

Del Monte Pacific Limited and its Subsidiaries

Unaudited Interim Condensed Consolidated
Financial Statements
As at 31 January 2025
and for the Periods Ended 31 January 2025 and 2024
(With Comparative Audited Consolidated Statement of
Financial Position as at 30 April 2024)

Del Monte Pacific Limited and its Subsidiaries
Unaudited Interim Condensed Consolidated Financial Statements
As at 31 January 2025 and for the three-month and nine-month periods ended 31 January 2025 and 2024

Unaudited Interim Consolidated Statements of Financial Position
(With Comparative Audited Figures as at 30 April 2024)

	Note	As at 31 January 2025 US\$'000 (Unaudited)	As at 30 April 2024 US\$'000 (Audited)
Noncurrent assets			
Property, plant and equipment – net	6	567,351	670,344
Right-of-use assets	29	80,338	91,268
Investments in joint ventures	8	20,607	19,669
Intangible assets and goodwill	7	741,653	746,807
Deferred tax assets – net	21	182,523	146,705
Biological assets	10	3,752	3,413
Pension assets		7,008	7,800
Other noncurrent assets	9	49,600	41,911
		1,652,832	1,727,917
Current assets			
Biological assets	10	45,186	48,577
Inventories	11	961,728	1,043,843
Trade and other receivables	12, 23	214,485	218,154
Prepaid expenses and other current assets	13	59,534	61,274
Cash and cash equivalents	14, 23	16,195	13,123
		1,297,128	1,384,971
Noncurrent assets held for sale	6	85,329	–
		1,382,457	1,384,971
Total assets		3,035,289	3,112,888
Equity			
Share capital	27	19,449	19,449
Share premium		208,339	208,339
Retained earnings		(177,636)	(73,233)
Reserves	15	(25,774)	(24,707)
Equity attributable to owners of the Company		24,378	129,848
Non-controlling interests		116,103	123,303
Total equity		140,481	253,151
Noncurrent liabilities			
Loans and borrowings	16, 23	1,588,119	1,377,315
Lease liabilities	29	64,428	70,949
Employee benefits		18,239	15,778
Deferred tax liabilities – net	21	14,341	11,473
Other noncurrent liabilities	17	36,590	38,877
		1,721,717	1,514,392
Current liabilities			
Loans and borrowings	16, 23	693,173	918,728
Lease liabilities	29	17,404	20,470
Employee benefits		20,799	23,889
Trade and other current liabilities	19, 23	440,218	380,918
Current tax liabilities		1,497	1,330
		1,173,091	1,345,345
Total liabilities		2,894,808	2,859,737
Total equity and liabilities		3,035,289	3,112,888

Unaudited Interim Consolidated Statements of Income

	Note	Three months ended		Nine months ended	
		31 January		31 January	
		2025	2024	2025	2024
		US\$'000	US\$'000	US\$'000	US\$'000
Revenue	4, 21	662,994	646,662	1,893,885	1,830,476
Cost of sales		(547,131)	(530,042)	(1,552,949)	(1,470,044)
Gross profit		115,863	116,620	340,936	360,432
Distribution and selling expenses		(53,833)	(57,540)	(164,279)	(168,711)
General and administrative expenses	26	(40,464)	(35,364)	(104,909)	(95,766)
Other income (expense) – net		699	(908)	(37)	(2,624)
Results from operating activities		22,265	22,808	71,711	93,331
Finance income	32	(3,071)	(1,879)	571	3,443
Finance expense	32	(67,293)	(52,759)	(191,773)	(146,049)
Net finance expense		(70,364)	(54,638)	(191,202)	(142,606)
Share in net loss of joint ventures		(672)	(561)	(957)	(905)
Profit (loss) before taxation		(48,771)	(32,391)	(120,448)	(50,180)
Tax expense – current	22	(4,392)	(4,557)	(12,409)	(9,502)
Tax benefit (expense) – deferred	22	14,463	7,833	33,417	10,934
	22	10,071	3,276	21,008	1,432
Profit (loss) for the period		(38,700)	(29,115)	(99,440)	(48,748)
Profit (loss) attributable to:					
Non-controlling interest		(2,796)	(107)	(7,205)	1,833
Owners of the Company		(35,904)	(29,008)	(92,235)	(50,581)
		(38,700)	(29,115)	(99,440)	(48,748)
Earnings (loss) per share					
Basic earnings (loss) per share (U.S. cents)	28	(1.85)	(1.75)	(4.74)	(2.60)
Diluted earnings (loss) per share (U.S. cents)	28	(1.85)	(1.75)	(4.74)	(2.60)

Unaudited Interim Consolidated Statements of Comprehensive Income

	Three months ended		Nine months ended	
	31 January		31 January	
	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000
Profit (loss) for the period	(38,700)	(29,115)	(99,440)	(48,748)
Other comprehensive income (loss)				
Items that will not be reclassified subsequently to profit or loss				
Share in remeasurement of retirement plans	–	(18)	(319)	(36)
Tax impact on share in remeasurement of retirement plans	(1)	3	48	6
	(1)	(15)	(271)	(30)
Items that may be reclassified subsequently to profit or loss				
Share in currency translation differences	(186)	1,329	(923)	(3,358)
Share in effective portion of changes in fair value of cash flow hedges of a subsidiary	(91)	(5,962)	(536)	4,840
Tax impact on share in cash flow hedges	24	1,491	135	(1,210)
	(253)	(3,142)	(1,324)	272
Other comprehensive income (loss) for the period, net of tax	(254)	(3,157)	(1,595)	242
Total comprehensive income (loss) for the period	(38,954)	(32,272)	(101,035)	(48,506)
Total comprehensive income (loss) attributable to:				
Owners of the Company	(35,630)	(32,060)	(93,302)	(50,177)
Non-controlling interests	(2,791)	(212)	(7,200)	1,671
	(38,421)	(32,272)	(100,502)	(48,506)

Unaudited Interim Consolidated Statements of Changes in Equity
Nine months ended 31 January 2025 and 2024

	<----- Attributable to owners of the Company ----->											
	Share capital	Share premium	Translation reserve	Revaluation reserve	Remeasurement of retirement plans	Hedging reserve	Share option reserve	Reserve for own shares	Retained earnings	Total	Non-controlling interests	Total equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
	(Note 27)	(Note 27)										
Fiscal Year 2025												
At 1 May 2024	19,449	208,339	(111,968)	29,354	52,302	5,891	–	(286)	(73,233)	129,848	123,303	253,151
Total comprehensive income (loss) for the period												
Loss for the period (Note 29)	–	–	–	–	–	–	–	–	(92,235)	(92,235)	(7,205)	(99,440)
Other comprehensive income (loss)												
Currency translation differences	–	–	(1,005)	–	–	–	–	–	–	(1,005)	82	(923)
Remeasurement of retirement plans	–	–	–	–	(60)	–	–	–	–	(60)	–	(60)
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	(2)	–	–	–	(2)	(77)	(79)
Total other comprehensive income (loss)	–	–	(1,005)	–	(60)	(2)	–	–	–	(1,067)	5	(1,062)
Total comprehensive income (loss) for the period	–	–	(1,005)	–	(60)	(2)	–	–	(92,235)	(93,302)	(7,200)	(100,502)
Transactions with owners of the Company recognized directly in equity												
Contributions by and distributions to owners of the Company												
Payment of dividends	–	–	–	–	–	–	–	–	(12,168)	(12,168)	–	(12,168)
At 31 January 2025	19,449	208,339	(112,973)	29,354	52,242	5,889	–	(286)	(177,636)	24,378	116,103	140,481

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

Unaudited Interim Consolidated Statements of Changes in Equity
Nine months ended 31 January 2025 and 2024

	<----- Attributable to owners of the Company ----->											Total equity US\$'000
	Share capital US\$'000 (Note 27)	Share premium US\$'000 (Note 27)	Translation reserve US\$'000	Revaluation reserve US\$'000	Remeasurement of retirement plans US\$'000	Hedging reserve US\$'000	Share option reserve US\$'000	Reserve for own shares US\$'000	Retained earnings US\$'000	Total US\$'000	Non-controlling interests US\$'000	
Fiscal Year 2024												
At 1 May 2023	19,449	208,339	(105,020)	29,354	46,051	1,390	–	(286)	119,540	318,817	66,941	385,758
Total comprehensive income (loss)												
Profit for the period (Note 23)	–	–	–	–	–	–	–	–	(50,581)	(50,581)	1,833	(48,748)
Other comprehensive income												
Currency translation differences	–	–	(2,950)	–	–	–	–	–	–	(2,950)	(408)	(3,358)
Remeasurement of retirement plans	–	–	–	–	(26)	–	–	–	–	(26)	(4)	(30)
Effective portion of changes in fair value of cash flow hedges	–	–	–	–	–	3,380	–	–	–	3,380	250	3,630
Total other comprehensive income (loss)	–	–	(2,950)	–	(26)	3,380	–	–	–	404	(162)	242
Total comprehensive income (loss) for the period	–	–	(2,950)	–	(26)	3,380	–	–	(50,581)	(50,177)	1,671	(48,506)
Transactions with owners of the Company recognized directly in equity												
Contributions by and distributions to owners of the Company												
Payment of dividends	–	–	–	–	–	–	–	–	(2,542)	(2,542)	(2,284)	(4,826)
"Total contributions by and distributions to owners"	–	–	–	–	–	–	–	–	(2,542)	(2,542)	(2,284)	(4,826)
At 31 January 2024	19,449	208,339	(107,970)	29,354	46,025	4,770	–	(286)	66,417	266,098	66,328	332,426

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

Unaudited Interim Consolidated Statements of Cash Flows

	Note	Nine months ended 31 January	
		2025 US\$'000	2024 US\$'000
Cash flows from operating activities			
Profit (loss) for the period		(99,440)	(48,748)
Adjustments for:			
Depreciation of property, plant and equipment	25	136,236	117,276
Amortization of right-of-use assets		23,605	22,844
Amortization of intangible assets	7, 25	5,154	5,304
Gain/(Loss) on disposal of property, plant and equipment		(1,595)	9
Share in net loss (profit) of joint ventures	4	946	905
Net loss (gain) on derivative financial instrument		2,730	(7,393)
Finance income*	32	1,138	(3,443)
Finance expense*	32	190,161	146,049
Tax expense – current	21	12,409	9,502
Tax expense – deferred	21	(33,417)	(10,934)
		<u>237,927</u>	<u>231,371</u>
Changes in:			
Other assets		(20,052)	2,599
Inventories		80,403	(193,701)
Biological assets		2,347	(4,658)
Trade and other receivables		4,300	(5,564)
Prepaid expenses and other current assets		9,787	9,064
Trade and other payables		(47,892)	77,447
Employee benefits		785	4,403
Operating cash flows		<u>267,605</u>	<u>132,089</u>
Taxes paid		(6,751)	(3,946)
Net cash flows used in operating activities		<u>260,854</u>	<u>128,143</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	6	(121,190)	(148,399)
Proceeds from disposal of property, plant and equipment		2,855	125
Interest received		2,325	5,779
Additional investment in new joint venture		(1,499)	(1,028)
Net cash flows used in investing activities		<u>(117,509)</u>	<u>(143,523)</u>

(continued on next page)

*Includes foreign exchange gains and losses

Unaudited Interim Consolidated Statements of Cash Flows (continued)

	Note	Nine months ended	
		31 January	
		2025	2024
		US\$'000	US\$'000
Cash flows from financing activities			
Proceeds from borrowings		2,261,866	3,677,621
Repayment of borrowings		(2,158,028)	(3,486,067)
Interest paid		(146,237)	(138,084)
Payments of lease liabilities		(26,922)	(22,411)
Dividends paid		(12,168)	(4,826)
Payment of debt related costs		(59,069)	(3,552)
Net cash flows provided by (used in) financing activities		(140,558)	22,681
Net decrease in cash and cash equivalents			
Cash and cash equivalents at beginning of period		2,787	7,301
Effect of exchange rate changes on balances held in foreign currency		13,123	19,836
		285	(3,000)
Cash and cash equivalents at end of period	14	16,195	24,137

Selected Notes to the Unaudited Interim Condensed Consolidated Financial Statements

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

1. Domicile and activities

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

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

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

The immediate holding company is NutriAsia Pacific Limited (“NAPL”), and the indirect shareholders of which are NutriAsia Inc. (“NAI”) and Well Grounded Limited (“WGL”), which at 31 January 2025 and 30 April 2024, each held 57.8% and 42.2% interests in NAPL, respectively, through their intermediary company, NutriAsia Holdings Limited. NAPL, NAI and WGL were incorporated in the British Virgin Islands. The ultimate holding company is HSBC International Trustee Limited.

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

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

The consolidated financial statements of the Group as at and for the periods ended 31 January 2025 and 2024 comprise the Company and its subsidiaries (together referred to as the “Group”, and individually as “Group entities”), and the Group’s interests in joint ventures.

2. Basis of preparation

2.1 Statement of compliance

The accompanying unaudited interim condensed consolidated financial statements as at 31 January 2025 and for the nine months ended 31 January 2025 and 2024 have been prepared in accordance with International Accounting Standard (“IAS”) 34, *Interim Financial Reporting*. The unaudited interim condensed consolidated financial statements do not include all of the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the 2024 annual audited consolidated financial statements, comprising the consolidated statements of financial position as at 30 April 2024 and 2023 and the consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the years ended 30 April 2024, 2023, and 2022.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

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

2.4 Use of estimates and judgements

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

Judgements

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

- Note 7 – Assessment of the appropriateness of the indefinite useful lives of certain intangible assets
- Note 8 – Determination of joint control and the type of joint arrangement
- Note 30 – Determination of lease term of contracts with renewal option

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. There are no changes in significant judgment and estimate since 30 April 2024.

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

- Note 5 – Useful lives of property, plant and equipment, revaluation of freehold land, estimate of harvest for bearer plant's depreciation
- Note 6 – Obligation to purchase excess shares or sell shortfall shares
- Note 6 – Fair value of derivative liability on the call option
- Note 6 – Recoverability of investments in subsidiaries
- Note 7 – Recoverability of investments in joint ventures
- Note 8 – Impairment of goodwill and intangible assets
- Note 8 – Useful lives of intangible assets
- Note 9 – Recognition of deferred tax assets
- Note 11 – Fair value of harvested agricultural produce
- Note 11 – Future tonnage of harvests
- Note 11 – Fair value of unharvested agricultural produce
- Note 12 – Allowance for inventory obsolescence and net realizable value
- Note 13 – Impairment of trade and nontrade receivables
- Note 20 – Measurement of employee benefit obligations
- Note 20 – Actuarial estimates and assumptions used
- Note 22 – Estimation of trade promotion accruals
- Note 23 – Determination of incremental borrowing rate for lease liabilities
- Note 27 – Measurement of income tax
- Note 34 – Determination of fair values
- Note 36 – Contingencies

2.5 Going concern

The Group had working capital as of 31 January 2025 amounting to US\$209.4 million (30 April 2024: US\$39.6 million). This was an improvement against the negative working capital of US\$224.0 million as at 31 January 2024.

Management believes that the Company will be able to pay or refinance its liabilities as and when they fall due. Accordingly, the use of going concern assumption is appropriate considering the following:

The Group continues to find new sources of funding to improve cash management:

1. The Group has new proposals from reputed financial institutions for new long-term loans.
2. The Group continues to get incremental short-term lines from partner banks for meeting its short-term obligations that will provide sufficient working capital financing for it to meet its objectives and future financial obligations.
3. Despite incurring higher losses, the Group's cash inflow from operations in the first nine months was US\$260.9 million, an improvement versus last year's cash inflow of US\$114.1 million. This was mainly driven by the reduction in inventory from both DMFI and DMPI. Lower inventories from DMFI are mainly driven by lower production particularly for fruits, vegetable and tomato, as planned, while DMPI is driven by improved usage control and managed deliveries of inventories. Lowering inventory and improving working capital is the key priority in FY2024 and FY2025.

4. The Group remains focused on its strategic priorities to drive long-term growth and profitability. Gross margin for DMPL ex-DMFI has improved by 400 bps versus last year. DMFI's margin improved from 10.5% in the first quarter to 12.6% in the third quarter. Key priority is DMFI across the following areas:
 - (i) Surplus inventory reduction - DMFI has achieved a 25% year-on-year or a US\$291 million reduction in inventory at the end of the third quarter, with further reductions planned over the coming quarters. This brought total inventory reduction for the Group to US\$312 million.
 - (ii) Consolidation of underutilized assets – DMFC is reducing its U.S. manufacturing footprint to lower costs and improve margins in FY2026 and FY2027. DMFC has closed its Hanford plant.
 - (iii) Comprehensive Cost Reduction: Streamlining SG&A, warehousing, distribution and operational costs through a new organizational structure and supply chain established in FY2025.
5. DMFI will continue to expand its newer businesses as well as the foodservice and e-commerce channels, while maintaining its leading market share in the Del Monte Vegetable business.
6. The Company had continued to receive dividend payments from its subsidiaries and expects the same in the next 12 months.

3. Significant accounting policies

Changes in Accounting Policies and Disclosures

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's 2024 annual consolidated financial statements, except for the adoption of the following amendments effective beginning 1 May 2024, which did not have any significant impact on the Group's financial position or performance, unless otherwise indicated:

Effective beginning on or after 1 May 2024

- Amendments to IFRS 16, *Lease liability in a Sale and Leaseback*. The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained. The amendments are effective for annual reporting beginning on or after 1 January 2024 and must be applied retrospectively. Earlier adoption is permitted and that fact must be disclosed. The amendments do not have a material impact on the Group.
- Amendments to IAS 7 and IFRS 7, *Supplier Finance Arrangements*. The amendments clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The transition rules clarify that an entity is not required to provide the disclosures in any interim periods in the year of initial application of the amendments. Thus, the amendments had no impact on the Group's interim condensed consolidated financial statements.

4. Operating segments

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

Geographical segments

Americas

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

Asia Pacific

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

Europe

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

Product segments

Meals and Meal Enhancers

The meals and meal enhancers segment includes sales and profit of a) packaged pineapples which are mainly used to enhance the flavor of different dishes, and b) products that are added to other ingredients to prepare a meal, such as packaged vegetables, tomato-based products such as ketchup, tomato sauce, pasta sauce, recipe sauce, pizza sauce, pasta, broth and stock, and condiments under five brands, namely Del Monte, S&W, College Inn, Contadina and Kitchen Basics. Key products under this segment are packaged beans, packaged corn, broth and stock sold in the United States as well as canned pineapple and tomato-based products sold in the United States and Asia Pacific. This segment includes the FLAME segment of DMFHL.

Snacking and Desserts

The snacking and desserts segment includes sales and profit of packaged fruits, including frozen, under the Del Monte, S&W, Joyba and Today's brands. This also includes the product innovations in the Philippines in the biscuits category and the Joyba beverages in the United States. This segment includes the Healthy Snacking of DMFHL.

Beverage

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

Premium Fresh fruit

Fresh fruit and others include sales and profit of S&W branded fresh pineapples in Asia Pacific and buyer's label or non-branded fresh pineapples in Asia,

Others

Includes all sales and profit of non-branded products, excluding fresh pineapples, and the "Beyond Retail" segment of DMFHL. This includes buyer's labels, that are packaged in different formats such as can, plastic cup, pouch and aseptic bag. This also includes sales of cattle in the Philippines. The cattle operation helps in the disposal of pineapple pulp, a residue of pineapple processing which is fed to the animals.

Information about reportable segments

	Americas		Asia Pacific		Europe		Total	
	Three months ended		Three months ended		Three months ended		Three months ended	
	31 January		31 January		31 January		31 January	
	2025	2024	2025	2024	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Revenue								
Meals and Meal Enhancers	246,471	235,801	60,028	58,255	1,032	598	307,531	294,654
Snacking and Desserts	109,247	120,499	30,346	29,257	151	87	139,744	149,843
Premium Fresh Fruit	–	–	45,566	35,141	–	–	45,566	35,141
Beverages	2,883	2,077	34,430	34,700	420	282	37,733	37,059
Others	108,502	111,451	13,974	11,704	9,944	6,810	132,420	129,965
Total	467,103	469,828	184,344	169,057	11,547	7,777	662,994	646,662
Operating Income	(7,338)	3,878	36,137	29,420	1,525	(1,465)	30,324	31,833
Unallocated G&A							(8,759)	(8,117)
Other Income (Expense)							700	(908)
Operating Income - Group Level	(7,338)	3,878	36,127	29,420	1,525	(1,465)	22,265	22,808
Other information								
Capital expenditure	5,708	12,696	41,070	40,530	–	–	46,778	53,226

Del Monte Pacific Limited and its Subsidiaries
Unaudited Interim Condensed Consolidated Financial Statements
As at 31 January 2025 and for the three-month and nine-month periods ended 31 January 2025 and 2024

	Americas		Asia Pacific		Europe		Total	
	Nine months ended		Nine months ended		Nine months ended		Nine months ended	
	31 January		31 January		31 January		31 January	
	2025	2024	2025	2024	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Revenue								
Meals and Meal Enhancers	674,254	658,229	172,977	168,768	2,961	2,165	850,192	829,162
Snacking and Desserts	317,950	350,734	74,782	66,826	333	147	393,065	417,707
Premium Fresh Fruit	-	-	143,521	107,171	-	-	143,521	107,171
Beverages	7,921	6,094	104,185	98,720	1,496	1,130	113,602	105,944
Others	311,572	312,612	43,113	35,370	38,820	22,510	393,505	370,492
Total	1,311,697	1,327,669	538,578	476,855	43,610	25,952	1,893,885	1,830,476
Operating Income	(13,531)	40,651	103,102	76,999	4,748	(405)	94,319	116,413
Unallocated G&A							(22,572)	(20,458)
Other Income (Expense)							(36)	(2,624)
Operating Income - Group Level	(13,531)	40,651	103,102	76,999	4,748	(405)	71,711	93,331
Other information								
Capital expenditure	9,522	34,837	111,668	113,562	-	-	121,190	148,399

Major customer

Revenues from a major customer of the Americas segment for the three months and nine months ended 31 January 2025 amounted to US\$61.5 million (31 January 2024: US\$174.7 million) and US\$394.5 million (31 January 2024: US\$521.0 million) representing 13.2% (31 January 2024: 37.2%) and 30.1% (31 January 2024: 39.2%) of the total Americas segment's net revenue, respectively.

5. Seasonality of operations

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

The Group operates 9 production facilities in the USA, Mexico, and the Philippines as at 31 January 2025 (2024: 9). Fruit plants are located in California and Washington in the U.S. and in the Philippines. Most of its vegetable plants are located in the U.S. Midwest and its tomato plant is located in California.

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

6. Property, plant and equipment

	<----- At cost ----->				At appraised value	
	Buildings, land improvements and leasehold improvements US\$'000	Machineries and equipment US\$'000	Construction-in-progress US\$'000	Bearer Plants US\$'000	Freehold land US\$'000	Total US\$'000
Group						
Cost/Valuation						
At 1 May 2024	246,280	714,220	32,715	414,679	82,276	1,490,170
Additions	2,239	1,488	17,250	74,368	–	95,345
Disposals	(551)	(7,020)	–	–	(1,158)	(8,729)
Write off - closed fields	–	–	–	(66,273)	–	(66,273)
Reclassification to assets held for sale	–	(172,341)	–	–	–	(172,341)
Reclassifications from CIP	3,784	20,003	(23,787)	–	–	–
Currency realignment	(1,134)	(3,329)	(267)	45,450	(281)	40,439
At 31 January 2025	<u>250,618</u>	<u>553,021</u>	<u>25,911</u>	<u>468,224</u>	<u>80,837</u>	<u>1,378,611</u>
At 1 May 2023	240,665	623,245	92,749	371,560	82,999	1,411,218
Additions	2,903	4,068	57,835	129,301	–	194,107
Disposals	(1,736)	(14,375)	(62)	–	–	(16,173)
Write off - closed fields	–	–	–	(68,818)	–	(68,818)
Reclassifications from CIP	6,896	109,583	(116,479)	–	–	–
Currency realignment	(2,448)	(8,301)	(1,328)	(17,364)	(723)	(30,164)
At 30 April 2024	<u>246,280</u>	<u>714,220</u>	<u>32,715</u>	<u>414,679</u>	<u>82,276</u>	<u>1,490,170</u>
Accumulated depreciation and impairment losses						
At 1 May 2024	132,961	467,577	–	210,752	8,536	819,826
Charge for the period	8,836	29,609	–	98,005	–	136,450
Write off – closed fields	–	–	–	(66,273)	–	(66,273)
Reclassification to assets held for sale	–	(87,059)	–	–	–	(87,059)
Disposals	(352)	(6,744)	–	–	–	(7,096)
Currency realignment	(610)	(2,597)	–	18,619	–	15,412
At 31 January 2025	<u>140,835</u>	<u>400,786</u>	<u>–</u>	<u>261,103</u>	<u>8,536</u>	<u>811,260</u>
At 1 May 2023	125,580	446,159	–	171,952	8,536	752,227
Charge for the year	10,739	38,306	–	118,677	–	167,722
Write off - closed fields	–	–	–	(68,818)	–	(68,818)
Disposals	(1,319)	(9,360)	–	–	–	(10,679)
Currency realignment	(2,039)	(7,528)	–	(11,059)	–	(20,626)
At 30 April 2024	<u>132,961</u>	<u>467,577</u>	<u>–</u>	<u>210,752</u>	<u>8,536</u>	<u>819,826</u>
Carrying amounts						
At 31 January 2025	<u>109,783</u>	<u>152,235</u>	<u>25,911</u>	<u>207,121</u>	<u>72,301</u>	<u>567,351</u>
At 30 April 2024	<u>113,319</u>	<u>246,643</u>	<u>32,715</u>	<u>203,927</u>	<u>73,740</u>	<u>670,344</u>

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

The Group has property, plant and equipment (“PPE”) acquisitions of US\$2.7 million as of 31 January 2025 (30 April 2024: US\$2.3 million) that are unpaid as at year-end and included under “Accrued operating expenses” in “Trade and other current liabilities”.

Arising from the disposal of certain PPE are US\$0.8 million that remains due as of 31 January 2025 (30 April 2024: US\$0.6 million) and is recorded under “Nontrade receivable” in “Trade and other receivables”.

Noncurrent assets held for sale

The Group announced on 27 February 2024 its intention to close its Toppenish, Washington and Markesan, Wisconsin plants to discontinue summer pack season at both sites.

Under the plant closures, approximately 359 employees were terminated as of 31 January 2025. During the nine months ended 31 January 2025, the Group recognized provisions for employee severance benefits amounting to US\$2.9 million, with US\$1.6 million outstanding as of 30 January 2025. The employee severance benefits are presented under “Employee benefits”.

In connection with the plant closures, in 2024, several assets were sold resulting in a gain of US\$1.0 million recognized in “Other income (expenses) – net” in the income statement of the Group. The remaining unsold assets amounting to US\$23.8 million, with US\$7.1 million of which have been reclassified out of PPE to assets held for sale.

The Group classifies noncurrent assets as held-for-sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. The criteria are reviewed periodically if still met, otherwise revert back to property, plant and equipment.

7. Intangible assets and goodwill

	Goodwill US\$'000	Indefinite life trademarks US\$'000	Amortizable trademarks US\$'000	Customer relationship and others US\$'000	Total US\$'000
Cost					
At 1 May 2024					
31 January 2025	203,432	472,363	24,180	115,441	815,416
At 1 May 2023					
30 April 2024	203,432	472,363	24,180	115,441	815,416
Accumulated amortization					
At 1 May 2024	–	–	13,381	55,228	68,609
Amortization	–	–	825	4,329	5,154
At 31 January 2025	–	–	14,206	59,557	73,763
At 1 May 2023	–	–	12,119	49,456	61,575
Amortization	–	–	1,262	5,772	7,034
At 30 April 2024	–	–	13,381	55,228	68,609
Carrying amounts					
At 31 January 2025	203,432	472,363	9,974	55,884	741,653
At 30 April 2024	203,432	472,363	10,799	60,213	746,807

Amortization expense amounted to US\$5.2 million for the nine months ended 31 January 2025 (31 January 2024: US\$5.3 million)

Goodwill

From the acquisition date until fiscal year 2023, goodwill is attributable to DMFI as a single CGU. In fiscal year 2025, the management of DMFI revisited the operating segment identification in terms of how DMFI manages the US business and has identified three reportable operating segments and hence the CGUs were aligned with new operating segments in accordance with IAS 36, Impairment of Assets. Goodwill attributable between three CGUs as at 30 January 2025 and 30 April 2024 are as follows:

	Healthy Snacking	Flavor and Meal Enhancers	Beyond Retail	Total
	US\$'000	US\$'000	US\$'000	US\$'000
Goodwill	43,810	117,145	42,477	203,432

DMFI and its subsidiaries operates in three reportable segments which reflect the internal organizational and management structure according to the nature of the products and services provided, namely:

- **Healthy snacking:** Products that offer health-conscious choices such as canned fruit, plastic fruit cup, Joyba beverage, chilled fruit cup. These products are sold in the retail environment.
- **Flavor and meal enhancer (“FLAME”):** Products that are added to other ingredients to prepare a meal such as canned vegetables, broth, stock, and canned tomatoes. These products are sold in the retail environment.
- **Beyond retail:** Products are same as in Healthy snacking and FLAME segments, however, they are packaged and sold to non-retail markets, e.g., institutions such as schools, hospitals, government bodies, and food service establishments. The Group also provides co-manufacturing services under this segment.

Indefinite life trademarks

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

America trademarks

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

The “Kitchen Basics” trademark in the United States and Canada of US\$64.3 million was assessed to have an indefinite useful life.

On 3 August 2022, the Group has acquired certain assets associated with the Kitchen Basics brand of ready-to-use stock and broth from McCormick & Company for a consideration of US\$100.4 million (including transaction costs totalling US\$1.4 million). Kitchen Basics products are distributed nationally in the United States and include a range of conventional and organic stock and broth offerings.

The acquisition is consistent with DMFI's overall growth strategy, as it focuses on innovation, renovation and customization of its iconic brand portfolio. Kitchen Basics will join Del Monte's brand portfolio as DMFI expands its retail presence in the category. The assets acquired comprise intangible assets amounting to US\$72.8 million and inventories of US\$27.6 million. The purchase price (including transaction costs) is allocated based on the fair value of the assets acquired as determined by the third-party valuer.

The acquisition was treated as an asset acquisition since the acquisition did not come with any physical workforce, research and development, and management.

The Philippines trademarks

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

Indian sub-continent trademark

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

S&W trademark

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

Impairment test

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

Amortizable trademarks and customer relationships

	Net Carrying amount		Remaining amortization period (years)	
	31 January	30 April	31 January	30 April
	2025	2024	2025	2024
	US\$'000	US\$'000		
America Contadina trademark	9,972	10,799	9.1	9.8

America trademarks

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

Customer relationships and others

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

	Net carrying amount		Remaining amortization period (years)	
	31 January	30 April	31 January	30 April
	2025	2024	2025	2024
	US\$'000	US\$'000		
Customer relationships – CP	48,499	52,512	9.1	9.8
Customer relationships – Kitchen Basics	7,385	7,701	17.5	18.5
	55,884	60,213		

Source of estimation uncertainty

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

8. Investments in joint ventures

Name of joint venture	Principal activities	Place of Incorporation and Business	Effective Equity Held by the Group	
			As at 31 Jan 2025	As at 30 Apr 2024
			%	%
Del Monte Foods Private Limited (DMFPL) *	Production and sale of fresh and processed fruits and vegetable food products	India	36.52	47.76
Nice Fruit Hong Kong Limited (NFHKL)	Production and sale of frozen fruits and vegetable food products	Hong Kong	35.00	35.00
Del Monte - Vinamilk Dairy Philippines, Inc. (DVDPI)	Distribution of milk and dairy products	Philippines	43.50	43.50

* In May 2024, DMPL India Pte Ltd invested an additional US\$1.5 million in DMPL India Limited, who invested the same in DMFPL.

On 14 November 2024, the Group announced its intention to restructure its investment in India by exchanging its shares in DMFPL for about 14% direct shareholding in Agro Tech Foods Limited (AFTL), a consumer food products company that is dual-listed on the National Stock Exchange and Bombay Stock Exchange in India. The transaction was completed on 7 February 2025.

In November 2024, the co-venturer in DMFPL invested additional INR 1.3 billion (equivalent to US\$15.4 million) in DMFPL. This allowed DMFPL to repay all of its debt and proceed with the shares exchange. This investment reduces the Group's interest in DMFPL to 36.52%.

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

	31 January 2025 US\$'000	30 April 2024 US\$'000
Assets		
Current assets	23,948	23,624
Noncurrent assets	13,703	14,564
Total assets	<u>37,651</u>	<u>38,188</u>
Liabilities		
Current liabilities	(15,705)	(16,462)
Noncurrent liabilities	–	(17,706)
Total liabilities	<u>(15,705)</u>	<u>(34,178)</u>
Net assets (liabilities)	<u>21,946</u>	<u>4,020</u>
	31 January 2025 US\$'000	30 April 2024 US\$'000
Results		
Revenue	55,223	66,036
Profit (loss) from continuing operations	(342)	(248)
Total comprehensive profit (loss)	<u>(342)</u>	<u>(248)</u>

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	31 January 2025 US\$'000	30 April 2024 US\$'000
Carrying amount of interest in DMFPL at beginning of the period	17,414	17,538
Capital injection during the year	1,499	–
Group's share of:		
- Profit (loss) from continuing operations	(171)	(124)
- Other comprehensive income	–	–
Total comprehensive profit (loss)	(171)	(124)
Carrying amount of interest at end of the period/year	18,742	17,414

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

	31 January 2025 US\$'000	30 April 2024 US\$'000
Carrying amount of interest in NFHKL at beginning of the period/year	2,255	2,623
Group's share of:		
- Loss from continuing operations	(390)	(368)
- Other comprehensive income	–	–
Total comprehensive loss	(390)	(368)
Carrying amount of interest at end of the period/year	2,251	2,255

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

	31 January 2025 US\$'000	30 April 2024 US\$'000
Carrying amount of interest in DVDPI at beginning of the period/year	–	–
Investment during the year	–	1,028
Reclassification from receivables (to payables)	395	(458)
Group's share of:		
- Loss from continuing operations	(395)	(570)
Total comprehensive loss	(395)	(570)
Carrying amount of interest at end of the period/year	–	–

Share in losses exceeding the carrying amount of investment are not recognized. Unrecognized accumulated share in losses of DVDPI amounted to US\$1.0 million as at 31 January 2025 (30 April 2024: US\$0.6 million).

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

	31 January 2025	30 April 2024
	US\$'000	US\$'000
Group's interest in joint ventures		
DMFPL	18,742	17,414
NFHKL	1,865	2,255
DVDPI	–	–
Carrying amount of investment in joint ventures	20,607	19,669

Determination of Joint Control and the Type of Joint Arrangement

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

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

- (a) the structure of the joint arrangement.
- (b) when the joint arrangement is structured through a separate vehicle:
 - i. the legal form of the separate vehicle;
 - ii. the terms of the contractual arrangement; and
 - iii. when relevant, other facts and circumstances.

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

Source of Estimation Uncertainty

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

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

9. Other noncurrent assets

	31 January	30 April
	2025	2024
	US\$'000	US\$'000
Advance rentals and deposits	23,083	17,828
Investment in unquoted equity share	11,577	11,665
Excess insurance	6,517	5,917
Advances to suppliers	5,670	3,793
Receivable from sale and leaseback	2,357	2,389
Lease receivable	55	–
Others	341	319
	49,600	41,911

Advance rentals and deposits consist of rent payments related to lease contracts which will commence beyond one year from the reporting period, as well as security deposits made for lease contracts entered by the Group.

Included in the financial assets carried at FVOCI is an investment in unquoted equity shares held by the Company of an entity incorporated in Switzerland which was acquired through an assignment of a US\$5.0 million receivable due to a subsidiary. In fiscal year 2025, the Company invested an additional US\$5.5 million in the investee.

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

Advances to suppliers represents advance payments made on capital projects.

Receivable from sale and leaseback is the noncurrent portion of receivable relating to assets sold to DMPI Employees Agrarian Reform Beneficiaries Cooperation ("DEARBC") and subsequently leased back to the Group in 2021.

Other noncurrent assets include deferred input VAT on capital goods (property and equipment) incurred prior to 1 January 2022 that are to be amortized over its useful life or five years, whichever is shorter, and other deferred expenses expected to be amortized beyond one year from the next reporting period.

10. Biological assets

	31 January	30 April
	2025	2024
	US\$'000	US\$'000
Livestock		
At beginning of the period/year	3,413	3,007
Purchases of livestock	1,234	1,218
Sales of livestock	–	(691)
Currency realignment	(895)	(121)
At end of the period/year	3,752	3,413

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	31 January 2025	30 April 2024
	US\$'000	US\$'000
Agricultural produce		
At beginning of the period/year	16,409	16,146
Additions	11,944	14,574
Harvested	(11,464)	(13,727)
Currency realignment	(593)	(584)
At end of the period/year	<u>16,296</u>	<u>16,409</u>
Fair value gain on produce prior to harvest	28,890	32,168
At end of the period/year	<u><u>45,186</u></u>	<u><u>48,577</u></u>
	31 January 2025	30 April 2024
	US\$'000	US\$'000
Current	45,186	48,577
Noncurrent	3,752	3,413
Totals	<u><u>48,938</u></u>	<u><u>51,990</u></u>

11. Inventories

	31 January 2025	30 April 2024
	US\$'000	US\$'000
Finished goods		
- at cost	571,785	635,275
- at net realizable value	23,157	24,659
Semi-finished goods		
- at cost	241,528	257,258
- at net realizable value	17,888	10,468
Raw materials and packaging supplies		
- at cost	57,571	62,750
- at net realizable value	49,799	53,433
	<u><u>961,728</u></u>	<u><u>1,043,843</u></u>

Total cost of inventories carried at net realizable value amounted to US\$110.4 million as at 31 January 2025 (30 April 2024: U\$114.2 million).

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

	Note	31 January 2025 US\$'000	30 April 2024 US\$'000
At beginning of the period/year		25,629	12,737
Allowance (reversal of allowance) for the period/year	25	2,412	18,700
Write-off against allowance		(5,333)	(5,755)
Currency realignment		(3,187)	(53)
At end of the period/year		<u>19,521</u>	<u>25,629</u>

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

Source of estimation uncertainty

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

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

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

12. Trade and other receivables

	31 January 2025 US\$'000	30 April 2024 US\$'000
Trade receivables	182,400	192,569
Nontrade receivables	42,267	35,445
Allowance for expected credit loss – trade	(5,862)	(5,541)
Allowance for expected credit loss – nontrade	(4,320)	(4,319)
Trade and other receivables	<u>214,485</u>	<u>218,154</u>

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

	31 January 2025				
	Days past due				
	Current US'000s	0-60 days US'000s	61-120 days US'000s	Over 120 days US'000s	Total US'000s
Trade receivables	125,985	29,860	7,627	19,288	182,400
Expected credit loss rate	0.00%	0.00%	0.00%	30.39%	–
Expected credit loss	–	–	–	5,862	5,862

	30 April 2024				
	Days past due				
	Current US'000s	0-60 days US'000s	61-120 days US'000s	Over 120 days US'000s	Total US'000s
Trade receivables	139,109	30,116	7,579	15,765	192,569
Expected credit loss rate	0.00%	0.00%	0.00%	35.15%	–
Expected credit loss	–	–	–	5,541	5,541

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

Source of estimation uncertainty

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

13. Prepaid expenses and other current assets

	31 January 2025 US\$'000	30 April 2024 US\$'000
Prepaid expenses	53,270	56,437
Down payment to suppliers	6,264	3,658
Derivative asset	–	1,179
	<u>59,534</u>	<u>61,274</u>

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

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

Derivative

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

As at 31 January 2025 and 30 April 2024, the Group designated each of its derivative contracts, as a hedge of a highly probable forecasted transaction or of the variability of cash flows to be received or paid related to a recognized asset or liability (“cash flow hedge”).

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

	31 January 2025 US\$'000	30 April 2024 US\$'000
	Note	
Commodity contracts	(117)	(16)
Foreign currency forward contracts	(135)	(1,571)
Total	<u>(252)</u>	<u>(1,587)</u>
Included in:		
Prepaid expenses and other current assets	–	1,179
Trade and other current liabilities	20 (252)	(2,766)
	<u>(252)</u>	<u>(1,587)</u>

The notional amounts of the Group's commodity contracts were as follows as of 31 January 2025 and 30 April 2024:

	31 January 2025 US\$'000	30 April 2024 US\$'000
Natural gas – Metric Million British Thermal Unit (MMBTU)	–	618
Diesel (gallons)	1,120	4,358
Gas (oil barrels)	24	96

Foreign Currency

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

	31 January 2025 US\$'000	30 April 2024 US\$'000
Mexican pesos	–	278,783
United States dollar	51,000	197,000

Amounts Relating to Hedged Items

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

	31 January 2025		
	Change in value used for calculating hedge effectiveness US\$'000	Cash flow hedge reserve US\$'000	Balances remaining in the cash flow hedge reserve from hedging relationships for which hedge accounting is no longer applied US\$'000
Interest rate risk			
Variable rate instruments	3,157	6,893	–
Commodity price risk			
Inventory purchases	(3,254)	(370)	–
Foreign exchange risk			
Inventory purchases	890	(137)	–
	30 April 2024		
	Change in value used for calculating hedge effectiveness US\$'000	Cash flow hedge reserve US\$'000	Balances remaining in the cash flow hedge reserve from hedging relationships for which hedge accounting is no longer applied US\$'000
Interest rate risk			
Variable rate instruments	5,065	11,552	–
Commodity price risk			
Inventory purchases	(897)	(3,351)	–
Foreign exchange risk			
Inventory purchases	(520)	(1,735)	–

Amounts Relating to Hedging Instruments (cont'd)

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

	31 January 2025		During the first nine months of fiscal 2025				
	Notional amount	Carrying amount		Line item in the statement of financial position where the hedged instrument is included	Change in the value of hedge instrument recognized in OCI	Amount reclassified from hedging reserve to profit or loss	Line item in profit or loss affected by the reclassification
		Assets	Liabilities				
	US\$'000						
Interest rate risk							
Interest rate swaps/ cap	–	–	–	–	(3,157)	(1,579)	Net finance expense
Commodity price risk							
Commodity contracts							
Natural gas (MMBTU)	–	–	–	Derivative liabilities Current Liabilities	1,585	852	Cost of Sales
Diesel (gallons)	1,120	–	(35)	Derivative liabilities Current Liabilities	(121)	393	Cost of Sales
Gasoline (barrels)	24	–	(82)	Derivative liabilities Current Liabilities	1,790	–	Cost of Sales
Foreign exchange risk							
Foreign currency Forwards (Php)	51,000	–	(135)	Derivative liabilities Current Liabilities	(299)	–	Revenue Cost of Sales
Foreign currency Forwards (Mxn)	–	–	–	–	(591)	(354)	Cost of Sales

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	30 April 2024			During fiscal 2024			
	Notional amount	Carrying amount		Line item in the statement of financial position where the hedged instrument is included	Change in the value of hedge instrument recognized in OCI	Amount reclassified from hedging reserve to profit or loss	Line item in profit or loss affected by the reclassification
		Assets	Liabilities				
	US\$'000						
Interest rate risk							
Interest rate swaps/cap	–	–	–	–	–	(11,049)	Net finance expense
Commodity price risk							
Commodity contracts							
Natural gas (MMBTU)	618	–	(1,596)	Derivative liabilities – Current	2,796	1,858	Cost of sales
Diesel (gallons)	4,358	–	(1,455)	Prepaid and Other Current Assets	1,326	(701)	Cost of sales
Gas oil (barrels)	96	–	(502)	Prepaid and Other Current Assets	(3,225)	–	Cost of sales
Foreign exchange risk							
Foreign currency forwards (USD)	197,000	–	(2,033)	Derivative liabilities – Current	757	–	Net finance expense
Foreign currency forwards (MXN)	278,783	462	–	Prepaid and Other Current Assets	(237)	(474)	Cost of sales

Hedging Reserves

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

	Group	
	31 January 2025 US\$'000	30 April 2024 US\$'000
Balance at beginning of year	6,465	1,426
Changes in fair value:		
- Commodity risk	3,254	897
- Interest rate risk	(3,157)	(5,065)
- Foreign exchange risk	(890)	520
Amount reclassified to profit or loss		
- Commodity risk	-	(1,157)
- Interest rate risk	1,579	11,049
- Foreign exchange risk	-	474
Amount included in cost of non-financial items		
- Commodity price risk	(1,245)	-
- Foreign exchange risk	354	-
Tax movements on reserves during the year	26	(1,679)
Balance at end of year	<u>6,386</u>	<u>6,465</u>

14. Cash and cash equivalents

	31 January 2025 US\$'000	30 April 2024 US\$'000
Cash on hand	115	92
Cash in banks	16,080	12,976
Cash equivalents	-	55
Cash and cash equivalents	<u>16,195</u>	<u>13,123</u>

Certain cash in bank accounts earn interest at floating rates based on daily bank deposit rates ranging from 0.01% to 0.50% per annum for the period 31 January 2025 (30 April 2024: 0.01% to 0.50% per annum). Cash equivalents are short-term placements which are made for varying periods of up to three months depending on the immediate cash requirements of the Group and earn interest rate of 0.75% to 4.90% per annum in fiscal year 2025.

15. Reserves

	31 January 2025 US\$'000	30 April 2024 US\$'000
Translation reserve	(112,973)	(111,968)
Remeasurement of retirement plan	52,242	52,302
Revaluation reserve	29,354	29,354
Hedging reserve	5,889	5,891
Reserve for own shares	(286)	(286)
	<u>(25,774)</u>	<u>(24,707)</u>

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

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

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

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

The reserve for the Company's own shares comprises the cost of the Company's shares held by the Group. As at 31 January 2025 and 30 April 2024, the Group held 975,802 of the Company's shares.

16. Loans and borrowings

	31 January 2025 US\$'000	30 April 2024 US\$'000
Current liabilities		
Bonds	11,036	89,541
Secured bridging loan	40,000	44,938
Short-term secured loans	–	26,577
Short-term unsecured loans	488,987	477,968
Current portion of long-term secured loans	71,751	171,675
Current portion of long-term unsecured loans	81,399	108,029
	<u>693,173</u>	<u>918,728</u>
Non-current liabilities		
Bonds	–	11,158
ABL loans	321,085	465,275
Noncurrent portion of long-term secured loans	1,049,075	695,678
Noncurrent portion of long-term unsecured loans	217,959	205,204
	<u>1,588,119</u>	<u>1,377,315</u>
	<u>2,281,292</u>	<u>2,296,043</u>

16. Loans and borrowings (cont'd)

Terms and debt repayment schedule

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

Group	Currency	Nominal interest rate % p. a.	Year of maturity	31 January 2025		30 April 2024	
				Face value US\$'000	Carrying amount US\$'000	Face value US\$'000	Carrying amount US\$'000
<i>Short-term borrowings</i>							
Unsecured bank loans	PHP	(2025) 6.55% - 7.75% (2024) 6.40% - 8.45%	2024-2025	35,468	35,468	102,982	102,982
Unsecured bank loans	US\$	(2025) 5.93% -8.91% (2024) 5.70% -8.41%	2024	453,519	453,519	374,986	374,986
Secured bank loans	US\$	(2024) 7.8191%	2024	–	–	26,577	26,577
<i>Long-term borrowings</i>							
Secured bank loan under Asset-Based Lending (ABL) Credit Agreement ^[2]	US\$	(2025) ABL Base B – 10.00% SOFR 4.29% - 4.68% + Spread of 3.60% or total of 7.89% - 8.28% (2024) ABL Base B - 11% SOFR 5.32% + Spread of 3.6% or total of 8.92%	2027	351,811	321,085	472,223	465,275
Unsecured bank loans	PHP	(2025) 6.50% - 6.72% (2024) 7.25% - 7.42%	2025	163,598	162,788	175,616	174,504
Unsecured bank loans	US\$	(2025) 5.90% - 7.54% (2024) 7.08% - 8.58%	2024-2026	137,750	136,570	138,773	138,730
Unsecured bonds	US\$	3.75%	2024	–	–	90,000	89,541
Unsecured 5Y bonds	PHP	3.7563%	2025	11,065	11,036	11,216	11,158
Secured bridging loan	US\$	(2025) 7.4592% (2024) 8.1726%	2025	40,000	40,000	45,000	44,938
Secured bank loans	US\$	(2025) 7.55 % - 8.10% (2024) 8.23% - 8.81%	2025	203,500	203,137	164,500	164,421
Super Facility First Out	US\$	12.62%	2028	269,508	236,387	–	–
Super Facility Second Out	US\$	8.76% - 8,87%	2028	471,231	457,928	–	–
Super Facility Third Out	US\$	9.26%	2028	134,699	130,733	–	–
Term Loan B	US\$	(2025) 10.75% (2024) 9.6802%	2029	104,028	92,641	716,247	702,931
				2,376,177	2,281,292	2,318,120	2,296,043

16. Loans and borrowings (cont'd)

The balance of unamortized debt issuance cost follows:

	Nine months ended 31 January 2025 US\$'000	Year ended 30 April 2024 US\$'000
At beginning of the period/year	22,077	23,157
Additions	90,834	4,764
Amortization	(18,028)	(5,844)
At end of the period/year	<u>94,883</u>	<u>22,077</u>

Long Term Borrowings

Classifi- cation	Original Principal (In '000)	Outstanding Balance (In '000)	Interest Rate % p.a.	Year of Maturity	Payment Terms (e.g., annually, quarterly, etc.)	Interest paid 1 May 2024 to 31 January 2025 (In '000)
<i>Held by the Company:</i>						
Secured loan	USD 30,000	USD 24,000	7.5521%	2024	Quarterly interest payments and principal 20% in fiscal year 2025, and balance on maturity	USD 1,640
Secured bridging loan	USD 50,000	USD 40,000	7.4592%	2025	Monthly interest payment and principal 10% on February 2024, 10% on August 2024 and 80% on maturity date.	USD 2,690
Secured loan	USD 45,000	USD 40,500	7.7961%	2025	Quarterly interest payment and principal 5% on April 2023, 5% on April 2024 and 90% on maturity date.	USD 2,662
Unsecured loan	USD 30,000	USD 24,000	7.54%	2025	Quarterly interest payment and principal 20% on four equal semi-annual instalments starting October 2022 and 80% on maturity date.	USD 1,571
Unsecured loan	USD 75,000	USD 63,750	5.8971%	2027	Quarterly interest payment and principal on six equal quarterly instalments beginning September 2026.	USD 3,046

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Classifi- cation	Original Principal (In '000)	Outstanding Balance (In '000)	Interest Rate % p.a.	Year of Maturity	Payment Terms (e.g., annually, quarterly, etc.)	Interest paid 1 May 2024 to 31 January 2025 (In '000)
<i>Held by the Company:</i>						
Unsecured loan	USD 50,000	USD 50,000	5.8605%	2026	Quarterly interest payment; and principal on eight quarterly instalments starting February 2025	USD 2,491
Secured loan	USD 100,000	USD 99,000	8.0962%	2027	Monthly interest payments and principal 5% on five equal instalments and 95% on maturity date.	USD 6,445
Secured loan	USD 40,000	USD 40,000	7.6784%	2026	Quarterly interest payments and principal on maturity date.	Nil (New loan in December 2024)
<i>Held by the DMPI:</i>						
Unsecured bonds	PHP 645,900	PHP 645,900	5Y 3.7563%	2025	Quarterly interest payments and principal on maturity date	PHP 14,912
Unsecured loan	PHP 5,800,000	PHP 5,800,000	6.6756%	2028	Quarterly interest payment; and principal on thirteen quarterly instalments starting October 2025	PHP 314,972
Unsecured loan	PHP 3,000,000	PHP 3,000,000	6.50%	2028	Quarterly interest payment; and principal on twelve quarterly instalments starting January 2026	PHP 162,917
Unsecured loan	PHP 1,500,000	PHP 750,000	6.7181%	2025	Quarterly interest payment; and principal on eight quarterly instalments starting February 2024	PHP 59,384

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Classifi- cation	Original Principal (In ‘000)	Outstanding Balance (In ‘000)	Interest Rate % p.a.	Year of Maturity	Payment Terms (e.g., annually, quarterly, etc.)	Interest paid 1 May 2024 to 31 January 2025 (In ‘000)
<i>Held by the DMFI:</i>						
Secured loan	USD269,508	USD269,508	12.62%	2028	Quarterly interest payments and principal on maturity date.	USD11,771
Secured loan	USD471,231	USD471,231	8.76%- 8.87%	2028	Quarterly interest payments and principal on maturity date.	USD15,300
Secured loan	USD134,699	USD134,699	9.26%	2028	Quarterly interest payments and principal on maturity date.	USD 3,902
Secured loan	USD 105,800	USD104,028	10.75%	2029	Monthly interest payments and quarterly instalment payments of US\$1.5 million in January 2023 and US\$1.8 million beginning May 2023 and balance on maturity date	USD 23,973
ABL	USD 750,000	USD351,811	7.89%- 8.28%	2027	No fixed terms	USD 30,662

ABL Credit Agreement

On 2 July 2024, Del Monte Foods Holdings Limited (“DMFHL”) and Del Monte Foods, Inc. (“DMFI”) entered into an agreement with revolving lenders, First In Last Out (“FILO”) Lenders and JP Morgan Bank Chase (“Administrative Bank”) to amend the DMFI ABL Credit Agreement dated 15 May 2020 to establish a temporary FILO Commitment. The amendment established a FILO facility for US\$125 million and an Escrow facility for US\$115 million. Release of monies from the Escrow facility was contingent upon DMFI’s transferring substantially all of its assets, through two newly established intermediate subsidiaries, to a third newly established subsidiary, Del Monte Foods Corporation II Inc. (“DMFC”). Such transfers were subsequently completed, and as a result, DMFC is an indirect subsidiary of DMFI. DMFI, DMFC and DMFC’s subsidiaries accounted for 100% of the consolidated revenues and net earnings of DMFHL. DMFC was formed on 5 July 2024 and began operations on 2 August 2024.

On 2 August 2024, DMFI dropped its assets down to DMFC. In addition, DMFC entered into a new ABL Facility with a borrowing capacity of US\$750 million and a new Super Priority Credit and Guaranty Agreement (“Super Facility”). The Super Facility is comprised of four tranches: a. Super Facility First-Out b. Super Facility Second-Out-Tranche 1 c. Super Facility Second-Out-Tranche 2 d. Super Facility Third-Out.

Facility	Borrower	Commitment (In US\$' 000s)
ABL	DMFC II	750,000
Super Facility First-Out	DMFC II	268,800
Super Facility Second-Out - Tranche 1	DMFC II	405,262
Super Facility Second-Out - Tranche 2	DMFC II	65,969
Super Facility Third-Out	DMFC II	134,190
1st Lien Term Loan B	DMFI	105,841

As of 2 August 2024 FILO and Escrow were exchanged out for new borrowings of US\$236.4 million net of transaction costs to Super Facility First-Out. There was remaining escrow of US\$30M that was release on September 3 and exchanged into Super Facility First-Out. 1st Lien term loan B was exchanged into Super facility 2nd out and subsequent Super facility 3rd out.

Principal Payments. The term loans are due in full at their maturity date of 2 August 2028

As at 31 January 2025, there were US\$358.1 million (30 April 2024: US\$472.2 million) of ABL loans outstanding and US\$23.5 million of letters of credit issued (30 April 2024: US\$23.5 million). The net availability to DMFHL Group under the ABL Credit Agreement was US\$374.7 million as at 31 January 2025 (30 April 2024: US\$254.2 million). The weighted average interest rate was approximately 8.87% per annum on 31 January 2025 (30 April 2024: 10.82%). The ABL Credit Agreement provided for a sub limit for letters of credit and for borrowings on same day notice, referred to as “swingline loans.”

Refinancing of DMPL loans

On 15 November 2024, the Company partially settled and refinanced its US\$100 million facility with BPI, that was due to mature on the same date, by paying US\$1 million, and extending the maturity of the remaining US\$99 million for an additional period of 3 years up to 15 November 2027.

On 13 December 2024, the Company refinanced its US\$63.75 million facility with DBP, that was due to mature on the same date, for an additional period of 3 years up to 13 December 2027

On 9 December 2024, the Company refinanced its US\$90.0 million Bonds, that was due to mature on the same date, with new BDO facilities amounting to US\$40 million with maturity dates of 9 June 2026 (18 months) and US\$50 million short-term loan.

Unsecured Bank Loans

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

17. Other noncurrent liabilities

	31 January 2025	30 April 2024
	US\$'000	US\$'000
Long-term equipment financing	18,998	22,444
Workers' compensation	17,298	16,156
Accrued vendors liabilities	294	277
	36,590	38,877

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

The current portion of workers' compensation is included in "Trade and other current liabilities" in the consolidated statement of financial position (see note 19).

18. Employee Benefits

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

The DMPI Multi Employer Retirement Plan

DMPI has both funded defined benefit and defined contribution retirement plans (collectively the "Plan") which cover all of its regular employees as well as of those under DMPL - ROHQ. Contributions and costs are determined in accordance with the actuarial study made for the Plan. Annual cost is determined using the projected unit credit method. DMPI's latest actuarial valuation date was 30 April 2023. Valuations are obtained on a periodic basis.

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

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

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

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

DMPI does not expect to make contributions to the plan in fiscal year 2025.

The DMFI Plan

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

- The first part is a cash balance plan (“Part B”) which provides benefits for eligible salaried employees and provides that a participant’s benefit derives from the accumulation of monthly compensation and interest credits. Compensation credits are calculated based upon the participant’s eligible compensation and age each month. Interest credits are calculated each month by applying an interest factor to the previous month’s ending balance. Participants may elect to receive their benefit in the form of an annuity or a lump sum. Part B of the plan was frozen to new participants effective 31 December 2016, which the active participation of certain participants was grandfathered subject to meeting participation requirements.
- The second part is an arrangement which provides for grandfathered and suspended hourly participants a traditional pension benefit based upon service, final average compensation and age at termination. This plan was frozen since 31 December 1995, which the active participation of certain participants was grandfathered and the active participation of other participants was suspended.

DMFI currently meets and plans to continue to meet the minimum funding levels required under local legislation, which imposes certain consequences on DMFI’s defined benefit plan if it does not meet the minimum funding levels. DMFI has not made any contributions during the nine months ended 31 January 2025 and fiscal year 2025.

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

DMFI does not expect to make contributions to the plan in fiscal year 2025.

19. Trade and other current liabilities

	31 January 2025	30 April 2024
Note	US\$'000	US\$'000
Trade payables	232,347	223,069
Accrued operating expenses:		
Interest	29,132	14,688
Taxes and insurance	20,463	18,355
Advertising	14,545	9,971
Freight and warehousing	10,119	13,116
Professional fees	9,202	13,847
Salaries, bonuses and other employee benefits	4,084	3,875
Trade promotions	3,671	6,805
Tinplate and consigned stocks	2,201	4,482
Utilities	2,166	1,908
Miscellaneous	16,604	15,302
Accrued payroll expenses	7,240	4,804
Current portion of long-term equipment financing	4,965	5,618
Overdrafts	3,142	238
Withheld from employees (taxes and social security cost)	2,972	2,759
Contract liabilities	1,589	1,032
VAT payables	289	162
Derivative liabilities	252	2,766
Advances from customers	181	165
Other payables	75,054	37,956
	440,218	380,918

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

Other payables include the Company's payables to Aviemore Ltd, a wholly-owned subsidiary of NutriAsia Inc, and an entity under the same controlling shareholders of the Company, amounting to US\$13.7 million, including accrued interest (30 April 2024: US\$12.6 million). The amount due is unsecured, bears an interest of 7% per annum, and is payable on demand.

Other payables also include a subsidiary's payables to a minority shareholder of the Company, Bluebell Group Holdings Limited amounting to US\$19.0 million (30 April 2024: US\$19.0 million). The amount due is unsecured, interest-free and payable on demand.

Other payables also include a subsidiary's payables to NAI to US\$39.8 million (30 April 2024: US\$6.0 million). The amount due is unsecured, bears an interest of 6.55% to 7.25% per annum, and is payable on demand.

The amounts due to subsidiaries are unsecured, interest-free and payable on demand.

20. Revenue

Disaggregation of revenue is presented in Note 4.

Contract balances

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

	Note	31 January 2025 US\$'000	30 April 2024 US\$'000
Receivables, included in Trade and other receivables			
- Gross of ECL allowance	12	182,400	192,569
Contract liabilities	19	1,589	1,032

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

21. Income taxes

	Three months ended 31 January		Nine months ended 31 January	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Current tax expense				
- Current year	(4,392)	4,557	12,409	9,502
Deferred tax expense (credit)				
- Origination and reversal of temporary differences	14,463	(7,833)	(33,417)	(10,934)
	10,071	(3,276)	(21,008)	(1,432)
	Three months ended 31 January		Nine months ended 31 January	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Reconciliation of effective tax rate				
Profit (loss) before taxation	48,771	32,391	(120,448)	(50,180)
Taxation on profit at applicable tax rates	11,015	(5,627)	(28,435)	(8,425)
Final tax on dividend	-	-	1,879	2,376
Non-deductible expenses	(1,245)	1,129	4,168	3,185
Non-taxable income	1	(4)	(13)	(24)
Others	(300)	1,226	1,393	1,456
	10,071	(3,276)	(21,008)	(1,432)

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities	
	31 January 2025 US\$'000	30 April 2024 US\$'000	31 January 2025 US\$'000	30 April 2024 US\$'000
Group				
Provisions	8,234	6,532	–	–
Employee benefits	11,295	11,251	–	–
Property, plant and equipment - net	–	–	(19,559)	(19,626)
Intangible assets and goodwill	–	–	(124,553)	(115,620)
Effective portion of changes in fair value of cash flow hedges	346	–	–	(55)
Tax loss carry-forwards	168,639	151,682	–	–
Inventories	5,552	5,552	–	–
Biological assets	–	–	(1,490)	(1,597)
Interest	109,476	81,935	–	–
Undistributed profits from subsidiaries	–	–	(2,394)	–
Charitable contributions	2,606	2,606	–	–
Others	10,030	9,896	–	–
Deferred tax assets (liabilities)	316,178	269,454	(147,996)	(136,898)
Set off of tax	(133,655)	(125,425)	133,655	125,425
Deferred Taxes	182,523	144,029	(14,341)	(11,473)

	Nine months ended 31 January	
	2025 US\$'000	2024 US\$'000
Applicable tax rates		
- Philippines (non-PEZA)	25.0%	25.0%
- Philippines (PEZA)*	5.0%	5.0%
- India	31.0%	31.0%
- Singapore	17.0%	17.0%
- United States of America	25.0%	25.0%
- Mexico	30.0%	30.0%

*based on gross profit for the year

Sources of estimation uncertainty

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

22. Stock option and incentive plans

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

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

23. Accounting classification and fair values

Fair values versus carrying amounts

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

	Note	Financial assets at amortized cost US\$'000	Financial assets at FVOCI	Derivatives US\$'000	Other financial liabilities US\$'000	Total carrying amount US\$'000	Fair value US\$'000
31 January 2025							
Cash and cash equivalents	14	16,195		–	–	16,195	16,195
Trade and other receivables*	12	216,897		–	–	216,897	216,897
Financial assets carried at FVOCI			11,577			11,577	11,577
Refundable deposits**	9	1,840		–	–	1,840	1,840
		<u>234,932</u>	<u>11,577</u>	<u>–</u>	<u>–</u>	<u>246,509</u>	<u>246,509</u>
Loans and borrowings	16	–		–	2,439,317	2,439,317	2,117,828
Trade and other current liabilities***	19	–		–	434,935	434,935	434,935
Derivative liabilities	13, 19			252	–	252	252
Equipment financing	17, 19	–			23,963	23,963	23,963
		<u>–</u>	<u>–</u>	<u>252</u>	<u>2,740,190</u>	<u>2,740,442</u>	<u>2,576,978</u>

* includes noncurrent portion of receivables from sale and leaseback and lease receivables

** included under advance rentals and deposits

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

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	Note	Financial assets at amortized cost US\$'000	Financial assets at FVOCI US\$'000	Derivatives US\$'000	Other financial liabilities US\$'000	Total carrying amount US\$'000	Fair value US\$'000
30 April 2024							
Cash and cash equivalents	14	13,123	–	–	–	13,123	13,123
Trade and other receivables*	12	220,600	–	–	–	220,600	220,600
Refundable deposits**	9	1,824	–	–	–	1,824	1,824
Financial assets carried at FVOCI	9	–	11,665	–	–	11,665	11,665
Derivative assets	9,13	–	–	1,179	–	1,179	1,179
		<u>235,547</u>	<u>11,665</u>	<u>1,179</u>	<u>–</u>	<u>248,391</u>	<u>248,391</u>
Loans and borrowings	16	–	–	–	2,296,043	2,296,043	2,401,349
Trade and other current liabilities***	19	–	–	–	368,416	368,416	368,416
Derivative liabilities	13, 19	–	–	2,766	–	2,766	2,766
Equipment financing	17, 19	–	–	–	28,062	28,062	28,062
		<u>–</u>	<u>–</u>	<u>2,766</u>	<u>2,692,521</u>	<u>2,695,287</u>	<u>2,800,593</u>

* includes noncurrent portion of receivables from sale and leaseback and lease receivables

** included under advance rentals and deposits

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

24. Determination of fair values

Fair value hierarchy

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

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

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

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

		31 January 2025			
	Note	Level 1	Level 2	Level 3	Totals
Financial assets					
Financial assets carried at FVOCI	9	1,016	10,516	–	11,577
Non-financial assets					
Fair value of agricultural produce					
harvested under inventories		–	–	2,580	2,580
Fair value of growing produce	10	–	–	45,186	45,186
Freehold land	6	–	–	72,301	72,301
Financial liabilities					
Derivative liabilities	13, 19	–	252	–	252
Lease liabilities		–	–	81,832	81,832
Loans and borrowings		–	1,467,967	649,861	2,117,828
Equipment financing	17, 19	–	–	23,963	23,963
		30 April 2024			
	Note	Level 1	Level 2	Level 3	Totals
Financial assets					
Derivative assets	9,13	–	1,179	–	1,179
Financial assets carried at FVOCI	9	1,130	10,535	–	11,665
Non-financial assets					
Fair value of agricultural produce					
harvested under inventories		–	–	1,821	1,821
Fair value of growing produce	10	–	–	48,577	48,577
Freehold land	6	–	–	73,740	73,740
Financial liabilities					
Derivative liabilities	13, 19	–	2,766	–	2,766
Lease liabilities		–	–	91,419	91,419
Loans and borrowings		–	1,665,689	735,660	2,401,349
Equipment financing	17, 19	–	–	28,062	28,062

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

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

Financial instruments measured at fair value

Type	Valuation technique
Interest rate swaps/caps	Market comparison technique: The fair values are calculated using a discounted cash flow analysis based on terms of the swap contracts and the observable interest rate curve. Fair values reflect the risk of the instrument and include adjustments to take into account the credit risk of the Group and counterparty when appropriate.
Commodities contracts	Market comparison technique. The commodities are traded over-the-counter and are valued based on the Chicago Board of Trade quoted prices for similar instruments in active markets or corroborated by observable market data available from the Energy Information Administration. The values of these contracts are based on the daily settlement prices published by the exchanges on which the contracts are traded.
Financial assets carried at FVOCI (under “other noncurrent assets”)	The estimated fair value of the investment unquoted equity shares as at 31 January 2025 and 30 April 2024 is based on recent open-market transactions of the equity shares.

Financial instruments not measured at fair value

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

Other non-financial assets

Assets	Valuation technique	Significant unobservable inputs
Freehold land	<p>The fair value of freehold land is determined by external, independent property valuers, having appropriate recognized professional qualifications and recent experience in the location and category of property being valued.</p> <p>The valuation method used is sales comparison approach. This is a comparative approach that consider the sales of similar or substitute properties and related market data and establish a value estimate by involving comparison (Level 3).</p>	<p>The unobservable inputs used to determine market value are the net selling prices, sizes, property location and market values. Other factors considered to determine market value are the desirability, neighborhood, utility, terrain, and the time element involved.</p> <p>The market value per square meter ranges from US\$109.1 to US\$122.5. The market value per acre ranges from US\$5,251 to US\$104,585.</p>
Livestock (cattle)	Sales Comparison Approach: the valuation	The unobservable inputs are age,

Assets	Valuation technique	Significant unobservable inputs
for slaughter and cut meat)	model is based on selling price of livestock of similar age, weight, breed and genetic make-up (Level 3).	average weight and breed.
Harvested crops – sold as fresh fruit	The fair values of harvested crops are based on the most reliable estimate of selling prices, in both local and international markets at the point of harvest. The market price is derived from average sales price of the fresh fruit reduced by costs to sell (Level 3).	The unobservable input is the estimated pineapple selling price per ton specific for fresh products.
Harvested crops – used in processed products	The fair values of harvested crops are based on the most reliable estimate of market prices, in both local and international markets at the point of harvest. The market price is derived from average sales price of the processed product reduced by costs to sell (concentrates, pineapple beverages, sliced pineapples, etc.) and adjusted for margin associated to further processing (Level 3).	The unobservable input is the estimated pineapple selling price and gross margin per ton specific for processed products.
Unharvested crops – fruits growing on the bearer plants	The growing produce are measured at fair value from the time of maturity of the bearer plant until harvest. Management used future selling prices and gross margin of finished goods, adjusted to remove the margin associated to further processing, less future growing costs applied to the estimated volume of harvest as the basis of fair value.	<p>The unobservable inputs are expected selling price and gross margin for harvested produce while key assumptions for the fair value of produce prior to harvest include expected selling prices, gross margin, estimated tonnage of harvests and future growing costs.</p> <p>The unobservable inputs are estimated pineapple selling price and gross margin per ton for fresh and processed products, estimated volume of harvest and future growing costs.</p>

25. Profit for the period

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

	Note	Three months ended		Nine months ended	
		31 January		31 January	
		2025	2024	2025	2024
		US\$'000	US\$'000		
Provision for inventory obsolescence		1,003	1,726	2,412	10,115
Provision of allowance for ECL (trade and nontrade)		–	(2)	(10)	–
Amortization of intangible assets	7	1,718	1,768	5,154	5,304
Amortization of right-of-use assets	29	14,427	4,145	23,605	14,390
Depreciation of property, plant and equipment		44,010	38,037	136,236	117,276

26. General and administrative expenses

This account consists of the following:

	Three months ended		Nine months ended	
	31 January		31 January	
	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000
Personnel costs	19,907	18,131	52,450	46,849
Professional and contracted services	10,792	7,032	21,746	19,428
Computer costs	3,241	3,041	9,752	9,483
Facilities expense	2,196	2,331	6,687	6,794
Materials and supplies	654	992	2,160	2,729
Employee-related expenses	234	457	1,139	1,601
Travelling and business meals	221	163	691	643
Utilities	171	241	421	487
Postage and telephone	230	199	714	661
Research and development projects	200	98	374	342
Auto operating and maintenance costs	1,245	122	2,458	367
Machinery and equipment maintenance	95	78	257	234
Miscellaneous overhead	1,278	2,479	6,060	6,148
	40,464	35,364	104,909	95,766

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

27. Share capital

	31 January 2025		30 April 2024	
	No. of shares (‘000)	US\$’000	No. of shares (‘000)	US\$’000
Authorized:				
Ordinary shares of US\$0.01 each	3,000,000	30,000	3,000,000	30,000
Preference shares of US\$1.00 each	600,000	600,000	600,000	600,000
	3,600,000	630,000	3,600,000	630,000
Issued and fully paid:				
Ordinary shares of US\$0.01 each	1,944,936	19,449	1,944,936	19,449

On 7 April 2022, the Company had redeemed all of the outstanding 20,000,000 Series A-1 Preference Shares and on 15 December 2022, all of the outstanding 10,000,000 Series A-2 Preference Shares.

The redeemed preferred shares shall be cancelled but shall remain part of the Company’s authorized capital and shall be available to be reissued by resolution of the board.

Dividends

No dividends were declared to ordinary shareholders for the nine-month period ended 31 January 2025. The Group generally declares dividends based on year-end full year results. The last dividend declaration was in June 2023 based on FY2023 results and paid on 25 July 2023.

Capital management

The Board’s policy has been to maintain a sound capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group’s capital comprises its share capital, retained earnings and total reserves as presented in the statements of financial position. The Board monitors the return on capital, which the Group defines as profit or loss for the year divided by total shareholders’ equity. The Board also monitors the level of dividends paid to ordinary shareholders. Under the Company’s Articles of Association and the terms of the preference shares, the Company may declare and pay dividends on common shares provided there are adequate and available funds for dividends on preference shares which have priority over common shares

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

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

28. Earnings per share

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

	Three months ended		Nine months ended	
	31 January 2025	2024	31 January 2025	2024
Earnings per share is based on:				
Profit (loss) attributable to owners of the Company (US\$'000)	(35,904)	(29,008)	(92,235)	(50,581)
Cumulative preference share dividends (US\$'000)	–	–	–	–
	<u>(35,904)</u>	<u>(29,008)</u>	<u>(92,235)</u>	<u>(50,581)</u>
Weighted average number of ordinary shares ('000):				
Outstanding ordinary shares at 1 Nov /1 May	1,943,960	1,943,960	1,943,960	1,943,960
Effect of shares awards granted	–	–	–	–
Weighted average number of ordinary shares at end of period (basic)	<u>1,943,960</u>	<u>1,943,960</u>	<u>1,943,960</u>	<u>1,943,960</u>
Basic/diluted earnings (loss) per share (in U.S. cents)	<u>(1.85)</u>	<u>(1.49)</u>	<u>(4.74)</u>	<u>(2.60)</u>

29. Leases

Group as a lessee

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

	Buildings, land improvements and leasehold improvements	Land	Machineries and equipment	Total
	US\$'000	US\$'000	US\$'000	US\$'000
Cost/Valuation				
At 1 May 2024	150,517	65,949	43,088	259,554
Additions	9,746	5,831	–	15,577
Disposals	(3,756)	(927)	–	(4,683)
Transfers/Adjustments	(1,836)	–	–	(1,836)
Currency realignment	(554)	(894)	–	(1,448)
At 31 January 2025	<u>154,117</u>	<u>69,959</u>	<u>43,088</u>	<u>267,164</u>
At 1 May 2023	147,721	56,005	42,183	245,909
Additions	12,825	13,647	1,073	27,545
Disposals/Retirement	(5,795)	(1,674)	(168)	(7,637)
Lease termination/expiry	(2,891)	–	–	(2,891)
Currency realignment	(1,343)	(2,029)	–	(3,372)
At 30 April 2024	<u>150,517</u>	<u>65,949</u>	<u>43,088</u>	<u>259,554</u>

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	Buildings, land improvements and leasehold improvements	Land	Machineries and equipment	Total
	US\$'000	US\$'000	US\$'000	US\$'000
Accumulated amortization				
At 1 May 2024	96,167	33,004	39,115	168,286
Amortization	15,958	6,956	1,155	24,069
Disposals	(3,756)	(927)	–	(4,683)
Currency realignment	(274)	(572)	–	(846)
At 31 January 2025	108,095	38,461	40,270	186,826
At 1 May 2023	80,758	26,963	37,622	145,343
Amortization	21,848	8,942	1,661	32,451
Lease termination/expiry	(5,795)	(1,674)	(168)	(7,637)
Currency realignment	(644)	(1,227)	–	(1,871)
At 30 April 2024	96,167	33,004	39,115	168,286
Carrying amounts				
At 31 January 2025	46,022	31,498	2,818	80,338
At 30 April 2024	54,350	32,945	3,973	91,268

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

	Three months ended		Nine months ended	
	31 January		31 January	
	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000
Amortization expense of right-of-use assets	14,427	12,599	23,605	22,844
Interest expense on lease liabilities	470	642	1,977	3,058
Expenses relating to short-term leases	(350)	4,009	4,036	10,625
Variable lease payments	26	94	199	279
Total amount recognized in consolidated statement of income	14,573	17,344	29,817	36,806

Amortization expense is net of amount capitalized to inventory amounting to US\$0.5 million and US\$1.4 million for the nine months ended 31 January 2025 and 2024, respectively.

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

	31 January 2025 US\$'000	30 April 2024 US\$'000
At the beginning of period/year	91,419	100,096
Additions	13,697	25,050
Accretion of interest	4,386	6,158
Payments of principal	(25,342)	(35,464)
Payment of interest	(1,579)	(2,776)
Terminations	–	(1)
Currency realignment	(749)	(1,644)
At the end of period/year	81,832	91,419
Current	17,404	20,470
Non-current	64,428	70,949
	81,832	91,419

30. Commitments and contingencies

Purchase commitments

The Group had entered into non-cancellable agreements with growers, co-packers, packaging suppliers and other service providers with commitments generally ranging from one year to ten years, to purchase certain quantities of raw products, including fruit, vegetables, tomatoes and packaging services. As at the reporting date, the Group has commitments for future minimum payments under non-cancellable agreements at approximately US\$846 million.

Contingencies

As at 31 January 2025, the Group is involved in various legal proceedings and regulatory assessments, and management believes that these proceedings will not have a material effect on the consolidated financial statements.

The Group, in consultation with its external and internal legal and tax counsels, believe that its position on these assessments are consistent with relevant laws and believe that these proceedings will not have a material adverse effect on the consolidated financial statements. However, it is possible that future results of operations could be materially affected by changes in the estimates or the effectiveness of management's strategies relating to these proceedings. As at 31 January 2025, management has assessed that the probable cash outflow to settle these assessments is not material.

31. Related parties

Related party transactions

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

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

Category/ Transaction	Period	Amount of the transaction US\$'000	Outstanding balance – receivables/ (payables) US\$'000	Terms	Conditions
Under Common Control					
Shared IT services/share in JYCC Fit Out Project	January 2025	61	48	Due and demandable; non-interest bearing	Unsecured; no impairment
	April 2024	109	254		
Sale of apple juice concentrate/materials	January 2025	4	–	Due and demandable; non-interest bearing	Unsecured; no impairment
	April 2024	81	21		
Inventory count shortage	January 2025	–	–	Due and demandable; non-interest bearing	Unsecured; no impairment
	April 2024	38	–		
Sale of raw materials	January 2025	8	18	Due and demandable; non-interest bearing	Unsecured; no impairment
	April 2024	–	–		
Purchases	January 2025	205	(356)	Due and demandable; non-interest bearing	Unsecured; no impairment
	April 2024	338	(180)		
Security deposit	January 2025	70	(97)	Due and demandable; non-interest bearing	Unsecured; no impairment
	April 2024	–	–		
Other Related Party					
Management fees from DMPI Retirement fund	January 2025	3	–	Due and demandable; non-interest bearing	Unsecured; no impairment
	April 2024	4	(1)		
Rental to DMPI Retirement	January 2025	1,464	(65)	Due and demandable; non-interest bearing	Unsecured
	April 2024	1,915	(705)		
Rental to NAI Retirement	January 2025	517	(30)	Due and demandable; non-interest bearing	Unsecured
	April 2024	651	(232)		
Cash Advances NAI	January 2025	37,283	(39,751)	Short-term; interest bearing	Unsecured; no impairment
	April 2024	5,996	(5,996)		
Cash Advances Bluebell Holdings Ltd.	January 2025	–	(19,000)	Due and demandable; non-interest bearing	Unsecured
	April 2024	19,000	(19,000)		
Cash Advances Aviemore Ltd.	January 2025	644	(13,283)	Due and demandable; interest bearing	Unsecured
	April 2024	12,639	(12,639)		
	January 2025	40,259	(72,516)		
	April 2024	40,771	(38,478)		

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

As at 31 January 2025 and 30 April 2024, the Group has not made any provision for ECL relating to amounts owed by related parties.

32. Net Finance Expense

	Three months ended 31 January		Nine months ended 31 January	
	2025 US\$'000	2024 US\$'000	2025 US\$'000	2024 US\$'000
Finance income				
Foreign exchange gain	(3,209)	(2,078)	13	2,729
Interest income from:				
Bank deposits	17	29	89	130
Others	121	170	469	584
	<u>(3,071)</u>	<u>(1,879)</u>	<u>571</u>	<u>3,443</u>
Finance expense				
Interest expenses on:				
Bank loans	(55,276)	(59,420)	(167,788)	(148,292)
Amortization of debt issue cost, discount	(7,393)	(1,318)	(17,991)	(4,227)
Interest rate swap settlement	(1,052)	8,754	–	8,754
Leases	(1,998)	(768)	(3,109)	(2,261)
Foreign exchange loss	(1,124)	(7)	(2,885)	(23)
	<u>(67,293)</u>	<u>(52,759)</u>	<u>(191,773)</u>	<u>(146,049)</u>
Net finance expense	<u>(70,364)</u>	<u>(54,638)</u>	<u>(191,202)</u>	<u>(142,606)</u>

33. Issuance of Senior Perpetual Capital Securities of the newly incorporated subsidiary, Jubilant Year Investments Limited (“Jubilant”)

On 18 March 2024, Jubilant issued US\$70.0 million Senior Perpetual Capital Securities (“Securities”), which are guaranteed by DMPI and Philippine Packaging Management Service Corporation. The net proceeds were used by the Group to settle transactions with SEA Diner Holdings (S) Pte. Ltd. (“SEA Diner”) in the order enumerated in the “Derivative Settlement, Share Redemption and Share Sale Agreement” or “DSSSRSSA” mentioned in the succeeding paragraphs.

The Securities confer a right to receive distributions, the initial rate of which is 9.000% per annum, subject to increase upon the happening of certain events and on 18 March 2027 and every three years thereafter. Distributions are payable semi-annually in equal installments in arrears on 18 March and 18 September of each year, commencing on 18 September 2024. Jubilant or DMPI may opt to defer payment of any or all distributions under certain conditions. Distributions will accrue on each arrear of distribution for so long as the same remains outstanding.

There is no fixed redemption date for the Securities but Jubilant may, subject to applicable law, redeem them upon the happening of certain events as stated in the terms and conditions of the securities, and on 18 March 2027 and every distribution payment date thereafter

There are two covenants under the Terms and Conditions of the Securities: (a) Related Party Transaction Covenant and an (b) Undertaking in respect of other obligations.

The Related Party Transaction Covenant provides that DMPI shall procure that the aggregate amount of all outstanding balances due from related parties (such amount to be determined with reference to the semi-annual or annual consolidated financial statements of DMPI and its Subsidiaries prepared in accordance with the Philippine Financial Reporting Standard for such Test Period) as of the last day of each Test Period does not exceed US\$175.2 million. “Test Period” means each period of nine months ending on the last day of each of the second financial quarter and the fourth financial quarter of the fiscal year of DMPI. The amount of US\$75.0 million (or such amount that remains) for the purchase of inventory by DMPI from DMFI and such amounts as are incurred in connection with the transactions related to the DSSSRSSA are to be excluded in determining the aggregate amount of all outstanding balances due from related parties specified above for the relevant Test Period

DMPI has further covenanted that so long as any of the Securities remain outstanding, it will not, and will procure that none of its Subsidiaries will, enter into any agreement, undertaking, instrument or arrangement pursuant to which DMPI or any of its Subsidiaries incurs or is permitted to incur indebtedness, the terms of which include a cross-default, cross-acceleration or other similar provision whereby any default, potential default or event of default (howsoever defined in such other Indebtedness) is triggered by or is otherwise based on the default, potential default or event of default (howsoever defined in such Indebtedness) of any person other than DMPI and its Subsidiaries (including, for the avoidance of doubt, the Company).

In case of breach of any of these covenants, Jubilant will make an offer to purchase all outstanding securities at a price equal to 101% of their principal amount plus any accrued but unpaid distributions and any arrears of distribution.

Derivative Settlement, Share Redemption and Share Sale Agreement (DSSRSSA)

The Company, DMPI, Central American Resources, Inc (“CARI”) and SEA Diner entered into a DSSRSSA dated 19 February 2024 to agree to the terms of a series of transactions to be undertaken between the parties (collectively, the “Derivative Settlement, Share Redemption and Share Sale”), as described and subject to the order of priority as follows:

- (i) Firstly, payment by CARI of a settlement amount to terminate certain derivative rights (particularly in relation to a call option agreement and right to earn accretion shares) that SEA Diner has in relation to the share capital of DMPI (the “Derivative Settlement”). The total agreed amount for the Derivative Settlement was US\$29.9 million;
- (ii) Secondly, repurchase by DMPI of 68,244,984 DMPI shares from SEA Diner for US\$36.0 million; and
- (iii) Lastly, the repurchase by DMPI of additional 2,815,640 of DMPI shares owned by SEA Diner from the residual proceeds of the Perpetual Issuance amounting to US\$1.5 million which was executed on 5 June 2024.

Following completion of the Derivative Settlement and the partial Mutual Redemption (including the additional redemption described in the paragraph above), the Company (through CARI, an indirect wholly-owned subsidiary) would own 89.27% of DMPI’s total issued and outstanding shares. The number of shares that the Company (through CARI) owns in DMPI remains unchanged at 2,433,668,395 shares. SEA Diner’s residual shares in DMPI were converted into redeemable, convertible preferred shares (“New RCPS”) the terms of which shall be governed by a new agreement that replaces the Shareholders’ Agreement.

The key terms of the New RCPS include, among others:

- (1) 8.0% dividend yield per year paid quarterly, subject to DMPI’s option to elect to defer;
- (2) In the event of deferral, the applicable dividend yield per year shall step up to 12.0% and be cumulative (and compound on a quarterly basis) until such time that all the deferred
- (3) No advances (or similar transactions) or ordinary equity dividends are allowed by DMPI if there are any deferred preferred dividends that have not been paid in cash ((2) and (3) together the “Preferred Dividend Deferral Condition”);
- (4) DMPI’s gross debt shall not exceed US\$550.0 million (the “Debt Cap”) without the written approval of the New RCPS holder (applicability of this Debt Cap shall be only after 31 January 2025);
- (5) The holder of the New RCPS will have the right to request a redemption which shall be subject to DMPI’s approval (a) any time after 18 months from the issuance of the New RCPS, and (b) from 31 January 2025 onwards, if gross indebtedness to the last twelve months EBIT of DMPI exceeds 6.0x, such redemption of the New RCPS will be at the original issue price of the New RCPS plus any deferred but unpaid and accrued preferred dividends; In the event the holder of the New RCPS has requested redemption but such redemption has not been satisfied in full, the applicable dividend yield shall in respect of the redemption, at each 12-month anniversary of the redemption due date, increase by 1.0% relative to the original issue price of the New RCPS (i.e. the 8.0% yield above shall

increase to 9.0% and the 12.0% yield above shall increase to 13% if redemption is not satisfied in full within 12 months from the request), up to an increase of the applicable dividend yield by 4.0% of the original issue price of the New RCPS; In the event of a breach of the terms of the New RCPS, including (a) the incurrence of debt above the Debt Cap without consent of the New RCPS holder, and/or (b) the Preferred Dividend Deferral Condition, or a change in control, the holder of the New RCPS may, at its sole election, require DMPI to redeem the New RCPS at such amount that would result in a 12% internal rate of return on the original issue price of the New RCPS for the holder of the New RCPS;

- (6) The holder of the New RCPS has the option to elect to convert its New RCPS into ordinary shares of DMPI at a ratio of one New RCPS into one ordinary share of DMPI;
- (7) A list of reserved matters that require the approval of the new RCPS holder, including any amendment to DMPI's charter or articles, any amendment to rights or terms of any shares of DMPI or its subsidiaries, dissolution, liquidation or winding up of DMPI, the issuance of any shares of DMPI or its subsidiaries in certain circumstances, any incurrence of indebtedness where such incurrence results in breach of financial covenants by DMPI or any of its subsidiaries, any material changes in the business or DMPI, and certain related party transactions; and
- (8) Customary anti-dilution protections and information rights.

34. Subsequent Events

On 7 February 2025, the Group exchanged its shares in DMFPL for 14.4% direct shareholding in ATFL, a consumer food products company that is dual-listed on the National Stock Exchange and Bombay Stock Exchange in India. The investment will be accounted for as fair value through other comprehensive income. As of 10 March 2025, the investment in AFTL has a fair value of US\$51.6 million.

35. Other Matters

- a. There were no known trends, demands, commitments, events or uncertainties that will have a material impact on the Group's liquidity.
- b. There were no known trends, events or uncertainties that have had or that are reasonably expected to have a favorable or unfavorable impact on net sales or revenues or income from continuing operations.
- c. Other than those disclosed in other notes, there were no known events that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation and there were no changes in contingent liabilities and contingent assets since the last annual consolidated statements of financial position date
- d. There were no material off-statements of financial position transactions, arrangements, obligations (including contingent obligations), and other relationship of the Group with unconsolidated entities or other persons created during the reporting period.
- e. The effects of seasonality or cyclicity on the interim operations of the Group's businesses are explained in Note 5, Seasonality of operations.

- f. The Group's material commitments for capital expenditure projects have been approved but are still ongoing and not yet completed as of end of 31 January 2025. These consist of construction, acquisition, upgrade or repair of fixed assets needed for normal operations of the business. The said projects will be carried forward to the next quarter until its completion. The fund to be used for these projects will come from available cash, short-term loans and long-term loans.
- g. The Group is the subject of, or a party to, various suits and pending or threatened litigations. While it is not feasible to predict or determine the ultimate outcome of these matters, the Group believes that none of these legal proceedings will have a material adverse effect on its consolidated financial position.
- h. The retained earnings is restricted for the payment of dividends to the extent representing the accumulated equity in net earnings of the subsidiaries and unrealized asset revaluation reserve. The accumulated equity in net earnings of the subsidiaries is not available for dividend distribution until such time that the Company receives the dividends from the subsidiaries.