



DEL MONTE PACIFIC LIMITED

Management Discussion and Analysis of Unaudited Financial Condition and Results of Operations for the First Quarter Ended 31 July 2023

For inquiries, please contact:

Iggy Sison

Tel: +632 8856 2888

isison@delmontepacific.com

Jennifer Luy

Tel: +65 6594 0980

jluy@delmontepacific.com

AUDIT

First Quarter FY2024 results covering the period from 1 May to 31 July 2023 have neither been audited nor reviewed by the Group's auditors.

ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's FY2023 annual consolidated financial statements, except for the adoption of the following amendments effective beginning 1 May 2023. Adoption of these new standards did not have any significant impact on the Group's consolidated financial statements.

- Amendments to IAS 1 and IFRS Practice Statement 2, *Disclosure of Accounting Policies*.
- Amendments to IAS 8, *Definition of Accounting Estimates*.
- Amendments to IAS 12, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*.
- IFRS 17, *Insurance Contracts*

DISCLAIMER

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

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

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

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

SIGNED UNDERTAKING FROM DIRECTORS AND EXECUTIVE OFFICERS

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

DIRECTORS' ASSURANCE

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

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

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

(Signed)
Rolando C. Gapud
Executive Chairman

(Signed)
Joselito D. Campos, Jr.
Executive Director

6 September 2023

FINANCIAL HIGHLIGHTS – FIRST QUARTER ENDED 31 JULY 2023

	For the quarter ended 31 July		
	Fiscal Year 2024	Fiscal Year 2023	% Change
<i>in US\$'000 unless otherwise stated</i> ¹			
Turnover	516,733	456,587	13.2
Gross profit	108,295	131,736	(17.8)
Gross margin (%)	21.0	28.9	(7.9)
EBITDA	51,142	70,045	(27.0)
Operating profit	26,440	50,430	(47.6)
Operating margin (%)	5.1	11.0	(5.9)
Net profit attributable to owners of the Company	(13,081)	(30,523)	57.1
Net margin (%)	(2.5)	(6.7)	4.2
EPS (US cents)	(0.67)	(1.65)	59.4
EPS before preference dividends (US cents)	(0.67)	(1.57)	57.3
Without one-off items ²			
Net profit attributable to owners of the Company	(13,081)	19,639	(166.6)
Net debt	2,299,724	1,730,152	32.9
Gearing (%) ³	599.8	416.5	183.3
Net debt to adjusted EBITDA ⁴	7.2	5.0	2.2
Cash flow from operations	53,501	6,003	791.2
Capital expenditure	46,999	43,026	9.2
Inventory (days)	248	215	33
Receivables (days)	34	36	(2)
Account Payables (days)	55	69	(14)

1 The Company's reporting currency is US dollars. For conversion to S\$, the following exchange rates can be used: 1.35 in July 2023 and 1.38 in July 2022. For conversion to PhP, these exchange rates can be used: 55.77 in July 2023 and 52.87 in July 2022.

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

3 Gearing = Net Debt / Equity

4 Adjusted EBITDA = Last twelve months without one-off items

REVIEW OF OPERATING PERFORMANCE

The Group generated sales of US\$516.7 million for the first quarter of FY2024, higher by 13.2% versus the prior year quarter driven by higher sales in the US as well as higher exports of fresh pineapples.

The Group's US subsidiary, Del Monte Foods Inc. (DMFI), achieved sales of US\$356.4 million or 69% of Group turnover. DMFI's revenues grew by 17.8% driven by pricing actions and strong development of the company's branded product portfolio in both traditional and emerging channels.

DMFI grew its leading market share positions across its core businesses of packaged vegetables, fruits, tomatoes and fruit cup snacks, with notable increases across its packaged fruit portfolio. Innovation continued to help fuel the company's growth led by the success of its new JOYBA Bubble Tea brand which was recently named by the Refrigerated and Frozen Food Awards as one of the Best New Retail Products for 2023. In addition, Del Monte's new Gut Love and Boost Me Fruit Cup Snacks were recognized as Snack Products of the Year by the 2023 Mindful Awards.

New products launched in the past three years contributed 8.7% to DMFI's total sales in the first quarter.

DMFI generated a gross profit of US\$64.7 million, lower by 17.4% versus prior year quarter's US\$78.4 million. Gross margin at 18.2% declined by 776 bps versus prior quarter's 25.9%. This was mainly driven by inflationary factors coming from sales of high cost FY2023 pack inventory. DMFI implemented a 4% price increase on July 31st and implemented a number of cost savings initiatives to restore margins in the subsequent quarters.

DMPL ex-DMFI generated sales of US\$166.9 million (inclusive of the US\$6.4 million sales by DMPL to DMFI which were netted out during consolidation) which were 3.9% lower than the US\$173.7 million sales in the prior year quarter. The higher exports sales of S&W fresh pineapples, favorable pricing across almost all segments and higher volume from the Philippine market were offset by lower sales from exports processed business.

DMPL ex-DMFI delivered a lower gross margin of 26.2% from 30.3% in the same period last year as overall pricing improvements were offset by higher product costs brought about by lower plantation yields and inflationary factors as it sells through higher cost inventory from FY2023.

Philippine sales of US\$75.9 million were 5.3% higher in peso terms but marginally flat in US dollar terms due to the peso depreciation. Sales of packaged fruit, beverage and culinary were higher behind compelling communication campaigns including Saucy Weekends campaign promoting tomato sauce, and value-for-money offers amidst a high inflationary environment. Del Monte improved its market leadership shares in all its five core categories of packaged pineapple, mixed fruit, beverage, tomato and spaghetti sauces, with notable increases in fruits behind consumption-building efforts. Foodservice and convenience store channels continued their strong performance with sales up 25.3% and 16.1%, respectively, on new accounts, outlets and menu ideas.

Fresh sales expanded strongly, up 22.9%, driven by increased sales of premium S&W Deluxe fresh pineapples as well as better pricing. S&W, along with a major distributor partner, held the first ever S&W Pineapple Festival in China covering more than 300 retail stores and 9 wholesale markets to communicate S&W's strong commitment to the Chinese market and showcase its innovative products. S&W Deluxe fresh pineapple was also launched for the first time in select retail outlets in Metro Manila. S&W Frozen Pineapple Stick for consumption as a popsicle was recently launched in 7-Eleven Taiwan. It is now available in 3,400 stores.

Sales of packaged pineapple declined mainly due to reduced shipments to USA. As a result of this, total international market sales of US\$79.7 million were lower by 6.9%.

DMPL's share in Del Monte Foods Private Limited (formerly FieldFresh), the joint venture in India, was a US\$0.1 million profit which declined from prior year quarter's share in profit of US\$0.6 million (which included a one-off miscellaneous income from the sale of its Fresh business). Overall, the India joint venture delivered solid performance with sustained growth across its B2C business and foodservice channel, as well as margin improvements from price increases and better sourcing of key raw materials.

DMFI delivered an EBITDA of US\$25.4 million, down 29.3% versus the US\$36.0 million in the prior year quarter due to margin declines from record level inflation last year. DMFI generated a net loss of US\$9.3 million, lower than prior year quarter's net loss of US\$42.2 million due to the one-off cost of US\$71.9 million or US\$50.2 million post tax and NCI for the refinancing of its high yield loans. Please refer to page 19 for the details of the one-off cost.

DMPL ex-DMFI generated an EBITDA of US\$25.9 million, lower by 21.8%, and a net profit of US\$4.4 million lower by 74.0% versus the US\$17.1 million last year mainly driven by lower margins.

The Group generated an EBITDA of US\$51.1 million which was lower versus prior year's US\$70.0 million mainly driven by unfavorable operations results from both DMFI and DMPL ex-DMFI. The Group incurred a net loss of US\$13.1 million versus prior year quarter's net loss of US\$30.5 million. On a recurring basis, the Group generated a net loss of US\$13.1 million versus a net income of US\$19.6 million last year mainly due to abovementioned factors.

The Group's net debt/adjusted EBITDA increased to 7.2x from 5.0x last year and gearing to 6.0x from 4.2x due to higher loans from the redemption of DMPL's US\$100 million Series A-2 Preference Shares in December 2022, acquisition of Kitchen Basics and higher working capital, mainly DMFI's inventory.

Although debt levels had gone up, the refinancing of the US\$300 million Preference Shares with bank loans at an average interest rate of 6.80% versus the Preference Share coupon of 10% on a step-up basis if not redeemed, saves the company about US\$10.5 million annually.

The Group's cash flow from operations in the first quarter was US\$53.5 million, higher versus last year's US\$6.0 million mainly driven by lower additions to inventories as an initiative to improve the Group's working capital and generate positive cash flow from operations.

The Group had negative working capital as at 31 July 2023 amounting to US\$132.3 million which was an improvement against the negative working capital of US\$205.3 million as at 30 April 2023.

VARIANCE FROM PROSPECT STATEMENT

Although the first quarter result is a net loss, the Group expects to achieve net profit in the remainder of its fiscal year, thus will be in line with its full year guidance of expecting a higher net profit in FY2024.

BUSINESS OUTLOOK

The global environment remains unstable with consumers being more cautious with their spending while inflation has not abated to normal levels. It is all the more imperative to offer superior brand and product value to consumers.

In the U.S., our Company will continue to accelerate its transformation into a leading, innovative consumer packaged goods company focused on building brands. As we grow our core products, we will also expand our portfolio of newer brands JOYBA in bubble tea, Take Root Organics in culinary and Kitchen Basics in stock and broth. Innovation and expanded distribution in a number of high growth channels will continue to be drivers of growth. We continue to scale up our premium MD2 fresh pineapple production in the Philippines to sustain the export growth of these products and our market leadership in North Asia.

We will remain vigilant in managing our operating expenses throughout the supply chain from production to distribution with better operational and energy efficiency, optimized packaging and reduced wastage in order to improve our margins.

The Group is embarking on a strong debt reduction program. First, it will optimally use internally generated cash for debt repayment. To achieve this, the Group is addressing the carryover high inventory levels from FY2023 by reducing the pack in the US. It also aims to improve operating performance in FY2024 which should improve margins vs. the second half of FY2023 and generate positive free cash flow. Secondly, DMPL is considering the issuance of appropriate equity instruments in order to increase its capital. Reducing leverage and interest expense is a key imperative and we are exhausting all options to strengthen our capital structure.

Barring unforeseen circumstances, the Group expects to generate a higher net profit in FY2024 especially in the second half of the fiscal year.

REVIEW OF TURNOVER, GROSS PROFIT AND OPERATING PROFIT

AMERICAS

For the quarter ended 31 July

In US\$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2024	FY2023	% Chg	FY2024	FY2023	% Chg	FY2024	FY2023	% Chg
Packaged vegetable	136,012	115,090	18.2	41,858	48,899	(14.4)	22,569	29,288	(22.9)
Packaged fruit	150,830	131,406	14.8	17,914	20,915	(14.3)	(6,266)	(1,855)	(237.8)
Beverage	17,732	11,475	54.5	1,486	4,459	(66.7)	(2,523)	1,849	(236.5)
Culinary	53,489	44,467	20.3	4,760	8,689	(45.2)	(4,358)	752	(679.5)
Others	890	901	(1.2)	(392)	(328)	(19.5)	(243)	(668)	63.6
Total	358,953	303,339	18.3	65,626	82,634	(20.6)	9,179	29,366	(68.7)

Sales in the Americas increased by 18.3% to US\$359.0 million, driven by pricing actions and strong growth and development of the company's branded product portfolio in both traditional and emerging channels. Gross profit was down 20.6%, despite higher sales, mainly due to inflationary factors coming from high-cost inventory from the FY2023 pack.

Americas reported an operating profit for the quarter of US\$9.2 million versus prior year quarter's US\$29.4 million driven by significantly eroded margins coming from record level inflation last year.

ASIA PACIFIC

For the quarter ended 31 July

In US\$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2024	FY2023	% Chg	FY2024	FY2023	% Chg	FY2024	FY2023	% Chg
Packaged vegetable	281	521	(46.1)	24	104	(76.9)	17	86	(80.2)
Packaged fruit	23,070	24,683	(6.5)	5,252	7,159	(26.6)	2,046	3,708	(44.8)
Beverage	31,235	33,149	(5.8)	7,282	10,280	(29.2)	2,788	4,930	(43.4)
Culinary	31,757	31,063	2.2	11,274	12,461	(9.5)	7,155	9,024	(20.7)
Others	62,933	56,195	12.0	17,334	16,764	3.4	4,623	1,885	145.3
Total	149,276	145,611	2.5	41,166	46,768	(12.0)	16,629	19,633	(15.3)

Asia Pacific's sales in the first quarter grew by 2.5% to US\$149.3 million from US\$145.6 million driven by higher export sales of fresh pineapples.

In the Philippines, sales increased by 0.7% in US dollar terms and by 5.3% in peso terms driven by growth across all channels.

EUROPE

For the quarter ended 31 July

In US\$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2024	FY2023	% Chg	FY2024	FY2023	% Chg	FY2024	FY2023	% Chg
Packaged fruit	7,460	4,335	72.1	1,254	1,244	0.8	460	501	(8.2)
Beverage	995	3,246	(69.3)	226	1,061	(78.7)	159	903	(82.4)
Culinary	49	56	(12.5)	23	29	(20.7)	13	27	(51.9)
Total	8,504	7,637	11.4	1,503	2,334	(35.6)	632	1,431	(55.8)

For the first quarter, Europe's sales increased by 11.4% to US\$8.5 million from US\$7.6 million on higher sales of pineapple slices and tidbits. Gross profit declined by 35.6% to US\$1.5 million, while operating income declined by 55.8% to US\$0.6 million mainly driven by higher production costs.

REVIEW OF COST OF GOODS SOLD AND OPERATING EXPENSES

% of Turnover	For the quarter ended 31 July		
	FY2024	FY2023	Explanatory Notes
Cost of Goods Sold	79.0	71.1	Higher manufacturing cost driven by inflationary factors coming from sales of high cost FY 23 Pack inventory
Distribution and Selling Expenses	9.4	10.9	Lower freight cost in DMFI and and distribution cost in DMPI, coming from high base last year
G&A Expenses	6.5	7.5	Driven by lower people cost from DMPL
Other Operating Expenses (Income)	(0.1)	(0.5)	Driven by higher miscellaneous finance charges and income from discontinued operations from DMFI last year

REVIEW OF OTHER MATERIAL CHANGES TO INCOME STATEMENTS

In US\$'000	For the quarter ended 31 July			
	FY2024	FY2023	%	Explanatory Notes
Depreciation and amortization	(50,585)	(49,828)	(1.5)	nm
Reversal/ (Provision) for inventory obsolescence	(427)	(72)	(493.1)	Mainly driven by excess supply of FNR and TIPCO and higher cannery defects
Reversal/ (Provision) for doubtful debts	(1)	-	0.0	nm
Net gain/(loss) on disposal of fixed assets	(9)	-	0.0	nm
Foreign exchange gain/(loss)- net	4,988	1,713	191.2	Driven by forex gain from ICMOSA
Interest income	205	240	(14.6)	Higher interest income last year driven by DMPI due to interest charges on unpaid warehousing fees
Interest expense	(44,031)	(94,746)	53.5	Driven by DMFI, last year's interest includes one-off redemption cost and write-off of deferred financing cost related to high yield loan refinancing
Share in net loss of JV	134	668	(79.9)	Improvement in JV margins were offset by one-off transactions from sale of Fresh business from the India Joint Venture
Taxation benefit (expense)	26	10,945	(99.8)	Lower tax benefit driven by net loss in DMFI last year due to one-off refinancing cost

REVIEW OF GROUP ASSETS AND LIABILITIES

Balance Sheet	July 2023 (Unaudited)	July 2022 (Unaudited)	April 2023 (Audited)	% Variance vs April 2023	Explanatory Notes
In US\$'000					
ASSETS					
Property, plant and equipment - net	673,976	562,872	658,991	2.3	Increase mainly due to additions to bearer plants in the Philippines and higher CIP in the US
Right-of-use (ROU) assets	96,392	115,243	100,566	(4.2)	Mainly due to amortizations on ROU assets
Investment in joint ventures	20,295	18,808	20,161	0.7	nm
Intangible assets and goodwill	752,073	686,384	753,841	(0.2)	nm
Other noncurrent assets	45,253	27,196	42,250	7.1	Higher derivative asset from interest rate swap
Deferred tax assets - net	118,734	132,483	118,060	0.6	nm
Pension assets	10,506	8,995	10,630	(1.2)	nm
Biological assets	47,387	45,560	47,859	(1.0)	nm
Inventories	1,175,599	868,256	1,076,772	9.2	Mainly driven by higher volume and higher cost of production
Trade and other receivables	210,096	198,900	231,036	(9.1)	Mainly from timing of collection of sales
Prepaid expenses and other current assets	60,878	51,360	59,667	2.0	nm
Cash and cash equivalents	23,155	24,468	19,836	16.7	Increase in cash flow from operating activities
EQUITY					
Share capital	19,449	29,449	19,449	0.0	nm
Share premium	208,339	298,339	208,339	0.0	nm
Retained earnings	103,917	76,546	119,540	(13.1)	Driven by net loss during the period
Reserves	(16,803)	(51,028)	(28,511)	41.1	Higher hedging reserve from interest rate swap
Non-controlling interest	68,523	62,095	66,941	2.4	nm
LIABILITIES					
Loans and borrowings	2,322,879	1,754,620	2,273,353	2.2	Driven by higher short term loans for working capital requirements
Lease liabilities	97,977	110,243	100,096	(2.1)	Driven by lease payments
Other noncurrent liabilities	13,273	22,565	16,826	(21.1)	Driven by lower derivative liabilities and workers' compensation from DMFI
Employee benefits	49,351	54,556	45,574	8.3	Driven by higher short-term employee benefits
Environmental remediation liabilities	-	203	-	0.0	nm
Deferred tax liabilities - net	13,018	6,762	11,630	11.9	Higher deferred tax liabilities on commodity and forex hedges
Trade and other current liabilities	352,027	371,265	304,940	15.4	Driven by DMPI due to lower local and import trade payables
Current tax liabilities	2,394	4,910	1,492	60.5	Timing of tax payment for DMPI

SHARE CAPITAL

Total shares outstanding were 1,943,960,024 (all common shares as preference shares had all been redeemed) as of 31 July 2023. Share capital was US\$19.5 million as of 31 July 2023 and 30 April 2023.

The number of shares outstanding excludes 975,802 shares held by the Company as treasury shares as at 31 July 2023 and 30 April 2023. There was no sale, disposal and cancellation of treasury shares during the quarter and as at 31 July 2023.

BORROWINGS AND NET DEBT

<i>Liquidity in US\$'000</i>	July 2023 (Unaudited)	July 2022 (Unaudited)	April 2023 (Audited)
Gross borrowings	(2,322,879)	(1,754,620)	(2,273,353)
Current	(1,234,963)	(673,974)	(1,278,876)
Secured	(581,192)	(309,479)	(645,760)
Unsecured	(653,771)	(364,495)	(633,116)
Non-current	(1,087,916)	(1,080,646)	(994,477)
Secured	(879,081)	(714,976)	(781,067)
Unsecured	(208,835)	(365,670)	(213,410)
Less: Cash and bank balances	23,155	24,468	19,836
Net debt	(2,299,724)	(1,730,152)	(2,253,517)

The Group's net debt (borrowings less cash and bank balances) amounted to US\$2.30 billion as at 31 July 2023, higher than the US\$2.25 billion as at 30 April 2023 due to increase in DMFI's working capital loans.

DIVIDENDS

No dividends were declared for this quarter and the prior year quarter. The Group does not declare dividends based on first quarter, third quarter or nine months results. The last dividend declaration was in July 2023 based on FY2023 results, and paid on 25 July 2023.

INTERESTED PERSON TRANSACTIONS

The aggregate value of IPT conducted pursuant to shareholders' mandate obtained in accordance with Chapter 9 of the Singapore Exchange's Listing Manual was as follows:

In US\$'000		Aggregate value of all IPTs (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)	
For the quarter ended 31 July	Nature of Relationship	FY2024	FY2023	FY2024	FY2023
NutriAsia, Inc	Affiliate of the Company	-	-	179	79
NutriAsia Pacific Limited	Affiliate of the Company	-	-	-	-
DMPI Retirement Fund	Retirement Fund of Subsidiary's Employees	-	-	475	441
NutriAsia, Inc Retirement Fund	Retirement Fund of Affiliate's Employees	-	-	148	154
Aggregate Value		-	-	802	674

DEL MONTE PACIFIC LIMITED
UNAUDITED CONSOLIDATED INCOME STATEMENT

<i>Amounts in US\$'000</i>	For the quarter ended 31 July		
	FY2024 (Unaudited)	FY2023 (Unaudited)	%
Turnover	516,733	456,587	13.2
Cost of sales	(408,438)	(324,851)	(25.7)
Gross profit	108,295	131,736	(17.8)
Distribution and selling expenses	(48,763)	(49,645)	1.8
General and administration expenses	(33,703)	(34,098)	1.2
Other operating income/(loss)	611	2,437	(74.9)
Profit from operations	26,440	50,430	(47.6)
Financial income*	5,237	2,323	125.4
Financial expense**	(44,075)	(95,116)	53.7
Share in net loss of joint venture	134	668	(79.9)
Profit before taxation	(12,264)	(41,695)	70.6
Taxation	26	10,945	(99.8)
Profit after taxation	(12,238)	(30,750)	60.2
Profit attributable to:			
Owners of the Company	(13,081)	(30,523)	57.1
Non-controlling interest***	843	(227)	471.4
Profit for the period	(12,238)	(30,750)	60.2
Notes:			
Depreciation and amortization	(50,585)	(49,828)	(1.5)
Reversal of (provision for) inventory obsolescence	(427)	(72)	(493.1)
Provision for doubtful debts	(1)	-	nm
Gain (loss) on disposal of fixed assets	(9)	-	nm
*Financial income comprise:			
Interest income	205	240	(14.6)
Foreign exchange gain	5,032	2,083	141.6
	5,237	2,323	125.4
**Financial expense comprise:			
Interest expense	(44,031)	(94,746)	53.5
Foreign exchange loss	(44)	(370)	88.1
	(44,075)	(95,116)	53.7

nm – not meaningful

Earnings per ordinary share in US cents	For the quarter ended 31 July	
	FY2024	FY2023
Earnings per ordinary share based on net profit attributable to shareholders:		
(i) Based on weighted average no. of ordinary shares	(0.67)	(1.65)
(ii) On a fully diluted basis	(0.67)	(1.65)

***NCI Includes: (amounts in US\$)	For the quarter ended 31 July	
	FY2024	FY2023
DMFI NCI	(638)	(2,897)
DMPI NCI	1,476	2,612
FieldFresh NCI	4	59

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

<i>Amounts in US\$'000</i>	For the quarter ended 31 July		
	FY2024 (Unaudited)	FY2023 (Unaudited)	%
Profit for the period	(12,238)	(30,750)	60.2
Other comprehensive income (after reclassification adjustment):			
<i>Items that will or may be reclassified subsequently to profit or loss</i>			
Exchange differences on translating of foreign operations	2,465	(9,796)	125.2
Effective portion of changes in fair value of cash flow hedges	13,767	35	nm
Income tax expense on cash flow hedge	(3,442)	(9)	nm
	12,790	(9,770)	230.9
<i>Items that will not be classified to profit or loss</i>			
Remeasurement of retirement benefit	(18)	32	(156.3)
Income tax expense on retirement benefit	3	(4)	175.0
	(15)	28	(153.6)
Other comprehensive income/(loss) for the period	12,775	(9,742)	231.1
Total comprehensive income for the period	537	(40,492)	101.3
Attributable to:			
Owners of the Company	(1,373)	(39,010)	96.5
Non-controlling interests	1,910	(1,482)	228.9
Total comprehensive income for the period	537	(40,492)	101.3

Please refer to page 3 for the Notes

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENT OF FINANCIAL POSITION

<i>Amounts in US\$'000</i>	Group			Company		
	July 2023 (Unaudited)	July 2022 (Unaudited)	April 2023 (Audited)	July 2023 (Unaudited)	July 2022 (Unaudited)	April 2023 (Audited)
Non-Current Assets						
Property, plant and equipment - net	673,976	562,872	658,991	-	-	-
Right-of-use (ROU) assets	96,392	115,243	100,566	128	101	77
Investment in subsidiaries	-	-	-	977,083	917,053	967,159
Investment in joint ventures	20,295	18,808	20,161	1,807	2,830	2,623
Intangible assets and goodwill	752,073	686,384	753,841	-	-	-
Other noncurrent assets	45,253	27,196	42,250	5,023	47	5,023
Deferred tax assets - net	118,734	132,483	118,060	-	24	-
Pension assets	10,506	8,995	10,630	33	-	60
Biological assets	3,154	2,645	3,007	-	-	-
	1,720,383	1,554,626	1,707,506	984,074	920,055	974,942
Current Assets						
Inventories	1,175,599	868,256	1,076,772	-	-	-
Biological assets	44,233	42,915	44,852	-	-	-
Trade and other receivables	210,096	198,900	231,036	28,414	37,898	26,406
Prepaid expenses and other current assets	60,878	51,360	59,667	22	902	94
Cash and cash equivalents	23,155	24,468	19,836	1,049	1,773	554
	1,513,961	1,185,899	1,432,163	29,485	40,573	27,054
Total Assets	3,234,344	2,740,525	3,139,669	1,013,559	960,628	1,001,996
Equity attributable to equity holders of the Company						
Share capital	19,449	29,449	19,449	19,449	29,449	19,449
Share premium	208,339	298,339	208,339	208,478	298,478	208,478
Retained earnings	103,917	76,546	119,540	103,917	76,546	119,540
Reserves	(16,803)	(51,028)	(28,511)	(16,803)	(51,028)	(28,511)
Equity attributable to owners of the Company	314,902	353,306	318,817	315,041	353,445	318,956
Non-controlling interest	68,523	62,095	66,941	-	-	-
Total Equity	383,425	415,401	385,758	315,041	353,445	318,956
Non-Current Liabilities						
Loans and borrowings	1,087,916	1,080,646	994,477	291,025	323,898	241,959
Lease liabilities	68,470	88,769	72,204	-	-	-
Other noncurrent liabilities	13,273	22,565	16,826	-	-	-
Employee benefits	21,944	24,587	21,294	-	38	-
Environmental remediation liabilities	-	203	-	-	-	-
Deferred tax liabilities - net	13,018	6,762	11,630	-	-	49
	1,204,621	1,223,532	1,116,431	291,025	323,936	242,008
Current Liabilities						
Trade and other current liabilities	352,027	371,265	304,940	90,525	39,025	116,134
Loans and borrowings	1,234,963	673,974	1,278,876	316,884	244,166	324,898
Lease liabilities	29,507	21,474	27,892	-	-	-
Current tax liabilities	2,394	4,910	1,492	84	56	-
Employee benefits	27,407	29,969	24,280	-	-	-
	1,646,298	1,101,592	1,637,480	407,493	283,247	441,032
Total Liabilities	2,850,919	2,325,124	2,753,911	698,518	607,183	683,040
Total Equity and Liabilities	3,234,344	2,740,525	3,139,669	1,013,559	960,628	1,001,996
NAV per ordinary share (US cents)	16.20	13.03	16.40	16.21	13.04	16.41
NTAV per ordinary share (US cents)	(22.49)	(22.28)	(22.38)	16.21	13.04	16.41

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENTS OF CHANGES IN EQUITY

<i>Amounts in US\$'000</i>	Share capital	Share premium	Translation reserve	Revaluation reserve	Remeasurement of retirement plan	Hedging Reserve	Reserve for own shares	Retained earnings	Totals	Non-controlling interest	Total equity
Group											
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 for the period											
Profits for the period								(13,081)	(13,081)	843	(12,238)
Other comprehensive income											
Currency translation differences recognized directly in equity	-	-	2,153	-	-	-	-	-	2,153	312	2,465
Remeasurement of retirement plan, net of tax	-	-	-	-	(13)	-	-	-	(13)	(2)	(15)
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	-	-	9,568	-	-	9,568	757	10,325
Total other comprehensive income/(loss)	-	-	2,153	-	(13)	9,568	-	-	11,708	1,067	12,775
Total comprehensive (loss)/income for the period	-	-	2,153	-	(13)	9,568	-	(13,081)	(1,373)	1,910	537
Transactions with owners recorded directly in equity											
Contributions by and distributions to owners											
Payment of Dividends	-	-	-	-	-	-	-	(2,542)	(2,542)	(328)	(2,870)
Total contributions by and distributions to owners	-	-	-	-	-	-	-	(2,542)	(2,542)	(328)	(2,870)
At 31 July 2023	19,449	208,339	(102,867)	29,354	46,038	10,958	(286)	103,917	314,902	68,523	383,425

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

<i>Amounts in US\$'000</i>	Share capital	Share premium	Translation reserve	Revaluation reserve	Remeasurement of retirement plan	Hedging Reserve	Reserve for own shares	Retained earnings	Totals	Non-controlling interest	Total equity
Group											
Fiscal Year 2023											
At 1 May 2022	29,449	298,339	(95,322)	14,278	43,752	(4,963)	(286)	140,320	425,567	69,138	494,705
Total comprehensive income for the period											
Profits for the period	-	-	-	-	-	-	-	(30,523)	(30,523)	(227)	(30,750)
Other comprehensive income											
Currency translation differences recognized directly in equity	-	-	(8,535)	-	-	-	-	-	(8,535)	(1,261)	(9,796)
Remeasurement of retirement plan, net of tax	-	-	-	-	24	-	-	-	24	4	28
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	-	-	24	-	-	24	2	26
Total other comprehensive income/(loss)	-	-	(8,535)	-	24	24	-	-	(8,487)	(1,255)	(9,742)
Total comprehensive (loss)/income for the period	-	-	(8,535)	-	24	24	-	(30,523)	(39,010)	(1,482)	(40,492)
Transactions with owners recorded directly in equity											
Contributions by and distributions to owners											
Payment of Dividends	-	-	-	-	-	-	-	(33,251)	(33,251)	(5,561)	(38,812)
Total contributions by and distributions to owners	-	-	-	-	-	-	-	(33,251)	(33,251)	(5,561)	(38,812)
At 31 July 2022	29,449	298,339	(103,857)	14,278	43,776	(4,939)	(286)	76,546	353,306	62,095	415,401

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

<i>Amounts in US\$'000</i>	Share capital	Share premium	Translation reserve	Revaluation reserve	Remeasurement of retirement plan	Hedging Reserve	Share Option reserve	Reserve for own shares	Retained earnings	Total equity
Company										
Fiscal Year 2024										
At 1 May 2023	19,449	208,478	(105,020)	29,354	46,051	1,390	-	(286)	119,540	318,956
Total comprehensive income for the period										
Profits for the period									(13,081)	(13,081)
Other comprehensive income										
Currency translation differences recognized directly in equity	-	-	2,153	-	-	-	-	-	-	2,153
Remeasurement of retirement plan, net of tax	-	-	-	-	(13)	-	-	-	-	(13)
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	-	-	9,568	-	-	-	9,568
Total other comprehensive income/(loss)	-	-	2,153	-	(13)	9,568	-	-	-	11,708
Total comprehensive (loss)/income for the period	-	-	2,153	-	(13)	9,568	-	-	(13,081)	(1,373)
Transactions with owners recorded directly in equity										
Contributions by and distributions to owners										
Payment of Dividends	-	-	-	-	-	-	-	-	(2,542)	(2,542)
Total contributions by and distributions to owners	-	-	-	-	-	-	-	-	(2,542)	(2,542)
At 31 July 2023	19,449	208,478	(102,867)	29,354	46,038	10,958	-	(286)	103,917	315,041

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

<i>Amounts in US\$'000</i>	Share capital	Share premium	Translation reserve	Revaluation reserve	Remeasurement of retirement plan	Hedging Reserve	Share Option reserve	Reserve for own shares	Retained earnings	Total equity
Company										
Fiscal Year 2023										
At 1 May 2022	29,449	298,478	(95,322)	14,278	43,752	(4,963)	-	(286)	140,320	425,706
Total comprehensive income for the period										
Profits for the period	-	-	-	-	-	-	-	-	(30,523)	(30,523)
Other comprehensive income										
Currency translation differences recognized directly in equity	-	-	(8,535)	-	-	-	-	-	-	(8,535)
Remeasurement of retirement plan, net of tax	-	-	-	-	24	-	-	-	-	24
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	-	-	-	24	-	-	-	24
Total other comprehensive income/(loss)	-	-	(8,535)	-	24	24	-	-	-	(8,487)
Total comprehensive (loss)/income for the period	-	-	(8,535)	-	24	24	-	-	(30,523)	(39,010)
Transactions with owners recorded directly in equity										
Contributions by and distributions to owners										
Payment of Dividends	-	-	-	-	-	-	-	-	(33,251)	(33,251)
Total contributions by and distributions to owners	-	-	-	-	-	-	-	-	(33,251)	(33,251)
At 31 July 2022	29,449	298,478	(103,857)	14,278	43,776	(4,939)	-	(286)	76,546	353,445

DEL MONTE PACIFIC LIMITED
UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

<i>Amounts in US\$'000</i>	For the quarter ended	
	31 July	
	FY2024 (Unaudited)	FY2023 (Unaudited)
Cash flows from operating activities		
Profit for the period	(12,238)	(30,750)
Adjustments for:		
Depreciation of property, plant and equipment	40,908	40,118
Amortization of right-of-use assets	7,909	8,047
Amortization of intangible assets	1,768	1,663
Gain on disposal of property, plant and equipment	9	-
Share in net (profit) loss of joint venture	(134)	(668)
Finance income	(5,237)	(2,323)
Finance expense	44,075	24,245
Redemption fee on Senior Secured Loans	-	44,530
Write-off of deferred financing costs	-	26,341
Tax expense - current	2,733	9,069
Tax expense (deferred)	(2,759)	(20,014)
Operating profit before working capital changes	<u>77,034</u>	<u>100,258</u>
Changes in:		
Other assets	(490)	1,557
Inventories	(95,168)	(183,083)
Biological assets	1,051	1,816
Trade and other receivables	25,048	10,548
Prepaid and other current assets	4,729	(3,350)
Trade and other payables	37,671	91,753
Employee Benefit	4,004	(7,697)
Operating cash flow	<u>53,879</u>	<u>11,802</u>
Income taxes paid	(378)	(5,799)
Net cash flows provided by operating activities	<u>53,501</u>	<u>6,003</u>
Cash flows from investing activities		
Interest received	1,554	400
Proceeds from disposal of property, plant and equipment	88	58
Purchase of property, plant and equipment	(46,999)	(43,026)
Additional investment in joint venture	-	(968)
Net cash flows used in investing activities	<u>(45,357)</u>	<u>(43,536)</u>
Cash flows from financing activities		
Interest paid	(41,116)	(45,583)
Proceeds of borrowings	1,598,103	905,969
Repayment of borrowings	(1,553,584)	(713,585)
Payments of lease liability	(7,046)	(13,550)
Dividends paid	(2,870)	(38,811)
Redemption fee on Senior Secured Loans	-	(44,530)
Payments of debt related costs	(995)	(13,915)
Net cash flows provided by (used in) financing activities	<u>(7,508)</u>	<u>35,995</u>
Net increase (decrease) in cash and cash equivalents	<u>636</u>	<u>(1,538)</u>
Cash and cash equivalents, beginning	<u>19,836</u>	<u>21,853</u>
Effect of exchange rate fluctuations on cash held in foreign currency	<u>2,683</u>	<u>4,153</u>
Cash and cash equivalents at end of period	<u>23,155</u>	<u>24,468</u>

PROFIT AND LOSS SUMMARY OF MAJOR SUBSIDIARIES

DEL MONTE FOODS HOLDINGS LIMITED AND SUBSIDIARIES UNAUDITED CONSOLIDATED INCOME STATEMENT

Amounts in US\$'000	For the quarter ended 31 July		
	FY2024 (Unaudited)	FY2023 (Unaudited)	%
Turnover	356,356	302,445	17.8
Cost of sales	(291,617)	(224,030)	(30.2)
Gross profit	64,739	78,415	(17.4)
Distribution and selling expenses	(31,113)	(29,866)	(4.2)
General and administration expenses	(25,293)	(24,708)	(2.4)
Other operating income/(loss)	655	1,490	(56.0)
Profit from operations	8,988	25,331	(64.5)
Interest income	17	10	70.0
Interest expense	(26,733)	(85,551)	68.8
Forex exchange gain (loss)	4,917	(356)	1,481.2
Profit before taxation	(12,811)	(60,566)	78.8
Taxation	2,893	15,505	(81.3)
Profit after taxation	(9,918)	(45,061)	78.0

DEL MONTE PHILIPPINES, INC. AND SUBSIDIARIES UNAUDITED CONSOLIDATED INCOME STATEMENT

	For the quarter ended 31 July					
	FY2024	FY2023	%	FY2024	FY2023	%
	(Unaudited)	(Unaudited)		(Unaudited)	(Unaudited)	
	In PHP'000			In US\$'000		
Turnover	9,052,614	8,911,107	1.6	162,320	168,548	(3.7)
Cost of sales	(6,676,138)	(6,338,025)	(5.3)	(119,708)	(119,879)	0.1
Gross profit	2,376,476	2,573,082	(7.6)	42,612	48,669	(12.4)
Distribution and selling expenses	(952,034)	(994,001)	4.2	(17,071)	(18,801)	9.2
General and administration expenses	(276,355)	(272,296)	(1.5)	(4,955)	(5,150)	3.8
Other operating loss	(90,503)	(54,598)	(65.8)	(1,623)	(1,033)	(57.1)
Profit from operations	1,057,584	1,252,187	(15.5)	18,963	23,685	(19.9)
Interest income	99,602	19,466	411.7	1,786	368	385.3
Interest expense	(392,151)	(180,160)	(117.7)	(7,032)	(3,408)	(106.3)
Forex exchange gain	3,949	101,461	(96.1)	71	1,919	(96.3)
Share in net loss of joint venture	382	-	nm	7	-	nm
Profit before taxation	769,366	1,192,954	(35.5)	13,795	22,564	(38.9)
Taxation	(105,436)	(153,272)	31.2	(1,891)	(2,899)	34.8
Profit after taxation	663,930	1,039,682	(36.1)	11,904	19,665	(39.5)

Forex translation used: 55.77 in July 2023 and 52.87 in July 2022

**DEL MONTE PHILIPPINES, INC. AND SUBSIDIARIES
OPERATING SEGMENT BY PRODUCT**

	For the quarter ended 31 July					
	FY24	FY23	% Chg	FY24	FY23	% Chg
	(In PHP'000)			(In US\$'000)		
Revenues						
Convenience Cooking and Desert	2,524,758	2,308,878	9.3	45,271	43,671	3.7
Healthy Beverages and Snacks	1,706,130	1,705,924	0.0	30,592	32,266	(5.2)
Premium Fresh Fruit	2,673,880	2,080,095	28.5	47,945	39,344	21.9
Packaged fruit and Beverages - Export	1,491,752	2,124,918	(29.8)	26,748	40,191	(33.4)
Others	31,163	21,287	46.4	558	403	38.5
Changes in fair value – PAS 41	624,931	670,005	(6.7)	11,206	12,673	(11.6)
Total	<u>9,052,614</u>	<u>8,911,107</u>	1.6	<u>162,320</u>	<u>168,548</u>	(3.7)
Gross income						
Convenience Cooking and Desert	830,353	898,483	(7.6)	14,889	16,994	(12.4)
Healthy Beverages and Snacks	395,745	525,224	(24.7)	7,096	9,934	(28.6)
Premium Fresh Fruit	1,083,748	856,340	26.6	19,432	16,197	20.0
Packaged fruit and Beverages - Export	192,132	329,392	(41.7)	3,445	6,230	(44.7)
Others	13,316	10,027	32.8	239	191	25.1
Changes in fair value - PAS 41	(138,818)	(46,384)	(199.3)	(2,489)	(877)	(183.8)
Total	<u>2,376,476</u>	<u>2,573,082</u>	(7.6)	<u>42,612</u>	<u>48,669</u>	(12.4)
		28.9%		26.3%	28.9%	
Earnings before interest and tax						
Convenience Cooking and Desert	384,987	544,402	(29.3)	6,903	10,297	(33.0)
Healthy Beverages and Snacks	89,545	213,236	(58.0)	1,606	4,033	(60.2)
Premium Fresh Fruit	668,262	467,718	42.9	11,982	8,847	35.4
Packaged fruit and Beverages - Export	49,775	169,171	(70.6)	893	3,200	(72.1)
Others	8,173	5,505	48.5	146	104	40.4
Changes in fair value - PAS 41	(138,817)	(46,384)	(199.3)	(2,489)	(877)	(183.8)
Total	<u>1,061,925</u>	<u>1,353,648</u>	(21.6)	<u>19,041</u>	<u>25,604</u>	(25.6)

Forex translation used: 55.77 in July 2023 and 52.87 in July 2022

DMPI's Product segments

Convenience Cooking and Dessert

This segment includes sales of packaged tomato-based and non-tomato-based products, such as tomato sauce and paste, spaghetti sauce, ketchup, pasta sauce, recipe sauce, pizza sauce, pasta, broth and condiments, sold under the *Del Monte* and *Contadina* brands and soy sauces under the *Kikkoman* brand as part of an exclusive distributorship arrangement for the Philippines. This category also includes packaged pineapple solids and tropical mixed fruit products sold within the Philippines under the *Del Monte*, *Fiesta* and *Today's* brands.

Healthy Beverages and Snacks

Healthy beverages which are sold in the Philippines under the *Del Monte* brand include ready-to-drink juices, fruit and vegetable juice drinks, and pineapple juice concentrate in various packaging formats, including Tetra Pak and PET. DMPI's hallmark product in the beverage segment is *100% Pineapple Juice*, including derivations thereof, such as *100% Pineapple Juice* that is enriched with additional vitamins, fiber or calcium or that is specifically developed to help manage cholesterol. In addition, the beverage segment covers juice drinks made from other fruits, vegetables, herbs and botanicals, such as *Tipco* juice, and DMPI's *Fit 'n Right* products, which are drinks fortified with green coffee extract (an antioxidant-containing supplement derived from unroasted raw coffee beans, which is believed to improve blood pressure and cholesterol levels) to help reduce sugar absorption from food and L-carnitine (a chemical compound similar to an amino acid that is produced by the body and which helps the body to metabolize fat into energy) to assist in fat metabolism.

Packaged Fruits and Beverages – Export

This segment includes packaged fruit and beverages products sold internationally.

Packaged Fruit

Packaged fruit includes sales of fruit products that are packaged in different formats such as can, plastic cup, pouch and aseptic bag, and which are sold under the *S&W* brand and the *Del Monte* brand for parties who have the license rights to *Del Monte* in other markets, as well as under the private labels of non-affiliated parties. A portion of MD2 pineapples that are not exported as fresh fruit are used to produce *Nice Fruit* frozen pineapple products and not-from concentrate juices or packaged as a premium version of DMPI's *Del Monte*-branded packaged pineapples, *Deluxe Gold*. *Deluxe Gold* products, which were launched in May 2020, are exported primarily to the United States through an affiliate.

Beverages

Beverages includes sales of *100% Pineapple Juice* and juice drinks in various flavors in can and Tetra Pak packaging and pineapple juice concentrate. In addition, this segment also covers not-from-concentrate juices. Not-from concentrate juice is prepared solely from the juice of whole pineapple at DMPI's Not-From-Concentrate juicing plant and contains no additional ingredients. DMPI produces 100% MD2 Not-From-Concentrate pineapple juice for export to certain countries within Asia for industrial use and for resale to consumers under buyer's own labels.

Premium Fresh Fruit

Premium Fresh Fruit category include sales of *S&W*-branded premium fresh pineapples in Asia Pacific and private label or non-branded MD2 and C74 fresh pineapples in Asia. DMPI's key product in the Premium Fresh Fruit segment is the MD2 pineapple variant, which is the main export product and sold under the "S&W Sweet 16" brand.

Others

The cattle operation helps in the disposal of pineapple pulp, a residue of pineapple processing which is fed to the animals. This also includes culinary products sold internationally.

DMPL ONE-OFF EXPENSES

<i>Amounts in US\$ million</i>	For the quarter ended 31 July		
	FY2024 (Unaudited)	FY2023 (Unaudited)	%
DMFI one-off expenses:			
Redemption fee	-	44.5	nm
Write-off of deferred financing costs (non cash)	-	26.3	nm
Ticking fee	-	1.0	nm
Total (pre-tax basis)	-	71.9	nm
Tax impact	-	(18.3)	nm
Non-controlling interest	-	(3.4)	nm
Total DMFI one-off expenses (post tax, post NCI basis)	-	50.2	nm