



DEL MONTE PACIFIC LIMITED

Management Discussion and Analysis of Unaudited Financial Condition and Results of Operations for the Fourth Quarter and Full Year Ended 30 April 2020

For enquiries, please contact:

Iggy Sison

Tel: +632 8856 2888

isison@delmontepacific.com

Jennifer Luy

Tel: +65 6594 0980

jluy@delmontepacific.com

AUDIT

Fourth Quarter FY2020 results covering the period from 1 February 2020 to 30 April 2020 and full year then ended 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 FY2019 annual consolidated financial statements, except for the adoption of the following amendments effective beginning 1 May 2019, which the Group has adopted or is currently assessing the impact thereof:

Applicable 1 May 2019 which the Group has adopted:

- IFRS 16, Leases. The Group has adopted IFRS 16 effective 1 May 2019

Applicable for the first annual reporting period that begins on or after 1 May 2019 and onwards and are currently being assessed by the Group:

- IFRIC 23, Uncertainty over Income Tax Treatments Amendments to IAS 19, Plan Amendment, Curtailment or Settlement
- Amendments to IAS 12, Income Tax Consequences of Payments on Financial Instruments Classified as Equity
- Amendments to IAS 23, Borrowing Costs, Borrowing Costs Eligible for Capitalisation
- Amendments to IFRS 9, Prepayment Features with Negative Compensation
- Amendments to IAS 28, Long-term Interests in Associates and Joint Ventures

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 for 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

23 July 2020

NOTES ON THE 4Q FY2020 DMPL RESULTS

1. DMPL's effective stake in Del Monte Foods, Inc is 89.4%, hence the non-controlling interest line (NCI) in the P&L. Net profit/(loss) is net of NCI.
2. FY means Fiscal Year for the purposes of this MD&A.
3. DMPL Group adopted the amendments to IAS 16 and IAS 41 (Agriculture: Bearer Plants in April 2017). The change in accounting standard was applied retrospectively. This involved reclassifying a portion of biological assets to plant, property and equipment leading to much higher depreciation expense. However, for EBITDA calculation, the Group retained the old calculation using the lower depreciation for comparability.
4. The Group has adopted IFRS 16 from 1 May 2019. IFRS 16 introduces a single, on-balance sheet accounting model for lessees. As a result, the Group, as a lessee, recognises right-of-use assets representing its right to use the underlying assets and lease liabilities representing its obligation to make lease payments. Please refer to page 24 for a discussion of the impact of IFRS 16.

FINANCIAL HIGHLIGHTS – FOURTH QUARTER AND FULL YEAR ENDED 30 April 2020

| <i>in US\$'000 unless otherwise stated</i> * | For the three months ended 30 April | | | For the year ended 30 April | | |
|--|-------------------------------------|---------------------|-----------|-----------------------------|---------------------|------------|
| | Fiscal Year 2020 | Fiscal Year 2019 | %Change | Fiscal Year 2020 | Fiscal Year 2019 | %Change |
| With one-off items** | | | | | | |
| Turnover | 638,394 | 432,612 | 47.6 | 2,128,343 | 1,954,842 | 8.9 |
| Gross profit | 113,430 | 81,624 | 39.0 | 452,157 | 394,985 | 14.5 |
| Gross margin (%) | 17.8 | 18.9 | (1.1) | 21.2 | 20.2 | 1.0 |
| EBITDA | 55,899 | 38,842 | 43.9 | 142,233 | 143,726 | (1.0) |
| Operating profit | 30,284 | 23,888 | 26.8 | 51,185 | 80,122 | (36.1) |
| Operating margin (%) | 4.7 | 5.5 | (0.8) | 2.4 | 4.1 | (1.7) |
| Net profit attributable to owners of the Company | (12,444) | 6,298 | (297.6) | (81,394) | 20,319 | (500.6) |
| Net margin (%) | (1.9) | 1.5 | (3.4) | (3.8) | 1.0 | (4.8) |
| EPS (US cents) | (0.89) | 0.07 | (1,371.4) | (5.20) | 0.03 | (17,433.3) |
| EPS before preference dividends (US cents) | (0.64) | 0.32 | (300.0) | (4.19) | 1.05 | (499.0) |
| Without one-off items** | | | | | | |
| Gross profit | 114,275 | 81,268 | 40.6 | 453,002 | 401,186 | 12.9 |
| EBITDA | 59,830 | 43,285 | 38.2 | 225,702 | 156,123 | 44.6 |
| Operating profit | 34,215 | 28,330 | 20.8 | 134,654 | 92,518 | 45.5 |
| Net profit attributable to owners of the Company | 4,750 | 9,181 | (48.3) | 32,183 | 15,788 | 103.8 |
| Net debt | 1,362,564 | 1,457,019 | (6.5) | 1,362,564 | 1,457,019 | (6.5) |
| Gearing*** (%) | 240.8 | 242.4 | (1.6) | 240.8 | 242.4 | (1.6) |
| Cash flow from operations | 313,032 | 131,182 | 138.6 | 370,287 | 180,925 | 104.7 |
| Capital expenditure | 45,251 | 29,408 | 53.9 | 130,599 | 123,479 | 5.8 |
| Inventory (days) | 87 | 147 | (60) | 123 | 165 | (42) |
| Receivables (days) | 23 | 31 | (8) | 26 | 26 | 0 |
| Account Payables (days) | 30 | 37 | (7) | 35 | 38 | (3) |

nm – not meaningful

*The Company's reporting currency is US dollars. For conversion to S\$, the following exchange rates can be used: 1.37 in April 2020 and 1.36 in April 2019. For conversion to Php, these exchange rates can be used: 51.32 in April 2020 and 53.01 in April 2019.

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

***Gearing = Net Debt / Equity

REVIEW OF OPERATING PERFORMANCE

Fourth Quarter

The Group achieved sales of US\$638.4 million for the fourth quarter of FY2020, higher by 47.6% versus the prior year quarter driven by higher sales in the US and Philippines significantly driven by surge in demand following the outbreak of COVID-19, higher export of packaged pineapple products across categories and brands.

The Group's US subsidiary, Del Monte Foods, Inc (DMFI) generated US\$500.4 million or 78.4% of Group sales. DMFI's sales increased by 62.3% to US\$500.4 million mainly driven by higher volume due to increase in demand from COVID-19, higher sales for Contadina from distribution gains, and higher sales of private label ahead of the discontinuation of certain product lines. DMFI benefited in the categories and segments with strong leadership positions, as consumers initially turned to trusted names. The principal categories all experienced strong growth as consumer behaviour shifted to healthy, shelf-stable products in response to COVID-19 stay-at-home orders. Momentum peaked in mid-March, with volume similar to what was typically seen during holidays, as consumers stocked their pantries.

DMFI has launched a number of new products in recent years. New products contributed 5.5% to DMFI's retail and foodservice sales in the fourth quarter.

Reinvigorating the product portfolio, Del Monte Foods' Research and Development (R&D) was recognised in July 2020 as Food Processing Magazine's R&D Team of the Year for the large company category in the US for innovative product development. As consumer needs have changed rapidly, DMFI has continued to adapt products to fit into consumers' lives. This has led to the release of several new products in the past two years, including award-winning consumer favourites such as *Del Monte Fruit & Oats*, *Fruit Crunch Parfait*, *Veggieful Veggie Bowls* and *Contadina Pizzettas*.

DMFI generated gross profit of US\$74.0 million, higher by 51.4% from prior year quarter of US\$48.9 million albeit lower margin of 14.8% from 15.9%. While sales were 62.3% higher during the quarter, this was offset by lower pricing on vegetable and fruit multi-packs, higher trade and promotions on new product launches, higher product cost from current year pack mainly from metal packaging, lower yields primarily from fruits and vegetables, and higher freight costs.

DMPL ex-DMFI generated sales of US\$146.4 million (inclusive of the US\$8.4 million sales by DMPL to DMFI which were netted out during consolidation) which were 8.8% higher than US\$134.6 million sales in prior year period. Higher sales were mainly driven by all major segments including Philippines, S&W packaged, and exports of packaged pineapple products, partly offset by lower sales of fresh pineapples in China from lower demand attributed to COVID-19 impact.

The strong sales performance in the fourth quarter resulted in DMPL ex-DMFI delivering higher gross margin of 25.9% from 24.1% in the same period last year. Favourable sales mix driven by higher sales of retail channel in the Philippines, and higher pricing led to overall margin improvement partly offset by lower sales of exports to North Asia for fresh pineapples.

The Philippines domestic market delivered strong growth, generating a 14.5% sales increase in peso terms and 17.7% in US dollar terms. Growth was driven by higher volume, favourable sales mix, and a series of price increases across all categories in line with inflation. Faster growth was seen across all categories, most especially behind flagship Del Monte brands of 100% Pineapple Juice, Spaghetti Sauce and Tomato Sauce. The relevance and imagery of these iconic Del Monte brands became magnified in a pandemic environment where consumers became more concerned with health, and shifted to home cooking. Digital communications highlighted product quality and taste, health and immunity (100% Pineapple Juice ACE) and meal preparation and planning (Del Monte Kitchenomics), and sustained growth even as the lockdown eased.

Strong performance in the Philippines was driven by retail channels, which grew by 28.8%, resulting in Del Monte's market share gain across every product category in April versus the prior year period. On the other hand, the foodservice channel which accounted for 15% of sales pre-COVID, had shifted its focus to e-commerce and

community delivery services, partially recouping declines caused by restaurant shutdowns during the lockdown. Even as foodservice rebuilds with the re-opening of malls, this work will also create the foundation for a future increasingly reliant on e-commerce.

Sales of the S&W branded business in Asia and the Middle East declined by 15.8% in the fourth quarter as higher sales of shelf-stable packaged products such as canned pineapples, beans, corn and juices were more than offset by lower sales of fresh pineapples in China. Fresh pineapples sold through the foodservice channel - restaurants, hotels and airlines - were significantly impacted as consumers stayed home during the pandemic. There had been some improvements since March and the Group expects its fresh business to grow in the remainder of the year.

DMPL's share in the FieldFresh joint venture in India was a US\$0.9 million loss, higher than prior year quarter share in losses of US\$0.3 million, due to lower sales from branded packaged products mainly from COVID-19 and higher cost of commodities. Foodservice accounted for half of total sales in India and had been significantly impacted.

DMPL ex-DMFI generated an EBITDA of US\$20.2 million which was higher by 34.1% in the same period last year mainly from factors discussed above. DMPL ex-DMFI generated a net profit of US\$7.8 million which was 90.4% higher versus the US\$4.1 million in the same quarter last year driven by strong operating results from the Philippine market and exports of packaged pineapples.

The Group's EBITDA of US\$55.9 million was significantly higher than prior year quarter's EBITDA of US\$38.8 million. This quarter's EBITDA included US\$3.9 million of one-off expenses mainly related to plant closure cost and severance expenses in the US, write-off of deferred financing cost and interest rate swap settlement. Without the one-off expenses, the Group recurring EBITDA was US\$59.8 million, higher versus prior year quarter's recurring EBITDA of US\$43.3 million due to higher sales, favourable sales mix, and price increases in line with inflation (impact from change in accounting for leases under IFRS 16 is explained on page 24 of this report).

Also, in view of the abovementioned one-off expenses, the Group reported a net loss of US\$12.4 million for the quarter versus a net profit of US\$6.3 million in the prior year quarter. Last year's net profit had also included a net one-off loss of US\$2.9 million post-tax and also benefitted from a change in retiree medical plan for DMFI employees of US\$13.4 million.

Without the one-off items, the Group reported a recurring net profit of US\$4.8 million as compared to last year's recurring net profit of US\$9.2 million.

The Group's cash flow from operations in the fourth quarter was US\$313.0 million, higher than last year's US\$131.2 million mainly from higher operating profit and lower inventories from higher sales.

In May 2020, DMFI raised new financing of US\$1.3 billion consisting of a US\$500 million five-year bond issue, a new three-year ABL of US\$450 million, and equity of US\$378 million from DMPL, thereby recapitalising DMFI's balance sheet.

DMFI issued US\$500 million aggregate principal amount of 11.875% senior secured notes due 2025, with original issue discount equal to 3% of the principal amount (the Notes). The Notes were offered to qualified institutional buyers within the United States pursuant to Rule 144A under the Securities Act of 1933, as amended (the Securities Act), and in offshore transactions to non-U.S. persons pursuant to Regulation S under the Securities Act.

DMFI also entered into a new US\$450 million asset-based loan facility due 2023 (the ABL Facility). Simultaneous with the Notes and the ABL Facility, DMPL invested US\$150 million in new equity in Del Monte Foods Holdings Limited, the holding company of DMFI, and converted US\$228 million of Second Lien Repurchase Loans into common equity in DMFI.

Further to its 24 January announcement, the Group completed the private equity investment of a 12% stake in DMPI for US\$120 million to a private equity investor. Based on the consideration, the implied equity value of

DMPI is approximately US\$1 billion. The transaction generated a net gain of US\$77.0 million which under IFRS rules had to be recorded as part of Retained Earnings in the Parent and the Group's Statement of Changes in Equity as at 30 April 2020, and not in the Income Statement.

The completion of this private equity investment in DMPI marks the beginning of a partnership with the investor, a leading investment company focused on investing in leading companies in the consumer sector in China and the ASEAN region. This transaction is a testament to DMPI's solid standing and future prospects for growth as a food company.

Full Year Ended 30 April 2020

For the year ended FY2020, the Group generated sales of US\$2.1 billion, up by 8.9% versus prior year. DMFI generated US\$1.5 billion or 71.9% of Group sales, higher by 7.6% largely driven by surge in demand across all categories attributed to COVID-19 and new product launches.

In May, Del Monte introduced an innovative product, *Del Monte Fruit Crunch Parfait*, which features layers of non-dairy coconut crème, crunchy granola with probiotics, and a full serving of fruit. For the frozen segment, DMFI launched *Del Monte Veggieful Bites* and *Contadina Pizzettas*, frozen snacks made with cauliflower crust, with a full serving of vegetable in five bites. These items are being accepted by retailers across the US and have been launched nationwide in May.

In June, DMFI started shipping *Del Monte Bubble Fruit*, exciting fruit cups with juicy popping boba great for kids' snacks. DMFI also started shipping new flavours of *Del Monte Fruit & Oats - Strawberry Apple* and *Blueberry Apple*, and *Del Monte Fruit & Chia Apple Raspberry Cherry*.

In August, Del Monte introduced the ready-to-eat *Del Monte Veggieful Bowl* in four varieties which feature one serving of vegetables with quinoa blended with whole grain and flavourful sauce.

DMFI also introduced *College Inn Culinary Stock* with fine artisanal ingredients such as free-range chicken and grass-fed beef, and *College Inn Simple Starter*, convenient for one pot meals.

New products contributed 5.1% to DMFI's retail and foodservice sales in FY2020.

Three of DMFI's new products won "Product of the Year" in the US: *Del Monte Veggieful Veggie Bowl* in the convenience meal category, *Contadina Pizzettas* in the frozen snack category, and *Del Monte Fruit Crunch Parfait* in the snack cup category. This win builds on DMFI's past Product of the Year recognition for *Del Monte Fruit & Oats* in 2019 and *Del Monte Fruit Refreshers* in 2017.

DMFI generated higher gross profit and margin of 17.6% from 16.4% in the prior year period. This increase was due primarily to higher sales volume, favourable sales mix and better pricing across multiple channels. These improvements were partially offset by increase in metal packaging costs and higher delivered costs.

The Philippine market sales were up 6.6% and 10.1% in peso and US dollar terms, respectively. Price increase and lower trade promotion spend contributed +2.6% to net sales growth, driven by a series of price increases across all categories mostly in 2019. Sales in the General Trade segment (about 50% of Philippines sales) grew by 9.1%, as the Group continued to make progress in improving its distributor business that had impacted results in the prior year. Sales in the Modern Trade (about 35% of Philippines sales) increased by 14.7%.

Sales of the S&W branded business grew by 9.2% in FY2020 mainly driven by higher sales of packaged and mixed fruits in Asia, the Middle East and America and fresh pineapples in North Asia.

DMPL ex-DMFI delivered higher gross margin of 28.1% from 27.3% in the same period last year mainly from higher sales and improved margins from Philippine market and higher sales of fresh pineapples despite some slowdown due to the pandemic in the fourth quarter.

DMPL's share in the FieldFresh joint venture in India was unfavourable at US\$2.0 million loss from a loss of US\$0.1 million in the prior year period due to lower foodservice volume as impacted by COVID-19 in the fourth

quarter, higher operating costs mainly from marketing spends for brand advertising and higher raw material cost from tomato paste, soya oil and dairy products partly offset by improved margins from Olive Oil.

On 20 August 2019, DMFI announced the closure and sale of four facilities. On 1 November 2019, DMFI successfully sold and transitioned its Cambria, Wisconsin operations and related employees to Seneca Foods Inc. DMFI also entered into an agreement to sell its production facilities in Sleepy Eye, Minnesota and Mendota, Illinois and completed the sale and closure of these facilities in the fourth quarter of FY2020. DMFI has also completed the sale of Crystal City, Texas facility at the end of April 2020. Production at rationalised facilities has been transitioned to other DMFI production facilities in the United States as well as to strategic co-packers. These divestitures will enable DMFI to significantly improve capacity utilisation at the remaining plants in its production network. While DMFI's Asset-Light Strategy has been a complex undertaking, it has been a critical step in repositioning DMFI for the future. These resulted in one-off expenses amounting to US\$79.8 million pre-tax, among others in FY2020. Please refer to the last page of this MD&A for a schedule of the one-off items.

In view of the above, the Group posted an EBITDA of US\$142.2 million of which DMFI accounted for US\$33.2 million. Excluding the one-off expenses, the Group's EBITDA would have been US\$225.7 million, 44.6% higher versus the recurring EBITDA of US\$156.1 million in the prior year period (impact from change in accounting for leases under IFRS 16 is explained on page 24 of this report).

In preparation for its capital raising initiatives, in the first quarter of this fiscal year, DMPL's Philippine subsidiary, Del Monte Philippines, Inc, declared a dividend to its parent which was taxed at 15% amounting to US\$39.6 million. In view of this and the one-off expenses incurred by DMFI due to plant closures/sale, the Group reported a net loss of US\$72.8 million for FY2020, unfavourable compared to the prior year period's net profit of US\$11.9 million. Last year's net profit had also included a one-off gain, net of transaction costs, of US\$16.7 million pre-tax or US\$13.0 million post-tax from the purchase of US\$105.6 million of DMFI's second lien loan at a discount in the secondary market.

Without the one-off items, the Group reported a recurring net profit of US\$32.2 million, higher compared to last year's recurring net profit of US\$15.8 million.

The Group's gearing was slightly lower at 2.41x equity as of 30 April 2020, compared to prior period's 2.42x equity. This was mainly driven by lower loans due to significantly higher cash flows from operations which were offset by the reduction in Equity due to net loss incurred during the year as a result of groupwide restructuring initiatives, partly offset by the gains generated from the private equity investment.

The Group's cash flow from operations in FY2020 was US\$370.3 million, higher versus last year's cash flow of US\$180.9 million mainly from higher operating profit, lower inventories from higher sales and increase in trade and other payables.

The Group has negative working capital at the end of the year amounting to US\$653.1 million. This was mainly driven by the Secured First Lien Term Loan of DMFI and current portion of long-term loans of DMPI and DMPL that are due within FY2021. DMFI has successfully refinanced the Secured Loans through senior secured notes amounting to US\$500 million due 2025. DMPL and DMPI are also in the process of refinancing the current portion of long-term loans that are falling due in August 2020.

VARIANCE FROM PROSPECT STATEMENT

The Group generated a recurring net profit for the year of US\$32.2 million which was higher than the recurring net profit US\$15.8 million in the prior year, and this is in line with earlier guidance.

BUSINESS OUTLOOK

To meet sustained demand for its trusted, healthy shelf-stable products, the Group will continue to optimise its production facilities while implementing strict safety measures and protecting its people. The strategy is to strengthen the core business and expand the product portfolio, in line with market trends for health and wellness, and grow its branded business, while reducing non-strategic business segments.

The Group will continue to strengthen its product offerings and enter new categories. It will continue to focus on business segments which are on-trend, pursue innovation to address growing consumer needs for more convenient, healthy and flavourful solutions, as well as build its distribution base in emerging channels.

While DMFI's Asset-Light Strategy has been a complex undertaking, it has been a critical step in repositioning DMFI for the future. Execution of this strategy and other cost saving initiatives should improve the Group's EBITDA margin by an estimated 225–275 basis points (US\$50 to 60 million) over the next 24 months starting November 2019. In the fourth quarter of FY2020, the Group recognised cost savings of US\$5 to 6 million which favourably impacted profitability. DMFI is expected to achieve 95% capacity utilisation for vegetable in the current pack season this year, up from 50%.

A portion of these improved cost savings will be reinvested in the growth and expansion of DMFI's iconic brands. DMFI is capitalising on growing consumer desire for convenient, healthy and tasty plant-based foods. It is expanding its brands beyond center store grocery into higher growth categories such as frozen, produce and deli.

The restructuring is a necessary step for DMFI to remain competitive in a rapidly changing marketplace. This asset-light strategy will lead to more efficient and lower cost operations. DMFI is well-positioned for better results in FY2021 with better sales mix and management of costs.

The Group will continue to expand its existing branded business in Asia, through the Del Monte brand in the Philippines, where it is a dominant market leader. S&W, both packaged and fresh, will continue to gain more traction as it leverages its distribution expansion in Asia and the Middle East.

The Nice Fruit frozen pineapple plant is in operation, with shipments to the USA, Japan, China and South Korea. We expect to make Nice Fruit frozen pineapple available across more markets.

The Group has been exploring e-commerce opportunities for its range of products across markets.

The DMPL Group, therefore, is expected to return to profitability in FY2021, barring unforeseen circumstances. However, due to the seasonal nature of the Group's business, some quarters may incur a net loss.

REVIEW OF TURNOVER, GROSS PROFIT AND OPERATING PROFIT

AMERICAS

For the three months ended 30 April

| In US\$'000 | Turnover | | | Gross Profit | | | Operating Income/(Loss) | | |
|--------------------|----------|---------|---------|--------------|--------|---------|-------------------------|--------|---------|
| | FY2020 | FY2019 | % Chg | FY2020 | FY2019 | % Chg | FY2020 | FY2019 | % Chg |
| Packaged vegetable | 211,911 | 109,033 | 94.4 | 30,866 | 17,194 | 79.5 | 4,662 | 3,920 | 18.9 |
| Packaged fruit | 202,613 | 134,784 | 50.3 | 30,697 | 22,174 | 38.4 | 5,079 | 6,159 | (17.5) |
| Beverage | 3,914 | 2,692 | 45.4 | 694 | 22 | nm | (159) | (312) | 49.0 |
| Culinary | 89,315 | 58,149 | 53.6 | 15,001 | 10,047 | 49.3 | 3,744 | 2,881 | 30.0 |
| Others | (2,297) | 1,332 | (272.4) | (1,018) | 370 | (375.1) | (814) | (108) | (653.7) |
| Total | 505,456 | 305,990 | 65.2 | 76,240 | 49,807 | 53.1 | 12,512 | 12,540 | (0.2) |

For the year ended 30 April

| In US\$'000 | Turnover | | | Gross Profit | | | Operating Income/(Loss) | | |
|--------------------|-----------|-----------|--------|--------------|---------|---------|-------------------------|---------|---------|
| | FY2020 | FY2019 | % Chg | FY2020 | FY2019 | % Chg | FY2020 | FY2019 | % Chg |
| Packaged vegetable | 628,228 | 558,106 | 12.6 | 128,474 | 94,562 | 35.9 | 35,671 | 3,035 | nm |
| Packaged fruit | 631,683 | 592,410 | 6.6 | 104,599 | 96,629 | 8.2 | 7,381 | 3,196 | 130.9 |
| Beverage | 14,393 | 14,507 | (0.8) | 2,118 | 559 | 278.9 | (1,258) | (3,378) | 62.8 |
| Culinary | 262,915 | 245,695 | 7.0 | 42,783 | 49,094 | (12.9) | 3,110 | 6,018 | (48.3) |
| Others | 1,824 | 4,277 | (57.4) | (1,314) | 1,119 | (217.4) | (77,497) | - | nm |
| Total | 1,539,043 | 1,414,995 | 8.8 | 276,660 | 241,963 | 14.3 | (32,593) | 8,871 | (467.4) |

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

Sales in the Americas increased by 65.2% to US\$505.5 million driven by higher volume due to increase in demand from COVID-19, higher sales for Contadina from distribution gains, and higher sales of private label ahead of the discontinuation of certain product lines.

In view of the above, gross profit increased this quarter, however, it was partly offset by lower pricing on vegetable and fruit multi-packs, higher trade and promotions on new product launches, higher product cost from current year pack mainly from metal packaging, lower yields primarily from fruits and vegetables, and higher freight costs resulting in an operating profit for the quarter of US\$12.5 million which is flat versus prior quarter period.

ASIA PACIFIC

For the three months ended 30 April

| In US\$'000 | Turnover | | | Gross Profit | | | Operating Income/(Loss) | | |
|--------------------|----------|---------|-------|--------------|--------|--------|-------------------------|--------|--------|
| | FY2020 | FY2019 | % Chg | FY2020 | FY2019 | % Chg | FY2020 | FY2019 | % Chg |
| Packaged vegetable | 540 | 490 | 10.2 | 115 | 91 | 26.4 | 91 | 52 | 75.0 |
| Packaged fruit | 21,283 | 19,221 | 10.7 | 3,562 | 3,870 | (8.0) | 966 | 397 | 143.3 |
| Beverage | 37,335 | 32,438 | 15.1 | 12,204 | 7,055 | 73.0 | 7,885 | 1,204 | 554.9 |
| Culinary | 25,286 | 22,652 | 11.6 | 9,339 | 7,145 | 30.7 | 5,728 | 2,912 | 96.7 |
| Others | 37,859 | 41,711 | (9.2) | 10,748 | 13,235 | (18.8) | 2,621 | 7,719 | (66.0) |
| Total | 122,303 | 116,512 | 5.0 | 35,968 | 31,396 | 14.6 | 17,291 | 12,284 | 40.8 |

For the year ended 30 April

| In US\$'000 | Turnover | | | Gross Profit | | | Operating Income/(Loss) | | |
|--------------------|----------|---------|-------|--------------|---------|-------|-------------------------|--------|--------|
| | FY2020 | FY2019 | % Chg | FY2020 | FY2019 | % Chg | FY2020 | FY2019 | % Chg |
| Packaged vegetable | 1,845 | 1,520 | 21.4 | 331 | 322 | 2.8 | 282 | 218 | 29.4 |
| Packaged fruit | 115,001 | 100,341 | 14.6 | 29,907 | 27,617 | 8.3 | 17,638 | 13,383 | 31.8 |
| Beverage | 135,009 | 122,691 | 10.0 | 38,734 | 27,493 | 40.9 | 19,797 | 4,002 | 394.7 |
| Culinary | 129,859 | 121,299 | 7.1 | 47,705 | 44,311 | 7.7 | 29,497 | 23,022 | 28.1 |
| Others | 173,512 | 162,082 | 7.1 | 57,873 | 54,056 | 7.1 | 18,004 | 34,861 | (48.4) |
| Total | 555,226 | 507,933 | 9.3 | 174,550 | 153,799 | 13.5 | 85,218 | 75,486 | 12.9 |

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

Asia Pacific's sales in the fourth quarter increased by 5.0% to US\$122.3 million from US\$116.5 million mainly due to increase in all major segments including Philippines, S&W packaged, and exports of packaged pineapple products, partly offset by lower sales of fresh pineapples in China from lower demand attributed to COVID-19.

Sales in the Philippines domestic market were up in both peso and US dollar terms by 14.5% and 17.7%, respectively, mainly due to higher volume, favourable sales mix, and a series of price increases across all categories in line with inflation.

EUROPE

For the three months ended 30 April

| In US\$'000 | Turnover | | | Gross Profit | | | Operating Income/(Loss) | | |
|----------------|----------|--------|--------|--------------|--------|-------|-------------------------|--------|-------|
| | FY2020 | FY2019 | % Chg | FY2020 | FY2019 | % Chg | FY2020 | FY2019 | % Chg |
| Packaged fruit | 7,631 | 8,507 | (10.3) | 960 | 957 | 0.3 | 451 | (146) | 408.9 |
| Beverage | 2,969 | 1,603 | 85.2 | 248 | (536) | 146.3 | 21 | (790) | 102.7 |
| Culinary | 35 | - | nm | 14 | - | nm | 9 | - | nm |
| Total | 10,635 | 10,110 | 5.2 | 1,222 | 421 | 190.3 | 481 | (936) | 151.4 |

For the year ended 30 April

| In US\$'000 | Turnover | | | Gross Profit | | | Operating Income/(Loss) | | |
|----------------|----------|--------|-------|--------------|---------|--------|-------------------------|---------|---------|
| | FY2020 | FY2019 | % Chg | FY2020 | FY2019 | % Chg | FY2020 | FY2019 | % Chg |
| Packaged fruit | 23,513 | 22,501 | 4.5 | 1,471 | 3,515 | (58.2) | (91) | 1,104 | (108.2) |
| Beverage | 10,485 | 9,413 | 11.4 | (550) | (4,292) | 87.2 | (1,364) | (5,339) | 74.5 |
| Culinary | 76 | - | nm | 26 | - | nm | 15 | - | nm |
| Total | 34,074 | 31,914 | 6.8 | 947 | (777) | 221.9 | (1,440) | (4,235) | 66.0 |

Included in this segment are sales of unbranded products in Europe.

For the fourth quarter, Europe's sales increased by 5.2% to US\$10.6 million from US\$10.1 million. Gross profit increased by 190.3%, and Europe generated an operating income of US\$0.5 million from a loss last year, driven by better prices for pineapple juice.

REVIEW OF COST OF GOODS SOLD AND OPERATING EXPENSES

| % of Turnover | For the three months ended 30 April | | | For the year ended 30 April | | |
|-----------------------------------|-------------------------------------|--------|--|-----------------------------|--------|---|
| | FY2020 | FY2019 | Comments | FY2020 | FY2019 | Explanatory Notes |
| Cost of Goods Sold | 82.2 | 81.1 | Driven by increase in DMFI's variable costs, mainly on freight | 78.8 | 79.8 | Overall impact of increase in sales, than increase in cost of production, resulting to higher margin rate |
| Distribution and Selling Expenses | 8.7 | 10.2 | Overall distribution cost increased due to the variable nature of the expense, however, lower turnover rate is due to overall impact of increase in sales. | 10.0 | 10.4 | Total expense is higher versus prior year due to higher variable selling cost as well as higher promotion spending for new product launches. Lower turnover rate is due to overall impact of increase in sales. |
| G&A Expenses | 4.9 | 3.5 | Driven by DMFI mainly from personnel cost, particularly fringe and other benefits (pension and other post employment benefits). | 5.6 | 5.9 | Total admin expense is higher mainly from higher benefits this year. Lower turnover rate is due to overall impact of increase in sales. |
| Other Operating Expenses (Income) | (0.6) | (0.4) | Driven by DMFI, mainly due to adjustments on plant closure cost during the quarter. | 3.2 | (0.2) | Losses incurred on DMFI plant closures |

REVIEW OF OTHER MATERIAL CHANGES TO INCOME STATEMENTS

| In US\$'000 | For the three months ended 30 April | | | Comments | For the year ended 30 April | | | Explanatory Notes |
|--|-------------------------------------|----------|-----------|--|-----------------------------|-----------|-----------|--|
| | FY2020 | FY2019 | % | | FY2020 | FY2019 | % | |
| Depreciation and amortization | (53,955) | (38,276) | (41.0) | Amortisation of right-of-use assets (Adoption of IFRS 16) | (178,503) | (138,706) | (28.7) | Same as 4Q |
| Reversal/ (Provision) of asset impairment | 15 | (612) | 102.5 | Driven by DMPI reversal of impairment in 4Q. | (40,746) | (2,037) | (1,900.3) | Impairment relating to closure of plant assets |
| Reversal/ (Provision) for inventory obsolescence | 465 | 1,919 | (75.8) | Higher inventory obsolescence reversal mainly from lower inventory this quarter as a direct result of higher sales | 859 | (229) | 475.1 | Reversals mainly from lower inventory as a result of higher demand this year compared to unmet demand in prior year resulting to provision for obsolescence |
| Provision for doubtful debts | 40 | (2,572) | 101.6 | Higher provision for trade receivables last quarter, none required this quarter | 23 | (2,637) | 101 | Higher provision for trade receivables last year |
| Net gain/(loss) on disposal of fixed assets | (2,212) | 3,651 | (160.6) | Loss recognised on sale of DMFI plant assets this quarter compared to net gain recognised last year. | (2,502) | 6,158 | (140.6) | Same as 4Q |
| Foreign exchange gain/(loss)- net | (4,292) | 112 | (3,932.1) | Foreign exchange loss mainly from Mexican Peso devaluation. | (631) | 394 | (260.2) | Attributed to forex losses from devaluation of Mexican Peso during the year. Last year's forex gain was due to valuation of US\$ denominated receivables on depreciating Philippine Peso |
| Interest income | 143 | (314) | 145.5 | Reversal of excess interest income recognized in prior quarter | 2,569 | 18,125 | (85.8) | Higher recognised gain on second lien buyout last year |
| Interest expense | (36,182) | (24,167) | (49.7) | Financing cost includes US\$11.2m accelerated costs for retiring DMFI loans as outlined in one-off costs | (114,693) | (96,958) | (18.3) | Same as 4Q |
| Share in net loss of JV | (1,325) | (554) | (139.2) | Higher losses of the joint ventures | (3,084) | (983) | (213.7) | Same as 4Q |
| Taxation Benefit (Expense) | (3,758) | 7,460 | (150.4) | Higher tax loss carryforward last quarter | (29,176) | 13,524 | (315.7) | Final taxes paid on intercompany dividends |

REVIEW OF GROUP ASSETS AND LIABILITIES

| Balance Sheet | 30 April 2020 (Unaudited) | 30 April 2019 (Audited) | 30 April 2018 (Audited) | FY20 vs FY19 Variance % | Explanatory Notes |
|---|---------------------------------|-------------------------------|-------------------------------|-------------------------------|---|
| In US\$'000 | | | | | |
| ASSETS | | | | | |
| Property, plant and equipment - net | 507,497 | 582,033 | 610,889 | (12.8) | Attributable to DMFI's disposal of its machineries and equipment |
| Right-of-use assets | 166,085 | - | - | 0.0 | Change in accounting policy (IFRS 16) |
| Investment in joint ventures | 22,855 | 24,212 | 25,195 | (5.6) | Mainly from losses recorded during the year |
| Intangible assets and goodwill | 701,347 | 707,997 | 714,651 | (0.9) | nm |
| Other noncurrent assets | 27,071 | 39,096 | 41,223 | (30.8) | Change in accounting policy (IFRS 16) reclassified most deferred rentals to right-of-use assets |
| Deferred tax assets - net | 144,974 | 106,321 | 79,829 | 36.4 | Higher tax loss carry forward from DMFI |
| Pension assets | 6,675 | 8,240 | 10,607 | (19.0) | No actual funding due to over payment of fund in prior years. |
| Biological assets | 63,278 | 54,002 | 43,592 | 17.2 | Higher fair value of agricultural growing produce attributed to price changes |
| Inventories | 482,463 | 664,922 | 760,981 | (27.4) | Due to increase in sales in the US as well all Philippine markets |
| Trade and other receivables | 323,065 | 149,054 | 161,627 | 116.7 | Due to increase in sales and timing of collection of sales revenue |
| Prepaid expenses and other current assets | 75,578 | 36,716 | 30,782 | 105.8 | Driven by DMFI, due to higher prepayments which were amortized subsequently. |
| Cash and cash equivalents | 33,465 | 21,636 | 24,246 | 54.7 | Higher cash inflow from higher operating results and lower inventories and lower receivables |
| Noncurrent assets held for sale | - | 4,465 | 5,504 | (100.0) | Unsold held-for-sale assets repositioned to property and equipment |
| EQUITY | | | | | |
| Share capital | 49,449 | 49,449 | 49,449 | - | nm |
| Share premium | 478,339 | 478,339 | 478,323 | - | nm |
| Retained earnings | 60,763 | 96,074 | 95,505 | (36.8) | Net loss during the year and dividend pay-out |
| Reserves | (77,474) | (65,827) | (64,082) | (17.7) | Driven by reserve from sale of shares of DMPI |
| Non-controlling interest | 54,820 | 43,106 | 49,065 | 27.2 | Share in the losses during the year |
| LIABILITIES | | | | | |
| Loans and borrowings | 1,396,029 | 1,478,655 | 1,465,223 | (5.6) | Due to loan repayments |
| Lease liabilities | 158,525 | - | - | nm | Change in accounting policy (IFRS 16) |
| Derivative liabilities | 2,565 | - | - | nm | Arising from sale of shares of a subsidiary |
| Other noncurrent liabilities | 20,816 | 30,015 | 35,195 | (30.6) | Attributable to the decrease in derivative liability of DMFI. Also, lease liabilities are presented separately due to the adoption of IFRS 16 |
| Employee benefits | 105,344 | 91,421 | 114,550 | 15.2 | Higher liability due to changes in financial assumptions in remeasuring retirement plans |
| Environmental remediation liabilities | 9,587 | 697 | 144 | 1,275.5 | Higher provisions related to plant closures |
| Deferred tax liabilities - net | 13,124 | 6,404 | 7,128 | 104.9 | Recognition of deferred final tax on undistributed profits of DMPI for the year |
| Trade and other current liabilities | 276,893 | 188,669 | 276,618 | 46.8 | Mainly on timing of payment of trade payables and higher accruals driven by DMFI for refinancing activity |
| Current tax liabilities | 5,573 | 1,692 | 2,008 | 229.4 | Taxes on Non PEZA activities increased during the year. |

SHARE CAPITAL

Total shares outstanding were at 1,973,960,024 (common shares 1,943,960,024 and preference shares 30,000,000) as of 30 April 2020 and 2019. Share capital is at US\$49.5 million as of 30 April 2020 and 2019. Market price options and share awards were granted pursuant to the Company's Executive Stock Option Plan and Restricted Share Plan as set out in the table below.

| Date of Grant | Options | Share Awards | Recipient(s) |
|------------------|-----------|--------------|-----------------------------------|
| 7 March 2008 | 1,550,000 | 1,725,000 | Key Executives |
| 20 May 2008 | – | 1,611,000 | CEO |
| 12 May 2009 | – | 3,749,000 | Key Executives |
| 29 April 2011 | – | 2,643,000 | CEO |
| 21 November 2011 | – | 67,700 | Non-Executive Director |
| 30 April 2013 | 150,000 | 486,880 | Key Executives |
| 22 August 2013 | – | 688,000 | Executive/Non-Executive Directors |
| 1 July 2015 | 75,765 | 57,918 | Executive/Non-Executive Directors |

The number of shares outstanding includes 975,802 shares held by the Company as treasury shares as at 30 April 2020 and 2019. There was no sale, disposal and cancellation of treasury shares during the quarter and as at 30 April 2020.

In April 2019, the parent Company converted its advances to wholly owned subsidiaries Del Monte Pacific Resources Limited (DMPRL) and DMPL India, Pte Ltd (DMPLI) in the amounts of US\$167.6 million and US\$70.1 million, respectively into additional paid in capital. The conversion was approved by the Board of directors on 30 April 2019.

In April 2017, the Company successfully completed the offering and listing of 20 million Series A-1 Preference Shares at an offer price of US\$10 per share in the Philippines generating US\$200 million in proceeds. In December 2017, the Company raised and listed another US\$100 million of Preference Shares (10 million Series A-2 shares).

The Company used the net proceeds to substantially refinance the US\$350 million BDO Unibank, Inc loan due in February 2019.

BORROWINGS AND NET DEBT

| Liquidity in US\$'000 | 30 April 2020 | 30 April 2019 | 30 April 2018 |
|-------------------------------------|--------------------|------------------|------------------|
| Gross borrowings | (1,396,029) | (1,478,655) | (1,465,223) |
| Current | (1,298,292) | (492,740) | (481,620) |
| Secured | (825,140) | (138,870) | (64,310) |
| Unsecured | (473,152) | (353,870) | (417,310) |
| Non-current | (97,737) | (985,915) | (983,603) |
| Secured | (22,737) | (874,674) | (983,603) |
| Unsecured | (75,000) | (111,241) | - |
| Less: Cash and bank balances | 33,465 | 21,636 | 24,246 |
| Net debt | (1,362,564) | (1,457,019) | (1,440,977) |

The Group's net debt (cash and bank balances less borrowings) amounted to US\$1.4 billion as at 30 April 2020, lower than last year due to significant improvement in cash flow from operations which were used to pay off loans.

DIVIDENDS

In April 2020, the Company paid dividends to holders of the following:

- The Series A-1 Preference Shares at the fixed rate of 6.625% per annum, or equivalent to US\$0.33125 per Series A-1 Preference Share for the six-month period from 8 October 2019 to 7 April 2020; and
- The Series A-2 Preference Shares at the fixed rate of 6.5% per annum, or equivalent to US\$0.325 per Series A-2 Preference Share for the six-month period from 8 October 2019 to 7 April 2020.

The cash dividends on preferred shares were paid on 7 April 2020.

Under the Company's Articles of Association and the terms of the Preference Shares, the Company may declare and pay dividends on Common Shares provided there are adequate and available funds for dividends on Preference Shares which have priority over Common Shares. Subject to the foregoing, the Board approved a special dividend of 1.54 US cents (US\$0.0154) per share to Common Shareholders for fiscal year 2020. The private equity investment of a 12% stake in Del Monte Philippines generated a net gain of US\$77.0 million for DMPL.

| | For the fiscal year ended 30 April | |
|-------------------|--------------------------------------|--------------------------------------|
| | 2020 | 2019 |
| Name of dividend | Special | Final Ordinary |
| Type of dividend | Cash | Cash |
| Rate of dividend | US\$0.0154 per ordinary share | US\$0.0052 per ordinary share |
| Tax rate | Nil | Nil |
| Book closure date | TBC | 12 July 2019 |
| Payable date | TBC | 19 July 2019 |

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 | | Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) | |
|--------------------------------|---|--------|--|--------|
| | FY2020 | FY2019 | FY2020 | FY2019 |
| For the year ended 30 April | | | | |
| NutriAsia, Inc | - | - | 5,822 | 667 |
| DMPI Retirement Fund | - | - | 1,270 | 1,167 |
| NutriAsia, Inc Retirement Fund | - | - | 438 | 406 |
| Aggregate Value | - | - | 7,530 | 2,239 |

Rule 704(13)

Person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a Director or Chief Executive Officer or substantial shareholder of the issuer:

Ms Jeanette Beatrice Campos Naughton was appointed Vice President, Strategic Planning of the Company's USA subsidiary, Del Monte Foods, Inc ("DMFI") on 1 March 2015. She is the daughter of Mr Joselito D Campos, Jr, Del Monte Pacific Ltd's Managing Director and CEO, and DMFI's Vice Chairman and Director. Ms Naughton is responsible for spearheading DMFI's strategic planning function, with principal involvement in DMFI's mid-to-long term corporate vision, financial goals and key measures, business strategies and resources requirements. Ms Naughton formerly held management positions at Google in their Mountain View, California headquarters. She has an MBA from the Sloan School of the Massachusetts Institute of Technology.

DEL MONTE PACIFIC LIMITED
UNAUDITED CONSOLIDATED INCOME STATEMENT

| <i>Amounts in US\$'000</i> | For the three months ended | | | For the year ended | | |
|--|----------------------------|-----------------------|----------------|-----------------------|---------------------|------------------|
| | 30 April | | | 30 April | | |
| | FY2020 (Unaudited) | FY2019 (Unaudited) | % | FY2020 (Unaudited) | FY2019 (Audited) | % |
| Turnover | 638,394 | 432,612 | 47.6 | 2,128,343 | 1,954,842 | 8.9 |
| Cost of sales | (524,964) | (350,988) | (49.6) | (1,676,186) | (1,559,857) | (7.5) |
| Gross profit | 113,430 | 81,624 | 39.0 | 452,157 | 394,985 | 14.5 |
| Distribution and selling expenses | (55,335) | (44,098) | (25.5) | (213,414) | (202,839) | (5.2) |
| General and administration expenses | (31,453) | (15,281) | (105.8) | (120,010) | (115,540) | (3.9) |
| Other operating income/(loss) | 3,642 | 1,643 | 121.7 | (67,548) | 3,516 | (2,021.2) |
| Profit from operations | 30,284 | 23,888 | 26.8 | 51,185 | 80,122 | (36.1) |
| Financial income* | (400) | (38) | (952.6) | 5,814 | 19,090 | (69.5) |
| Financial expense* | (39,931) | (24,331) | (64.1) | (118,569) | (97,529) | (21.6) |
| Share in net loss of joint venture | (1,325) | (554) | (139.2) | (3,084) | (983) | (213.7) |
| Profit/(loss) before taxation | (11,372) | (1,035) | (998.7) | (64,654) | 700 | (9,336.3) |
| Taxation | (3,758) | 7,460 | (150.4) | (29,176) | 13,524 | (315.7) |
| Profit/(loss) after taxation | (15,130) | 6,425 | (335.5) | (93,830) | 14,224 | (759.7) |
| Profit/(loss) attributable to: | | | | | | |
| Owners of the Company | (12,444) | 6,298 | (297.6) | (81,394) | 20,319 | (500.6) |
| Non-controlling interest** | (2,686) | 127 | (2,215.0) | (12,436) | (6,095) | (104.0) |
| Profit/(loss) for the period | (15,130) | 6,425 | (335.5) | (93,830) | 14,224 | (759.7) |
| Notes: | | | | | | |
| Depreciation and amortisation | (53,955) | (38,276) | (41.0) | (178,503) | (138,706) | (28.7) |
| Reversal (Provision) of asset impairment | 15 | (612) | 102.5 | (40,746) | (2,037) | (1,900.3) |
| Reversal of (provision for) inventory obsolescence | 465 | 1,919 | (75.8) | 859 | (229) | 475.1 |
| Provision for doubtful debts | 40 | (2,572) | 101.6 | 23 | (2,637) | 100.9 |
| Gain (loss) on disposal of fixed assets | (2,212) | 3,651 | (160.6) | (2,502) | 6,158 | (140.6) |
| *Financial income comprise: | | | | | | |
| Interest income | 143 | (314) | 145.5 | 2,569 | 18,125 | (85.8) |
| Foreign exchange gain | (543) | 276 | (296.7) | 3,245 | 965 | 236.3 |
| | (400) | (38) | (952.6) | 5,814 | 19,090 | (69.5) |
| *Financial expense comprise: | | | | | | |
| Interest expense | (36,182) | (24,167) | (49.7) | (114,693) | (96,958) | (18.3) |
| Foreign exchange loss | (3,749) | (164) | (2,186.0) | (3,876) | (571) | (578.8) |
| | (39,931) | (24,331) | (64.1) | (118,569) | (97,529) | (21.6) |

nm – not meaningful

| Earnings per ordinary share in US cents | For the three months ended | | For the year ended | |
|---|----------------------------|--------|--------------------|--------|
| | 30 April | | 30 April | |
| | FY2020 | FY2019 | FY2020 | FY2019 |
| Earnings per ordinary share based on net profit attributable to shareholders: | | | | |
| (i) Based on weighted average no. of ordinary shares | (0.89) | 0.07 | (5.20) | 0.03 |
| (ii) On a fully diluted basis | (0.89) | 0.07 | (5.20) | 0.03 |

**Includes (US\$2,640) for DMFI and (US\$46) for FieldFresh in the fourth quarter of FY2020 and US\$142m for DMFI and (US\$15m) for FieldFresh in the fourth quarter of FY2019.

**Includes (US\$12,329m) for DMFI and (US\$107m) for FieldFresh in the full year ended FY2020 and (US\$6,088m) for DMFI and (US\$6m) for FieldFresh in the full year ended FY2019.

DEL MONTE PACIFIC LIMITED
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

| <i>Amounts in US\$'000</i> | For the year ended 30 April | | |
|--|-----------------------------|---------------------|----------------|
| | FY2020 (Unaudited) | FY2019 (Audited) | % |
| Profit /(Loss) for the period | (93,830) | 14,224 | (759.7) |
| 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 | 5,401 | (1,838) | 393.9 |
| Effective portion of changes in fair value of cash flow hedges | 962 | 462 | 108.2 |
| Income tax expense on cash flow hedge | (236) | (113) | (108.8) |
| | <u>6,127</u> | <u>(1,489)</u> | 511.5 |
| <i>Items that will not be classified to profit or loss</i> | | | |
| Gain on property revaluation | 4,066 | - | nm |
| Tax on revaluation reserve | (1,220) | - | nm |
| Remeasurement of retirement benefit | (28,993) | (2,513) | (1,053.7) |
| Income tax expense on retirement benefit | 6,113 | 2,127 | 187.4 |
| | <u>(20,034)</u> | <u>(386)</u> | (5,090.2) |
| Other comprehensive loss for the period | (13,907) | (1,875) | (641.7) |
| Total comprehensive income/(loss) for the period | (107,737) | 12,349 | (972.4) |
| Attributable to: | | | |
| Owners of the Company | (93,041) | 18,194 | (611.4) |
| Non-controlling interests | (14,696) | (5,845) | (151.4) |
| Total comprehensive income /(loss)for the period | (107,737) | 12,349 | (972.4) |

nm – not meaningful

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 | | |
|---|--------------------|----------------|----------------|--------------------|--------------|--------------|
| | 30 Apr 2020 | 30 Apr 2019 | 30 Apr 2018 | 30 Apr 2020 | 30 Apr 2019 | 30 Apr 2018 |
| | (Unaudited) | (Audited) | (Audited) | (Unaudited) | (Audited) | (Audited) |
| Non-Current Assets | | | | | | |
| Property, plant and equipment - net | 507,497 | 582,033 | 610,889 | - | - | - |
| Right-of-use assets | 166,085 | - | - | - | - | - |
| Investment in subsidiaries | - | - | - | 620,027 | 830,855 | 707,644 |
| Investment in joint ventures | 22,855 | 24,212 | 25,195 | - | 766 | 1,638 |
| Intangible assets and goodwill | 701,347 | 707,997 | 714,651 | - | - | - |
| Other noncurrent assets | 27,071 | 39,096 | 41,223 | - | - | - |
| Deferred tax assets - net | 144,974 | 106,321 | 79,829 | 40 | 27 | 9 |
| Pension assets | 6,675 | 8,240 | 10,607 | - | - | - |
| Biological assets | 2,118 | 1,682 | 1,629 | - | - | - |
| Amount due from related company | - | - | - | 228,683 | 202,471 | 88,880 |
| | 1,578,622 | 1,469,581 | 1,484,023 | 848,750 | 1,034,119 | 798,171 |
| Current Assets | | | | | | |
| Inventories | 482,463 | 664,922 | 760,981 | - | - | - |
| Biological assets | 61,160 | 52,320 | 41,963 | - | - | - |
| Trade and other receivables | 323,065 | 149,054 | 161,627 | 96,428 | 3,187 | 180,948 |
| Prepaid expenses and other current assets | 75,578 | 36,716 | 30,782 | 180 | 192 | 210 |
| Cash and cash equivalents | 33,465 | 21,636 | 24,246 | 766 | 886 | 2,709 |
| | 975,731 | 924,648 | 1,019,599 | 97,374 | 4,265 | 183,867 |
| Noncurrent assets held for sale | - | 4,465 | 5,504 | - | - | - |
| | 975,731 | 929,113 | 1,025,103 | 97,374 | 4,265 | 183,867 |
| Total Assets | 2,554,353 | 2,398,694 | 2,509,126 | 946,124 | 1,038,384 | 982,038 |
| Equity attributable to equity holders of the Company | | | | | | |
| Share capital | 49,449 | 49,449 | 49,449 | 49,449 | 49,449 | 49,449 |
| Share premium | 478,339 | 478,339 | 478,323 | 478,478 | 478,478 | 478,462 |
| Retained earnings | 60,763 | 96,074 | 95,505 | 60,763 | 96,074 | 95,505 |
| Reserves | (77,474) | (65,827) | (64,082) | (77,474) | (65,827) | (64,082) |
| Equity attributable to owners of the Company | 511,077 | 558,035 | 559,195 | 511,216 | 558,174 | 559,334 |
| Non-controlling interest | 54,820 | 43,106 | 49,065 | - | - | - |
| Total Equity | 565,897 | 601,141 | 608,260 | 511,216 | 558,174 | 559,334 |
| Non-Current Liabilities | | | | | | |
| Loans and borrowings | 97,737 | 985,915 | 983,603 | 75,000 | 241,015 | 129,594 |
| Lease liabilities | 133,429 | - | - | - | - | - |
| Other noncurrent liabilities | 20,816 | 30,015 | 35,195 | - | - | - |
| Employee benefits | 82,397 | 63,781 | 76,905 | 221 | 148 | 3 |
| Derivative Liabilities | 2,565 | - | - | - | - | - |
| Environmental remediation liabilities | 9,587 | 697 | 144 | - | - | - |
| Deferred tax liabilities - net | 13,124 | 6,404 | 7,128 | - | - | - |
| | 359,655 | 1,086,812 | 1,102,975 | 75,221 | 241,163 | 129,597 |
| Current Liabilities | | | | | | |
| Trade and other current liabilities | 276,893 | 188,669 | 276,618 | 68,405 | 103,977 | 87,073 |
| Loans and borrowings | 1,298,292 | 492,740 | 481,620 | 291,282 | 135,070 | 206,034 |
| Lease liabilities | 25,096 | - | - | - | - | - |
| Current tax liabilities | 5,573 | 1,692 | 2,008 | - | - | - |
| Employee benefits | 22,947 | 27,640 | 37,645 | - | - | - |
| | 1,628,801 | 710,741 | 797,891 | 359,687 | 239,047 | 293,107 |
| Total Liabilities | 1,988,456 | 1,797,553 | 1,900,866 | 434,908 | 480,210 | 422,704 |
| Total Equity and Liabilities | 2,554,353 | 2,398,694 | 2,509,126 | 946,124 | 1,038,384 | 982,038 |
| NAV per ordinary share (US cents) | <u>10.86</u> | <u>13.27</u> | <u>13.33</u> | <u>10.87</u> | <u>13.28</u> | <u>13.34</u> |
| NTAV per ordinary share (US cents) | <u>(25.22)</u> | <u>(23.15)</u> | <u>(23.43)</u> | <u>10.87</u> | <u>13.28</u> | <u>13.34</u> |

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 | Share Option reserve | Reserve for own shares | Retained earnings | Totals | Non-controlling interest | Total equity |
|--|---------------|----------------|---------------------|---------------------|----------------------------------|-----------------|----------------------|------------------------|-------------------|----------------|--------------------------|----------------|
| Group | | | | | | | | | | | | |
| Fiscal Year 2020 | | | | | | | | | | | | |
| At 1 May 2019 | 49,449 | 478,339 | (93,375) | 10,885 | 17,648 | (2,452) | 1,753 | (286) | 96,074 | 558,035 | 43,106 | 601,141 |
| Impact of IFRS 16 | - | - | - | - | - | - | - | - | (1,013) | (1,013) | - | (1,013) |
| At 1 May 2019, as restated | 49,449 | 478,339 | (93,375) | 10,885 | 17,648 | (2,452) | 1,753 | (286) | 95,061 | 557,022 | 43,106 | 600,128 |
| Total comprehensive income for the period | | | | | | | | | | | | |
| Loss for the year | - | - | - | - | - | - | - | - | (81,394) | (81,394) | (12,436) | (93,830) |
| Other comprehensive income | | | | | | | | | | | | |
| Currency translation differences recognised directly in equity | - | - | 5,378 | - | - | - | - | - | - | 5,378 | 23 | 5,401 |
| Gain on property revaluation, net of tax | - | - | - | 2,846 | - | - | - | - | - | 2,846 | - | 2,846 |
| Remeasurement of retirement plan, net of tax | - | - | - | - | (20,521) | - | - | - | - | (20,521) | (2,359) | (22,880) |
| Effective portion of changes in fair value of cash flow hedges, net of tax | - | - | - | - | - | 650 | - | - | - | 650 | 76 | 726 |
| Total other comprehensive income | - | - | 5,378 | 2,846 | (20,521) | 650 | - | - | - | (11,647) | (2,260) | (13,907) |
| Total comprehensive (loss)/income for the period | - | - | 5,378 | 2,846 | (20,521) | 650 | - | - | (81,394) | (93,041) | (14,696) | (107,737) |
| Transactions with owners recorded directly in equity | | | | | | | | | | | | |
| Contributions by and distributions to owners | | | | | | | | | | | | |
| Sale of shares of a subsidiary | - | - | - | - | - | - | - | - | 76,958 | 76,958 | 26,410 | 103,368 |
| Payment of Dividends | - | - | - | - | - | - | - | - | (29,862) | (29,862) | - | (29,862) |
| Total contributions by and distributions to owners | - | - | - | - | - | - | - | - | 47,096 | 47,096 | 26,410 | 73,506 |
| At 30 April 2020 | 49,449 | 478,339 | (87,997) | 13,731 | (2,873) | (1,802) | 1,753 | (286) | 60,763 | 511,077 | 54,820 | 565,897 |

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 | Totals | Non-controlling interest | Total equity |
|--|---------------|----------------|---------------------|---------------------|----------------------------------|-----------------|----------------------|------------------------|-------------------|----------------|--------------------------|----------------|
| Group | | | | | | | | | | | | |
| Fiscal Year 2019 | | | | | | | | | | | | |
| At 1 May 2018 | 49,449 | 478,323 | (91,515) | 10,885 | 18,225 | (2,764) | 1,373 | (286) | 95,505 | 559,195 | 49,065 | 608,260 |
| Total comprehensive income for the period | | | | | | | | | | | | |
| Loss for the year | - | - | - | - | - | - | - | - | 20,319 | 20,319 | (6,095) | 14,224 |
| Other comprehensive income | | | | | | | | | | | | |
| Currency translation differences recognised directly in equity | - | - | (1,860) | - | - | - | - | - | - | (1,860) | 22 | (1,838) |
| Remeasurement of retirement plan, net of tax | - | - | - | - | (577) | - | - | - | - | (577) | 191 | (386) |
| Effective portion of changes in fair value of cash flow hedges, net of tax | - | - | - | - | - | 312 | - | - | - | 312 | 37 | 349 |
| Total other comprehensive income | - | - | (1,860) | - | (577) | 312 | - | - | - | (2,125) | 250 | (1,875) |
| Total comprehensive (loss)/income for the period | - | - | (1,860) | - | (577) | 312 | - | - | 20,319 | 18,194 | (5,845) | 12,349 |
| Transactions with owners recorded directly in equity | | | | | | | | | | | | |
| Contributions by and distributions to owners | | | | | | | | | | | | |
| Value of employee services received for issue of share options | - | - | - | - | - | - | 380 | - | - | 380 | (114) | 266 |
| Transaction cost from issue of preference shares | - | 16 | - | - | - | - | - | - | - | 16 | - | 16 |
| Payment of Dividends | - | - | - | - | - | - | - | - | (19,750) | (19,750) | - | (19,750) |
| Total contributions by and distributions to owners | - | 16 | - | - | - | - | 380 | - | (19,750) | (19,354) | (114) | (19,468) |
| At 30 April 2019, as restated | 49,449 | 478,339 | (93,375) | 10,885 | 17,648 | (2,452) | 1,753 | (286) | 96,074 | 558,035 | 43,106 | 601,141 |

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 2020 | | | | | | | | | | |
| At 1 May 2019 | 49,449 | 478,478 | (93,375) | 10,885 | 17,648 | (2,452) | 1,753 | (286) | 96,074 | 558,174 |
| Impact of IFRS 16 | - | - | - | - | - | - | - | - | (1,013) | (1,013) |
| At 1 May 2019, as restated | 49,449 | 478,478 | (93,375) | 10,885 | 17,648 | (2,452) | 1,753 | (286) | 95,061 | 557,161 |
| Total comprehensive income for the period | | | | | | | | | | |
| Loss for the year | - | - | - | - | - | - | - | - | (81,394) | (81,394) |
| Other comprehensive income | | | | | | | | | | |
| Currency translation differences recognised directly in equity | - | - | 5,378 | - | - | - | - | - | - | 5,378 |
| Gain on property revaluation, net of tax | | | | 2,846 | | | | | | 2,846 |
| Remeasurement of retirement plan, net of tax | - | - | - | - | (20,521) | - | - | - | - | (20,521) |
| Effective portion of changes in fair value of cash flow hedges, net of tax | - | - | - | - | - | 650 | - | - | - | 650 |
| Total other comprehensive income | - | - | 5,378 | 2,846 | (20,521) | 650 | - | - | - | (11,647) |
| Total comprehensive (loss)/income for the period | - | - | 5,378 | 2,846 | (20,521) | 650 | - | - | (81,394) | (93,041) |
| Transactions with owners recorded directly in equity | | | | | | | | | | |
| Contributions by and distributions to owners | | | | | | | | | | |
| Sale of shares of a subsidiary | - | - | - | - | - | - | - | - | 76,958 | 76,958 |
| Payment of Dividends | - | - | - | - | - | - | - | - | (29,862) | (29,862) |
| Total contributions by and distributions to owners | - | - | - | - | - | - | - | - | 47,096 | 47,096 |
| At 30 April 2020 | 49,449 | 478,478 | (87,997) | 13,731 | (2,873) | (1,802) | 1,753 | (286) | 60,763 | 511,216 |

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 2019 | | | | | | | | | | |
| At 1 May 2018 | 49,449 | 478,462 | (91,515) | 10,885 | 18,225 | (2,764) | 1,373 | (286) | 95,505 | 559,334 |
| Total comprehensive income for the period | | | | | | | | | | |
| Loss for the year | - | - | - | - | - | - | - | - | 20,319 | 20,319 |
| Other comprehensive income | | | | | | | | | | |
| Currency translation differences recognised directly in equity | - | - | (1,860) | - | - | - | - | - | - | (1,860) |
| Remeasurement of retirement plan, net of tax | - | - | - | - | (577) | - | - | - | - | (577) |
| Effective portion of changes in fair value of cash flow hedges, net of tax | - | - | - | - | - | 312 | - | - | - | 312 |
| Total other comprehensive income | - | - | (1,860) | - | (577) | 312 | - | - | - | (2,125) |
| Total comprehensive (loss)/income for the period | - | - | (1,860) | - | (577) | 312 | - | - | 20,319 | 18,194 |
| Transactions with owners recorded directly in equity | | | | | | | | | | |
| Contributions by and distributions to owners | | | | | | | | | | |
| Value of employee services received for issue of share options | - | - | - | - | - | - | 380 | - | - | 380 |
| Transaction cost from issue of preference shares | - | 16 | - | - | - | - | - | - | - | 16 |
| Payment of Dividends | - | - | - | - | - | - | - | - | (19,750) | (19,750) |
| Total contributions by and distributions to owners | - | 16 | - | - | - | - | 380 | - | (19,750) | (19,354) |
| At 30 April 2019, as restated | 49,449 | 478,478 | (93,375) | 10,885 | 17,648 | (2,452) | 1,753 | (286) | 96,074 | 558,174 |

DEL MONTE PACIFIC LIMITED
UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

| <i>Amounts in US\$'000</i> | For the three months ended | | For the year ended | |
|--|----------------------------|------------------|--------------------|------------------|
| | 30 April | | 30 April | |
| | FY2020 | FY2019 | FY2020 | FY2019 |
| | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| Cash flows from operating activities | | | | |
| Profit (loss) for the period | (15,130) | 6,425 | (93,830) | 14,224 |
| Adjustments for: | | | | |
| Depreciation of property, plant and equipment | 36,289 | 36,613 | 136,674 | 132,052 |
| Amortisation of right-of-use assets | 16,004 | - | 35,179 | - |
| Amortisation of intangible assets | 1,662 | 1,663 | 6,650 | 6,654 |
| Impairment loss on property, plant and equipment | (15) | 612 | 40,746 | 2,037 |
| Gain/(loss) on disposal of property, plant and equipment | 2,212 | (3,651) | 2,502 | (6,158) |
| Equity-settled share-based payment transactions | - | 57 | - | 266 |
| Share in net loss of joint venture | 1,325 | 554 | 3,084 | 983 |
| Finance income | 400 | 38 | (5,814) | (19,090) |
| Finance expense | 39,931 | 24,331 | 118,569 | 97,529 |
| Tax expense - current | 3,672 | 3,540 | 54,751 | 11,721 |
| Tax credit - deferred | 86 | (11,000) | (25,575) | (25,245) |
| Net loss (gain) on derivative financial instrument | 183 | (130) | 941 | 264 |
| Operating profit before working capital changes | <u>86,619</u> | <u>59,052</u> | <u>273,877</u> | <u>215,237</u> |
| Changes in: | | | | |
| Other assets | (23,155) | 5,886 | (28,947) | 6,281 |
| Inventories | 270,555 | 82,783 | 182,344 | 104,077 |
| Biological assets | 1,195 | (11,994) | (7,505) | (10,650) |
| Trade and other receivables | (21,022) | 39,649 | (49,255) | 12,043 |
| Prepaid and other current assets | 1,482 | (7,071) | (6,922) | (4,083) |
| Trade and other payables | (3,227) | (24,444) | 39,533 | (138,454) |
| Employee Benefit | 1,639 | (8,515) | 14,144 | 3,304 |
| Operating cash flow | <u>314,086</u> | <u>135,346</u> | <u>417,269</u> | <u>187,755</u> |
| Income taxes paid | (1,054) | (4,164) | (46,982) | (6,830) |
| Net cash flows from operating activities | <u>313,032</u> | <u>131,182</u> | <u>370,287</u> | <u>180,925</u> |
| Cash flows from investing activities | | | | |
| Interest received | 372 | 209 | 756 | 715 |
| Proceeds from disposal of property, plant and equipment | 18,635 | 6,902 | 29,249 | 16,206 |
| Purchase of property, plant and equipment | (45,251) | (29,408) | (130,599) | (123,479) |
| Additional investment in joint venture | 15 | - | (1,515) | - |
| Net cash flows used in investing activities | <u>(26,229)</u> | <u>(22,297)</u> | <u>(102,109)</u> | <u>(106,558)</u> |
| Cash flows from financing activities | | | | |
| Interest paid | (20,467) | (22,179) | (94,648) | (87,494) |
| Proceeds of borrowings | 30,458 | 146,695 | 788,696 | 823,979 |
| Repayment of borrowings | (267,971) | (266,389) | (891,423) | (798,331) |
| Payments of lease liability | (7,714) | - | (30,259) | - |
| Dividends paid | (9,875) | (9,875) | (29,862) | (19,750) |
| Proceeds from issuance of preference shares | - | - | - | - |
| Refund of transactions costs related to issuance of preference | - | - | - | 16 |
| Payments of debt related costs | - | (146) | - | (146) |
| Net cash flows from financing activities | <u>(275,569)</u> | <u>(151,894)</u> | <u>(257,496)</u> | <u>(81,726)</u> |
| Net decrease in cash and cash equivalents | <u>11,234</u> | <u>(43,009)</u> | <u>10,682</u> | <u>(7,359)</u> |
| Cash and cash equivalents, beginning | <u>20,488</u> | <u>65,172</u> | <u>21,636</u> | <u>24,246</u> |
| Effect of exchange rate fluctuations on cash held in foreign currency | <u>1,743</u> | <u>(527)</u> | <u>1,147</u> | <u>4,749</u> |
| Cash and cash equivalents at 30 April | <u>33,465</u> | <u>21,636</u> | <u>33,465</u> | <u>21,636</u> |

IMPACT OF CHANGE IN ACCOUNTING POLICY

The Group has applied IFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings as at 1 May 2019 (see Statement of Changes in Stockholder's Equity). Accordingly, the comparative information presented for fiscal year 2019 has not been restated. In relation to those leases under IFRS 16, the Group recognised depreciation and interest costs, instead of operating lease expense.

As a lessee, the Group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all of the risk and rewards of ownership. Under IFRS 16, the Group recognises right-of-use assets and lease liabilities for most leases, except for some short-term and low-value assets.

At transition, for leases classified as operating leases under IAS 17, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Group's incremental borrowing rate as at 1 May 2019. Right-of-use assets are measured at either:

- their carrying amount as if IFRS 16 had been applied since the commencement date, discounted using the lessee's incremental borrowing rate at the date of initial application (the Group applied this approach for leases under DMPI); or
- an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments (the Group applied this approach for leases under DMFI).

For leases classified as finance leases under IAS 17, the carrying amount of the right-of-use asset and the lease liability at 1 May 2019 were determined at the carrying amount of lease asset and lease liability under IAS 17 immediately before that date. The Group has no finance leases under IAS 17.

Right-of-use assets and lease liabilities are presented separately in the consolidated statement of financial position.

The impact of adoption of IFRS 16 as at 1 May 2019 is as follows*:

Consolidated Statement of Financial Position

| <i>Amounts in US\$'000</i> | 1 May 2019 |
|--|-----------------------|
| ASSETS | |
| Prepaid expenses and other current assets ¹ | (2,156) |
| Right-of-use assets-net | 209,159 |
| Deferred tax assets | 1,698 |
| Other noncurrent assets ¹ | (25,079) |
| | 183,622 |
| LIABILITIES AND EQUITY | |
| Lease liability - current portion | 29,708 |
| Lease liability - noncurrent portion | 162,533 |
| Other noncurrent liabilities ¹ | (7,606) |
| Total Liabilities | 184,635 |
| Retained earnings | (1,013) |
| Total Equity | (1,013) |
| | 183,622 |

* Adjusted as of April 2020 from the earlier numbers presented as at January 2020 mainly from the change in the adoption approach of DMPI for land leases.

¹ The associated right-of-use assets for some leases were recognized based on the carrying amount as if the standard had always been applied. Other right-of use assets were measured at the amount equal to the lease liability. The right-of-use assets were adjusted by the amount of any prepaid rent expense (previously classified under "Prepaid expenses and

other current assets”), deferred rent (previously classified under “Other noncurrent assets”), and accrued rent expense (previously classified under “Other noncurrent liabilities”) relating to the lease recognised in the balance sheet as at 30 April 2019 resulting to the respective reduction amounting to US\$ 2.2 million, US\$ 25.1 million, and US\$ 7.6 million, respectively, as at 1 May 2019.

Impact of adoption of IFRS 16 in the statement of financial performance of the Group for the full year ended 30 April 2020:

Consolidated Statement of Financial Performance

| <i>Amounts in US\$'000</i> | For the year ended 30 April |
|---|--|
| Turnover | - |
| Cost of Sales | (4,536) |
| Gross profit | 4,536 |
| Less: General and administration expenses | (1,093) |
| Add: ROU Amortization | 29,534 |
| EBITDA | 35,163 |
| Less: ROU Amortization | 29,534 |
| Profit from operations | 5,629 |
| Finance expense | 8,567 |
| Profit /(loss) before taxation | (2,938) |
| Taxation | (405) |
| Profit/(loss) after taxation | (2,533) |
| Profit(loss) attributable to: | |
| Owners of the Company | (2,191) |
| Non-controlling interest | (342) |
| Profit/(loss) for the period | (2,533) |

ONE-OFF EXPENSES/(INCOME)

| <i>Amounts in US\$ million</i> | For the three months ended 30 April | | | For the year ended 30 April | | |
|--|--|-----------------------|----------------|--------------------------------|---------------------|----------------|
| | FY2020 (Unaudited) | FY2019 (Unaudited) | % | FY2020 (Unaudited) | FY2019 (Audited) | % |
| DMFI one-off expenses: | | | | | | |
| Plant closures | 2.4 | (0.3) | (920.8) | 79.8 | 6.2 | nm |
| Seed operation | - | - | nm | - | (1.1) | (100.0) |
| Severance | 1.5 | 2.9 | 49.1 | 3.5 | 6.1 | 42.8 |
| Others | 0.0 | 1.8 | 97.7 | 0.1 | 1.2 | 89.6 |
| Total (pre-tax basis) | 3.9 | 4.4 | 11.5 | 83.5 | 12.4 | (573.3) |
| Tax impact | 2.9 | (1.0) | (382.1) | (16.5) | (2.9) | 472.1 |
| Non-controlling interest | (0.7) | (0.4) | 99.2 | (7.1) | (1.0) | 604.0 |
| Total DMFI one-off expenses (post tax, post NCI basis) | 6.1 | 3.1 | (99.2) | 59.9 | 8.5 | (604.0) |
| Deferred financing transactions / Interest rate swap | | | | | | |
| Accelerated deferred financing fee on refinanced loans | 6.0 | - | nm | 6.0 | - | nm |
| Interest rate swap settlement | 5.2 | - | nm | 5.2 | - | nm |
| Tax impact | (2.6) | - | nm | (2.6) | - | nm |
| Non-controlling interest | (0.9) | - | nm | (0.9) | - | nm |
| Subtotal (post tax, post NCI basis) | 7.7 | - | nm | 7.7 | - | nm |
| Second Lien Loan Purchase: | | | | | | |
| Net (gain) cost due to the purchase of DMFI's second lien loan at a discount | 0.1 | (0.4) | nm | (1.5) | (16.7) | nm |
| Tax impact for the other one-off items | (0.0) | 0.2 | nm | 0.4 | 3.7 | nm |
| Total one-off gain on second lien loan purchase (post tax basis) | 0.0 | (0.2) | nm | (1.1) | (13.0) | nm |
| Intercompany Dividends Tax: | | | | | | |
| Final tax paid on intercompany dividends | - | - | nm | 39.6 | - | nm |
| Deferred tax on undistributed share in profits | 3.4 | - | nm | 7.5 | - | nm |
| Total one-off final taxes on intercompany dividends | 3.4 | - | nm | 47.1 | - | nm |
| Total (post-tax and post non-controlling interest) | 17.2 | 2.9 | (496.8) | 113.6 | (4.5) | nm |