

# Del Monte Pacific Ltd.

## 2Q FY2025 Results

11 December 2024



Nourishing Families. Enriching Lives. Every Day.

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- 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.
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- Summary
- 2Q FY2025 Results  
(1 August to 31 October 2024)
- 1H FY2025 Results  
(1 May to 31 October 2024)
- Market Updates
- Sustainability
- Outlook

# HIGHLIGHTS



## Second Quarter FY2025

- Del Monte Pacific Limited (DMPL) Group sales grew by 4% to US\$694m
- Subsidiary Del Monte Philippines, Inc. (DMPI) excelled with a 20% rise in sales to US\$208m, driven by an impressive 43% growth in international sales due to robust exports of fresh and packaged pineapple, complemented by a 6% improvement in the Philippine market
- DMPI continued its outstanding performance with a noteworthy 98% increase in net profit to US\$20m
- The DMPL Group, however, incurred a net loss of US\$22m from higher costs in U.S. subsidiary Del Monte Foods, Inc. (DMFI), coupled with increased interest expense

## First Half FY2025

- DMPL Group sales grew by 4% to US\$1.2bn driven by DMPI's high 14% growth to US\$383m
- However, the Group incurred a net loss of US\$56m due to losses at DMFI partly offset by the strong 78% net profit growth of DMPI to US\$40m

# OUTLOOK



In FY2025, the Group's main priorities will be as follows:

- 1) Plans have commenced and are continuing for the selective sale of assets in the U.S. and capital raising efforts are being worked on. The Group intends to utilize the proceeds from these transactions and lower inventory levels to reduce debt in FY2025.
- 2) The Group continues to actively restore gross margins. Key priority is DMFI across the following areas:
  - Surplus inventory reduction - A 30% reduction in inventory levels through reduced pack season production. DMFI reduced inventory at the end of the second quarter by US\$250.2 million, which drove the US\$269.0 million inventory reduction of the Group.
  - Consolidation of underutilized assets - DMFI manufacturing footprint is on track to be completed in the second half of FY2025.
  - Reduction of warehouse, distribution and operational costs - This is expected to benefit the Group in FY2026 as actions are taken to reduce and streamline warehouse footprint and storage space.
- 3) DMFI will continue to drive the growth of its newest businesses Joyba Boba Tea and Kitchen Basics Stock, and growth channels foodservice and e-commerce.

# OUTLOOK



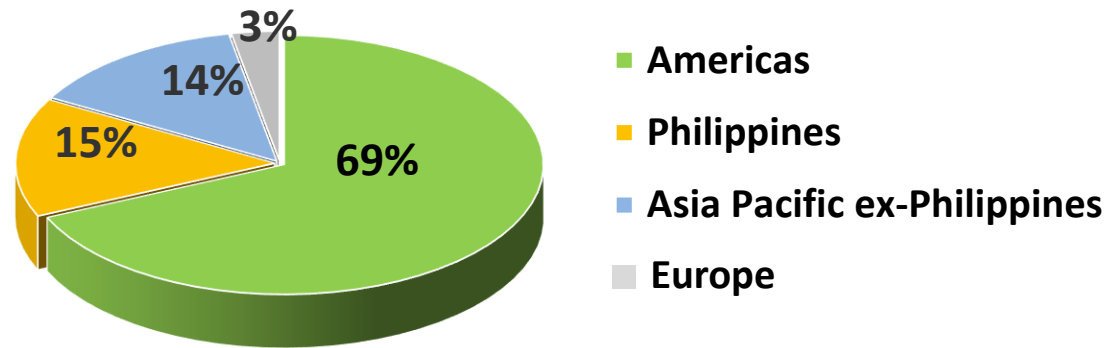
- The Group continues to relentlessly pursue all these initiatives. DMPL's financial outlook is based on gradual improvement in FY2026 and continuing into FY2027.
- Under current conditions, and barring unforeseen circumstances, the Group expects to incur a net loss in FY2025.
- The Group will continue to accelerate the resurgence of domestic and international sales of Del Monte Philippines, which is expected to do better in FY2025 versus prior year.

# 2Q FY2025 RESULTS



In US\$m	2Q FY2025	2Q FY2024	Chg (%)	Comments
<b>Turnover</b>	<b>694.0</b>	667.1	+4.0	Strong fresh and packaged pineapple exports and higher Philippine sales
<b>Gross profit</b>	<b>137.5</b>	135.5	+1.5	Higher gross profit of Del Monte Philippines which offset DMFI
<b>Gross margin (%)</b>	<b>19.8</b>	20.3	-0.5ppt	Higher cost in DMFI from unfavorable fixed cost, higher warehousing expense and under absorption in fixed distribution
<b>EBITDA</b>	<b>61.1</b>	63.9	-4.4	Same as above
<b>Net profit</b>	<b>(22.2)</b>	(8.5)	<i>nm</i>	Lower operating results of DMFI and higher interest expense
<b>Net margin (%)</b>	<b>(3.2)</b>	(1.3)	<i>nm</i>	Same as above
<b>Net debt</b>	<b>2,418.0</b>	2,478.6	-2.4	Lower due to better inventory management
<b>Net debt/Equity (x)</b>	<b>13.3</b>	6.8	+6.5x	While debt level was lower, the reduction in EBITDA, and consequently net loss, reduced total equity resulting in increased gearing
<b>Net debt/EBITDA (x)</b>	<b>18.9</b>	9.6	+9.3x	Same as above

# 2Q FY2025 RESULTS



	Sales growth	Comments
Americas	-3%	<ul style="list-style-type: none"> <li>Sales decreased driven by changing sales mix and delayed timing of holiday shipments</li> </ul>
Philippines	+5% (+6% in peso terms)	<ul style="list-style-type: none"> <li>Key categories of packaged fruit and beverage performed better against prior year quarter supported by successful campaigns</li> </ul>
Asia Pacific ex-Phils	+53%	<ul style="list-style-type: none"> <li>Higher exports of fresh and packaged pineapple with increased contribution of the premium S&amp;W Deluxe pineapple</li> </ul>
Europe	+72%	<ul style="list-style-type: none"> <li>Higher sales of pineapple juice and packaged pineapple</li> </ul>

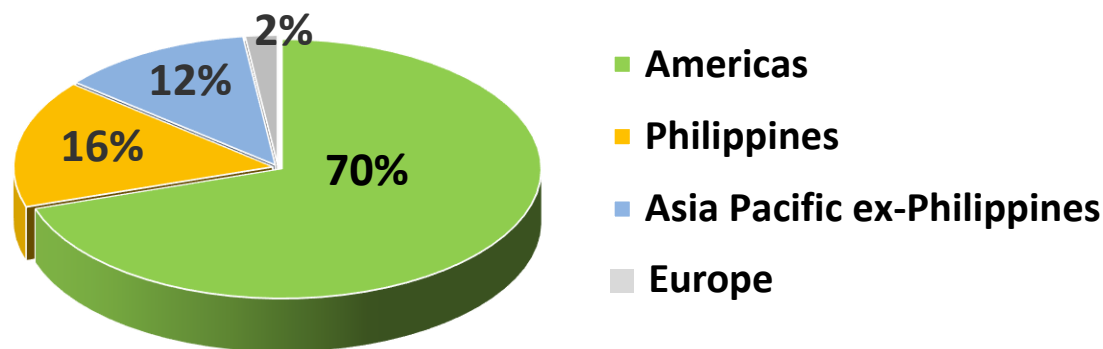


# 1H FY2025 RESULTS



In US\$m	1H FY2025	1H FY2024	Chg (%)	Comments
Turnover	1,230.9	1,183.8	+4.0	Strong fresh and packaged pineapple exports and higher Philippine sales
Gross profit	225.1	243.8	-7.7	Higher gross profit of Del Monte Philippines but not enough to offset DMFI's decline
<i>Gross margin (%)</i>	<b>18.3</b>	20.6	-2.3ppts	Higher cost in DMFI from unfavorable fixed cost, higher warehousing expense and under absorption in fixed distribution
EBITDA	93.0	115.0	-19.1	Same as above
Net profit	(56.3)	(21.6)	<i>nm</i>	Lower operating results of DMFI and higher interest expense
<i>Net margin (%)</i>	<b>(4.6)</b>	(1.8)	<i>nm</i>	Same as above
Net debt	2,418.0	2,478.6	-2.4	Lower due to better inventory management
Net debt/Equity (x)	13.3	6.8	+6.5x	While debt level was lower, the reduction in EBITDA, and consequently net loss, reduced total equity resulting in increased gearing
Net debt/EBITDA (x)	18.9	9.6	+9.3x	Same as above

# 1H FY2025 RESULTS



	Sales growth	Comments
Americas	-2%	<ul style="list-style-type: none"> <li>▪ Sales decreased driven by slowdown in healthy snacking category sales and changing sales mix</li> <li>▪ Higher Joyba and broth and stock sales</li> </ul>
Asia Pacific ex-Phils	+32%	<ul style="list-style-type: none"> <li>▪ Higher exports of fresh and packaged pineapple with increased contribution of the premium S&amp;W Deluxe pineapple</li> </ul>
Philippines	+4% (+6 in peso terms)	<ul style="list-style-type: none"> <li>▪ Key categories of packaged fruit, beverage and culinary performed better against prior year period supported by successful campaigns</li> </ul>
Europe	+76%	<ul style="list-style-type: none"> <li>▪ Higher sales of pineapple juice and packaged pineapple</li> </ul>



# MARKET UPDATES

# DEL MONTE PHILIPPINES

## 2Q FY2025



- Sales of US\$207.7m, +20% with Philippine sales of US\$113.5m, +6% in peso terms
  - ✓ Led by double-digit growth in beverage and packaged fruit
  - ✓ Beverage growth anchored on the 100% Pineapple Juice functional portfolio, with impactful brand campaign that stimulated daily consumption, while Heart Smart’s “Drink Smart for Your Heart” campaign highlighted Reducol to lower cholesterol in as fast as four weeks
  - ✓ Packaged fruit segment achieved substantial growth, driven by regional fiesta activations promoting fruit salad usage, reinforcing Del Monte’s leadership in the mixed fruit category
- Sales in the international markets grew strongly, +43%, on higher fresh and packaged pineapple exports
  - ✓ Robust sales of fresh pineapple led by higher volume in China, South Korea and Japan, favorable pricing, as well as better mix due to increased volume of the premium S&W Deluxe Pineapple
  - ✓ Processed exports volume to Europe, Middle East and Asia were also higher, coupled with favorable pricing
- Operating profit up +64% to US\$29.9m, and net profit up +98% to US\$20.3m, on higher volume, pricing and better sales mix coupled with operational improvements, paving the way for DMPI’s strong trajectory this FY2025
- For the first half, DMPI generated sales of US\$383.4m, up +14%, while net profit jumped +78% to US\$39.5m



# PHILIPPINES MARKET SHARES



## Leadership market shares with notable increase in Beverage Category consumption growing

**41.9%** +3.3pts

RTD Juices ex foil pouches (#1)  
Category: +4.3%

**78.7%** +1.2pts

Canned Mixed Fruit (#1)  
Category: +17.3%

**94.4%** -1.1pts

Packaged Pineapple (#1)  
Category: +6.7%

**84.9%** +0.9pt

Tomato Sauce (#1)  
Category: -4.1%

**41.0%** -1.4pts

Spaghetti Sauce (#1)  
Category: +4.1%

**70.3%** -0.8pt

Tomato Paste (#1)  
Category: +13.9%

Source for Volume market shares: The Nielsen Company - Retail Audit Data for the past 3 months to October 2024

- **RTD Juice** category continues to grow. Del Monte grew faster than category resulting in significant share gains driven by canned 100% Pineapple Juice and PET juices, specifically new products Fruity Zing and Fit 'n Right Green Apple.
- **Mixed Fruit** category continues to grow and grew market share behind Today's Mixed Fruits.
- **Packaged Pineapple** continues to enjoy volume growth from Stand-Up-Pouches and maintains share dominance but lost share in the past 3 months.
- **Tomato Sauce** grew market share leadership amidst category that is showing signs of slowdown.
- **Spaghetti Sauce** category is recovering but Del Monte experienced a share dip as the growth in spaghetti value packs was not able to offset the softening of spaghetti single packs.
- **Tomato Paste** category growing the fastest, but Del Monte lost share to lower priced regional competitor.

# PHILIPPINES - FRUITS



## Mixed Fruits

- Sustained placements of Fiesta Fruit Cocktail's "Spill the Fruity" campaign (educating consumers on trending dessert applications beyond the traditional and seasonal fruit salad)
- Strengthened with Key Opinion Leader (KOL) collaborations
- Dessert recipe contest among Kitchenomics Club members
- Gift-with-Purchase promotion in e-commerce stores



- Continuation of Today's award-winning "Bida Sa Pista" (Star of the Festival) campaign activation, expanding to a new region – South Luzon



GOLD for Excellence in Relationship Marketing  
SILVER for Consumer Insights/Market Research



## Canned Pineapple

- Launched "Everyday Piña-Sarap Meals" (pineapple-delicious) digital campaign, highlighting the versatility of adding pineapple to everyday dishes
- Campaign legs include KOL push, recipe education in Kitchenomics, and e-commerce live-selling



# PHILIPPINES - BEVERAGE



## 1. Launched a new campaign for Del Monte 100% Pineapple Juice Fiber Enriched



- ✓ “Nightly Cleansing Habit” campaign which encouraged a daily routine of drinking Del Monte Fiber Enriched Juice to aid in digestion and reduce bloating
- ✓ Digital Media, Foodie KOLs, Night Market Activations
- ✓ **2Q FY2025 Sales +21%**

## 2. Advocating Heart Health with Del Monte Heart Smart



- ✓ Educating on the early detection and prevention of heart disease through daily drinking of Del Monte Heart Smart with Reducol. Clinically proven to lower cholesterol in 4 weeks.
- ✓ New IMC Campaign – TVC, Digital Media, Doctor advocates and cholesterol-check booths
- ✓ **2Q FY2025 Sales +35%**



## 3. Build Awareness for Del Monte Fruity Zing!

- ✓ Fresh creatives
- ✓ Sampling activations

# PHILIPPINES - CULINARY



## Tomato Sauce -

New Campaign and Key Opinion Leader (KOL) support to push frequency



Regional Campaign with Once-a-Week Value Pack

## Spaghetti Sauce -

New and Improved Carbonara variant and refresh of Today's Spaghetti Sauce



KOL & PR-led campaign to drive excitement for Extra Creamy Carbonara

Digital + Radio Campaign with regional Fiesta Activation for Today's Mixed Fruits



Sustained always-on support for Best Birthday Ever campaign



# PHILIPPINES - CULINARY



## THE COUNTRY'S FIRST EVER CULINARY COMMUNITY DEL MONTE KITCHENOMICS CELEBRATES 40 YEARS OF COOKING TOGETHER

40 YEARS  
OF COOKING TOGETHER

with stories, recipes, and activities for Kitchenomics Club members



COMMUNITY ENGAGEMENT



MEET & COOK  
WITH CHEF RV



LIVE COOKING  
DEMOS



COOKING VIDEOS  
WITH FOOD CREATORS



STORIES FROM  
CLUB MEMBERS



# PHILIPPINES – MR. MILK AND POTATO CRISP



## Mr. Milk

- Department of Education approved Mr. Milk to be brought as snacks and to be consumed in schools
- Supported with 'Back-to-School Lunchbox' campaign, e-commerce live selling



## Potato Crisp

- Food Influencer campaign
- Sampling drives



# PHILIPPINES – FOODSERVICE & CONVENIENCE



## Foodservice growth momentum continues

- 2Q sales grew by 18% vs prior year quarter
- 18,816 outlets now open: Key Accounts at 4,334 and General Trade at 7,734
- Hosted 4 Culinary Summits in Baguio, Manila, Cebu and Cagayan de Oro with 140 top accounts in attendance
- Featured Meal Tie Ups with major Key Accounts



## Convenience growth driven by successful promotions and expansion of portfolio

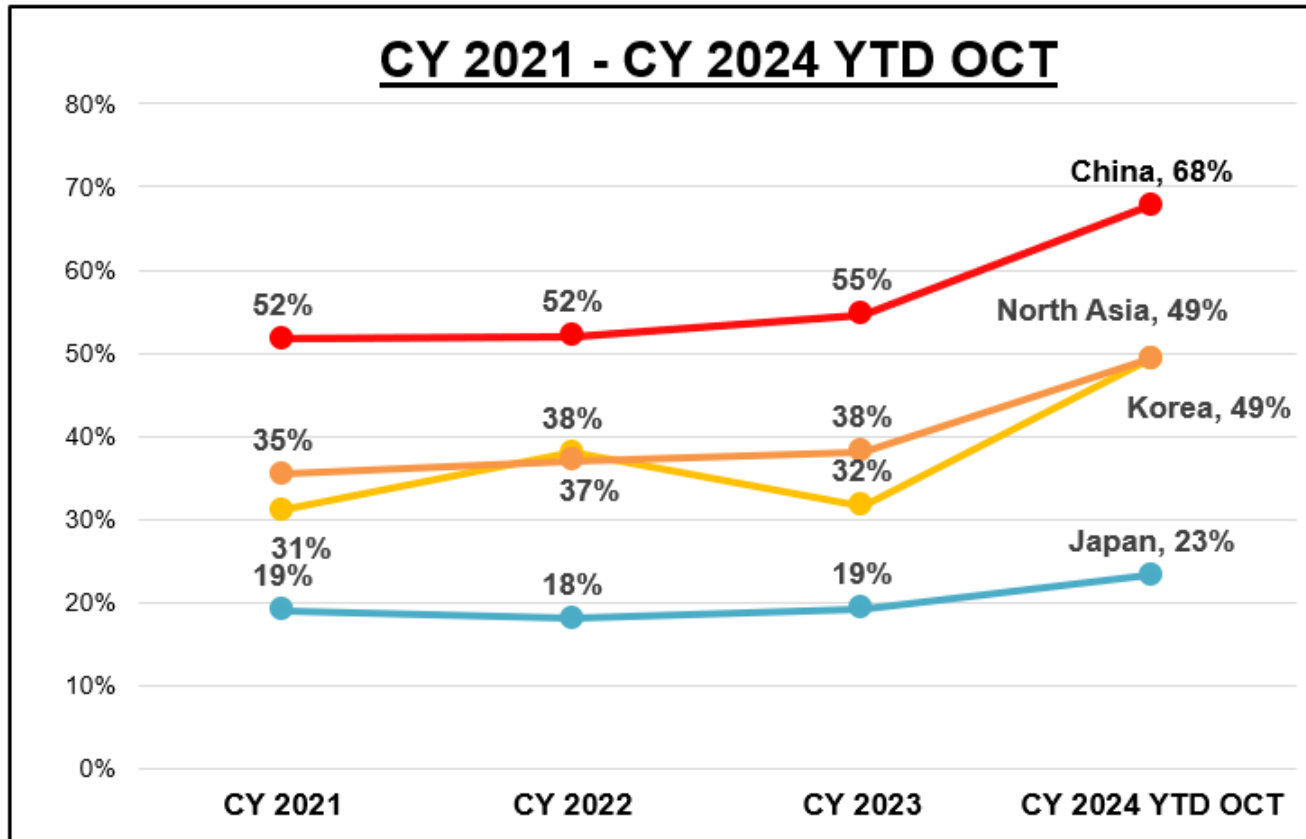
- 2Q sales improved by 25% vs prior year quarter
- 4,411 outlets now open (7-Eleven, Uncle John's)
- Participated in thematic campaigns and major corporate promotions to feature new juice products (Fruity Zing and Fit 'n Right Green Apple)



# INTERNATIONAL - FRESH MARKET SHARE



## Leading Market Shares for Fresh Pineapple



- North Asia market share increased to 49% from 38% last year, behind strong market demand and improved supply.
- #1 position maintained in China for YTD Oct 2024.
- Korea market share position improved to #1 gaining a strong 49% from 32% last year.
- Japan increased to 23% from 19% last year with higher shipments (+15%).

Source: CY2021 – 2023 Imports Data from Asiafruit Congress Statistical Handbook  
YTD October CY2024 from Customs Data of Importing Country



# S&W FRESH



S&W participated in the 17<sup>th</sup> Asia Fruit Logistica held in Hong Kong from 4-6 September 2024. The expo was joined by 760 exhibitors from over 40 countries, and was attended by more than 13,000 trade visitors.

S&W, the leader in Asia's fresh pineapple industry, promoted S&W Deluxe Fresh Pineapple, its latest flagship product known for its extra sweet flavor and golden pineapple color. The team likewise met with its major partner distributors all over Asia, including Goodfarmer, Xianfeng and River King from China to discuss new growth opportunities in their respective regions.



*S&W Team attending the AFL exhibition*



*Top: S&W and Goodfarmer teams*

*Bottom: S&W Deluxe gained positive reactions from product sampling activities during the exhibit*



# S&W FRESH - CHINA



## ***S&W and Goodfarmer Celebrate its 10-Year Partnership!***

S&W Fresh and Goodfarmer celebrated its 10 years of fruitful and sweet partnership in Shanghai China on 20 September 2024. The celebration revolved around its theme “Joint Efforts, Shared Glory” emphasizing the strong teamwork and collaboration between the 2 companies in its vision to become the market leaders for fresh pineapple in China.



*Management and Commercial Teams of S&W and Goodfarmer launched the celebration with a toast*

*Clockwise from top left: (1) Goodfarmer & S&W executives exchanged commemorative gifts  
(2) Team members of GF and S&W  
(3) A special dinner party hosted by GF  
(4) S&W's GM delivered an inspirational speech among the attendees*

# S&W FRESH - CHINA



## ***Tea Shop Chapanda Launched New Drinks with S&W Fresh Pineapple!***

China's famous tea shop Chapanda launched 3 new drinks featuring *S&W Sweet 16 Fresh Pineapple* in over 1,000 stores starting 23 August. New exciting flavors include Pineapple & Passion Fruit Tea, Pineapple & Lemon Tea, Pineapple Yogurt Shake - all using ***S&W Sweet 16 Fresh Pineapple!***



# DEL MONTE FOODS USA

## 2Q FY2025

- Sales of US\$480m or 69% of Group sales; sales decreased by 3% driven by changing sales mix and delayed timing of holiday shipments
- Del Monte's foodservice sales channel, e-commerce business and Latin America business posted the most growth in 2Q
- New spicy Canned Vegetable products – Mexican Style Street Corn and Southern Style Whole Green Beans – are performing well in top customers, while new Del Monte Bubble Fruit Gels continue to build distribution
- Gross profit declined to US\$78.5m from US\$94.4m mainly due to higher costs driven by unfavorable manufacturing costs (inflation and under absorption), and higher costs due to excess inventory (trade, waste, write offs). Gross margin was lower at 16.3% from 19.1% in prior year quarter
- Net loss increased to US\$27.0m from US\$3.5m due to the continued impact of excess inventory, unfavorable operating costs and increased interest expenses
- First half net loss of US\$64.1m, higher vs. prior year period's loss of US\$12.8m





# DEL MONTE FOODS USA EXECUTIVE SUMMARY 2Q FY2025



## 2Q Objectives

- Secure holiday merchandising at largest customers
- Accelerate selldown of excess inventory
- Manage and execute lower production/pack season
- Manage Liquidity through Seasonal Trough
- Advance Hanford Sale and asset consolidation projects
- Expand Joyba production to support national launch

## 2Q Results

- Holiday sales and consumption trending ahead of forecast
- Inventory reduction ahead of plan US\$250m vs. prior year
- Lower pack successfully completed
- Liquidity effectively managed and improved
- Final Terms approved by the Board, plant announcement on December 4
- Joyba +35k stores selling

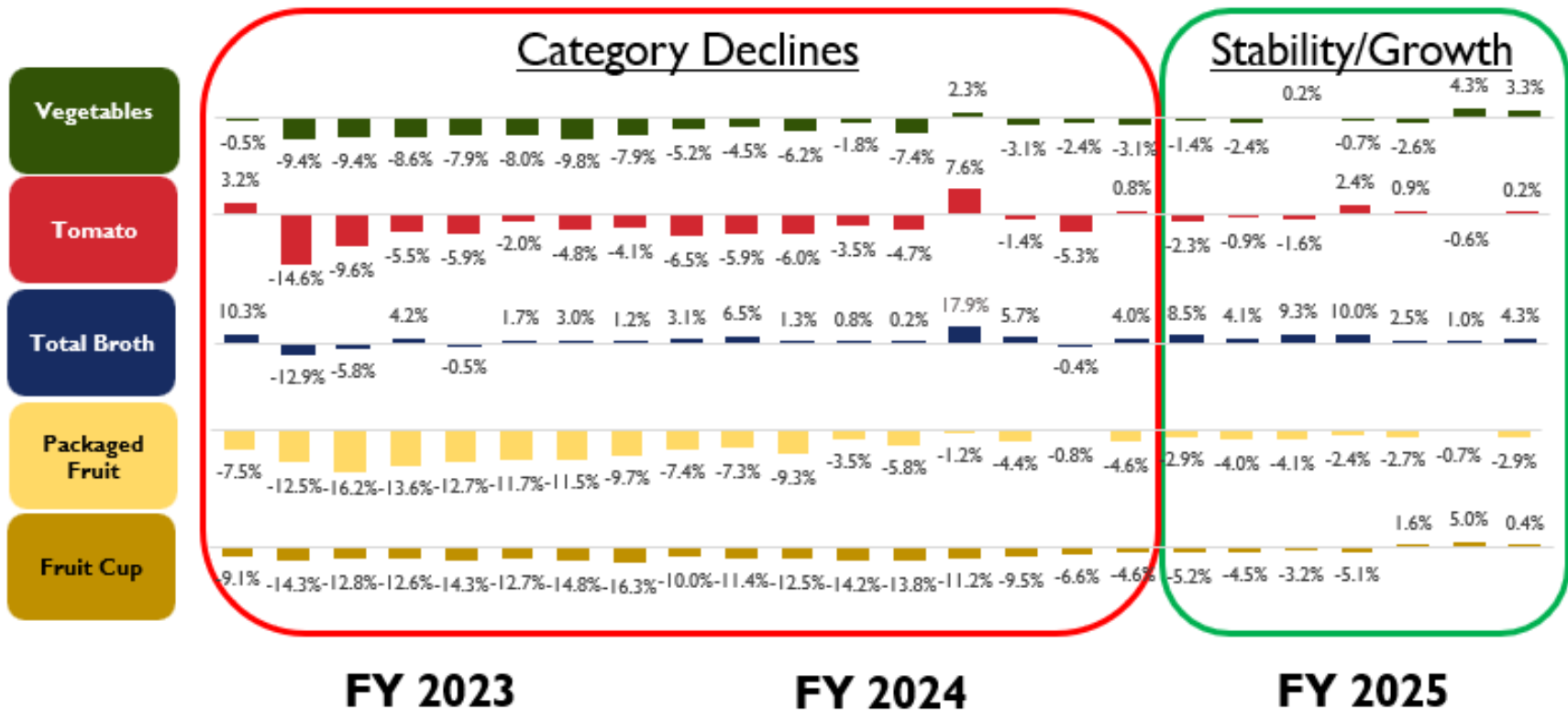


# USA CATEGORY TRENDS



Category Trends continue to stabilize thru November

Monthly view of Del Monte Foods U.S. Category Volume Trends



Source: Circana POS, Total US MULO+, Latest monthly periods ending | December 2024

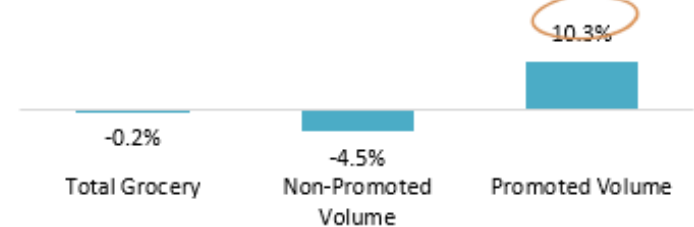
# VALUE SEEKING



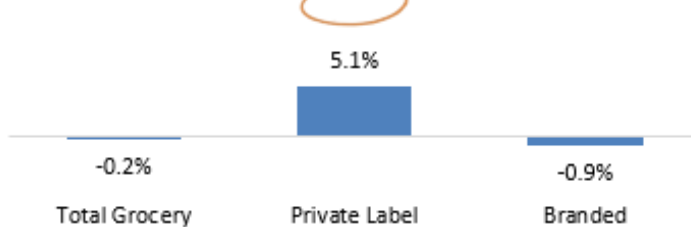
## Economic Pressures Continue to drive Consumers to seek Value

- U.S. Consumers have continued to seek ways to stretch their dollars as cost of living has grown significantly.
- Consumers are increasingly seeking:
  1. Deal seeking
  2. Switching to Private Label
  3. **Shifting to Channels that offer value and savings**

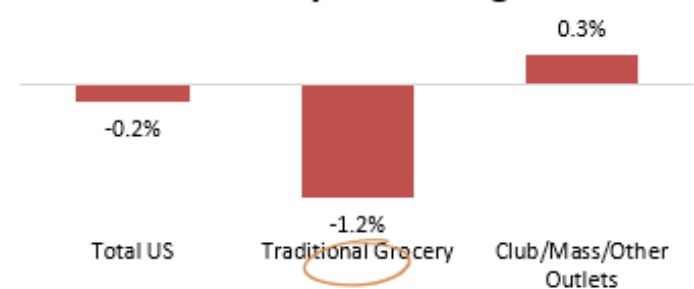
**Total Grocery - Vol % Chg vs YA  
Non-Promo vs Promo**



**Total Grocery - Vol % Chg vs YA  
Private Label vs Branded**



**Total Grocery - Vol % Chg vs YA**



Source: Circana, Total US MULO+, 52 W/E 1 December 2024. Grocery includes all Center-Store Food & Beverage Categories

# HOLIDAY SUPPORT



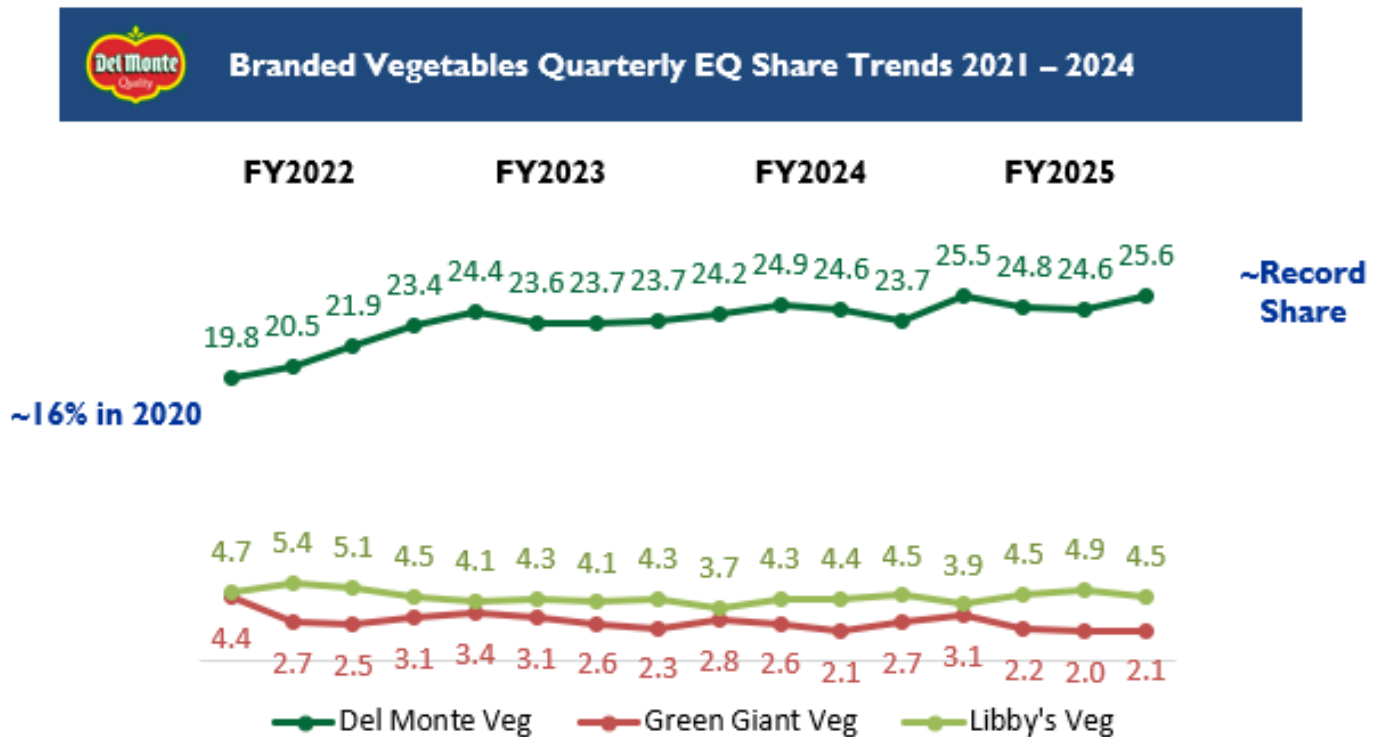
## Support on Del Monte Vegetables at Top U.S. Customers



# RECORD VEGETABLE SHARE



## Del Monte achieved Record Vegetable Market Share in November



Source: Circana, Total US MULO+, data ending | December 2024

# USA MARKET SHARES

**23.6%** -0.1 pt

Canned Vegetable (#1)  
Category: +0.8%

**18.4%** -2.1 pts

Canned Fruit (#1)  
Category: -1.8%

**21.5%** -4.0 pts

Fruit Cup Snacks (#2)  
Category: +0.6%

**7.9%** -1.2 pts

Broth & Stock (#2)  
Category: +2.3%

**5.5%** -0.7 pt

Canned Tomato (#3)  
Category: +0.5%



Source for market shares: Circana POS Data, Total US MULO+, DMFI Custom DBs, Eq Vol share & Eq Vol % Chg (Category), 3 months data ending 27 October 2024

\*brand positioning excludes Private Label

- Del Monte continues to have leading share positions across categories
- We are maintaining clear dominance in the Canned Vegetable category, while working to address declines in the Canned Fruit and Fruit Cup categories
- Although overall share is down in the Meal Ingredient categories, Kitchen Basics and Take Root Organics are gaining share

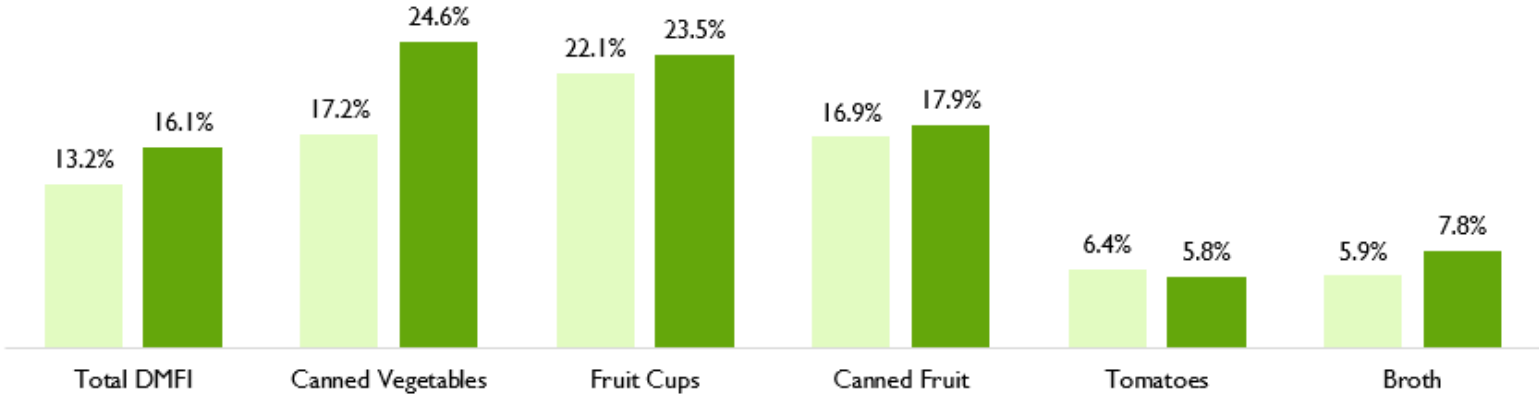
# USA MARKET SHARE GROWTH SINCE FY2020



**Del Monte has Gained nearly 3 Pts of EQ Share since FY2020**

**Del Monte EQ Vol Share**

F20 L52W



EQ Share Pt Chg vs F20	Total DMFI	Canned Vegetables	Fruit Cups	Canned Fruit	Tomatoes	Broth
	+2.9	+7.4	+1.4	+1.0	-0.6	+1.9

# INCREASING STORE COUNT



## Del Monte is Growing Number of Stores Selling each year

64,857  
# of Stores Selling

82,464  
# of Stores Selling

93,416  
# of Stores Selling

93,891  
# of Stores Selling

2021



Expanded in Costco East

2022



Started a partnership with Dollar General and Fresh Thyme

2023



Doubled Amazon business, started partnership with Dollar Tree and UNFI natural

Leaned in with Instacart through search feature and grew 34% in dollars

2024



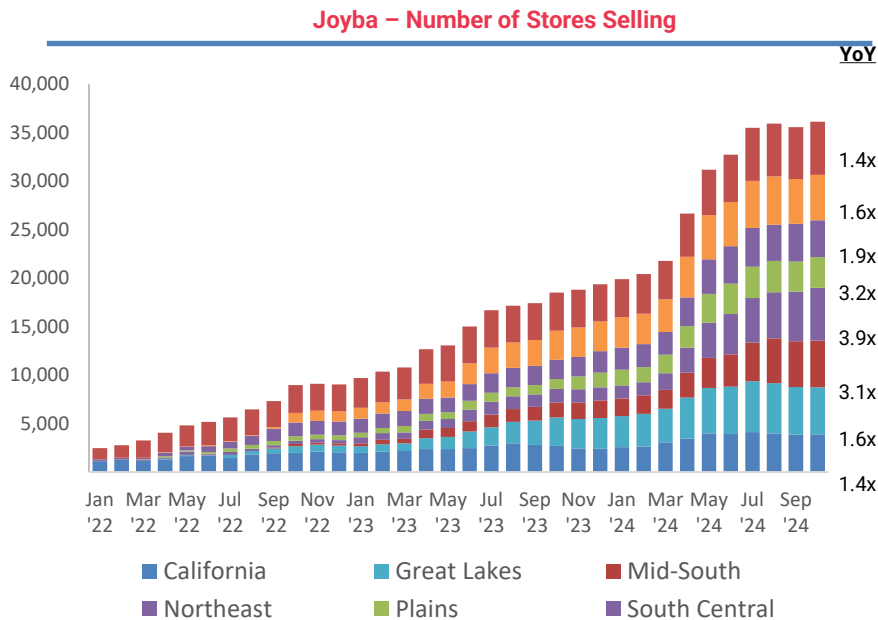
Sam's business is 2x larger vs 2020

Source: Circana Custom Model, Total US MULO+, Legacy DMFI: Vegetables, Fruit, Broth, Tomato, CY 2020-2024 not all grocers listed for visual, BW shipment data 2019-2024, Instacart User Interface



## JOYBA exceeding distribution goals, +35,000 stores now selling

- Joyba has surpassed **35,000 stores nationally**, increasing 2.1x overall YoY
- Total Joyba distribution has hit **70% ACV in MULO+**, achieving FY2025 target and making significant progress towards long-term target of 75%
- On track to exceed US\$55m in sales in FY2025



Source: Circana POS Data, Fiscal Months Ending through FY25 27 October 2024, Total US MULO+ with Convenience

### UNWELL Tour

7 locations, 17K+ attendees  
1B+ media impressions  
18M+ social impressions



### College Ambassadors during Back-to-School



### New Channel - Audio



With increasing prominence among Gen Z and Millennial audiences, executed host-read Spotify ads to support Joyba during Unwell tour promotion

# USA 2Q MARKETING HIGHLIGHTS



## Chef Michael Symon & Contadina Year 3 Partnership



Awareness drivers to retail through recipe partnerships ->



## Extending the season with Micro-Moments



## Gen Z and Young Millennial Influencers



Joyba continued success at Walmart



Introducing new occasions



# USA 2Q BEYOND RETAIL: DRIVING FOODSERVICE AND LATAM SUCCESSES



## Foodservice

### Strong 2Q Growth Driven By Fruit Category



+19% in volume vs prior year  
#10 fruit all varieties



+39% in volume vs prior year  
All fruit cup varieties

## LATAM

### 1H Wins

**New Go-to-Market Model in Mexico**  
Great new distribution partner  
with sales and merchandising support



**Expansion of Distribution Model**  
New business development across  
10 countries



**Joyba Launch in Mexico &  
Puerto Rico**  
Unique Club pack developed  
209 club stores in Mexico  
200 retail stores in Puerto Rico



# TOMATO PLANT SALE/ CO-PACK KEY BENEFITS



Hanford facility sale, subject to closing and requisite approvals, will drive cost reduction and significantly improve tomato gross margin



## Operational

- Portfolio Simplification
- Dual Sourcing
- Midwest Source Point
- Reduced Inventory
- Decreased Volatility



## Financial

- **US\$60m** Sales Proceeds, with potential upside of **US\$15m**/downside **US\$4.5m** (based on future marketing)
- Working Capital Reduction
- COGS & Margin Improvement
- Reduced Logistics Cost
- Joint Sourcing Synergy



## Strategic

- Industry Experts
- Long Term Agreements
- Improved Capabilities
- Innovation Opportunities
- Reduced Staffing Needs

# SUSTAINABILITY



## Renewable Energy



- **4.0MW solar power system** for the plantation's facilities inaugurated in September
- The Cabuyao beverage plant installed a **615KW solar power facility** last August

## Plastic Recycling



- As of October, **38% of Rigid Plastic (including PET bottles)** and **37% of Flexible Plastic (Stand-up Pouches)** were diverted from landfill / recycled, on track towards a target diversion of 40% for CY2024

## Better Nutrition



- Average reduction of **25% on added sugar and sodium** for Sweet Blend Ketchup
- **82% of DMPI products** provide better nutrition (ABC) based on the criteria of a nutrition profile system

## Reforestation



- 50 DMPI volunteers joined the **Rubia planting activity** initiated by the Municipal Environment and Natural Resources Office in Bukidnon last August

# SUSTAINABILITY



## Corporate Hero



- Del Monte Foods was honored as **Corporate Hero** by Alliance for a **Healthier Generation**
- Recognized for Commitment to Enhancing Nutrition Education and Access Through "Nourishing Families by Nourishing Schools" which has reached over **7.6 million students** and their families

## Partner of the Year



- The National Black Farmers Association (NBFA) named Del Monte Foods as **Partner of the Year**
- The NBFA provides direct training and education to build capacity and identify resources for small-scale, limited-resource, disadvantaged farmers

## Product Donations



- Donated over **2.3 million kgs** of products to nonprofits at a value of **US\$5.8 million**



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- 1) Plans have commenced and are continuing for the selective sale of assets in the U.S. and capital raising efforts are being worked on. The Group intends to utilize the proceeds from these transactions and lower inventory levels to reduce debt in FY2025.
- 2) The Group continues to actively restore gross margins. Key priority is DMFI across the following areas:
  - Surplus inventory reduction - A 30% reduction in inventory levels through reduced pack season production. DMFI reduced inventory at the end of the second quarter by US\$250.2 million, which drove the US\$269.0 million inventory reduction of the Group.
  - Consolidation of underutilized assets - DMFI manufacturing footprint is on track to be completed in the second half of FY2025.
  - Reduction of warehouse, distribution and operational costs - This is expected to benefit the Group in FY2026 as actions are taken to reduce and streamline warehouse footprint and storage space.
- 3) DMFI will continue to drive the growth of its newest businesses Joyba Boba Tea and Kitchen Basics Stock, and growth channels foodservice and e-commerce.

# OUTLOOK



- The Group continues to relentlessly pursue all these initiatives. DMPL's financial outlook is based on gradual improvement in FY2026 and continuing into FY2027.
- Under current conditions, and barring unforeseen circumstances, the Group expects to incur a net loss in FY2025.
- The Group will continue to accelerate the resurgence of domestic and international sales of Del Monte Philippines, which is expected to do better in FY2025 versus prior year.