



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

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- 1. EXCHANGE OF SHARES IN DEL MONTE INDIA FOR A DIRECT STAKE IN AGRO TECH FOODS LIMITED**
 - 2. GRANT OF WAIVER OF REQUIREMENT TO SEEK SHAREHOLDERS' APPROVAL FOR THE SHARE SWAP PURSUANT TO LISTING RULE 1014(2)**
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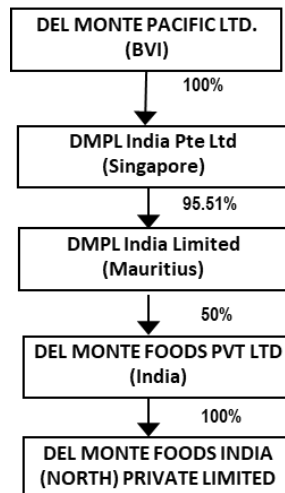
1. INTRODUCTION

The Board of Directors (the “**Board**”) of Del Monte Pacific Limited (“**DMPL**” or the “**Company**”), and collectively with its subsidiaries, the “**Group**”) is pleased to announce that DMPL India Limited (“**DMPL India Holdco**”), an indirect subsidiary of DMPL has, on 14 November 2024 entered into share swap arrangements with Agro Tech Foods Limited (“**ATFL**”) pursuant to which:

- DMPL India Holdco will transfer its ordinary shares constituting around 41% equity stake in Del Monte Foods Private Limited (“**Del Monte India**” formerly known as FieldFresh Foods Private Limited), (the “**Disposal**”) to ATFL; in consideration for which:
 - ATFL will issue to DMPL India Holdco new ordinary shares in ATFL representing about 13 to 14% of ATFL’s total enlarged issued share capital (the “**Subscription**”),
- (the Disposal and Subscription, collectively, the “**Share Swap Transaction**”).

2. OVERVIEW OF THE SHARE SWAP TRANSACTION

- 2.1 The corporate structure of the Group in respect of the Company’s shareholding in Del Monte India is as follows:



2.2 Background information on Del Monte India (formerly known as FieldFresh Foods Private Limited)

The Company had, through DMPL India Holdco, invested in Del Monte India, by way of a joint venture arrangement with the Bharti Group. Bharti Group is one of the largest conglomerates in India. DMPL had licensed its *Del Monte* trademark for use in India to Del Monte India, and the investment in Del Monte India had thereby allowed the DMPL to market some of its products under the *Del Monte* brand in India.

The principal activities of Del Monte India include the production and sale of consumer food products such as an Italian range of products, packaged fruits and vegetables, sauces, dips and spreads and beverages.

Del Monte India does not have business operations outside India but does export products to certain markets such as countries in South Asia, Southeast Asia and the Middle East. Most of Del Monte India's customers are Indian B2B customers and retail consumers.

2.3 Background information on ATFL

ATFL is a leading player in India's food and edible oils industry and holds popular consumer brands such as *ACT II* popcorn and *Sundrop* edible oil. ATFL is a dual-listed company on the National Stock Exchange ("**NSE**") and Bombay Stock Exchange ("**BSE**") in India. ATFL is engaged in the business of manufacturing, marketing and selling food and food ingredients to consumers and institutional customers.

Its business is a platform of consumer branded products with a market capitalization of about US\$274 million (approximately S\$360.47 million) and annual net sales of US\$90 million (approximately S\$118.4 million) as of ATFL's financial year end 31 March 2024. ATFL has also had a consistent dividend distribution record, consistently declaring dividends at INR3 per INR10 face value of its ordinary shares for the last several successive financial years.

3. DETAILS OF THE SHARE SWAP TRANSACTION

3.1 Pursuant to the Share Swap Transaction, the Company will transfer its ordinary shares in Del Monte India representing an effective shareholding of 41% in Del Monte India ("**Disposal Assets**") in exchange for new ordinary shares in ATFL representing approximately around 13 to 14% of ATFL's total enlarged issued share capital ("**ATFL Subscription Shares**").

3.2 Rationale

3.2.1 As part of the DMPL's restructuring efforts to streamline businesses and improve profitability, it is pursuing this opportunity to integrate Del Monte India's business into ATFL to improve Del Monte India's chances of improving its financial performance through synergies with ATFL's business and vice-versa.

3.2.2 In addition, the acquisition of the ATFL Subscription Shares would allow a direct investment into ATFL which gives the Company an opportunity to be invested in a broader business

that includes profitable product categories that have yielded shareholder returns for several years. A direct investment in a company whose ordinary shares are listed in stock exchanges means more liquidity for the Company (after a certain agreed moratorium period) and enhanced corporate governance practices and benefits.

3.2.3 As compared to Del Monte India, ATFL would be a bigger consumer packaged goods platform with a wider and deeper distribution network in India, a proven financial and operating results track record. It is therefore beneficial for DMPL to expeditiously undertake the Share Swap Transaction.

3.2.4 Relative to Del Monte India, ATFL is a platform of consumer branded products with a market capitalisation of about US\$274 million (approximately S\$360.47 million) and annual net sales of US\$90 million (approximately S\$118.4 million) as of ATFL's financial year end 31 March 2024. DMPL also wish to highlight to Shareholders that ATFL has also had a good dividend distribution record, consistently declaring dividends at INR3 per INR10 face value of its ordinary shares for the last several successive financial years and has had positive financial and operating results for the past several years.

3.2.5 In terms of synergies, ATFL has a similar business as Del Monte India and in fact, has almost exactly the same mission statement as DMPL: *Nourishing Families. Enriching Lives.* ATFL produces, markets and sells various food products under well-known brands such as *ACT II*, *Sundrop*, and *Duo*. Both businesses market and offer wholesome and premium positioned food products and their product ranges complement each other; whereas Del Monte India offers nutritious food and beverage products, ATFL has established snack and confectionary offerings. Both have spreads and dips, and edible oils which when combined provide a wider and more tempting range of flavors rather than any redundancy; for instance, Del Monte India has mayo-based spreads and dips and salad dressings while ATFL has peanut butter and choco and cocoa nut-based offerings. While Del Monte India has olive oil as part of its *Del Monte* Italian range, ATFL has *Sundrop* Superlite Advanced sunflower oil.

3.2.6 The Company will also continue licensing the *Del Monte* trademark to Del Monte India or to its successor entity within ATFL and derive royalty income from this arrangement. In terms of raw materials and ingredients which are similar, and to the extent possible, there could be potential to source from the same suppliers, thereby deriving economies of scale benefits.

DMPL could continue supplying *Del Monte* branded products to Del Monte India and conversely, ATFL could become a supplier of additional food products to the DMPL and the Group. Any sharing of best business practices would similarly be beneficial.

3.2.7 Lastly, given that the ATFL Subscription Shares are shares listed on both the NSE and BSE, the Share Swap Transaction is expected to provide the Company with liquidity in respect of the ATFL Subscription Shares (as compared to unlisted shares) and further enhance asset value from an appreciation point of view. Moreover, considering the Share Swap Transaction, the Company does not expect to make any cash payments for the ATFL Subscription Shares.

3.2.8 For the above reasons and the grounds of Waiver application (set out in paragraph 7.2 below), the Board is of the view that: (i) there has not been or there will be no material change in the risk profile and financial position of DMPL arising from the Share Swap

Transaction; (ii) the Share Swap Transaction that includes, among others, the 24-month moratorium on the ATFL Subscription Shares, is in the best interest of the Group and the Company's shareholders; and (iii) the Group and the Share Swap Transaction will comply with all relevant laws, rules and regulations.

4. MAJOR TRANSACTION UNDER CHAPTER 10 OF THE LISTING MANUAL

- 4.1 The Share Swap Transaction is subject to the requirements of Chapter 10 of the Listing Manual of the SGX-ST ("**Listing Manual**"). Based on the latest announced unaudited financial statements for the Group for the financial period ended 31 July 2024, the relative figures for the Share Swap Transaction computed on the bases set out in Rule 1006 are as follows:

Rule	Relative Computation	Size of relative figure	
		Disposal	Subscription
1006(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value. This basis is not applicable to an acquisition of assets.	8.97% ⁽¹⁾	Not Applicable
1006(b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits.	(0.15)% ⁽²⁾	(0.01)% ⁽³⁾
1006(c)	Aggregate value of consideration given, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares.	30.16% ⁽⁴⁾⁽⁶⁾	15.53% ⁽⁵⁾⁽⁶⁾
1006(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable	
1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral,	Not applicable	

	oil and gas company, but not to an acquisition of such assets. If the reserves are not directly comparable, the Exchange may permit valuations to be used instead of volume or amount.	
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Notes:

- (1) *Based on the latest unaudited financial statement for the period ended 31 July 2024, the net asset value of the Disposal Assets as at 31 July 2024 is US\$18.8 million and the Group's unaudited consolidated net asset value as at 31 July 2024 is US\$210.2 million. Accordingly, the computation is US\$18.8 million divided by US\$210.2 million.*
- (2) *Based on the latest unaudited financial statement for the period ended 31 July 2024, the net loss attributable to the Disposal Assets as at 31 July 2024 is US\$(0.07) million and the Group's unaudited net loss as at 31 July 2024 is US\$(44.1) million. Accordingly, the computation is US\$(0.07) million divided by US\$(44.1) million, and in view of the net loss positions, the relative figure will be presented in the negative.*
- (3) *Based on the latest unaudited financial statement of ATFL for the quarter ended 30 June 2024, the net profit attributable to the ATFL Subscription Shares is US\$0.003 million and the Group's unaudited net loss as at 31 July 2024 (latest announced result) is US\$(44.1) million. Accordingly, the computation is US\$0.003 million divided by US\$(44.1) million.*
- (4) *In accordance with Rule 1003(1) (read with Rule 1003(3)) of the Listing Manual, the value of consideration to be received for the Disposal of the DMFPL Shares is US\$49.3 million (being the market value represented by the ATFL Subscription Shares as at the date of this announcement). Based on the closing share price as at 14 November 2024 (being the market day preceding the date of this announcement), the share price of each ATFL Subscription Shares is ₹975.75 (approximately S\$15.55). Accordingly, the computation is S\$49.3 million divided by S\$163,292,642.*
- (5) *In accordance with Rule 1003(1) (read with Rule 1003(3)) of the Listing Manual, the value of consideration to be given for the Subscription of the ATFL Subscription Shares is S\$25.4 million (being the net asset value of DMFPL represented by the DMFPL Shares). Accordingly, the computation is S\$25.4 million divided by S\$163,292,642.*
- (6) *The Company's weighted average share price as at 14 November 2024 being the market day preceding the date of this announcement is S\$0.084.*

The market capitalisation of the Company is approximately S\$163,292,642 based on 1,943,960,024 Shares in issue as at 14 November 2024 (being the market day preceding the date of this announcement) and the weighted average share price of the Company's shares transacted on the SGX-ST on the same date of S\$0.084.

As the relative figure under Rule 1006(c) of the Listing Manual exceeds 20%, the Share Swap Transaction constitutes a “*major transaction*” for the purposes of Chapter 10 of the Listing Manual and is hence subject to shareholders' approval. The Company has obtained a waiver from SGX-ST and the details can be found in paragraph 7 below.

4.2 For the purposes of Rule 1010(5) of the Listing Manual:

(a) Book Value

In relation to Disposal, the aggregate book value of the Disposal Assets is US\$18.8 million⁽¹⁾ (approximately S\$25.4 million).

In relation to the Subscription, based on the latest closing share price of ATFL on 14 November 2024 (being the last market day prior to the date of this announcement), the aggregate value of the ATFL Subscription Shares is ₹3.09 billion (approximately S\$49.3 million).

(b) Net Tangible Asset Value

In relation to the Disposal Assets, the net tangible asset value is S\$25.4 million based on DMPL's latest announced unaudited Statement of Financial Position as at 31 July 2024.

In relation to the ATFL Subscription Shares, the net tangible asset value is S\$10.4 million based on ATFL's latest announced quarter ended 30 June 2024.

- 4.3 For the purposes of Rule 1010(6) of the Listing Manual, in respect of the Disposal, it is a share swap transaction and accordingly, there will be no excess or deficit of proceeds. In respect of the Subscription, the source of funds will not be applicable as it is a share swap transaction.
- 4.4 For the purposes of Rule 1010(7) of the Listing Manual, after deducting estimated expenses⁽²⁾ related to the Share Swap Transaction, the net gain on the Share Swap Transaction is US\$14.9 million (approximately S\$20.0 million). The net gain on the Share Swap Transaction is computed based aggregate value of ATFL Subscription Shares being US\$36.6 million (approximately S\$49.3 million), and the book value of the Disposal Assets, being US\$18.8 million⁽¹⁾ (approximately S\$25.4 million).

Notes:

- (1) Based on the DMPL's latest announced unaudited Statement of Financial Position as at 31 July 2024, the book value of the Disposal Assets, is US\$18.8 million (approximately S\$25.4 million).
- (2) The estimated expenses of the Share Swap Transaction include fees for investment bankers, legal fees as well as capital gains taxes, amounts to about US\$2.9 million (approximately S\$3.9 million).

- 4.4 For the purposes of Rule 1010(12) of the Listing Manual, there are no directors proposed to be appointed to DMPL in connection with the Share Swap Transaction.

5. FINANCIAL EFFECTS

The proforma financial effects of the Share Swap Transaction are set out below, and have been computed based on, *inter alia*, the following assumptions:

- (i) the transaction costs in connection with the Share Swap Transaction amounts to approximately US\$2.9 million (approximately S\$3.9 million); and
- (ii) the computations are based on the most recently completed financial year ended 30 April 2024.

Shareholders are to note that the assumptions are made for purposes of illustrations only.

Net Tangible Assets ("NTA")

Assuming the Share Swap Transaction had been effected as at 30 April 2024, the financial effect on the NTA is as follows:

	Before the Share Swap Transaction	After the Share Swap Transaction
NTA	S\$830,303,422	S\$810,314,816 ⁽¹⁾
No. of shares (excluding treasury shares)	1,943,960,024 ⁽²⁾	1,943,960,024 ⁽²⁾
NTA per share (Singapore cents)	S\$42.71	S\$41.68 ⁽¹⁾

Notes:

- (1) Based on the exchange rate of US\$1 = S\$1.3458 as of 14 November 2024.
- (2) Shareholders are to note that the total number of issued ordinary DMPL shares as at 30 April 2024 was 1,943,960,024.

Loss per Share ("LPS")

Assuming the Share Swap Transaction had been effected as at 1 May 2023, the financial effect on the Company's LPS for the financial year ended 30 April 2024 is as follows:

	Before the Share Swap Transaction	After the Share Swap Transaction
Net loss attributable to Shareholders	S\$173,891,491	S\$173,501,172 ⁽¹⁾⁽²⁾
Weighted average number of shares used (excluding treasury shares)	1,943,960,024 ⁽¹⁾	1,943,960,024 ⁽¹⁾⁽³⁾
Basic LPS (Singapore cents)	S\$8.94	S\$8.93 ⁽¹⁾

Notes:

- (1) Based on the exchange rate of US\$1 = S\$1.3458 as of 14 November 2024.
- (2) Assuming the transaction had been effected as at 1 May 2023, the Company will not record the loss associated with Disposal Shares during the year, amounting to US\$0.1 million (S\$0.2 million). But instead, will record a dividend income of US\$0.1 million (US\$0.2 million) from AFTL.
- (3) Shareholders are to note that the total number of issued ordinary DMPL shares on 30 April 2024 was 1,943,960,024. For purposes of the EPS computation, the weighted average number of shares excludes the outstanding DMPL share options of 745,918.

6. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS AND SERVICE CONTRACTS

- 6.1 Save for their interests in DMPL and as disclosed in this announcement, none of the Directors or controlling shareholders has any direct or indirect interest in the Share Swap Transaction; neither does any of the Directors or controlling shareholders hold any interest in ATFL and its associates nor related to any of ATFL's directors, key management and substantial shareholders.
- 6.2 No person is proposed to be appointed to the Board in connection with the Share Swap Transaction and accordingly, no service contract in relation thereto will be entered into between the Company and any such person.

7. APPLICATION TO AND WAIVER GRANTED BY THE SGX-ST

- 7.1 On 24 October 2024, DMPL had applied to SGX-ST for a waiver ("**Waiver**") of the requirement under Rule 1014(2) of the Listing Manual for DMPL to seek the approval of its shareholders in a general meeting for the Share Swap Transaction.

On 13 November 2024, considering the various reasons submitted by the Company, SGX-ST had advised that it has no objections to the DMPL's Waiver application, subject to the conditions set out in paragraph 7.2 below.

7.2 Grounds for Waiver Application

In addition to the rationale set out in paragraph 3.2 above, DMPL had sought the Waiver for the following reasons:

- (a) The Group had incurred losses in relation to its investments in Del Monte India. The Share Swap Transaction allows DMPL to optimise the value of the Disposal Assets and improve its chances of succeeding in the Indian consumer market through ATFL, which has a better performance track record and a broader platform of valuable consumer brands;
- (b) Considering the declining value of its investments in Del Monte India, DMPL believes that the Share Swap Transaction presents DMPL with an attractive transition to improve its position *vis-à-vis* the current value of its investment in Del Monte India and place itself in a position to potentially derive an upside given the market value of the ATFL Subscription Shares and ATFL's positive performance record;
- (c) the controlling shareholders of the Company, namely, NutriAsia Pacific Limited and Bluebell Group Holdings Limited, having shareholding interests of approximately 61.55% and 9.76% in the Company respectively, are both prepared to irrevocably undertake to vote in favour of the Share Swap Transaction, if an extraordinary general meeting is required;
- (d) as stated above, the Board is unanimously of the opinion that the Share Swap Transaction is in the best interests of and not prejudicial to DMPL and its Shareholders, as it will allow the Group to better rationalise its resources. In addition, the Board is of the opinion that there will be no material change in the risk profile of the Group arising from the Share Swap Transaction and the Share Swap Transaction will improve the risk profile of its investments in India and will provide an additional

revenue stream from the licensing arrangement with ATFL which will be in the best interest of the Shareholders. The Share Swap Transaction is in line with the restructuring plans of DMPL as disclosed in its earlier annual reports; and

- (e) the Share Swap Transaction is expected to result in a net gain on disposal.

7.3 Grant of Waiver and Waiver Conditions

The SGX-ST granted the requested waiver subject to the following conditions:

- (a) DMPL's disclosure of the Waiver granted, the reasons for seeking the Waiver, the conditions as required under Mainboard Listing Rule 107 and whether the Waiver conditions have been satisfied. If the Waiver conditions have not been met on the date of the announcement, DMPL must issue an update announcement when the conditions have all been met;
- (b) Announcement of the Share Swap Transaction with the relevant information required under Listing Rules 1010 and 1011;
- (c) Written confirmation from the Board via SGXNET Announcement, including the bases of its opinion, that: (i) there has been or will be no material change in the risk profile and financial position of DMPL arising from the Share Swap Transaction; (ii) the Share Swap Transaction that includes, among others, the 24 months moratorium in ATFL shares, is in the best interest of the Group and its shareholders; and (iii) the Group and the Share Swap Transaction will comply with all the relevant laws, rules and regulations; and
- (d) Submission of the irrevocable undertaking(s) from the Controlling Shareholders who collectively hold more than 50% of the total issued shares of DMPL that they would vote in favor of the Share Swap Transaction.

7.3 Pursuant to, and in connection with, the aforesaid conditions of the Waiver, DMPL hereby confirms that the conditions of the Waiver have been satisfied.

7.4 Accordingly, DMPL will not be seeking Shareholders' approval for the Share Swap Transaction.

8. **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement is a fair and true disclosure of all material facts about the Share Swap Transaction. The Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

Shareholders are advised to read this announcement in its entirety and to the extent that they may require advice in the context of this specific investment, to consult their respective professional advisers.

9. DOCUMENTS FOR INSPECTION

Copies of the Share Swap Transaction agreements are available for inspection at the Group's offices at 17 Bukit Pasoh Road, Singapore 089831 and 10/F JY Campos Centre, 9th Avenue corner 30th Street, Bonifacio Global City, Taguig City during normal business hours for three (3) months from the date of this announcement.

10. FOLLOW UP ANNOUNCEMENT(S)/ FURTHER INFORMATION

The company will make any necessary follow-up announcement as and when required a in respect of the Share Swap Transaction.

In the meantime, the Board wishes to advise Shareholders to exercise caution in their dealings in the Company's shares and to refrain from taking any action in relation thereto until they have consulted their respective financial, tax or other professional advisers.

By Order of the Board

Antonio Eugenio S. Ungson
Company Secretary

18 November 2024