferred on the Directors by the 2018 Mandate will expire on the date of the forthcoming AGM of the Company to be held on 28 August 2019.

Accordingly, the Directors of the Company are seeking the approval of the Shareholders at the AGM of the Company to be held on 28 August 2019 at 10.00 a.m. for the proposed renewal of the Share Purchase Mandate, which shall be on the same terms as the 2018 Mandate.

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# LETTER TO SHAREHOLDERS

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As the Company is incorporated in the BVI, it is not subject to the Singapore Companies Act, Cap. 50. Therefore, any purchase or acquisition of Shares by the Company will have to be made in accordance with, and in the manner prescribed by the Act, the Memorandum and Articles, the Listing Manual, and such other laws and regulations as may for the time being be applicable.

The Articles provide that any purchase of Shares by the Company shall be exercisable by the Board upon such terms and subject to such conditions as it thinks fit, and subject also to the Act, the Memorandum, and for so long as the Shares are listed on the SGX-ST (or any other stock exchange on which the Shares are quoted or listed), the prior approval by an ordinary resolution of the Shareholders in general meeting. Accordingly, approval is being sought from Shareholders for the proposed renewal of the Share Purchase Mandate and a motion will be proposed as an ordinary resolution at the AGM whereby the Directors will be given the authority to exercise all powers of the Company to purchase its own Shares on the terms of the Share Purchase Mandate.

If the motion in relation to the proposed renewal of the Share Purchase Mandate is approved by Shareholders at the AGM, the authority conferred by the Share Purchase Mandate will continue in force until the date on which the next annual general meeting is held or required by law or the Articles to be held (whereupon it will lapse, unless renewed at such meeting) or until it is varied or revoked by the Company in general meeting (if so varied or revoked prior to the next annual general meeting), provided that the Share Purchase Mandate shall be valid for a period not exceeding 12 months from the date of the general meeting at which the Share Purchase Mandate is approved (the “**Approval Date**”).

As at the Latest Practicable Date, 975,802 Shares were held as Treasury Shares.

## 2.2 Rationale

The rationale for the Company to undertake a purchase or acquisition of its Shares is as follows:

- (a) In managing the business of the Group, management will strive to increase Shareholders' value by improving, inter alia, the return on equity of the Company. A share purchase may be considered as an avenue through which the return on equity of the Company may be enhanced;
- (b) The Share Purchase Mandate is an available option for the Company to return surplus cash over, if any, and above its ordinary capital requirements and possible investment needs of the Group to its Shareholders in an expedient and cost effective manner. In addition, the Share Purchase Mandate will allow the Company to have greater flexibility over, inter alia, the Company's share capital structure and its dividend policy;
- (c) Share purchase programmes help buffer short-term share price volatility and offset the effects of short-term speculators and investors and, in turn, bolster Shareholder confidence and employee morale; and
- (d) Shares purchased by the Company and held in treasury may be transferred for the purposes of, or pursuant to, employees share option or award schemes.

Shareholders can be assured that purchases of its Shares by the Company would only be made in circumstances where it is considered to be in the best interests of the Company, after considering relevant factors such as working capital requirements, availability of financial resources, expansion and investment plans of the Group as a whole, the prevailing market conditions and the most cost-effective and efficient approach. Further, the Directors do not propose to carry out purchases to such an extent that would, or in circumstances that might, result in a material adverse effect on the financial position of the Company or the Group or affect the listing status of the Company on the SGX-ST.

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# LETTER TO SHAREHOLDERS

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The approval of the Share Purchase Mandate authorising the Company to purchase or acquire its Shares would give the Company the flexibility to undertake Share purchases or acquisitions at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force.

While the Share Purchase Mandate would authorise a purchase or acquisition of Shares up to the said five per cent. (5%) limit, Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out to the full extent of five per cent. (5%) as authorised, and no purchases or acquisitions of Shares will be made in circumstances which would have or may have a material adverse effect on the financial position of the Company or the Group or affect the listing status of the Company on the SGX-ST.

## 2.3 The Act and the Articles

Under the Act and the Articles, the purchase by the Company of its Shares may be made at a price lower than the fair value, and may only be funded out of its surplus or in exchange for newly issued Shares of equal value. In particular, the purchase of its Shares may be funded out of surplus available for dividend or distribution, including its share premium account, before the Shares are purchased.

Surplus is defined by the Act as “the excess, if any, at the time of the determination, of the total assets of the company over the sum of its total liabilities, as shown in the books of account, plus its capital”. Capital is defined as “the sum of the aggregate par value of all outstanding shares with par value of the company and shares with par value held by the company as treasury shares plus (a) the aggregate of the amounts designated as capital of all outstanding shares without par value of the company and shares without par value held by the company as treasury shares, and (b) the amount as are from time to time transferred from surplus to capital by a resolution of directors”.

Under the Act and the Articles, no purchase by the Company of its own Shares can be effected unless the Directors have, before the purchase of Shares, determined the following:

- (a) that immediately after the purchase, redemption or acquisition, the Company will be able to satisfy its liabilities as they become due in the ordinary course of its business; and
- (b) the realisable value of the assets of the Company will not be less than the sum of its total liabilities, other than deferred taxes as shown in the books of accounts, and its capital; and in the absence of fraud, the decision of the Directors as to realisable value of the assets of the Company is conclusive.

To ensure that the Company complies with the statutory requirements, all purchases of Shares in accordance with the Share Purchase Mandate shall be subject to the prior review and endorsement of both the Chief Financial Officer and Chief Executive Officer of the Company based on guidelines determined by the Directors.

As at the Latest Practicable Date, the Directors confirm that the Company has sufficient surplus available to purchase the maximum number of Shares permitted under the Share Purchase Mandate in accordance with the requirements of the Act.

The Company will, from time to time, evaluate the fair value of its Shares on the basis of its NTA backing, projected performance of the Company and industry market comparable to determine the appropriate time to purchase Shares in order to enhance Shareholders' value.

## 2.4 The Terms of the Share Purchase Mandate

The authority and limitations placed on purchases of Shares by the Company under the Share Purchase Mandate are summarised below.



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# LETTER TO SHAREHOLDERS

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## 2.4.1 Maximum Number of Shares

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company.

The total number of Shares that may be purchased is limited to that number of Shares representing not more than five per cent. (5%) of the total number of issued Shares (excluding any Treasury Shares and subsidiary holdings<sup>1</sup> in each class) as at the Approval Date.

**For illustrative purposes only**, based on the existing issued share capital of the Company as at the Latest Practicable Date of 1,944,935,826 Shares, and excluding 975,802 Treasury Shares and no subsidiary holdings in each class, and assuming that no further Shares are issued on or prior to the AGM, not more than 97,198,001 Shares (representing five per cent. (5%) of the issued Shares excluding Treasury Shares and subsidiary holdings in each class as at that date) may be purchased or acquired by the Company pursuant to the Share Purchase Mandate.

## 2.4.2 Duration of Authority

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the Approval Date, up to the earlier of:

- (a) the date on which the next annual general meeting is held or required by law or the Articles to be held;
- (b) the date on which the Share purchases pursuant to the Share Purchase Mandate are carried out to the full extent mandated; or
- (c) the date on which the authority conferred by the Share Purchase Mandate is varied or revoked by the Shareholders in a general meeting.

## 2.4.3 Manner of Purchase of Shares

The Company intends to comply with the Listing Manual in relation to its Share purchases or acquisitions pursuant to the Share Purchase Mandate notwithstanding the absence of any such requirements under the Act and/or in its Memorandum and Articles.

In accordance with the Listing Manual, purchases of Shares may be made by way of, inter alia:

- (a) on-market purchases (each a “**Market Purchase**”), transacted on the SGX-ST (or any other stock exchange on which the Shares may for the time being be listed or quoted), through one or more duly licensed stockbrokers or dealers appointed by the Company for the purpose; and/or
- (b) off-market purchases (each an “**Off-Market Purchase**”) (if effected otherwise than on the SGX-ST or, as the case may be, any other stock exchange on which the Shares may for the time being be listed or quoted) in accordance with any equal access schemes as may be determined or formulated by the Directors as they consider fit, which schemes shall satisfy all the conditions prescribed by the Act,

and otherwise in accordance with all other laws, regulations and rules of the SGX-ST or, as the case may be, any other stock exchange on which the Shares may for the time being be listed or quoted, as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Share Purchase Mandate**”);

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<sup>1</sup> “Subsidiary holdings” is defined in the Listing Manual of the SGX-ST (“**Listing Manual**”) to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Singapore Companies Act (Cap. 50).

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# LETTER TO SHAREHOLDERS

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An Off-Market Purchase must, however, satisfy all of the following conditions:

- (a) offers for the purchase or acquisition of Shares shall be made to every person who holds issued shares to purchase or acquire the same percentage of their Shares;
- (b) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (c) the terms of all the offers are the same, except that there shall be disregarded:
  - (i) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements;
  - (ii) differences (if applicable) in consideration attributable to the fact that offers relate to Shares with different amounts remaining unpaid; and
  - (iii) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares in board lots of 100 Shares after the Share purchases, in the event that there are offeree Shareholders holding odd numbers of Shares.

In addition, the Listing Rules provides that, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders which must contain at least the following information:

- (a) the terms and conditions of the offer;
- (b) the period and procedures for acceptances;
- (c) the reasons for the proposed Share purchase;
- (d) the consequences, if any, of Share purchases by the Company that will arise under the Take-over Code or other applicable take-over rules;
- (e) whether the Share purchase, if made, would have any effect on the listing of the Shares on SGX-ST (or any other stock exchange on which the Shares may for the time being be listed or quoted);
- (f) details of any Share purchases made by the Company in the previous 12 months (whether Market Purchases or Off-Market Purchases in accordance with an equal access scheme), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and
- (g) whether the Shares purchased by the issuer will be cancelled or kept as Treasury Shares.

#### 2.4.4 Maximum Purchase Price

In the case of a Market Purchase, the purchase price (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) (the “**Maximum Purchase Price**”) to be paid for the Shares will be determined by the Directors.

However, the Maximum Purchase Price to be paid for a Share as determined by the Directors must not exceed:

- (a) in the case of a Market Purchase, 105 per cent. (105%) of the Average Closing Price (as defined hereinafter); and

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# LETTER TO SHAREHOLDERS

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- (b) in the case of an Off-Market Purchase, 130 per cent. (130%) multiplied by the average closing prices of the Shares over the last five (5) consecutive Market Days on which transactions in the Shares were recorded immediately preceding the date on which the Company announces its intention to make an offer for the purchase or acquisition of Shares stating therein the purchase price for each Share and the relevant terms of the equal access scheme effecting the Off-Market Purchase,

in either case, excluding related expenses of the purchase.

For the above purposes:

**“Average Closing Price”** is the average of the closing market prices of a Share over the last five (5) market days on which the Shares were transacted on the SGX-ST or, as the case may be, any other stock exchange on which the Shares may for the time being be listed or quoted, preceding the day of the Market Purchase or, as the case may be, the day of the making of the offer pursuant to an Off-Market Purchase, as deemed to be adjusted for any corporate action that occurs after the relevant five (5) market day period;

**“day of the making of the offer”** means the day on which the Company makes an offer for the purchase or acquisition of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

**“market day”** means a day on which the SGX-ST is open for securities trading.

## 2.5 Status of Purchased Shares under the Share Purchase Mandate

Under the Act and the Articles, the Shares that are purchased or acquired by the Company may be cancelled or held as Treasury Shares (except to the extent that such shares are in excess of 80 per cent. (80%) of the issued Shares, in which case they shall be cancelled but they shall be available for reissue). The Company currently has 975,802 issued Shares held in treasury.

Shares purchased by the Company which are cancelled will be automatically de-listed by the SGX- ST (or any other stock exchange on which the Shares may for the time being be listed or quoted). Certificates in respect of cancelled purchased Shares will be cancelled and destroyed by the Company as soon as reasonably practicable following settlement of any such purchase. The Shares purchased may be cancelled to further enhance the Company’s return on equity and increase the value of its equity for its Shareholders.

Shares purchased by the Company which are held in treasury shall only be treated as outstanding for the purposes of determining the capital of the Company. The Shares held in treasury shall not be entitled to vote or to have dividends paid thereon and are therefore considered disabled.

## 2.6 Treasury Shares

Under the Act, a company may, if authorised by its articles of association, purchase its own shares. The shares so purchased may either be cancelled (in which event, the Company’s issued, but not its authorised, capital will be diminished accordingly) or may be held as Treasury Shares. Under the laws of the BVI, if a company holds shares as Treasury Shares, the company shall be entered in the register of members as a member holding the shares but the company is not permitted to exercise any rights in respect of those shares (including any right to attend and vote at meetings) and no dividend or other distribution (whether in cash or otherwise) shall be paid or made to the Company in respect of such shares.

No acquisition by a company of its own shares to be held as Treasury Shares may be effected unless the Directors determine that immediately after the purchase that the Company will be able to satisfy its liabilities as they become due in the ordinary course of its business and the

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realisable value of the assets of the Company will not be less than the sum of its total liabilities, other than deferred taxes as shown in the books of accounts, and its capital; and, in the absence of fraud, the decision of the Directors as to the realisable value of the assets of the Company is conclusive.

A company that acquires its own shares to be held as Treasury Shares may:

- (a) hold all or any of the shares;
- (b) dispose of or transfer all or any of the shares for cash or other considerations; or
- (c) cancel all or any of the shares.

The Company may transfer any Treasury Shares for the purpose of or pursuant to an employee share option or award scheme. The number of Shares held as Treasury Shares cannot at any time exceed 80 per cent. (80%) of the total issued Shares.

## 2.7 Source of Funds for Share Purchase

In purchasing Shares pursuant to the proposed Share Purchase Mandate, the Company may only apply funds available for such purchases in accordance with the Act and its Articles. In particular, the purchase of Shares may only be funded out of the Company's surplus.

The Company will principally use its internal sources of funds or external borrowings or a combination of both to finance the purchases or acquisitions of Shares, including its revenue reserves, pursuant to the Share Purchase Mandate.

Where the consideration paid by the Company for a purchase or acquisition of Shares is made out of distributable profits, such consideration (excluding related brokerage, goods and services tax, stamp duties and clearance fees) will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for a purchase or acquisition of Shares is made out of capital, the amount available for a distribution of cash dividends by the Company will not be reduced.

The Directors will consider the appropriate gearing level to ensure solvency. The Directors do not propose to exercise the Share Purchase Mandate in a manner and to such extent that the working capital requirements or investment ability of the Company would be materially and adversely affected. The purchase of the Shares will only be effected after considering relevant factors such as working capital requirements, availability of financial resources, expansion and investment plans of the Group as a whole, and prevailing market conditions.

## 2.8 Financial Effects of the Share Purchase Mandate

The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the Share Purchase Mandate will depend on, inter alia, the aggregate number of Shares purchased or acquired, the consideration paid at the relevant time, and whether the Shares purchased or acquired are held in treasury or are cancelled.

The purchase of Shares, if cancelled, will result in a reduction in the capital of the Company by an amount equivalent to the par value of the Shares and in the Company's surplus, which consists of the share premium, translation reserves and revenue reserves ("**Distributable Reserves**") by the balance of the purchase price. If the capital of the Company is reduced by a cancellation of Shares, the Directors must have, before the cancellation, made determinations to ensure that:

- (a) the capital of the Company will not be reduced to an amount that is less than the sum of the aggregate par value of all outstanding shares with par value and all shares with par value held by the Company as Treasury Shares and the aggregate of the amounts designated as capital of all outstanding shares without par value and all shares without par value held by the Company as Treasury Shares that are entitled to a preference, if any, in the assets of the Company upon liquidation of the Company; and

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- (b) a reduction of capital will not be effected unless the Directors determine that immediately after reduction, the Company will be able to satisfy its liabilities as they become due in the ordinary course of business, and that the realisable value of the assets of the Company will not be less than its total liabilities other than deferred taxes, as shown in the books of account, and its remaining capital; and, in the absence of fraud, the decision of the Directors as to the realisable value of the assets of the Company is conclusive.

It is not possible for the Company to realistically calculate or quantify the impact of purchase that may be made pursuant to the proposed Share Purchase Mandate on the net asset value and EPS as it would largely depend, inter alia, on the aggregate number of Shares purchased or acquired, the consideration paid at the relevant time and whether the Shares purchased or acquired are held in treasury or cancelled. However, on the basis of the audited consolidated financial position of the Company as at 30 April 2019 (being the date to which the latest published audited financial statements of the Company have been made up) and, in particular, having regard to the amount of Distributable Reserves that are available for payment as dividends, the working capital and gearing position of the Company at that time and the number of Shares as at the Latest Practicable Date, the Directors consider that the purchase of up to the maximum number of Shares permitted by the Share Purchase Mandate during the period which the Share Purchase Mandate is expressed to be in force is not expected to have an adverse effect on the consolidated financial position of the Company or the Group.

**For illustrative purposes only**, based on the existing issued share capital of the Company as at the Latest Practicable Date of 1,944,935,826 Shares, and excluding 975,802 Treasury Shares and no subsidiary holdings in each class, and assuming that no further Shares are issued on or prior to the GM, the purchase by the Company of up to the maximum limit of five per cent. (5%) of its issued Shares excluding Treasury Shares and subsidiary holdings in each class will result in the purchase or acquisition of 97,198,001 Shares. It is assumed the Average Closing Price is S\$0.153 and using exchange rate of US\$1:S\$1.36.

In the case of a Market Purchase by the Company and assuming that the Company purchases or acquires 97,198,001 Shares at the Maximum Purchase Price of S\$0.161 or US\$0.118 for one Share (being the price equivalent to 105 per cent. (105%) above the average of the closing market prices of the Shares over the last five (5) Market Days preceding the day of the Market Purchase on which transactions in the Shares were recorded), the maximum amount of funds required for the purchase or acquisition of 97,198,001 Shares is S\$15,655,682 or US\$11,492,096. This calculation is based on the assumption that the purchase consideration will be funded 100 per cent. (100%) through bank loans at an interest rate of five per cent. (5%) per annum.

In the case of an Off-Market Purchase by the Company and assuming that the Company purchases or acquires 97,198,001 Shares at the Maximum Purchase Price of S\$0.199 or US\$0.146 for one Share (being the price equivalent to 130 per cent. (130%) above the average of the closing market prices of a Share for the five (5) Market Days on which transactions in the Shares were recorded, preceding the date of the announcement of the offer for the Off-Market Scheme, the maximum amount of funds required for the purchase or acquisition of 97,198,001 Shares is S\$19,383,225 or US\$14,228,309. This calculation is based on the assumption that the purchase consideration will be funded 100 per cent. (100%) through bank loans at an interest rate of five per cent. (5%) per annum.

Assuming the above, the financial effects of the:

- (i) acquisition of Shares by the Company pursuant to the Share Purchase Mandate by way of purchases made entirely out of capital and held as Treasury Shares;
- (ii) acquisition of Shares by the Company pursuant to the Share Purchase Mandate by way of purchases made entirely out of capital and cancelled;

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- (iii) acquisition of Shares by the Company pursuant to the Share Purchase Mandate by way of purchases made entirely out of profits and held as Treasury Shares; and
- (iv) acquisition of Shares by the Company pursuant to the Share Purchase Mandate by way of purchases made entirely out of profits and cancelled,

on the audited financial statements of the Group and the Company for the financial year ended 30 April 2019 are as follows:

- (i) Purchases made entirely out of capital and held as Treasury Shares

(US\$'000)	<----- Group ----->			<----- Company ----->		
	Before Share Purchase	After Share Purchase assuming Market Purchase	After Share Purchase assuming Off-Market Purchase	Before Share Purchase	After Share Purchase assuming Market Purchase	After Share Purchase assuming Off-Market Purchase
At 30 April 2019	601,427	601,427	601,427	558,460	558,460	558,460
Treasury share	(286)	(11,778)	(14,514)	(286)	(11,778)	(14,514)
Shareholders' funds	601,141	589,649	586,913	558,174	546,682	543,946
NTA	(106,856)	(118,348)	(121,084)	558,174	546,682	543,946
Current assets	929,113	929,113	929,113	26,319	26,319	26,319
Current liabilities	710,741	722,233	724,969	239,399	250,891	253,627
Working capital	218,372	206,880	204,144	(213,080)	(224,572)	(227,308)
Total borrowings	1,478,655	1,490,147	1,492,883	376,085	387,577	390,313
Cash and cash equivalents	21,636	21,636	21,636	886	886	886
Profit after tax and minority interest	20,319	20,319	20,319	20,319	20,319	20,319
Treasury shares ('000)	(976)	(98,174)	(98,174)	(976)	(98,174)	(98,174)
No. of outstanding shares ('000)	1,943,960	1,846,762	1,846,762	1,943,960	1,846,762	1,846,762
<b>Financial Ratios</b>						
NTA per Share (cents) <sup>(1)</sup>	(5.50)	(6.41)	(6.56)	28.71	29.60	29.45
Basic EPS (cents) <sup>(2)</sup>	0.03	0.03	0.03	0.03	0.03	0.03
Net gearing (times) <sup>(3)</sup>	2.42	2.49	2.51	0.67	0.71	0.72
Return on equity (%) <sup>(4)</sup>	0.02	0.02	0.02	0.04	0.04	0.04

**Notes:**

- (1) NTA per Share equals to NTA divided by the number of Shares outstanding as at 30 April 2019.
- (2) Basic EPS equals to profit attributable to Shareholders divided by the weighted average number of Shares outstanding during the year ended 30 April 2019 of 1,943,960,024 Shares. Whereas, the basic EPS of After Share Purchase was computed based on the weighted average number of shares, as Latest Practicable Date, of 1,846,762,023.
- (3) Net gearing equals to total borrowings net of cash and cash equivalents divided by Shareholders' funds.
- (4) Return on equity equals profit after tax and minority interest divided by average Shareholders' funds.



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(ii) Purchases made entirely out of capital and cancelled

(US\$'000)	<-----Group----->			<-----Company----->		
	Before Share Purchase	After Share Purchase assuming Market Purchase	After Share Purchase assuming Off-Market Purchase	Before Share Purchase	After Share Purchase assuming Market Purchase	After Share Purchase assuming Off- Market Purchase
At 30 April 2019	601,427	601,427	601,427	558,460	558,460	558,460
Share capital	-	(972)	(972)	-	(972)	(972)
Share premium	-	(10,520)	(13,256)	-	(10,520)	(13,256)
Treasury Shares	(286)	(286)	(286)	(286)	(286)	(286)
Shareholders' funds	601,141	589,649	586,913	558,174	546,682	543,946
NTA	(106,856)	(118,348)	(121,084)	558,174	546,682	543,946
Current Assets	929,113	929,113	929,113	26,319	26,319	26,319
Current Liabilities	710,741	722,233	724,969	239,399	250,891	253,627
Working Capital	218,372	206,880	204,144	(213,080)	(224,572)	(227,308)
Total Borrowings	1,478,655	1,490,147	1,492,883	376,085	387,577	390,313
Cash and cash equivalents	21,636	21,636	21,636	886	886	886
Profit after tax and minority interest	20,319	20,319	20,319	20,319	20,319	20,319
Treasury Shares (‘000)	(976)	(976)	(976)	(976)	(976)	(976)
No. of Shares (‘000)	1,943,960	1,846,762	1,846,762	1,943,960	1,846,762	1,846,762
<b>Financial Ratios</b>						
NTA per Share (dollar) <sup>(1)</sup>	(5.50)	(6.41)	(6.56)	28.71	29.60	29.45
Basic EPS (dollar) <sup>(2)</sup>	0.03	0.03	0.03	0.03	0.03	0.03
Net gearing (times) <sup>(3)</sup>	2.42	2.49	2.51	0.67	0.71	0.72
Return on equity (%) <sup>(4)</sup>	0.02	0.02	0.02	0.04	0.04	0.04

**Notes:**

(1) NTA per Share equals to NTA divided by the number of Shares outstanding as at 30 April 2019.

(2) Basic EPS equals to profit attributable to Shareholders divided by the weighted average number of Shares outstanding during the year ended 30 April 2019 of 1,943,960,024 Shares. Whereas, the basic EPS of After Share Purchase was computed based on the weighted average number of shares, as Latest Practicable Date, of 1,846,762,023.

(3) Net gearing equals to total borrowings net of cash and cash equivalents divided by Shareholders' funds.

(4) Return on equity equals profit after tax and minority interest divided by average Shareholders' funds.

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(iii) Purchases made entirely out of profits and held as Treasury Shares

(US\$'000)	<----- Group ----->			<----- Company ----->		
	Before Share Purchase	After Share Purchase assuming Market Purchase	After Share Purchase assuming Off-Market Purchase	Before Share Purchase	After Share Purchase assuming Market Purchase	After Share Purchase assuming Off-Market Purchase
At 30 April 2019	601,427	601,427	601,427	558,460	558,460	558,460
Treasury share	(286)	(11,778)	(14,514)	(286)	(11,778)	(14,514)
Shareholders' funds	601,141	589,649	586,913	558,174	546,682	543,946
NTA	(106,856)	(118,348)	(121,084)	558,174	546,682	543,946
Current Assets	929,113	929,113	929,113	26,319	26,319	26,319
Current Liabilities	710,741	722,233	724,969	239,399	250,891	253,627
Working Capital	218,372	206,880	204,144	(213,080)	(224,572)	(227,308)
Total Borrowings	1,478,655	1,490,147	1,492,883	376,085	387,577	390,313
Cash and cash equivalents	21,636	21,636	21,636	886	886	886
Profit after tax and minority interest	20,319	20,319	20,319	20,319	20,319	20,319
Treasury Shares ('000)	(976)	(98,174)	(98,174)	(976)	(98,174)	(98,174)
No. of Shares ('000)	1,943,960	1,846,762	1,846,762	1,943,960	1,846,762	1,846,762
<b>Financial Ratios</b>						
NTA per Share (dollar) <sup>(1)</sup>	(5.50)	(6.41)	(6.56)	28.71	29.60	29.45
Basic EPS (dollar) <sup>(2)</sup>	0.03	0.03	0.03	0.03	0.03	0.03
Net gearing (times) <sup>(3)</sup>	2.42	2.49	2.51	0.67	0.71	0.72
Return on equity (%) <sup>(4)</sup>	0.02	0.02	0.02	0.04	0.04	0.04

**Notes:**

(1) NTA per Share equals to NTA divided by the number of Shares outstanding as at 30 April 2019.

(2) Basic EPS equals to profit attributable to Shareholders divided by the weighted average number of Shares outstanding during the year ended 30 April 2019 of 1,943,960,024 Shares. Whereas, the basic EPS of After Share Purchase was computed based on the weighted average number of shares, as Latest Practicable Date, of 1,846,762,023.

(3) Net gearing equals to total borrowings net of cash and cash equivalents divided by Shareholders' funds.

(4) Return on equity equals profit after tax and minority interest divided by average Shareholders' funds

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(iv) Purchases made entirely out of profits and cancelled

(US\$'000)	<----- Group ----->			<----- Company ----->		
	Before Share Purchase	After Share Purchase assuming Market Purchase	After Share Purchase assuming Off-Market Purchase	Before Share Purchase	After Share Purchase assuming Market Purchase	After Share Purchase assuming Off-Market Purchase
At 30 April 2019	601,427	601,427	601,427	558,460	558,460	558,460
Revenue reserves	-	(11,492)	(14,228)	-	(11,492)	(14,228)
Treasury Shares	(286)	(286)	(286)	(286)	(286)	(286)
Shareholders' funds	601,141	589,649	586,913	558,174	546,682	543,946
NTA	(106,856)	(118,348)	(121,084)	558,174	546,682	543,946
Current Assets	929,113	929,113	929,113	26,319	26,319	26,319
Current Liabilities	710,741	722,233	724,969	239,399	250,891	253,627
Working Capital	218,372	206,880	204,144	(213,080)	(224,572)	(227,308)
Total Borrowings	1,478,655	1,490,147	1,492,883	376,085	387,577	390,313
Cash and cash equivalents	21,636	21,636	21,636	886	886	886
Profit after tax and minority interest	20,319	20,319	20,319	20,319	20,319	20,319
Treasury Shares ('000)	(976)	(976)	(976)	(976)	(976)	(976)
No. of Shares ('000)	1,943,960	1,846,762	1,846,762	1,943,960	1,846,762	1,846,762
<b>Financial Ratios</b>						
NTA per Share (dollar) <sup>(1)</sup>	(5.50)	(6.41)	(6.56)	28.71	29.60	29.45
Basic EPS (dollar) <sup>(2)</sup>	0.03	0.03	0.03	0.03	0.03	0.03
Net gearing (times) <sup>(3)</sup>	2.42	2.49	2.51	0.67	0.71	0.72
Return on equity (%) <sup>(4)</sup>	0.02	0.02	0.02	0.04	0.04	0.04

**Notes:**

(1) NTA per Share equals to NTA divided by the number of Shares outstanding as at 30 April 2019.

(2) Basic EPS equals to profit attributable to Shareholders divided by the weighted average number of Shares outstanding during the year ended 30 April 2019 of 1,943,960,024 Shares. Whereas, the basic EPS of After Share Purchase was computed based on the weighted average number of shares, as Latest Practicable Date, of 1,846,762,023.

(3) Net gearing equals to total borrowings net of cash and cash equivalents divided by Shareholders' funds.

(4) Return on equity equals profit after tax and minority interest divided by average Shareholders' funds.

The disclosed financial effects remain the same irrespective of whether:

- (a) the purchase of Shares is effected out of capital or profits, or
- (b) the purchased Shares are held in treasury or cancelled.

Shareholders should note that the financial effects set out above are for illustrative purposes only. In particular, it is important to note that the above analysis is based on the latest audited financial statements of the Company as at 30 April 2019 and is not necessarily representative of the future financial performance of the Company. Although the Share Purchase Mandate would authorise the Company to purchase or acquire up to five per cent. (5%) of the issued Shares excluding Treasury Shares and subsidiary holdings in each class, the Company may not necessarily purchase or acquire the entire five per cent. (5%). In addition, the Company may cancel all or part of the Shares purchased or hold all or part of the Shares purchased as Treasury Shares.

Shareholders should also note however, that the actual financial impact of purchases of Shares will depend, inter alia, on the aggregate number of Shares purchased or acquired, the

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# LETTER TO SHAREHOLDERS

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consideration paid at the relevant time and whether the Shares purchased or acquired are held in treasury or are cancelled. The Directors do not propose to exercise the Share Purchase Mandate to such an extent that it would have a material adverse effect on the working capital requirements of the Company or the Group.

It is not the purpose of the Share Purchase Mandate to assist any Shareholder or its concert parties to obtain or consolidate effective control of the Company. The Directors will decide when, how many and on what terms to purchase any Shares pursuant to the Share Purchase Mandate in the interests of the Company and its Shareholders as a whole, taking into consideration relevant factors such as the financial effects of such purchases on the Company, working capital requirements, availability of financial resources, the expansion and investment plans of the Company and prevailing market conditions. If it becomes necessary for funds to be borrowed, the Directors will consider the appropriate gearing level to ensure the solvency of the Company. The proposed Share Purchase Mandate will only be exercised with a view to enhance the EPS of the Group.

## 2.9 Listing Rules

2.9.1 The Listing Rules provide that a listed company shall report all purchases or acquisitions of its Shares to SGX-ST:

- (a) in the case of a Market Purchase, by 9.00 a.m. on the Market Day following the day of purchase or acquisition of any of its Shares; and
- (b) in the case of an Off-Market Purchase under an equal access scheme, by 9.00 a.m. on the second Market Day after the close of acceptances of the offer.

Such announcement must include details of the total number of Shares purchased and the purchase price per Share or the highest and lowest prices paid for such Shares and any other information required under the Listing Rules, as applicable.

2.9.2 While the Listing Rules do not expressly prohibit any purchase of shares by a listed company of its own shares during any particular time or times, because the listed company would be regarded as an “insider” in relation to any proposed purchase of its issued shares, the Company will not undertake any purchase of Shares pursuant to the proposed Share Purchase Mandate at any time after any matter or development of a price sensitive nature has occurred or has been the subject of a decision until such price sensitive information has been publicly announced. In particular, in line with the best practices guide on securities dealings issued by SGX-ST, the Company will not purchase or acquire any shares pursuant to the proposed Share Purchase Mandate during the period commencing two (2) weeks immediately preceding the announcement of the Company’s financial statements for each of the first three quarters of its financial year and one (1) month immediately preceding the announcement of the Company’s financial statements of its full-year results and ending on the date of the announcement of the relevant results.

2.9.3 The Listing Rules also require a listed company to ensure that at least ten per cent. (10%) of its Shares is at all times held by the public. The “public”, as defined under the Listing Manual, are persons other than the Directors, Chief Executive Officer, Substantial Shareholders or Controlling Shareholders of the Company and its subsidiaries, as well as associates of such persons.

As at the Latest Practicable Date, 438,821,349 Shares representing 22.6 per cent. (22.6%) of the issued share capital of the Company are held in the hands of the public by an aggregate of 7,616 Shareholders. In the event that the Company purchases the maximum of five per cent. (5%) of its issued ordinary share capital from such public Shareholders, the resultant percentage of the issued Shares held by the public

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# LETTER TO SHAREHOLDERS

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Shareholders would be reduced to approximately 18.50 per cent. (18.50%). Accordingly, the Company is of the view that there is, at present, a sufficient number of Shares in public hands that would permit the Company to potentially undertake purchases and acquisitions of the Shares up to the full five per cent. (5%) limit pursuant to the proposed Share Purchase Mandate without affecting adversely the listing status of the Shares on the SGX-ST.

The Directors will endeavour to ensure that any purchase of Shares pursuant to the Share Purchase Mandate will not:

- (a) adversely affect the listing status of the Shares on the SGX-ST;
- (b) cause market illiquidity; or
- (c) adversely affect the orderly trading of the Shares on the SGX-ST.

## **2.10 Details of Share Purchases during the last 12 months pursuant to the Share Purchase Mandate**

The Company did not purchase any of its own Shares during the last twelve (12) months immediately preceding and up to the Latest Practicable Date as its previous mandate would expire on the date of the forthcoming AGM of the Company to be held on 28 August 2019.

## **2.11 Tax Implications**

Shareholders who are in doubt as to their respective tax positions or any tax implications, or who may be subject to tax in a jurisdiction outside Singapore, should consult their own professional advisers.

## **2.12 Take-Over Obligations**

An increase in a Shareholder's proportionate interest in the voting rights of the Company resulting from a Share purchase by the Company will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. Under Rule 14 of the Take-over Code, a Shareholder and persons acting in concert with the Shareholder will incur an obligation to make a mandatory takeover offer if, inter alia, he and persons acting in concert with him increase their voting rights in the Company to 30 per cent. (30%) or more or, if they, together hold between 30 per cent. (30%) but not more than 50 per cent. (50%) of the Company's voting rights, increase their voting rights in the Company by more than one per cent. (1%) in any period of six (6) months.

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal) co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate control of that company. Unless the contrary is established, the following persons will, inter alia, be presumed to be acting in concert:

- (a) a company with its parent company, subsidiaries, its fellow subsidiaries, any associated companies of the above companies and any company whose associated companies include any of the above companies, any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights;
- (b) a company with any of its directors, together with their close relatives, related trusts and any companies controlled by any of the directors, their close relatives and related trusts;
- (c) a company with any of its pension funds and employee share schemes;

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# LETTER TO SHAREHOLDERS

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- (d) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (e) a financial or other professional adviser, including a stockbroker, with its clients in respect of the shareholdings of (i) the adviser and the persons controlling, controlled by or under the same control as the adviser; and (ii) all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total ten per cent. (10%) or more of the client's equity share capital;
- (f) directors of a company, together with their close relatives, related trusts and companies controlled by any of them, which is subject to an offer or where they have reason to believe a bona fide offer for their company may be imminent;
- (g) partners; and
- (h) an individual, his close relatives, his related trusts, and any person who is accustomed to act in accordance with the instructions of the individual and companies controlled by any of the above; and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights.

For this purpose, ownership or control of at least 20 per cent. (20%) but not more than 50 per cent. (50%) of the voting rights of a company will be regarded as the test for associated company status.

The circumstances under which Shareholders (including Directors) and persons acting in concert with them will incur an obligation to make a takeover offer under Rule 14 of the Take-over Code after a purchase or acquisition of Shares by the Company as set out in Appendix 2 of the Take-over Code.

In general terms, the effect of Rule 14 and Appendix 2 is that:

- (a) unless exempted, directors of a company and persons acting in concert with them will incur an obligation to make a takeover offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such directors and their concert parties would increase to 30 per cent. (30%) or more, or if the voting rights of such directors and their concert parties fall between 30 per cent. (30%) and 50 per cent. (50%) of the Company's voting rights, the voting rights of such directors and their concert parties would increase by more than one per cent. (1%) in any period of six (6) months; and
- (b) a Shareholder who is not acting in concert with directors will not be required to make a takeover offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder in the Company would increase to 30 per cent. (30%) or more, or if the voting rights of such directors and their concert parties fall between 30 per cent. (30%) and 50 per cent. (50%) of the Company's voting rights, the voting rights of such Shareholder would increase by more than one per cent. (1%) in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Purchase Mandate.

## **2.13 Application of the Singapore Code on Takeovers and Mergers**

### 2.13.1 Background

As at the Latest Practicable Date, the Controlling Shareholders of the Company are –

- NutriAsia Pacific Ltd
- NutriAsia Holdings Limited

# LETTER TO SHAREHOLDERS

- NutriAsia Inc
- Golden Chamber Investment Limited
- Well Grounded Limited
- Star Orchid Limited
- HSBC International Trustee Limited
- HSBC Holdings plc
- HSBC Trustee (Hong Kong) Limited
- HSBC International Trustee (Holdings) Pte Limited
- The Hongkong and Shanghai Banking Corporation Limited
- HSBC Asia Holdings Limited
- Mr Joselito D Campos, Jr

## 2.13.2 Application of the Take-over Code to the proposed Share Purchase Mandate

In the event that the Company undertakes Share purchases under the Share Purchase Mandate up to the maximum of five per cent. (5%) of the issued share capital of the Company as permitted, the shareholding and voting rights of the Controlling Shareholders will increase to 75.47 per cent. (75.47%). As the Controlling Shareholders, being presumed to be concert parties under the Take-over Code, in aggregate hold more than 50 per cent. (50%) of the issued share capital of the Company, any increase in their shareholding pursuant to Share Purchases undertaken by the Company would not result in them incurring a take-over obligation pursuant to Rule 14 of the Take-over Code.

## 3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of Directors and Substantial Shareholders of the Company as at the Latest Practicable Date, as recorded in the Company's Register of Directors' Shareholdings and the Register of Substantial Shareholders respectively, were as follows:

Directors	Number of Shares					
	Direct Interest	% <sup>(1)</sup>	Deemed Interest	% <sup>(1)</sup>	Total	% <sup>(1)</sup>
Rolando C Gapud	2,651,203	0.13	–	–	2,651,203	0.13
Joselito D Campos, Jr	7,621,466	0.39	1,386,276,498 <sup>(2)(3)</sup>	71.31	1,393,897,964	71.70
Edgardo M Cruz, Jr	2,984,632	0.15	–	–	2,984,632	0.15
Yvonne Goh	–	–	–	–	–	–
Dr Emil Q Javier	611,828	0.03	–	–	611,828	0.03
Benedict Kwek Gim Song	117,092	n.m.	–	–	117,092	n.m.
Godfrey E Scotchbrook	117,092	n.m.	–	–	117,092	n.m.



# LETTER TO SHAREHOLDERS

Substantial Shareholders	Number of Shares					
	Direct Interest	% <sup>(1)</sup>	Deemed Interest	% <sup>(1)</sup>	Total	% <sup>(1)</sup>
Bluebell Group Holdings Limited	189,736,540 <sup>(2)</sup>	9.76	–	–	189,736,540	9.76
Golden Sunflower International Limited	–	–	189,736,540 <sup>(2)</sup>	9.76	189,736,540	9.76
Joselito D Campos, Jr	7,621,466	0.39	1,386,276,498 <sup>(2)(3)</sup>	71.31	1,393,897,964	71.70
NutriAsia Pacific Ltd.	1,196,539,958	61.55	–	–	1,196,539,958	61.55
NutriAsia Inc	–	–	1,196,539,958 <sup>(4)</sup>	61.55	1,196,539,958	61.55
NutriAsia Holdings Limited	–	–	1,196,539,958 <sup>(5)</sup>	61.55	1,196,539,958	61.55
Golden Chamber Investment Limited	–	–	1,196,539,958 <sup>(5)</sup>	61.55	1,196,539,958	61.55
Star Orchid Limited	–	–	1,196,539,958 <sup>(5)</sup>	61.55	1,196,539,958	61.55
Well Grounded Limited	–	–	1,196,539,958 <sup>(5)</sup>	61.55	1,196,539,958	61.55
HSBC Trustee (Hong Kong) Limited	–	–	1,386,276,498 <sup>(6)</sup>	71.31	1,386,276,498	71.31
HSBC International Trustee Limited	–	–	1,386,276,498 <sup>(6)</sup>	71.31	1,386,276,498	71.31
HSBC International Trustee (Holdings) Pte Limited	–	–	1,386,276,498 <sup>(6)</sup>	71.31	1,386,276,498	71.31
The Hongkong and Shanghai Banking Corporation Limited	–	–	1,386,276,498 <sup>(6)</sup>	71.31	1,386,276,498	71.31
HSBC Asia Holdings Limited	–	–	1,386,276,498 <sup>(6)</sup>	71.31	1,386,276,498	71.31
HSBC Holdings plc	–	–	1,386,276,498 <sup>(6)</sup>	71.31	1,386,276,498	71.31
Lee Pineapple Company (Pte) Limited	100,422,000	5.16	6,432,000 <sup>(9)</sup>	0.33	106,854,000	5.49
Lee Foundation	–	–	106,854,000 <sup>(7)(9)</sup>	5.49	106,854,000	5.49
Lee Foundation, States of Malaya	–	–	106,854,000 <sup>(8)(9)</sup>	5.49	106,854,000	5.49

**Notes:**

(1) The percentage of issued capital is calculated based on 1,943,960,024 Shares (being 1,944,935,826 Shares excluding 975,802 Treasury Shares) and there are no subsidiary holdings.

(2) Bluebell Group Holdings Limited (“**BGHL**”) is wholly owned by Golden Sunflower International Limited (“**GSIL**”). GSIL is therefore deemed interested in the Shares of the Company held by BGHL.

GSIL is wholly owned by the Twin Palms Pacific Trust (“**TPP Trust**”), of which HSBC Trustee (Hong Kong) Limited (“**HKL**”) is the trustee. The beneficiaries of the TPP Trust are Mr Joselito D Campos, Jr (“**JDC**”) and his children. JDC is therefore deemed interested in the Shares held by BGHL. The 189,736,540 Shares are held in nominee by HSBC (Singapore) Nominees Pte Ltd.

(3) NutriAsia Pacific Limited (“**NPL**”) is a substantial and controlling shareholder of the Company, holding 1,196,539,958 Shares. JDC and his family have beneficial interests in NPL (through Golden Chamber Investment Limited (“**GCIL**”) and Star Orchid Ltd (“**SOL**”) which hold trusts in which they are beneficiaries). JDC is therefore deemed interested in the Shares held by NPL.

(4) NutriAsia Inc (“**NI**”) owns 57.8% of NutriAsia Holdings Limited (“**NHL**”), which in turn owns 100% of NPL. NI is therefore deemed to be interested in the Shares held by NPL.

(5) NPL is wholly owned by NHL. NHL is therefore deemed interested in the Shares held by NPL.

NHL is in turn majority owned by NI (57.8%) and partly owned by Well Grounded Limited (“**WGL**”) (42.2%). NI and WGL are therefore deemed interested in the Shares held by NPL.

NI is in turn majority owned by GCIL (65.4%) and WGL is in turn wholly owned by SOL. GCIL and SOL are therefore deemed interested in the Shares held by NPL.

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# LETTER TO SHAREHOLDERS

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- (6) GCIL and GSIL are owned by the TPP Trust and SOL is wholly owned by The Star Orchid Trust, for which HKL acts as trustee for both trusts. HKL is therefore deemed interested in the Shares held by NPL and BGHL. The beneficiaries of the Star Orchid Trust are beneficially owned by the Campos family.

*HKL is wholly owned by HSBC International Trustee Limited. HSBC International Trustee Limited is therefore deemed interested in the Shares held by NPL and BGHL.*

*HSBC International Trustee Limited is wholly owned by HSBC International Trustee (Holdings) Pte Limited. HSBC International Trustee (Holdings) Pte Limited is therefore deemed interested in the Shares held by NPL and BGHL.*

*HSBC International Trustee (Holdings) Pte Limited is wholly owned by The Hongkong and Shanghai Banking Corporation Limited. The Hongkong and Shanghai Banking Corporation Limited is therefore deemed interested in the Shares held by NPL and BGHL.*

*The Hongkong and Shanghai Banking Corporation Limited is wholly owned by HSBC Asia Holdings Limited. HSBC Asia Holdings Limited is therefore deemed interested in the Shares held by NPL and BGHL.*

*HSBC Asia Holdings Limited is wholly owned by HSBC Holdings plc. HSBC Holdings plc is therefore deemed interested in the Shares held by NPL and BGHL.*

- (7) Lee Foundation, by virtue of its not less than 20% interest in Lee Pineapple Company (Pte) Limited, had a deemed interest in the Company's Shares in which Lee Pineapple Company (Pte) Limited had a direct or deemed interest.
- (8) Lee Foundation, States of Malaya, by virtue of its not less than 20% interest in Lee Pineapple Company (Pte) Limited, had a deemed interest in the Company's Shares in which Lee Pineapple Company (Pte) Limited had a direct or deemed interest.
- (9) Lee Pineapple Company (Pte) Limited is deemed interested in the 6,432,000 Shares held by its wholly-owned subsidiary, Pineapples of Malaya Private Limited.

## 4. PERCENTAGE OF SHAREHOLDINGS IN PUBLIC'S HANDS

Based on the information provided, to the best knowledge of the Directors and Substantial Shareholders of the Company, approximately 22.6 per cent. (22.6%) of the Company's Shares are held in the hands of the public. Accordingly, the Company has complied with Rule 723 of the Listing Manual of the SGX-ST.

## 5. DIRECTORS' RECOMMENDATION

The Directors are of the opinion that the renewal of the proposed Share Purchase Mandate is in the best interests of the Shareholders and the Company, and accordingly recommend Shareholders to vote in favour of the ordinary resolution relating thereto to be proposed at the AGM as set out in the Notice of AGM.

## 6. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Share Purchase Mandate, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading, and where the Circular contains a profit forecast, the Directors are satisfied that the profit forecast has been stated after due and careful enquiry.

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

## 7. ANNUAL GENERAL MEETING

The AGM, notice of which is set out on pages N1 to N7 of this Circular, will be held on Wednesday, 28 August 2019, at 10.00 a.m. at Banquet Suite, Level 10 of M Hotel, 81 Anson

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# LETTER TO SHAREHOLDERS

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Road, Singapore 079908, for the purpose of considering, and if thought fit, the ordinary resolutions as set out in the Notice of the AGM.

## 8. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the AGM and who wish to appoint a proxy to attend and vote at the AGM on their behalf should complete, sign and return the proxy form attached to the Notice of AGM in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the offices of the Company's Share Transfer Agent in Singapore, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 or at the offices of the Company's Share Transfer Agent in the Philippines, as the case may be, not less than forty-eight (48) hours before the time fixed for the AGM. The appointment of a proxy by a Shareholder does not preclude him from attending and voting in person at the AGM if he wishes to do so.

A Depositor shall not be regarded as a Shareholder entitled to attend the AGM and to speak and vote thereat unless he is shown to have Shares entered against his or her name in the Depository Register, as certified by CDP or PDTC, as at forty-eight (48) hours before the AGM.

For Shareholders whose shares are lodged on the PSE, please refer to the Notes for Shareholders in the Philippines which can be found in the Notice of AGM.

## 9. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the Company Share Transfer Agent in Singapore and Manila during normal business hours from the date of this Circular up to and including the date of the AGM:

- (a) the Memorandum and the Articles of the Company; and
- (b) the Annual Report of the Company for FY2019.

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

Rolando C Gapud  
Executive Chairman

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# NOTICE OF ANNUAL GENERAL MEETING

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## DEL MONTE PACIFIC LIMITED

(Incorporated in the British Virgin Islands with limited liability on 27 May 1999)

### NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“AGM”) of Del Monte Pacific Limited (the “Company”) will be held at the Banquet Suite, Level 10 of M Hotel, 81 Anson Road, Singapore 079908, on Wednesday, 28 August 2019 at 10.00 a.m., for the following purposes:

#### AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements of the Company, together with the Auditors’ Report thereon, for the financial year ended 30 April 2019. **[Resolution 1]**
2. To re-appoint the following Directors retiring pursuant to Article 88 of the Company’s Articles of Association and Rule 720(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”):
  - (i) Dr Emil Q Javier (Retiring under Article 88 and Rule 720(5) of the Listing Manual of the SGX-ST) **[Resolution 2]**
  - (ii) Mrs Yvonne Goh (Retiring under Article 88 and Rule 720(5) of the Listing Manual of the SGX-ST) **[Resolution 3]**

*Dr Emil Q Javier will, upon re-appointment as a Director of the Company, remain as a member of the Audit and Risk Committee, the Remuneration and Share Option Committee and the Nominating and Governance Committee, and will be considered independent.*

*Mrs Yvonne Goh will, upon re-appointment as a Director of the Company, remain as Chairperson of the Nominating and Governance Committee, and as a member of the Audit and Risk Committee and the Remuneration and Share Option Committee, and will be considered independent.*

*[See Explanatory Note (i)]*

3. To transact any other ordinary business which may be transacted at an AGM.

#### AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions:

4. To approve the payment of Directors’ fees of up to US\$496,800/- for the financial year ending 30 April 2020 (“FY2020”) (FY2019: US\$496,800/-), to be paid quarterly in arrears, computed based on the fee structure set out below:
  - Board Chairman: US\$79,200 per annum
  - Directors: US\$43,200 per annum
  - Audit and Risk Committee Chairman: US\$19,800 per annum
  - Remuneration and Share Option Committee Chairman: US\$9,900 per annum
  - Nominating and Governance Committee Chairman: US\$9,900 per annum
  - Audit and Risk Committee Members: US\$10,800 per annum
  - Remuneration and Share Option Committee Members: US\$5,400 per annum
  - Nominating and Governance Committee Members: US\$5,400 per annum*[See Explanatory Note (ii)]* **[Resolution 4]**
5. To authorise the Directors of the Company to fix, increase or vary the emoluments of Directors of up to US\$100,000/- with respect to services to be rendered in any capacity to the Company. *[See Explanatory Note (iii)]* **[Resolution 5]**

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# NOTICE OF ANNUAL GENERAL MEETING

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6. To re-appoint Ernst & Young LLP as the Auditors of the Group and to authorise the Directors of the Company to fix their remuneration.

[Resolution 6]

7. To re-appoint Sycip Gorres Velayo & Co. (Ernst & Young Philippines) as the Philippine Auditors of the Group and to authorise the Directors of the Company to fix their remuneration.

[Resolution 7]

8. **Authority to Issue Shares**

That pursuant to Article 15(2) of the Company's Articles of Association and Rule 806 of the Listing Manual of the SGX-ST, the Directors of the Company be authorised and empowered to:

- (a) (i) issue shares in the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including, but not limited to, the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions, and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

- (1) the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings in each class) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro rata basis to Shareholders of the Company shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings in each class) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings in each class) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings in each class) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
- (a) new Shares arising from the conversion or exercise of any convertible securities;
- (b) new Shares arising from the exercise of share options which are outstanding or subsisting at the time of the passing of this Resolution; and
- (c) any subsequent bonus issue, consolidation or subdivision of Shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association of the Company; and

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# NOTICE OF ANNUAL GENERAL MEETING

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- (4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (iv)]

[Resolution 8]

9. **Authority to Allot and Issue Shares under the Del Monte Pacific Executive Share Option Plan 2016**

That approval be and is hereby granted to the Directors of the Company, acting through its Remuneration and Share Option Committee, to allot and issue from time to time such Shares as may be allotted and issued pursuant to the exercise of the Del Monte Pacific Executive Share Option Plan 2016 (“**ESOP**”), provided always that the aggregate number of Shares to be allotted and issued pursuant to the ESOP shall not exceed ten percent (10%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings in each class) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (v)]

[Resolution 9]

10. **Renewal of Shareholders’ Mandate for Interested Person Transactions**

That for the purposes of Chapter 9 of the Listing Manual of the SGX-ST:

- (a) approval be given for the renewal of the mandate for the Company, its subsidiaries and target associated companies or any of them to enter into any of the transactions falling within the types of Interested Person Transactions as set out on page 6 of the Company’s information memorandum (“**Information Memorandum**”) with any party who is of the class of Interested Persons described in the Information Memorandum, provided that such transactions are carried out in the normal course of business, at arm’s length and on commercial terms, and in accordance with the guidelines of the Company for Interested Person Transactions, as set out in the Information Memorandum (the “**IPT Mandate**”);
- (b) the IPT Mandate shall, unless revoked or varied by the Company at a general meeting, continue in force until the conclusion of the next AGM of the Company; and
- (c) authority be given to the Directors to complete and do all such acts and things (including executing all such documents as may be required) as they may consider necessary, desirable or expedient to give effect to the IPT Mandate as they may think fit.

[See Explanatory Note (vi)]

[Resolution 10]

11. **The Proposed Renewal of the Share Purchase Mandate**

That:

- (a) for the purposes of the Business Companies Act 2004 of the British Virgin Islands (the “**Act**”) and otherwise in accordance with the rules and regulations of the SGX-ST, the exercise by the Board of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company (the “**Shares**”) not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price or prices as may be determined by the Board from time to time, up to the Maximum Purchase Price (as hereafter defined), whether by way of:
- (i) on-market purchases (each a “**Market Purchase**”), transacted on the SGX-ST (or any other stock exchange on which the Shares may be listed or quoted), through one or more duly licensed stockbrokers/dealers appointed by the Company for the purpose; and/or



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- (ii) off-market purchases (each an “**Off-Market Purchase**”) (if effected otherwise than on the SGX-ST or, as the case may be, any other stock exchange on which the Shares may for the time being be listed or quoted) in accordance with any equal access schemes as may be determined or formulated by the Board as they consider fit, which schemes shall satisfy all the conditions prescribed by the Act,

and otherwise in accordance with all other laws, regulations and rules of the SGX-ST or, as the case may be, any other stock exchange on which the Shares may for the time being be listed or quoted, as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Share Purchase Mandate**”);

- (b) unless varied or revoked by the Company in a general meeting, the authority conferred on the Board pursuant to the Share Purchase Mandate, may be exercised by the Board at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earliest of:

- (i) the date on which the next AGM of the Company is held;
- (ii) the date by which the next AGM of the Company is required by law to be held; or
- (iii) the date on which purchases and acquisitions of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated;

- (c) in this Resolution:

“**Prescribed Limit**” means that number of Shares representing 5 per cent. (5%) of the issued Shares as at the date of the passing of this Resolution (excluding any Shares which are held as treasury shares and subsidiary holdings in each class);

“**Maximum Purchase Price**” in relation to a Share to be purchased, means the purchase price (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

- (i) in the case of a Market Purchase, 105 per cent. (105%) of the Average Closing Price (as defined hereafter); and
- (ii) in the case of an Off-Market Purchase of a Share, 130 per cent. (130%) of the Average Closing Price (as defined hereafter).

where:

“**Average Closing Price**” is the average of the closing market prices of a Share over the last five (5) market days on which the Shares were transacted on the SGX-ST or, as the case may be, any other stock exchange on which the Shares may for the time being be listed or quoted, preceding the day of the Market Purchase or, as the case may be, the day of the making of the offer pursuant to an Off-Market Purchase, as deemed to be adjusted for any corporate action that occurs after the relevant five (5) market day period;

“**day of the making of the offer**” means the day on which the Company makes an offer for the purchase or acquisition of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

“**market day**” means a day on which the SGX-ST is open for securities trading; and



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- (d) the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this Resolution.

*[See Explanatory Note (vii)]*

**[Resolution 11]**

By Order of the Board

Antonio E S Ungson  
Company Secretary  
5 August 2019

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## Explanatory Notes to Resolutions to be passed –

- (i) The bio-data of Directors seeking re-appointment are appended for Shareholders' information:

Dr Emil Q Javier, Independent Director, 78

(Appointed on 30 April 2007 and last re-appointed on 30 August 2016)

Dr Emil Q Javier, if re-appointed, will remain as a member of the Audit and Risk Committee, the Remuneration and Share Option Committee and the Nominating and Governance Committee. He is considered an Independent Non-Executive Director. In line with Guideline 4.7 of the Code of Corporate Governance: (a) there are no relationships including immediate family relationships between Dr Javier and the other Directors, the Company or its 10% shareholders; and (b) the list of all current directorship(s) held by Dr Javier in other listed companies, as well as the details of his other principal commitments can be found in the FY2019 Annual Report, under the "Board of Directors" section.

Additional information on Dr Javier as required to be furnished pursuant to Rule 720(6) of the Listing Manual of the SGX-ST is also found in the FY2019 Annual Report, under the "Board of Directors" section.

Dr Emil Q Javier is a Filipino agronomist with a broad understanding of developing country agriculture. He was the first and only developing country scientist to Chair the Technical Advisory Committee of the prestigious Consultative Group for International Agricultural Research (CGIAR), a global consortium led by the World Bank and the Food and Agriculture Organization of the United Nations (FAO). He was Director General of the Asian Vegetable Research and Development Center (AVRDC) based in Taiwan and has served as Chairman of the Board of International Rice Research Institute (IRRI), and as Chairman and Acting Director of the Southeast Asian Regional Center for Graduate Study and Research in Agriculture (SEARCA). In the Philippines at various periods, he had been President of the University of the Philippines, Minister for Science and Technology and President of the National Academy of Science and Technology, Philippines (NAST PHL). In May 2019, he was elected by his peers in NAST as a National Scientist, the highest honour conferred by the President of the Philippines to a Filipino in the field of science and technology. Dr Javier is an Independent Director of Del Monte Foods, Inc, DMPL's US subsidiary, and of Del Monte Philippines, Inc, DMPL's Philippine subsidiary, and is an Independent Director of Philippine-listed Centro Escolar University. He holds doctorate and master's degrees in plant breeding and agronomy from Cornell University and University of Illinois at Urbana-Champaign, respectively. He completed his bachelor's degree in agriculture at the University of the Philippines Los Baños.

Mrs Yvonne Goh, Independent Director, 66

(Appointed on 4 September 2015 and last re-appointed on 30 August 2016)

Mrs Yvonne Goh, if re-appointed, will remain as a Chairperson of the Nominating and Governance Committee and a member of the Audit and Risk Committee and the Remuneration and Share Option Committee. She is considered an Independent Non-Executive Director. In line with Guideline 4.7 of the Code of Corporate Governance: (a) there are no relationships including immediate family relationships between Mrs Goh and the other Directors, the Company or its 10% shareholders; and (b) Mrs Goh does not hold directorships in other listed companies, and the details of her other principal commitments can be found in the FY2019 Annual Report, under the "Board of Directors" section.

Additional information on Mrs Goh as required to be furnished pursuant to Rule 720(6) of the Listing Manual of the SGX-ST is also found in the FY2019 Annual Report, under the "Board of Directors" section.

Mrs Yvonne Goh is a Director of UNLV Singapore Limited, the Singapore campus of the University of Nevada Las Vegas (UNLV), USA. Mrs Goh is also a Director of EQUAL-ARK Singapore Ltd, a charity registered under the Charities Act and an Institution of a Public Character (IPC), assisting at-risk-kids through equine-assisted learning. She also serves on the Board of Del Monte Foods, Inc, DMPL's US subsidiary. Mrs Goh was previously Managing Director of the KCS Group in Singapore, a professional services organisation and Managing Director of Boardroom Limited, a company listed on the SGX. Mrs Goh had served on the Board of WWF Singapore Limited, a registered charity and an IPC, and the Singapore chapter of WWF International, a leading global NGO. She had served as a Council Member and Vice Chairman of the Singapore Institute of Directors as well as Chairman of its Professional Development Committee. Mrs Goh was also a Director of the Accounting and Corporate Regulatory Authority (ACRA) and a past Chairman of the Singapore Association of the Institute of Chartered Secretaries and Administrators. Mrs Goh is a Fellow of the Singapore Institute of Directors and a Fellow of the Institute of Chartered Secretaries and Administrators, UK.

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- (ii) The Ordinary Resolution 4 above is to approve the payment of Directors' fees for FY2020, to be paid quarterly in arrears in accordance with the proposed fee structure. The fee structure is based on guidelines recommended by the Singapore Institute of Directors and disclosed in the Corporate Governance Report in the Annual Report. The proposed Directors' fees for FY2020 are commensurate with the onerous responsibilities placed on the Directors and in particular, to better reflect the time and contribution of each Director towards the improved performance of the Company.

The Ordinary Resolution 4 if passed, will authorise the payment of Directors' fees for FY2020, in accordance with the fee structure, amounting up to US\$496,800/- and there is no change from prior year on a per Director basis.

- (iii) The Ordinary Resolution 5 proposed above, if passed, will also authorise the Directors of the Company to fix, increase or vary the emoluments of Directors of up to US\$100,000/- with respect of services to be rendered in any capacity to the Company. This would provide flexibility for the Company to engage or procure the specialist services of Directors as appropriate and as may be required by the Company. In particular, this resolution is meant for the specialist services of Dr Emil Q Javier, for his services rendered to the Company at the plantation and for chairing the Group's Plantation Oversight Committee.
- (iv) The Ordinary Resolution 8 proposed above, if passed, will empower the Directors of the Company, effective until the conclusion of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments, up to a number not exceeding, in total, 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings in each class) in the capital of the Company, of which up to 15% may be issued other than on a pro rata basis to Shareholders. For determining the aggregate number of Shares that may be issued, the total number of issued Shares (excluding treasury shares and subsidiary holdings in each class) will be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings in each class) in the capital of the Company at the time this Ordinary Resolution is passed, after adjusting for new Shares arising from the conversion or exercise of any convertible securities or share options which are outstanding or subsisting at the time when this Ordinary Resolution is passed, and any subsequent bonus issue, consolidation or subdivision of Shares.
- (v) The Ordinary Resolution 9 proposed above, if passed, will empower the Directors of the Company, effective until the conclusion of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to allot and issue from time to time such number of fully-paid Shares in the capital of the Company, as may be required to be issued pursuant to the exercise of options under the ESOP. The aggregate number of Shares which may be issued pursuant to the ESOP and any other share option plan(s)/ share plan(s) which the Company may have in place shall not exceed ten percent (10%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings in each class) in the capital of the Company from time to time.
- (vi) The Ordinary Resolution 10 proposed above, if passed, will authorise the Interested Person Transactions, as described in the Information Memorandum accompanying the FY2019 Annual Report and recurring in the year; and will empower the Directors to do all acts necessary to give effect to the IPT Mandate. This authority will, unless previously revoked or varied by the Company at a general meeting, expire at the conclusion of the next AGM of the Company.
- (vii) The Ordinary Resolution 11 proposed above, if passed, will empower the Board, effective until the conclusion of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held, or the date on which purchases and acquisitions of shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated, whichever is the earlier, to repurchase Shares by way of market purchases or off-market purchases of up to 5% of the total number of issued shares (excluding treasury shares and subsidiary holdings in each class) in the capital of the Company at the Maximum Purchase Price. Information relating to this proposed Resolution is set out in the Circular attached.
- (viii) **Dividend Policy for Ordinary Shares**

The Company's dividend payment policy is to distribute a minimum of 33% of full year profit but remains subject to review by the Board.

The dividend payout was 75% from 2006 to 2012 and 50% for 2013, 2016, 2017 and 2019.

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## A. Notes for Shareholders in Singapore:

1. A Shareholder entitled to attend and vote at the AGM is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. A proxy need not be a Member of the Company.
2. If a Depositor wishes to appoint a proxy/proxies to attend the AGM, then he/she must complete and deposit the Depositor proxy form at the office of the Share Transfer Agent in Singapore, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, at least forty-eight (48) hours before the time of the AGM.
3. If the Depositor is a corporation, the instrument appointing a proxy must be executed under seal or the hand of its duly authorised officer or attorney.

## B. Notes for Shareholders in the Philippines:

1. Proceedings of the AGM in Singapore will be made available to Shareholders in the Philippines via a videoconference facility at the 1st Floor, JY Campos Centre, 9th Avenue corner 30th Street, Bonifacio Global City, Taguig City, Metro Manila Philippines.
2. While electronic poll voting is not available to Shareholders in the Philippines who are unable to attend the AGM in Singapore, they will still be able to vote by manual poll voting in Manila. However, Shareholders in the Philippines who wish to attend the AGM in Singapore will be able to participate in the electronic poll voting. To facilitate registration, please bring a valid government-issued ID.
3. Shareholders in the Philippines who wish to vote but cannot attend either the AGM in Singapore or the videoconference in the Philippines may still do so by appointing a proxy to attend the meeting in Singapore or in Manila. He/she must complete the enclosed proxy form and submit the same on or **before 26 August 2019 at 10.00 a.m.** to the Company's Philippine Stock Transfer Agent, BDO Unibank Inc — Trust and Investments Group, at its office address at the Securities Services and Corporate Agencies Department, 15th Floor South Tower, BDO Corporate Centre, 7899 Makati Avenue, Makati City, 0726 Philippines, for the attention of Ms Carla B Salonga.
4. Only Shareholders at record date at the close of business on 26 August 2019<sup>2</sup> are entitled to attend and vote at the AGM.
5. Shareholders in the Philippines may also be entitled to appoint not more than two (2) proxies to attend in his/her stead. A proxy need not be a Member or Shareholder of the Company.
6. Validation of proxies shall be held on **27 August 2019 at 12.00 p.m.** at the office of the Company's Philippine Stock Transfer Agent, BDO Unibank Inc — Trust and Investments Group.

### **Personal data privacy:**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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<sup>2</sup> Since 26 August 2019 is a regular holiday in the Philippines, the cut-off date for Philippine Shareholders will be as of end of business of 23 August 2019.