

[Note: for the website only. NOT to be included in the printed version of the Prospectus:]

The Prospectus is being displayed in the website to make the Prospectus accessible to more investors. The Philippine Stock Exchange, Inc. (“PSE”) assumes no responsibility for the correctness of any statements made or opinions or reports expressed in the Prospectus. Furthermore, the PSE makes no representation as to the completeness of the Prospectus and disclaims any liability whatsoever for any loss arising from or in reliance in whole or in part on the contents of the Prospectus.

The information in this Preliminary Prospectus is subject to completion and amendment in the final prospectus. No offer or invitation shall be made or received, and no agreement shall be made, on the basis of this document, to purchase or subscribe for any Offer Shares.

SUBJECT TO COMPLETION

PRELIMINARY PROSPECTUS DATED MAY 30, 2016



Del Monte Pacific Limited

(incorporated in the British Virgin Islands with limited liability)

Offer of up to [15,000,000] Series A Preference Shares
with an Oversubscription Option of up to [10,000,000] Series A Preference Shares
and the remaining balance of up to [11,000,000] Series A Preference Shares under
Shelf Registration to be offered within a period of three (3) years

at an Offer Price of U.S.\$10.00 per Offer Share
to be listed and traded on the Main Board of The Philippine Stock Exchange, Inc.

The date of this Prospectus is [May 30,] 2016

The proceeds of the Offer will be primarily used for the payment of the outstanding bridge loan facility extended by BDO Unibank, Inc., the parent company of BDO Capital & Investment Corporation.

THE SECURITIES AND EXCHANGE COMMISSION HAS NOT APPROVED THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS ACCURATE OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE AND SHOULD BE REPORTED IMMEDIATELY TO THE SECURITIES AND EXCHANGE COMMISSION.

Del Monte Pacific Limited

Craigmuir Chambers
P.O. Box 71 Road Town, Tortola
British Virgin Islands
Telephone Number: +65 6311 3233
Corporate Website: <http://www.delmontepacific.com/>

This Prospectus relates to the shelf registration and continuous offer and sale of up to 36,000,000 perpetual, cumulative, non-voting, non-participating, non-convertible preference shares (the “**Offer**”, and such shares, the “**Offer Shares**”), with a par value of U.S.\$1.00 per preference share (the “**Series A Preference Shares**”), of Del Monte Pacific Limited, a corporation organized and existing under the laws of the British Virgin Islands (the “**Company**” or the “**Issuer**”) to be listed and traded in the Main Board of The Philippine Stock Exchange, Inc. (the “**PSE**”). The Offer Shares will comprise of up to [36,000,000] new Series A Preference Shares to be issued and offered by the Company by way of a primary offer.

The Offer Shares will be issued in tranches within a period of three (3) years (the “**Shelf Period**”), at an offer price of U.S.\$10.00 per Offer Share (the “**Offer Price**”). The determination of the Offer Price is further discussed on page [95] of this Prospectus. The specific terms of the Offer Shares for each tranche will be determined by the Company considering the prevailing market conditions and provided in an Offer Supplement to be issued at the time of the relevant offering.

The initial offer size will consist of [up to 15,000,000] Offer Shares, and in the event of an oversubscription, the Underwriters, with the consent of the Company, reserve the right to increase the size of the Offer by up to [10,000,000] Offer Shares (the “**Oversubscription Option**”, and the Offer Shares pertaining to such option, the “**Oversubscription Option Shares**”), for an aggregate issue size of up to [25,000,000] Offer Shares (this offer, the “**Initial Offer**”). The remaining balance of [11,000,000] Offer Shares will be issued in tranches within the Shelf Period (the “**Subsequent Offers**”). However, in case the Oversubscription Option is partly exercised or not exercised at all during the Offer Period for the Initial Offer, the Offer Shares under shelf registration will be automatically increased by such number of Oversubscription Option Shares that will not be taken up or exercised. Hence, after the Initial Offer, the remaining Offer Shares under shelf registration may potentially increase up to 21,000,000 Offer Shares, which may be issued in tranches within the Shelf Period. The specific terms and conditions of the Initial Offer are set out in the Offer Supplement dated [May 11, 2016] and in the relevant sections of this Prospectus.

As of the date of this Prospectus, the Company has an authorized capital stock of U.S.\$630,000,000.00 consisting of 3,000,000,000 Ordinary Shares, each with a par value of U.S.\$0.01, and 600,000,000 Preference Shares, each with a par value of U.S.\$1.00. Out of the authorized capital stock, [1,943,214,106] Ordinary Shares are outstanding. The number of Ordinary Shares outstanding excludes [1,721,720] Ordinary Shares held by the Company as treasury shares. Total issued Ordinary Shares are [1,944,935,826] Ordinary Shares, including treasury shares. Following the Offer (*i.e.*, the Initial Offer and Subsequent Offers), the Company will have (i) [1,943,214,106] Ordinary Shares, and (ii) up to [36,000,000] Series A Preference Shares outstanding.

The determination of the dividend rate for each tranche of the Series A Preference Shares shall be through a book-building process, as well as discussions between the Company and the Issue Manager.

The total proceeds to be raised by the Company from the sale of the Offer Shares will be up to [U.S.\$360,000,000.00]. The use of proceeds for each tranche of the Offer will be set out in the relevant Offer Supplement. For a more detailed discussion on the proceeds from the Offer

and the Company's proposed use of proceeds, please see "*Use of Proceeds*" on page [19] of the Offer Supplement.

As and if cash dividends are declared by the Board of Directors of the Company, cash dividends on the Offer Shares shall be at a fixed rate per annum calculated in respect of each Preference Share by reference to the Offer Price thereof in respect of each Dividend Period. See page [4] of the Offer Supplement and "*Description of the Series A Preference Shares*" on page [38] of this Prospectus for a more detailed discussion.

The Offer Shares shall bear cumulative non-participating cash dividends payable on the Dividend Payment Date as set by the Board of Directors, on the last day of each [6-month / 180-day] period (each, a "**Dividend Period**") following the date of issue of such Offer Shares as set out in the relevant Offer Supplement (the date of issue of Offer Shares sold during the Initial Offer and Subsequent Offers, each an "**Issue Date**"). If the Dividend Payment Date is not a Business Day, dividends will be paid on the next succeeding Business Day, without adjustments as to the amount of dividends to be paid.

The dividends on the Series A Preference Shares will be calculated on a 180/360-day basis for each Dividend Period.

As and if declared by its Board of Directors and subject to the requirements of applicable laws and regulations, the Issuer may redeem the Series A Preference Shares in whole (not in part) without the consent of the holder(s) of such Series A Preference Shares:

- (a) on the fifth anniversary from the Issue Date or on any Dividend Payment Date thereafter (each, an "**Optional Redemption Date**"); or
- (b) at any time prior to the first Optional Redemption Date, if an Accounting Event or a Tax Event (each as defined below) has occurred and is continuing (the "**Early Redemption Date**").

See "*Description of the Series A Preference Shares*" on page [38] of this Prospectus for a detailed discussion on redemption of the Offer Shares.

The Issuer plans to issue the Offer Shares to institutional and retail investors in the Philippines through a public offering to be conducted by the Underwriters. The detailed plan of distribution and underwriting arrangements shall be as set out on page [23] of the Offer Supplement. See also "*Plan of Distribution*" on page [88] of this Prospectus.

After Listing Date, the Issuer may purchase the Offer Shares at any time in the open market or by public tender or by private contract at any price through the PSE. The Offer Shares so purchased may either be redeemed (pursuant to the terms and conditions of redemption as set out in this Prospectus) and cancelled or kept as treasury shares.

All of the Offer Shares to be sold pursuant to the Offer have identical rights and privileges. Any person or entity, regardless of citizenship or nationality, may own the Preference Shares.

The Issuer reserves the right to issue additional preference shares which shall rank at least *pari passu* in all respects with the Offer Shares.

The information contained in this Prospectus relating to the Company and its operations has been supplied by the Company, unless otherwise stated herein. To the best of its knowledge and belief, the Company, which has taken reasonable care to ensure that such is the case, confirms that the information contained in this Prospectus relating to it and its operations is correct, and that there is no material misstatement or omission of fact which would make any statement in this Prospectus misleading in any material respect and that the Company hereby

accepts full and sole responsibility for the accuracy of the information contained in this Prospectus with respect to the same.

Before making an investment decision, investors should carefully consider the risks associated with an investment in the Offer Shares. These risks include:

- risks relating to the Company's business;
- risks relating to the Philippines;
- risks relating to the Offer and the Offer Shares; and
- risks relating to certain statistical information in this Prospectus.

Please refer to the section entitled "*Risk Factors*" beginning on page [61] of this Prospectus, which, while not intended to be an exhaustive enumeration of all risks, must be considered in connection with a purchase of the Offer Shares.

The Offer Shares will be listed on the PSE under the trading symbol "DMPLA."

On April 10, 2015, the Company requested for the approval of the Bangko Sentral ng Pilipinas ("BSP") for the Company's offer in the Philippines of United States Dollar-Denominated Preference Shares (the "Preference Shares"). The application is currently being reviewed by the International Operations Department ("IOD") of the BSP. We understand that the BSP IOD has received all information it has requested from the relevant parties. However, before BSP IOD will elevate the Company's application to the BSP Monetary Board for its consideration and approval, BSP IOD is requiring proof of issuance of the SEC pre-effective clearance on the offer of the Preference Shares. On the other hand, the BSP Monetary Board's approval is a pre-requisite for the PSE's approval of the Company's listing application and a condition for the SEC's issuance of the Permit to Sell. Our understanding is that, unless the BSP Monetary Board approves the application by the Company, the listing application will not be elevated to the PSE Board of Directors for its consideration and approval, and the SEC will not issue the Permit to Sell.

On March 2, 2016, the PSE released the DDS Rules, which will govern the listing, trading and settlement of the Offer Shares, for public comment. Based on the draft DDS Rules, the PSE will implement upgrades in its present trading and settlement system to accommodate the trading and settlement of dollar-denominated securities. We have been informed that the DDS Rules have been presented to the PSE Board on May 25, 2016. Once the PSE Board has approved the DDS Rules, the said rules will be submitted to the SEC for approval. We understand that, unless the DDS Rules are approved by both the PSE and the SEC, the Company's listing application in respect of the Preference Shares will not be elevated to the PSE Board of Directors for its consideration and approval.

The Company's listing application is currently undergoing processing and review by the PSE's Listings Department, and will be elevated to the PSE Board of Directors for its consideration and approval, provided the following approvals are obtained: (1) BSP Monetary Board approval of the Company's offer of Preference Shares in the Philippines, (2) the PSE and the SEC approvals of the DDS Rules, and (3) the pre-effective clearance from the SEC.

An application for listing of the Offer Shares was approved on [●] by the Board of Directors of the PSE, subject to the fulfillment of certain listing conditions. The PSE assumes no responsibility for the correctness of any statements made or opinions expressed in, and makes no representation as to the completeness of, this Prospectus. The PSE expressly disclaims any liability whatsoever for any loss arising from reliance on the entire or any part of this Prospectus. Such approval for listing is permissive only and does not constitute a recommendation or endorsement of the Offer Shares by the PSE.

Prior to the Offer, there has been no public market for the Series A Preference Shares. Accordingly, there has been no market price for the Series A Preference Shares derived from day-to-day trading.

Presently, the Company does not have any plan of applying for the listing of the Offer Shares with the Singapore Exchange Securities Trading Limited (the “SGX-ST”). It is possible that the Offer Shares may not be listed at all with the SGX-ST.

An application was filed with the Securities and Exchange Commission of the Philippines (the “SEC”) to register the Offer Shares under the provisions of the Securities Regulation Code of the Philippines (Republic Act (“R.A.”) No. 8799) (the “SRC”). The SEC issued an Order of Registration and a Certificate of Permit to Sell or Offer for Sale of Securities on [•]. Any approval for registration of the Offer Shares by the SEC does not constitute a recommendation or endorsement of the Offer Shares by the SEC.

A REGISTRATION STATEMENT RELATING TO THE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION BUT HAS NOT YET BEEN DECLARED EFFECTIVE. NO OFFER TO BUY THE SECURITIES CAN BE ACCEPTED AND NO PART OF THE PURCHASE PRICE CAN BE RECEIVED UNTIL THE REGISTRATION STATEMENT HAS BECOME EFFECTIVE THEREBY, AND ANY SUCH OFFER MAY BE WITHDRAWN OR REVOKED, WITHOUT OBLIGATION OR COMMITMENT OF ANY KIND, AT ANY TIME PRIOR TO NOTICE OF ITS ACCEPTANCE. AN INDICATION OF INTEREST IN RESPONSE HERETO INVOLVES NO OBLIGATION OR COMMITMENT OF ANY KIND. THIS PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR BE CONSIDERED A SOLICITATION OF AN OFFER TO BUY ANY OFFER SHARES.

This Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the Company represents that it has not offered or sold any new shares or caused such new shares to be made the subject of an invitation for subscription or purchase and will not offer or sell such new shares or cause them to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, and it will not circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such new shares, whether directly or indirectly, to persons in Singapore other than pursuant to an exemption under the Securities and Futures Act, Chapter 289 of Singapore (“SFA”).

By:

Joselito D. Campos, Jr.

Managing Director and Chief Executive Officer

Parag Sachdeva

Chief Financial Officer

No representation or warranty, express or implied, is made by the Company or the Issue Manager, regarding the legality of an investment in the Offer Shares under any legal, investment or similar laws or regulations. No representation or warranty, express or implied, is made by the Issue Manager and the Underwriters as to the accuracy or completeness of the information herein and nothing contained in this Prospectus is, or shall be relied upon as, a promise or representation by the Issue Manager and the Underwriters. The contents of this Prospectus are not investment, legal or tax advice. Prospective investors should consult their own counsel, accountant and other advisors as to legal, tax, business, financial and related aspects of a purchase of the Offer Shares. In making any investment decision regarding the Offer Shares, prospective investors must rely on their own examination of the Company and the terms of the Offer, including the merits and risks involved. Any reproduction or distribution of this Prospectus, in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the Offer Shares is prohibited.

THE OFFER SHARES ARE BEING OFFERED ON THE BASIS OF THIS PROSPECTUS ONLY. ANY DECISION TO PURCHASE THE OFFER SHARES MUST BE BASED ONLY ON THE INFORMATION CONTAINED HEREIN.

No person has been authorized to give any information or to make any representations other than those contained in this Prospectus and, if given or made, such information or representations must not be relied upon as having been authorized by the Company or the Issue Manager. The directors and officers of the Company accept responsibility for the information in the listing application and all documents submitted to the PSE and this Prospectus. Nevertheless, this Prospectus does not constitute an offer to sell or the solicitation of an offer to purchase any securities other than the Offer Shares or an offer to sell or the solicitation of an offer to purchase such securities by any person in any circumstances in which such offer or solicitation is unlawful. Neither the delivery of this Prospectus nor any sale of the Offer Shares offered hereby shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date hereof or that the information contained herein is correct as of any time subsequent to the date hereof.

Certain statistical information and forecasts in this Prospectus relating to the Philippines and other data used in this Prospectus were obtained or derived from internal surveys, industry forecasts, market research, governmental data, publicly available information and/or industry publications. Industry publications generally state that the information they contain has been obtained from sources believed to be reliable. However, there is no assurance that such information is accurate or complete. Similarly, internal surveys, industry forecasts, market research, governmental data, publicly available information and/or industry publications have not been independently verified by the Company or the Issue Manager and may not be accurate, complete, up-to-date, balanced or consistent with other information compiled within or outside the Philippines.

The operating information used throughout this Prospectus has been calculated by the Company on the basis of certain assumptions made by it. As a result, this operating information may not be comparable to similar operating information reported by other companies.

The distribution of this Prospectus and the offer and sale of the Offer Shares in certain jurisdictions may be restricted by law. The Company, the Issue Manager and the Underwriters require persons, into whose possession this Prospectus comes to, inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer of, or an invitation to purchase, any of the Offer Shares in any jurisdiction in which such offer or invitation would be unlawful. Each prospective purchaser of the Offer Shares must comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers, sells or resells the Offer Shares or possesses and distributes this Prospectus

and must obtain any consents, approvals or permissions required for the purchase, offer, sale or resale by it of the Offer Shares under the laws, rules and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or resales, and none of the Company, the Issue Manager and the Underwriters shall have any responsibility therefor.

The Company reserves the right to withdraw the offer and sale of Offer Shares at any time, and the Issue Manager reserves the right to reject any commitment to subscribe for the Offer Shares in whole or in part and to allot to any prospective purchaser less than the full amount of the Offer Shares sought by such purchaser. If the Offer is withdrawn or discontinued, the Company shall subsequently notify the SEC and the PSE. The Underwriters and certain related entities may acquire for their own account a portion of the Offer Shares.

Each offeree of the Offer Shares, by accepting delivery of this Prospectus, agrees to the foregoing.

Conventions which apply to this Prospectus

In this Prospectus, unless otherwise specified or the context otherwise requires, all references to the “Company” are to Del Monte Pacific Limited. All references to the “Group” are to the Company and its subsidiaries on a consolidated basis. All references to the “Philippines” are references to the Republic of the Philippines. All references to the “Government” are to the national government of the Philippines. All references to the “BSP” are references to Bangko Sentral ng Pilipinas, the central bank of the Philippines. All references to “United States” are to the United States of America. All references to “Philippine Peso,” “PHP,” “Pesos” and “P” are to the lawful currency of the Philippines, all references to “U.S. dollars” and “U.S.\$” are to the lawful currency of the United States, and all references to “S\$” or “SGD” are to the lawful currency of the Republic of Singapore. The Company publishes its financial statements in U.S. dollars.

This Prospectus contains translations of certain Peso amounts into U.S. dollar amounts at specified rates solely for the convenience of the reader. These translations should not be construed as representations that the Peso amounts represent such U.S. dollar amounts or could be, or could have been, converted into U.S. dollars at the rates indicated or at all. Unless otherwise indicated, all translations from Pesos to U.S. dollars have been made at a rate of ₱47.685= U.S.\$1.00, the closing spot rate quoted on the Philippine Dealing System (the “PDS”) on 31 January 2016.

The items expressed in the Glossary of Terms may be defined otherwise by appropriate government agencies or regulations from time to time, or by conventional or industry usage.

Forward-Looking Statements

This Prospectus contains forward-looking statements that are, by their nature, subject to significant risks and uncertainties. These forward-looking statements include, without limitation, statements relating to:

- known and unknown risks;
- uncertainties and other factors that may cause the Company’s actual results, performance or achievements to be materially different from expected future results; and
- performance or achievements expressed or implied by forward-looking statements.

Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the environment in which the Company

will operate in the future. Important factors that could cause some or all of the assumptions not to occur or cause actual results, performance or achievements to differ materially from those in the forward-looking statements include, among other things:

- the Company’s ability to successfully implement its current and future strategies;
- the Company’s ability to anticipate and respond to local and regional trends, including demand for processed pineapple and other fruits, vegetables and tomato products, beverage, fresh fruits or other future products the Company may offer;
- the Company’s ability to successfully manage its future business, financial condition, results of operations and cash flow;
- the Company’s ability to secure additional financing and manage its capital structure and dividend policy;
- the condition of, and changes in, the relationship of the Company with the U.S. FDA and Philippine FDA and other regulatory authorities or licensors;
- general political, social and economic conditions in the territories where the Group operates;
- regional geopolitical dynamics involving the Philippines, the United States, and/or their neighbors;
- the condition of and changes in the Philippine, North American, Asian, or global economies;
- changes in interest rates, inflation rates and the value of the Peso against the U.S. dollar and other currencies;
- changes to the laws, regulations and policies applicable to or affecting the Company;
- competition in the food growing, processing, and distribution industries;
- legal or regulatory proceedings in which the Company is or may become involved; and
- uncontrollable events, such as war, civil unrest or acts of international or domestic terrorism, the outbreak of contagious diseases, accidents and natural disasters.

Additional factors that could cause the Company’s actual results, performance or achievements to differ materially from forward-looking statements include, but are not limited to, those disclosed under “*Risk Factors*” and elsewhere in this Prospectus. These forward-looking statements speak only as of the date of this Prospectus. The Company and the Underwriters expressly disclaim any obligation or undertaking to release, publicly or otherwise, any updates or revisions to any forward-looking statement contained herein to reflect any change in the Company’s expectations with regard thereto or any change in events, conditions, assumptions or circumstances on which any statement is based.

This Prospectus includes statements regarding the Company’s expectations and projections for future operating performance and business prospects. The words “believe,” “plan,” “expect,” “anticipate,” “estimate,” “project,” “intend,” “seek,” “target,” “aim,” “may,” “will,” “would,” “could,” and similar words identify forward-looking statements. In addition, all statements other than statements of historical facts included in this Prospectus are forward-

looking statements. Statements in this Prospectus as to the opinions, beliefs and intentions of the Company accurately reflect in all material respects the opinions, beliefs and intentions of its management as to such matters as of the date of this Prospectus, although the Company gives no assurance that such opinions or beliefs will prove to be correct or that such intentions will not change. This Prospectus discloses, under the section “*Risk Factors*” and elsewhere, important factors that could cause actual results to differ materially from the Company’s expectations. All subsequent written and oral forward-looking statements attributable to the Company or persons acting on behalf of the Company are expressly qualified in their entirety by the above cautionary statements.

The Company, the Issue Manager and the Underwriters have exercised due diligence in ascertaining that all material representations contained in the Prospectus, their amendments and supplements are true and correct, and that no material information was omitted, which was necessary in order to make the statements contained in said documents not misleading.

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TABLE OF CONTENTS

	<u>Page</u>
GLOSSARY OF TERMS	12
SUMMARY	18
DESCRIPTION OF THE SERIES A PREFERENCE SHARES.....	39
SUMMARY OF CONSOLIDATED FINANCIAL INFORMATION	52
RISK FACTORS.....	62
USE OF PROCEEDS	88
PLAN OF DISTRIBUTION.....	91
LISTING WITH THE SGX-ST AND THE PSE.....	95
DETERMINATION OF THE OFFER PRICE	98
DIVIDENDS AND DIVIDEND POLICY.....	99
CAPITALIZATION AND INDEBTEDNESS.....	101
DILUTION.....	102
SELECTED CONSOLIDATED FINANCIAL INFORMATION	103
DESCRIPTION OF THE BUSINESS	137
REGULATORY AND ENVIRONMENTAL MATTERS	166
BOARD OF DIRECTORS AND SENIOR MANAGEMENT.....	180
PRINCIPAL SHAREHOLDERS.....	193
RELATED PARTY TRANSACTIONS	199
DESCRIPTION OF SECURITIES	202
COMPLIANCE WITH LEADING PRACTICES ON CORPORATE GOVERNANCE.....	207
THE PHILIPPINE STOCK MARKET	210
DESCRIPTION OF RELEVANT LAWS.....	218
PHILIPPINE TAXATION	283
LEGAL MATTERS	287
INDEPENDENT AUDITORS	288
INDEX TO FINANCIAL STATEMENTS AND THE FINANCIAL STATEMENTS	290

GLOSSARY OF TERMS

ARC	means the Audit and Risk Committee of the Board of Directors
Acquisition	means the acquisition of the DMFI Consumer Food Business on 18 February 2014
AGM	means Annual General Meeting
Americas	means the territories in the American continent
ARMM	means the Autonomous Region of Muslim Mindanao
BDO Trust	means BDO Unibank, Inc. – Trust and Investments Group
BDO Unibank	means BDO Unibank, Inc.
Bluebell	means Bluebell Group Holdings Limited
Board or Board of Directors	means the board of directors of the Company from time to time
BIR	means Bureau of Internal Revenue of the Philippines
Business	means the business carried out by the Group from time to time
BVI	means the British Virgin Islands
BVI Companies Act	means the Business Companies Act, 2004 of the British Virgin Islands
BVI Share Register	means the register of Ordinary Shares registered in the BVI
BVI Share Registrar	means Nerine Trust Company (BVI) Limited
CARI	means Central American Resources, Inc.
CCCS	means the Central Clearing and Central Settlement system implemented by SCCP
CDP	means Central Depository (Pte.) Limited, a wholly-owned subsidiary of the Singapore Exchange Securities Trading Limited, which is incorporated under the laws of Singapore and acts as a depository and clearing organization
Code	means the Code of Corporate Governance issued on 14 July 2005 by the Council on Corporate Disclosure and Governance
CBA	means Collective Bargaining Agreement
Company or DMPL	means Del Monte Pacific Limited
Credit Facilities	means Term Loan Facilities, the ABL Facility and the Bridging Facility
Del Monte Foods India	means Del Monte Foods India Private Limited

Del Monte Pacific RSP	means the Del Monte Pacific Performance Share Plan approved by the Company's shareholders at a general meeting held on 26 April 2005
Del Monte Pacific RSP	means the Del Monte Pacific Restricted Share Plan approved by the Company's shareholders at a general meeting held on 26 April 2005
DENR	means the Philippine Department of Environment and Natural Resources
Dewey	means Dewey Limited
DMC	means Del Monte Corporation
DMFC	means Del Monte Foods Company
DMFHI	means Del Monte Foods Holdings, Inc.
DMFHL	means Del Monte Foods Holdings Limited
DMFI	means Del Monte Foods, Inc.
DMFI Consumer Food Business	means the consumer products business of Del Monte Corporation that the Group acquired on 18 February 2014
DMPI	means Del Monte Philippines, Inc.
DMPL	means the Company or Del Monte Pacific Limited
DMPL India Ltd	means DMPL India Limited
DMPL Mgt Svcs	means DMPL Management Services Pte. Ltd.
DMPRL	means Del Monte Pacific Resources Limited
ECC	means Environmental Compliance Certificate
EDGE	means The Philippine Stock Exchange, Inc.'s Electronic Disclosure Generation Technology
ESOP	means the Del Monte Pacific Executive Stock Option Plan 1999 of the Company, which was approved and amended by Company's shareholders at general meetings held on 30 July 1999 and 21 February 2002, respectively
FDA	means Food and Drug Administration
FDI	means Foreign Direct Investment
FieldFresh	means FieldFresh Foods Private Limited, with website at www.fieldfreshfoods.in .
FMCG	means fast moving consumer goods
FPA	means Fertilizer and Pesticide Authority of the Philippines
FTC	means Federal Trade Commission
GCIL	means Golden Chambers Investment Limited
GDP	means Gross Domestic Product
GM	means General Meeting

GLOBALGAP	means Global Good Agricultural Practices
Government	means the Government of the Republic of the Philippines
Group	means the Company and its consolidated subsidiaries
GTL Ltd	means GTL Limited
Heinz	means H.J. Heinz Company
ID	means Identification Cards
IDR	means Issuer Default Rating
IFRS	means International Financial Reporting Standards issued by the International Accounting Standards Board
Initial Offer	means the first tranche of the Offer consisting of [15,000,000] Offer Shares with an Oversubscription Option of [11,000,000] Offer Shares
IPO Listing Date	means DMPL's listing in Singapore on 2 August 1999
IPO Options	means the Initial Public Offering Options granted under the ESOP
Issuer	means DMPL or the Company
Issue Manager	means the financial institution or institutions that may be appointed by the Company for each tranche of the Offer and as identified in the Offer Supplement
Key Management Personnel	means those persons having the authority and responsibility for planning, directing and controlling the activities of the entity.
Lee	means Lee Pineapple Company Pte. Ltd.
Listing	means the listing of the Offer Shares on the Main Board of the PSE
LLDA	means Laguna Lake Development Authority of the Philippines
Market Price Options	means the Market Price Options granted under the ESOP
Management	means those persons having the authority and responsibility for planning, directing and controlling the activities of the entity
Minister	means the Minister of the British Virgin Islands for the time being charged with the responsibility for the department or subject to which the context refers
MD2	means a premium hybrid variety of pineapple for the fresh fruit market
NAPL	means NutriAsia Pacific Ltd.
NFC	means not from concentrate
NC	means the Nominating Committee of the Board of Directors

Offer Price	means U.S.\$10.00 per Offer Share
Offer Shares	means the Offer shares of up to 36,000,000 Series A Preference Shares relating to the Offer
Ordinary Shares	means the ordinary shares of the capital stock of Del Monte Pacific Limited
Oversubscription Option	means the right of the Underwriters, with the consent of the Company, to increase the size of the Offer during the Initial Offer by up to [10,000,000] Offer Shares in case of an oversubscription
Oversubscription Option Shares	means up to [10,000,000] Offer Shares subject of the Oversubscription Option
₱ or PHP or Peso	means Philippine Pesos, the lawful currency of the Republic of the Philippines
Pacific Brands	means Pacific Brands Philippines, Inc.
PCD Nominee	means PCD Nominee Corporation
PDTC	means Philippine Depository and Trust Corporation
PDTC Participant	means a person who has applied for and has been approved as a participant by the PDTC
PDTC System	means the system for the central handling of securities by which transactions involving such securities may be settled by book-entries in the records of PDTC
PFRS	means Philippine Financial Reporting Standards issued by the Financial Reporting Standards Council
PET	means polyethylene terephthalate
PEZA	means Philippine Economic Zone Authority
PhilGAP	means Philippine Good Agricultural Practices
PhilHealth	means Philippine Health Insurance Corporation
Philippine Branch Share Register	means the register of Ordinary Shares registered in the Philippines
Philippine Branch Share Registrar	means BDO Unibank, Inc. – Trust and Investments Group
Philippine FDA	means the Philippine Food and Drug Administration
PJC	means pineapple juice concentrate
PPMSC	means Philippine Packing Management Services Corporation
Preference Shares or preference shares	means the preference shares of the capital stock of Del Monte Pacific Limited
Prospectus	means this Prospectus together with all its annexes, appendices and amendments, if any
PSE	means The Philippine Stock Exchange, Inc.

R.A.	means Republic Act
RSOC	means the Remuneration & Share Option Committee of the Board of Directors
S&P	means Standard & Poor's Ratings Services
S\$ or SGD	means Singapore Dollars, the lawful currency of the Republic of Singapore
SCCP	means Securities Clearing Corporation of the Philippines
SCFI	means Sager Creek Foods, Inc.
SCVC	means Sager Creek Vegetable Company
SEC	means the Securities and Exchange Commission of the Philippines
Securities Industry Council	means The Securities Industry Council of Singapore
Securities Regulation Code or SRC	means Republic Act No. 8799 of the Philippines
Senior Management	means the Managing Director and CEO, the Chief Operating Officer, the Chief Corporate Officer, the Chief Financial Officer, the Chief Legal Counsel and Chief Compliance Officer, and the Chief Scientific Officer
Series A Preference Shares	means the preference shares of the capital stock of Del Monte Pacific Limited denominated as Series A Preference Shares
SFA	means the Securities and Futures Act, Chapter 289 of Singapore (as amended, modified or supplemented from time to time)
SGX Listing Manual	means the listing manual of the SGX-ST (as amended, modified or supplemented from time to time)
SGX-ST	means Singapore Exchange Securities Trading Limited
Share Plans	means, collectively, the Del Monte Pacific PSP and the Del Monte Pacific RSP
Shelf Period	means a period of three (3) years from the effectivity of the Registration Statement for the Initial Offer within which the Issuer may issue the remaining Offer Shares under shelf registration
Subsequent Offers	means, after the Initial Offer, the subsequent tranches of the Offer consisting in the aggregate of up to [11,000,000] Offer Shares, and in case the Oversubscription Option is partly exercised or not exercised at all during the Initial Offer, such number of Oversubscription Option Shares that will not be taken up or exercised.
Silgan	means Silgan Containers LLC
SOL	means Star Orchids Limited

SSS	means Social Security System of the Philippines
S&W	means S&W Fine Foods International Limited
Singapore Share Transfer Agent	means Boardroom Corporate & Advisory Services Pte. Ltd.
Singapore Companies Act	means the Companies Act, Chapter 50 of Singapore (as amended, modified and supplemented from time to time)
Singapore Take-Over Code	means the Singapore Code on Take-Overs and Mergers
TOR	means the Terms of Reference applicable to each Board Committee
Trading Participants	means an entity authorized by the PSE to own and operate a trading right, pursuant to the PSE's by-laws and applicable rules
Underwriters	means, collectively, the underwriters that may be engaged by the Issuer for each tranche of the Offer and as identified in the Offer Supplement.
Underwriting Agreement	means [the Issue Management] and Underwriting Agreement [to be entered into] / [dated [●]] by and among the Company, the Underwriters
U.S. FDA	means United States Food and Drug Administration
U.S. GAAP	means the Generally Accepted Accounting Principles in the United States of America
U.S.A., U.S. or United States	means United States of America
U.S.\$ or U.S. dollars	means United States Dollars, the lawful currency of the United States of America

SUMMARY

The following summary is qualified in its entirety by, and is subject to, the more detailed information presented in this Prospectus. Capitalized terms not defined in this summary are defined in the “Glossary of Terms,” “Risk Factors,” “Description of the Business” or elsewhere in this Prospectus.

OVERVIEW OF THE COMPANY

The Company

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

The registered office of the Company is located at Craigmuir Chambers, PO Box 71 Road Town, Tortola, British Virgin Islands.

The principal activity of the Company is that of investment holding. Its operating subsidiaries are principally engaged in growing, processing, and selling canned and fresh pineapples, pineapple juice concentrate, tropical mixed fruit, canned peaches and pears, canned vegetables, tomato-based products, and certain other food and beverage products mainly under the brand names of *Del Monte, S&W, Today’s, Contadina, College Inn* and other brands. The Company’s subsidiaries also produce and distribute private label food products.

The Company was admitted to the Official List of the SGX-ST on 2 August 1999, and the Ordinary Shares of the Company were listed on the PSE on 10 June 2013.

History

The Company’s Philippine operations were established in 1926. Del Monte Corporation (“DMC”), the previous owner of the DMFI Consumer Foods Business, was the parent company of the Company’s Philippine subsidiary, Del Monte Philippines, Inc. (“DMPI”), for decades. After a series of acquisitions throughout the 1980s and 1990s, DMC and DMPI were split up resulting in DMC fully divesting its shareholding in its Philippine operations in 1996, after which DMC and DMPI began operating as independent entities. As a result, the DMFI Consumer Food Business and the Company operated separately until 18 February 2014, when the Company acquired the DMFI Consumer Food Business and once again integrated the ownership of the two entities.

With an intertwined history, there is a shared heritage, culture and values between the DMFI Consumer Food Business and the Company, the synergies of which, as a result of the Acquisition, are now once again able to be realised under a common vision.

BUSINESS OF THE GROUP

Group Overview

The Group caters to today’s consumer needs for premium quality, healthy food and beverage products. It innovates, produces, markets and distributes its products worldwide.

The Group owns the *Del Monte* brand in the Philippines for processed products where it enjoys leading market shares for canned pineapple juice and juice drinks, canned pineapple and tropical mixed fruits, tomato sauce, spaghetti sauce and tomato ketchup.

The Group is one of the largest and most well-known producers and distributors of premium quality food products in the U.S., marketing and selling these products under the iconic *Del Monte*, *S&W*, *Contadina* and *College Inn* brands.

The Group holds the exclusive rights to produce and distribute processed food and beverage products under the *Del Monte* brand in the Indian subcontinent and Myanmar.

The Group also owns another premium brand, *S&W*, globally except Australia and New Zealand. As with *Del Monte*, *S&W* originated in the U.S. in the 1890s as a producer and marketer of premium quality processed fruit and vegetable products. Key geographical markets for *S&W* currently include countries in Asia-Pacific and the Middle East.

In India, the Group owns approximately 94% of DMPL India Limited, a holding company, which owns approximately [47%] of FieldFresh Foods Private Limited (“**FieldFresh**”). FieldFresh is a licensee of the *Del Monte* trademark for processed food products in India and markets *Del Monte*-branded processed products in the domestic market and *FieldFresh*-branded fresh produce. The Group’s partner in FieldFresh is the well-respected Bharti Enterprises, which owns one of the largest conglomerates in India.

With a 23,000-hectare pineapple plantation in the Philippines, over 700,000-ton processing capacity and a port beside the cannery, the Company’s subsidiary, DMPI, operates the world’s largest fully-integrated pineapple operation. It is proud of its long heritage of over 90 years of pineapple growing and processing.

The Group is not affiliated with certain other Del Monte companies in the world, including Fresh Del Monte Produce Inc., Del Monte Canada, Del Monte Asia Pte. Ltd., and these companies’ affiliates.

The DMFI Consumer Food Business Acquisition

On 11 October 2013, the Company announced that the Company and DMFI had on 9 October 2013 entered into a purchase agreement with DMC in connection with the acquisition of certain assets and liabilities of DMC. On 18 February 2014, the Company, along with its subsidiary DMFI, which was incorporated in 2013, acquired (1) all of the shares of certain subsidiaries of DMC and (2) certain assets and assumed certain liabilities relating to the consumer products business of DMC (the “**Acquisition**”) (collectively, the “**DMFI Consumer Food Business**”). The initial purchase consideration for the Acquisition was U.S.\$1.675 billion, subject to working capital adjustments.

The majority of the DMFI Consumer Food Business’ products are branded products, and principally sold under the *Del Monte* brand but also under the *Contadina*, *S&W*, *College Inn* and other brands. The DMFI Consumer Food Business also produces and distributes private label food products. The consumer products business of DMC that the Group acquired holds, among other assets, the *Del Monte* brand rights for processed food products in the U.S. and South America.

Post-Acquisition Group Overview

With the acquisition of the DMFI Consumer Food Business, the Group's business can be classified into: (a) the DMFI Consumer Food Business, which includes both branded and non-branded businesses in the United States and certain markets in Latin America; (b) the branded business (excluding the branded business of the DMFI Consumer Food Business); and (c) the non-branded business (excluding the non-branded business of the DMFI Consumer Food Business).

The DMFI Consumer Food Business

The DMFI Consumer Food Business comprises a portfolio of consumer brands holding leading positions in numerous packaged foods categories, including leading U.S. market share positions in major packaged fruit and vegetable categories and in packaged tomato and broth categories. The majority of the DMFI Consumer Food Business' products are principally sold under the *Del Monte* brand but also under the *Contadina*, *S&W*, *College Inn* and other brands. The DMFI Consumer Food Business also produces and distributes private label food products. The DMFI Consumer Food Business' products are sold across the United States, in all channels serving retail markets, as well as to the U.S. military, certain export markets, the food service industry and other food processors. The principal facilities of the DMFI Consumer Food Business consist of several production facilities and distribution centres that are located principally in the United States. The DMFI Consumer Food Business' diversified, multi-category product line provides the DMFI Consumer Food Business with a competitive advantage in selling to the retail grocery industry. The DMFI Consumer Food Business sells its products in the U.S. retail dry grocery market and produce sections, primarily through grocery chains, club stores, supercentres and mass merchandisers.

Additionally, there exists growth opportunities in the Group's existing markets plus the prospects for future growth from new geographies – such as Myanmar and Pakistan for the *Del Monte* brand, and Western Europe, Eastern Europe and Africa for *S&W*. The DMFI Consumer Food Business' largely untapped South America business also has the potential to expand over time across new markets and product categories.

Branded Business

The branded business comprises of the *Del Monte* branded business in the Philippines and the Indian subcontinent (all processed), plus the *S&W* branded business in Asia and the Middle East (both fresh and processed) and generates about 70% of the revenues of the Group relative to the non-branded business..

Non-Branded Business

Non-branded products account for about 30% of the Group's revenues ex DMFI. This segment includes turnover of private label and non-branded processed fruits, beverages, other processed products and non-branded fresh fruit. The non-branded business can be further classified as follows:

1. Non-supply contract Asia Pacific – Includes revenue of private label and non-branded processed fruits, beverages, other processed products, fresh fruit and cattle in the Asia Pacific region and turnover of private label processed fruits and beverage to a non-affiliated *Del Monte* company at market prices in the Asia Pacific region.

2. Non-supply contract Europe and North America – Includes revenue of private label and non-branded processed fruits, beverages and other processed products in Europe and North America and turnover of private label processed fruits, beverages and other processed products to non-affiliated Del Monte companies at market prices in Europe and North America.
3. Supply contract – Includes turnover of processed fruits, beverages and fresh fruit to non-affiliated Del Monte companies under long term supply contracts.

Overview of the DMFI Consumer Food Business

The DMFI Consumer Food Business includes well-known household brands such as *Del Monte*, *Contadina*, *College Inn*, *S&W* and other brand names. The DMFI Consumer Food Business also produces and distributes private label food products. The DMFI Consumer Food Business' products are sold across the United States, in all channels serving retail markets, as well as to the U.S. military, certain export markets, the food service industry and other food processors. The DMFI Consumer Food Business' principal facilities consist of 13 production facilities and five distribution centres in the United States, as well as two production facilities in Mexico and one production facility in Venezuela.

Its diversified, multi-category product line provides the DMFI Consumer Food Business with a competitive advantage in selling to the retail grocery industry. The DMFI Consumer Food Business sells its products in the U.S. retail dry grocery market and produce sections, primarily through grocery chains, club stores, supercentres and mass merchandisers. The DMFI Consumer Food Business has developed strong relationships with customers over the long term that provides a solid base for the DMFI Consumer Food Business.

Developments and Highlights in FY2015

On 1 December 2014, the Company announced that it entered into a joint venture agreement with Nice Fruit S.L. ("**Nice Fruit**") and Ferville Limited, pursuant to which they shall establish a joint venture company that will: (1) hold all of the shares of stock in a Philippine company that will own, control and operate a modern de-hydro freezing facility in the Group's pineapple plantation in Mindanao, Philippines; and (2) engage in the production and sale of frozen fruit products.

In February 2015, the Company conducted a stock rights offering in the Philippines which was simultaneously conducted with the rights issue in Singapore. An aggregate of up to 641,935,335 Ordinary Shares ("**Rights Shares**") were offered to eligible shareholders at an issue price per share of S\$0.325 in Singapore and ₱10.60 in the Philippines. The entire Rights Shares were allotted and issued on 10 March 2015, and listed and quoted on the Main Boards of the SGX-ST and the PSE on 11 March 2015.

Also in March 2015, the Company announced that DMFI's subsidiary, Vegetable Acquisition Corp. (now known as Sager Creek Foods, Inc. ("**SCFI**")), has acquired Sager Creek Vegetable Company's ("**SCVC**") vegetable business in the U.S, at the price of U.S.\$75.0 million, which was established through an auction process and negotiations between the parties. The acquisition cost will be financed through DMFI's revolving credit facility, the payment for which will be secured by the acquired assets.

For the fiscal year ended 30 April 2015, the Group generated an EBITDA of U.S.\$96.0 million but incurred a net loss of U.S.\$38.0 million, mainly due to acquisition-related and non-recurring

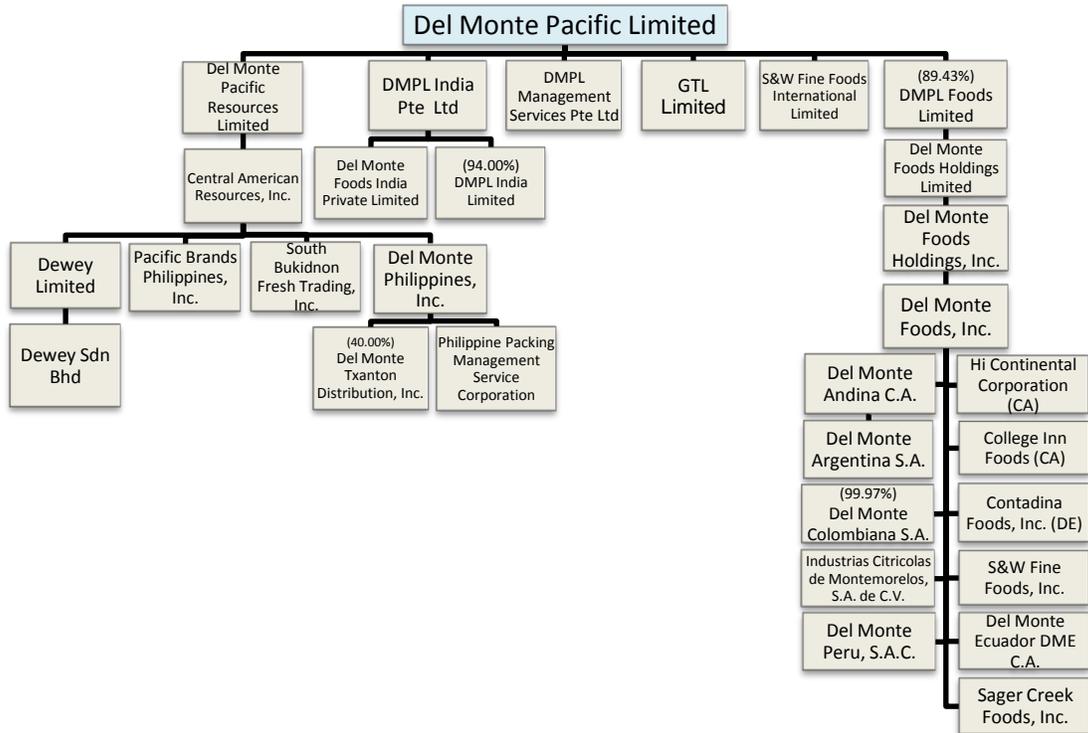
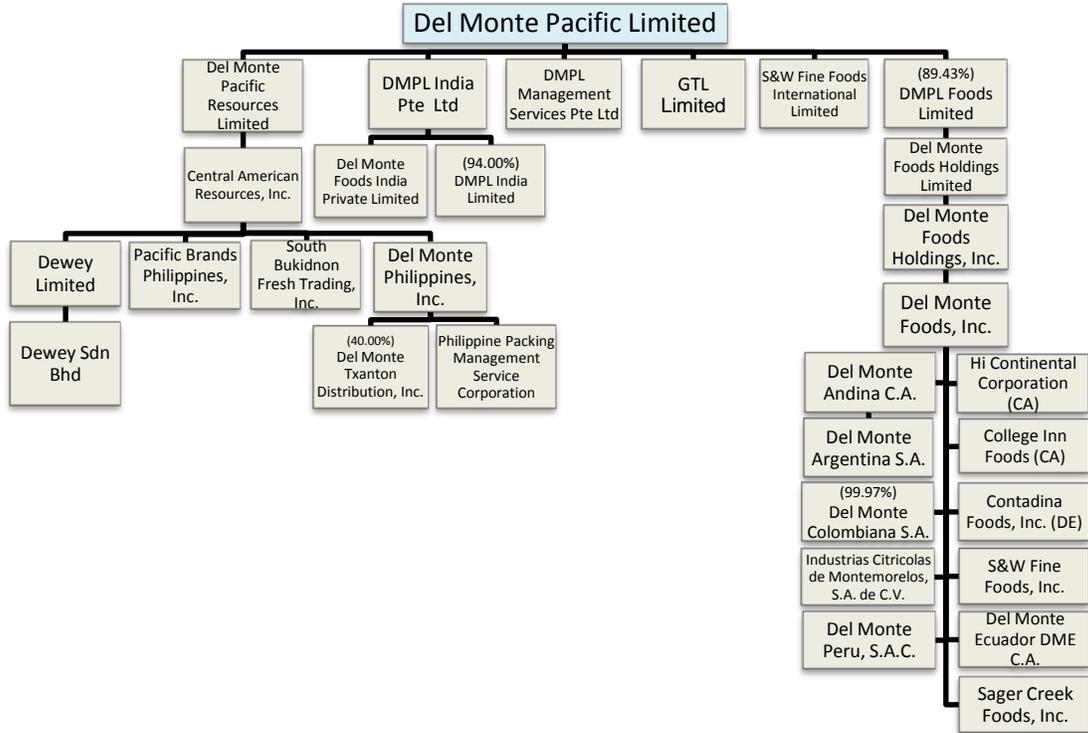
expenses worth U.S.\$63.0 million, after tax. Without these non-recurring expenses, EBITDA and net income would have been U.S.156.0 million and U.S.24.5 million, respectively.

For the nine months ended 31 January 2016, the Group achieved a total revenue of U.S.\$1.7 billion, of which DMFI generated U.S.\$1.4 billion of sales. The Group generated a net income of U.S.\$41.9 million for the nine months (with U.S.\$21.5 million from DMFI), a turnaround from prior year period's loss of U.S.\$23.9 million mainly due to the improvement in DMFI's base business results (excluding Sager Creek) plus the one-time favourable adjustment arising from DMFI's retirement plan amendment of U.S.\$39.4 million and the absence of inventory step-up adjustments. The results were partly impacted by non-recurring costs amounting to U.S.\$21.5 million (pre-tax basis) that the Group incurred in the US relating to the Sager Creek acquisition, stabilising SAP implementation, and implementation of Projects Restoration and One. These are expected to improve the profitability of the Group's US operations in the future.

Excluding this one-off gain and non-recurring costs, the Group's recurring net income would have been U.S.\$18.5 million, still a turnaround from the loss position last year.

Group Structure

The chart below sets out the Group's corporate structure as of the date of this Prospectus. Unless otherwise indicated, each subsidiary in the structure is wholly-owned by its parent.



RISKS OF INVESTING

Risk factors associated with an investment in the Series A Preference Shares include:

1. risks relating to the Business;
2. risks relating to the Philippines;
3. risks relating to the Offer and the Offer Shares; and
4. risks relating to certain statistical information in this Prospectus.

Please refer to the section entitled “*Risk Factors*” beginning on page [62] of this Prospectus, which, while not intended to be an exhaustive enumeration of all risks, must be considered in connection with an investment in the Series A Preference Shares.

SUMMARY OF OFFER

The following do not purport to be a complete listing of all the rights, obligations and privileges of the Series A Preference Shares. Some rights, obligations or privileges may be further limited or restricted by other documents and subject to final documentation. Prospective shareholders are enjoined to perform their own independent investigation and analysis of the Issuer and the Series A Preference Shares. Each prospective shareholder must rely on its own appraisal of the Issuer and the proposed financing and its own independent verification of the information contained herein and any other investigation it may deem appropriate for the purpose of determining whether to participate in the proposed financing and must not rely solely on any statement or the significance, adequacy or accuracy of any information contained herein. The information and data contained herein are not a substitute for the prospective shareholder's independent evaluation and analysis.

The following overview should be read as an introduction to, and is qualified in its entirety by reference to, the more detailed information in this Prospectus. This overview may not contain all of the information that prospective investors should consider before deciding to invest in the Series A Preference Shares. Accordingly, any decision by a prospective investor to invest in the Series A Preference Shares should be based on a consideration of this Prospectus as a whole. Should there be any inconsistency between the summary below and the final documentation, the final documentation shall prevail.

Issuer	Del Monte Pacific Limited, a company incorporated in the British Virgin Islands with limited liability
Issue Manager(s)	The financial institution or institutions that may be appointed by the Company for each tranche of the Offer and as identified in the Offer Supplement.
Underwriters	The underwriters that may be engaged by the Issuer for each tranche of the Offer.
Offer	<p>Offer for subscription, from time to time, within the Shelf Period, of up to 36,000,000 cumulative, non-voting, non-participating, non-convertible U.S. dollar-denominated preference shares denominated as Series A Preference Shares of the Issuer.</p> <p>The Offer may be in one or more tranches, in such amounts and with such terms as the Issuer may determine in light of prevailing market and other conditions at the time of sale.</p> <p>For each tranche of the Offer, the Issuer shall distribute an Offer Supplement which shall be disclosed to the public through its filing with the SEC and the PSE and made available for download from the Company's website, http://www.delmontepacific.com/.</p> <p>The Offer Supplement will contain the following information:</p> <p>a) timetable, offer size of the specific offering, the applicable dividend rate and the mode of</p>

	<p>settlement of the Offer;</p> <p>b) capital structure of the Company after the Offer;</p> <p>c) any changes to the risk factors and tax consequences of the offering;</p> <p>d) description of the specific distribution and underwriting arrangements; and</p> <p>e) amount and use of proceeds.</p>
Purpose	To refinance the BDO Unibank loan facility of U.S.\$350,000,000.00 and to pay the fees and expenses for the Offer.
Issue Size	The total Issue Size shall be up to U.S.\$360,000,000.00. The Issue Size for each tranche shall be set out in the relevant Offer Supplement.
Par Value	U.S.\$1.00 per share
Issue Price	U.S.\$10.00 per share
Minimum Subscription to the Series A Preference Shares	Each Application shall be for a minimum of [100] Offer Shares, and thereafter, in multiples of [10] Offer Shares. No Application for multiples of any other number of Offer Shares will be considered.
Registration and Listing	To be registered with the SEC and listed on the PSE. The Offer Shares are expected to be listed on the PSE Main Board under the symbol “DMPLA”.
Offer Period	In respect of each tranche (<i>i.e.</i> , the Initial Offer and each Subsequent Offer), the period for conducting the offer of such tranche and the deadlines to submit the Application to Purchase as set out in the relevant Offer Supplement.
Issue Date	In respect of each tranche (<i>i.e.</i> , the Initial Offer and each Subsequent Offer), the date of issue of the Offer Shares for such tranche as set out in the relevant Offer Supplement.
Listing Date	In respect of each tranche (<i>i.e.</i> , the Initial Offer and each Subsequent Offer), the listing date of the Offer Shares for such tranche as set out in the relevant Offer Supplement
Dividend Payment Dates and Dividend Periods	The Offer Shares shall, subject to the conditions for the Declaration and Payment of Dividends, bear cumulative non-participating cash dividends based on the Issue Price, at the Dividend Rate (as such term is defined below) <i>per annum</i> from the relevant Issue Date, payable

	<p>on [●], and [●] of each year (each, a “Dividend Payment Date”), being the last day of each [6-month / 180-day] period (each, a “Dividend Period”) following the Issue Date.</p> <p>The dividends on the Offer Shares will be calculated on a 180/360-day basis for each Dividend Period.</p> <p>If the Dividend Payment Date is not a Business Day, dividends will be paid on the next succeeding Business Day, without adjustments as to the amount of dividends to be paid. A “Business Day” means a day other than a Saturday or Sunday on which banks in Metro Manila are generally open for normal banking business.</p>
Dividend Rate	<p>The term “Dividend Rate” means (a) from the Issue Date up to the Step Up Date, the Initial Dividend Rate, and (b) from the Step Up Date, the higher of the Initial Dividend Rate and the Step Up Rate. Please see below relevant definitions.</p>
Initial Dividend Rate	<p>The Dividend Rate applicable from the Issue Date up to the Step Up Date shall be at the fixed rate <i>per annum</i> identified in the relevant Offer Supplement as the Initial Dividend Rate.</p>
Step Up Rate	<p>If the Offer Shares shall not have been redeemed by the Issuer on the fifth anniversary of the Issue Date (the “Step Up Date”), the Initial Dividend Rate shall be adjusted on the Step Up Date to the fixed rate <i>per annum</i> identified in the relevant Offer Supplement as the Step Up Rate (the “Step Up Rate”).</p> <p>However, if the Initial Dividend Rate is higher than the applicable Step Up Rate, there shall be no adjustment to the Dividend Rate, and the Initial Dividend Rate shall continue to be the Dividend Rate.</p>
Conditions on Declaration and Payment of Dividends	<p>The declaration and payment of dividends on each Dividend Payment Date will be subject to the discretion of the Board of Directors, to the covenants (financial or otherwise) in the agreements to which the Issuer is a party and the requirements under applicable laws and regulations.</p> <p>If the profits available to distribute as dividends are, in the opinion of the Board of Directors, not sufficient to enable the Issuer to pay in full on the same date both dividends on the Offer Shares and the dividends on other shares that have an equal right to dividends as the Offer Shares (the</p>

	<p>“Comparable Shares”), the Issuer may pay dividends on the Offer Shares and any Comparable Shares provided that such dividends are <i>pro rata</i> to the amount of the cash dividends scheduled to be paid to the Offer Shares and the Comparable Shares, respectively. The amount scheduled to be paid shall include all dividends due on such date, as well as all accumulated dividends due and payable or dividends in arrears in respect of prior Dividend Periods (“Dividends in Arrears”).</p> <p>Nothing in the immediately preceding paragraph shall be construed as allowing the Issuer, and the Issuer undertakes not to issue any shares which rank, or are expressed to rank, by its terms or by operation of law, senior to the Series A Preference Shares. However, there is no agreement or instrument that limits the ability of the Issuer to issue Comparable Shares or other securities that rank <i>pari passu</i> with the Series A Preference Shares.</p> <p>The profits available for distribution are, in general and with some adjustments pursuant to applicable laws and regulations, equal to the Issuer’s accumulated, realized profits less accumulated, realized loss and reserves.</p>
<p>Cumulative</p>	<p>Cash dividends on the Offer Shares will be cumulative. If for any reason the Board of Directors of the Issuer does not declare cash dividends on the Offer Shares for a Dividend Period, the Issuer will not pay a dividend on the Dividend Payment Date for that Dividend Period. However, on any future Dividend Payment Date on which cash dividends are declared, holders of the Offer Shares shall receive the dividends due them on such Dividend Payment Date as well as all Dividends in Arrears.</p> <p>The Issuer covenants that, in the event (for any reason):</p> <ul style="list-style-type: none"> (a) any dividends due with respect to any Offer Shares then outstanding for any period are not declared and paid in full when due; (b) where there remains Dividends in Arrears; or (c) any other amounts payable in respect of the Offer Shares are not paid in full when due, <p>then the Issuer will not:</p> <ul style="list-style-type: none"> (i) declare or pay any dividends or other

	<p>distributions in respect of Comparable Shares and shares or securities ranking junior to the Offer Shares (unless such declaration or payment of dividends or distributions in respect of Comparable Shares shall be in accordance with “<i>Conditions on Declaration and Payment of Cash Dividends</i>”), or</p> <p>(ii) repurchase or redeem, Comparable Shares, or shares or securities junior to, the Offer Shares (or contribute any moneys to a sinking fund for the redemption of any Comparable Shares, or shares or securities junior to the Offer Shares),</p> <p>until any and all amounts described in (a), (b) and (c) have been paid to the holders of the Offer Shares.</p>
<p>Optional Redemption and Purchase</p>	<p>As and if declared by its Board of Directors and subject to the requirements of applicable laws and regulations, the Issuer may redeem the Offer Shares in whole (not in part) without the consent of the holder(s) of such Series A Preference Shares:</p> <p>(a) on the fifth anniversary from the Issue Date or on any Dividend Payment Date thereafter (each, an “Optional Redemption Date”), or</p> <p>(b) at any time prior to the first Optional Redemption Date, if an Accounting Event or a Tax Event (each as defined below) has occurred and is continuing (the “Early Redemption Date”).</p> <p>Any redemption of shares:</p> <p>(i) may only occur on one of the Optional Redemption Dates or on the Early Redemption Date;</p> <p>(ii) may only occur if the Issuer has provided the holders of the Offer Shares with not less than 30 nor more than 60 Business Days written notice of the redemption, such notice to include an explanation of the authority under which the redemption is to be made; and</p> <p>(iii) shall be at the redemption price equal to the aggregate of (1) the Issue Price and (2) any accrued and unpaid dividends in respect of such Preference Share for the period commencing from (and including) the Issue Date and ending on (but excluding) the relevant Optional</p>

	<p style="text-align: center;">Redemption Date (the “Preference Redemption Price”).</p> <p>The Preference Redemption Price shall be paid within 10 Business Days of the exercise of the right to redeem the Offer Shares.</p> <p>An accounting event (“Accounting Event”) shall occur if an opinion of a recognized person authorized to provide auditing services has stated that there is more than an insubstantial risk that the funds raised through the issuance of the Offer Shares may no longer be recorded as “equity” pursuant to the International Financial Reporting Standards issued by the International Accounting Standards Board (“IFRS”), or such other accounting standards, or such other accounting standards which succeed IFRS, applied by the Issuer for drawing up its consolidated financial statements for the relevant financial year.</p> <p>A tax event (“Tax Event”) shall occur if any payment to be made by the Issuer to the holders of the Offer Shares becomes subject to any new tax, which makes such payment more burdensome to the Issuer, as a result of changes in any applicable law, rule or regulation, or in the interpretation thereof, and such tax cannot be avoided by use of reasonable measures available to the Issuer.</p>
<p>Change of Control</p>	<p>In the event of the occurrence of a CoC Event (as defined below), the Dividend Rate will be increased by [400] basis points commencing and including the day falling 180 days after the day on which a CoC Event has occurred.</p> <p>If a CoC Event has occurred and as and if declared by its Board of Directors and subject to the requirements of applicable laws and regulations, the Company may at any time redeem the Series A Preference Shares in whole (not in part) without the consent of the holders of such Series A Preference Shares, at the redemption price equal to the aggregate of the (1) Issue Price, and (2) (i) any accrued and unpaid dividends computed on the applicable Dividend Rate in respect of such Preference Share for the period commencing from (and including) the Issue Date and ending on (but excluding) the redemption date, and (ii) the additional [400] basis points commencing from (and including) the day on which a CoC Event has occurred and ending on (but excluding) the redemption date (the “CoC Preference Redemption Price”).</p>

	<p>The CoC Preference Redemption Price shall be paid within 10 Business Days of the exercise of the right to redeem the Offer Shares.</p> <p>Any redemption by reason of a CoC Event may only occur if the Company has provided the holders of the Series A Preference Shares with not less than 30 nor more than 60 Business Days written notice of the redemption, such notice to include an explanation of the authority under which the redemption is to be made.</p> <p>Change of control (the “CoC Event”) shall be deemed to have occurred if any person or persons acting in concert or any third person or persons acting on behalf of such person(s) at any time acquire(s) directly or indirectly a controlling participation in the Company. For purposes of this paragraph, the word “controlling participation” means ownership of at least 51% of the total issued and outstanding voting capital stock, or the right to elect at least 51% of the total number of the members of the Board of Directors of the Company.</p>
No Sinking Fund	<p>The Issuer is not legally required to establish, has not established, and currently has no plans to establish a sinking fund for the redemption of the Offer Shares.</p>
Purchases by the Issuer of Series A Preference Shares	<p>After Listing Date, the Issuer may purchase the Series A Preference Shares at any time in the open market or by public tender or by private contract at any price through the PSE. The Series A Preference Shares so purchased may either be redeemed (pursuant to the terms and conditions of redemption as set out in this Prospectus) and cancelled or kept as treasury shares.</p>
Status	<p>The Offer Shares will constitute the direct and unsecured subordinated obligations of the Issuer ranking at least <i>pari passu</i> in all respects and ratably without preference of priority among themselves.</p> <p>The Offer Shares shall rank as regards participation in the Issuer’s profits that are legally available for distribution as dividends, if, as, and when declared by the Board of Directors, <i>pari passu</i> with all other shares in the capital of the Issuer to the extent that they are expressed to rank <i>pari passu</i> therewith and in priority to the Ordinary Shares.</p> <p>The Issuer reserves the right to issue additional preference shares which shall rank at least <i>pari passu</i> in all respects with the Offer Shares.</p>

Voting Rights	<p>The holders of the Series A Preference Shares, subject to the limitations and qualifications described in the Issuer’s Memorandum and Articles of Association, shall have the right to receive notice of any meeting of the members of the Issuer and all reports and balance sheets of the Issuer that are available to the holders of the Ordinary Shares of the Issuer.</p> <p>Generally, the holders of the Series A Preference Shares shall not be entitled to (i) attend, speak or vote at any meeting of the members of the Company; or (ii) vote on any resolution of members.</p> <p>Provided that, if a general meeting of the Issuer is convened for the purpose of:</p> <ul style="list-style-type: none"> (a) reducing the Issuer’s authorised or issued share capital; (b) winding up the Issuer; (c) sanctioning a sale of the whole or substantially the whole of the business or undertaking of the Issuer; or (d) where the proposal to be submitted to the general meeting directly affects their rights and privileges of holders of the Series A Preference Shares, <p>the holders of Series A Preference Shares shall have the right to attend, speak and vote at such general meeting of the Issuer.</p> <p>Further, the holders of Series A Preference Shares shall have the right to attend, speak and to vote at any general meeting of the Issuer convened when the dividend on the Series A Preference Shares has been duly declared by the Board and has not been paid in full when due and remains unpaid for at least six months.</p>
Non-Participating	<p>Holders of the Series A Preference Shares shall not be entitled to participate in any other or future dividends beyond the dividends specifically payable on the Series A Preference Shares.</p>
Non-Convertible	<p>Holders of the Series A Preference Shares shall have no right to convert the Series A Preference Shares to any other preference shares or Ordinary Shares of the Issuer.</p>
No Pre-emptive Rights	<p>Holders of the Series A Preference Shares shall have no pre-emptive rights to subscribe to any shares (including,</p>

	without limitation, treasury shares) that will be issued by the Issuer.
Perpetual	The Series A Preference Shares are perpetual securities with no maturity date.
Liquidation Rights	<p>In the event of any liquidation, dissolution or winding up (whether voluntarily or involuntarily), the holders of the Series A Preference Shares at the time outstanding will be entitled to receive, in U.S. dollars out of the Issuer’s assets available for distribution to shareholders, together with other holders of any of the Issuer’s shares ranking, as regards repayment of capital in the aforesaid events, <i>pari passu</i> with the Series A Preference Shares and before any distribution of assets is made to holders of any class of the Issuer’s shares ranking after the Series A Preference Shares as regards repayment of capital in the aforesaid events, an amount equal to the Issue Price plus an amount equal to any dividends declared but unpaid in respect of the previous Dividend Period to (including) the date of commencement of the Company’s liquidation, dissolution or winding up (“Liquidation Distribution”).</p> <p>If, upon any return of capital in the Issuer’s liquidation, dissolution or winding up, the amount payable with respect to the Series A Preference Shares and any other of the Issuer’s shares ranking as to any such distribution <i>pari passu</i> with the Series A Preference Shares are not paid in full, the holders of the Series A Preference Shares and of such other shares will share ratably in any such distribution of the Issuer’s assets in proportion to the full respective preferential amounts to which they are entitled.</p> <p>After payment of the full amount of the Liquidation Distribution to which they are entitled, the holders of the Series A Preference Shares will have no right or claim to any of the Issuer’s remaining assets and will not be entitled to any further participation or return of capital in such liquidation, dissolution or winding up.</p>
Taxes	<p>Please see “<i>Philippine Taxation</i>” on page [282] of this Prospectus for the tax consequences of an investment in the Series A Preference Shares.</p> <p>The holders of the Offer Shares shall be responsible for declaring the amount they received as dividend in their respective income tax returns and paying the applicable taxes.</p>

<p>Form, Title and Registration of the Offer Shares</p>	<p>The Offer Shares will be issued in scripless form through the electronic book-entry system of BDO Trust as Registrar for the Offer, and lodged with Philippine Depository & Trust Corporation (“PDTC”) as Depository Agent on</p> <p>Listing Date through Trading Participants nominated by the applicants. Applicants shall indicate in the proper space provided for in the Application Form the name of the Trading Participant under whose name their Offer Shares will be registered.</p> <p>After Listing Date, holders of Offer Shares (the “Shareholders”) may request the Registrar, through their nominated Trading Participant, to (a) open a scripless registry account and have their holdings of the Offer Shares registered under their name (“name-on-registry account”), or (b) issue stock certificates evidencing their investment in the Offer Shares. Any expense that will be incurred in relation to such registration or issuance shall be for the account of the requesting Shareholder.</p> <p>Legal title to the Shares will be shown in an electronic register of shareholders (the “Registry of Shareholders”) which shall be maintained by the Registrar. The Registrar shall send a transaction confirmation advice confirming every receipt or transfer of the Series A Preference Shares that is effected in the Registry of Shareholders (at the cost of the requesting Shareholder). The Registrar shall send (at the cost of the Issuer) at least once every year a Statement of Account to all Shareholders named in the Registry of Shareholders, except certificated Shareholders and Depository Participants, confirming the number of Series A Preference Shares held by each Shareholder on record in the Registry of Shareholders. Such Statement of Account shall serve as evidence of ownership of the relevant Shareholder as of the given date thereof. Any request by a Shareholder for certifications, reports or other documents from the Registrar, except as provided herein, shall be for the account of the requesting Shareholder.</p>
<p>Selling and Transfer Restrictions</p>	<p>Initial placement of the Offer Shares and subsequent transfers of interests in the Offer Shares shall be subject to normal selling restrictions for listed securities as may prevail in the Philippines from time to time.</p>
<p>Eligible Investors</p>	<p>The Offer Shares may be owned or subscribed to by any person, partnership, association or corporation regardless of nationality. In addition, under certain</p>

	<p>circumstances, the Issuer may reject an application or reduce the number of Offer Shares applied for subscription or purchase.</p> <p>Law may restrict subscription to the Offer Shares in certain jurisdictions. Foreign investors interested in subscribing for or purchasing the Offer Shares should inform themselves of the applicable legal requirements under the laws and regulations of the countries of their nationality, residence or domicile, and as to any relevant tax or foreign exchange control laws and regulations affecting them personally. Foreign investors, both corporate and individual, shall warrant that their purchase of the Offer Shares will not violate the laws of their jurisdiction and that they are allowed to acquire, purchase and hold the Offer Shares.</p>
<p>Procedure for Application</p>	<p>Application Forms for the subscription of Offer Shares may be obtained from any of the Underwriters or Selling Agents. All applications shall be evidenced by the Application Form, duly executed in each case by an authorized signatory of the applicant and accompanied by two completed signature cards, the corresponding payment for the Offer Shares covered by the Application Form and all other required documents including documents required for registry with the Registrar and Depository Agent (“Application”). The duly executed Application Form and required documents should be submitted to the Underwriters or Selling Agents (as defined below) on or prior to the set deadlines for submission of Applications to Underwriters and Selling Agents, respectively. If the applicant is a corporation, partnership or trust account, the Application must be accompanied by the following documents:</p> <ol style="list-style-type: none"> a. a certified true copy of the applicant’s latest articles of incorporation and by-laws and other constitutive documents, each as amended to date, duly certified by the corporate secretary (or equivalent officer); b. a certified true copy of the applicant’s SEC certificate of registration, duly certified by the corporate secretary (or equivalent officer); c. a duly notarized corporate secretary’s certificate setting forth the resolution of the applicant’s board of directors or equivalent body authorizing (i) the purchase of the Offer Shares indicated in the application and (ii) the designated signatories for the purpose, including their respective specimen

	<p>signatures; and</p> <p>d. two specimen signature cards fully completed and signed by the applicant, [and certified by the corporate secretary (or equivalent officer).]</p> <p>If the applicant is an individual, such applicant must submit two specimen signature cards duly authenticated by the Underwriter or the Selling Agent which forwarded the Application and such other documents as may be required in the Application Forms or by the Underwriters.</p> <p>Foreign corporate and institutional applicants who qualify as Eligible Investors, in addition to the documents listed above as applicable, are required to submit in quadruplicate, a representation and warranty stating that their Application will not violate the laws of their jurisdictions of incorporation or organization, and that they are allowed to acquire, purchase and hold the Offer Shares.</p>
<p>Payment for the Offer Shares</p>	<p>The Offer Shares must be paid for in full upon submission of the Application. The purchase price must be paid in full in U.S. dollars upon the submission of the duly completed and signed Application Form and signature cards together with the requisite attachments.</p> <p>[Under existing BSP regulations as of the date of this Prospectus, it may not be possible to purchase foreign currency from within the Philippine banking system for the payment of the purchase price for the Series A Preference Shares. Payment for the purchase price of the Series A Preference Shares may have to be sourced from an existing Foreign Currency Deposit Unit Account (whether such purchase will be done during the Offer Period and after the Listing Date though the PSE facilities).]</p> <p>Payment for the Offer Shares being subscribed for which shall be through cash deposit, direct credit or credit via real time gross settlement in same day funds, to the following bank account of the Issuer maintained with [●]. All bank charges shall be for the account of the applicant. Proof of remittance or credit to the account of the Issuer shall be submitted to the Receiving Agent through the Underwriter or Selling Agent.</p>
<p>Acceptance/Rejection of Applications</p>	<p>The actual number of Offer Shares that an applicant will be allowed to subscribe for is subject to the confirmation of the Underwriters. The Issuer reserves the right to accept or reject, in whole or in part, or to reduce any</p>

	<p>Application due to any grounds specified in the Underwriting Agreement. Applications which were unpaid or where payments were insufficient and those that do not comply with the terms of the Offer shall be rejected.</p> <p>Moreover, any acceptance or receipt of payment pursuant to the Application does not constitute as approval or acceptance by the Issuer of the Application.</p> <p>An Application, when accepted, shall constitute an agreement between the applicant and the Issuer for the subscription to the Offer Shares at the time, in the manner and subject to terms and conditions set forth in the Application Form and those described in the Prospectus. Notwithstanding the acceptance of any Application by the Issuer, the actual subscription by the applicant for the Offer Shares will become effective only upon listing of the Offer Shares on the PSE and upon the obligations of the Underwriters under the Underwriting Agreement becoming unconditional and not being suspended, terminated or cancelled, on or before the Listing Date, in accordance with the provision of the said agreement/s. If such conditions have not been fulfilled on or before the periods provided above, all Application payments will be returned to the applicants without interest.</p>
Refunds for Rejected Applications	<p>In the event that the number of Offer Shares to be allotted to an applicant, as confirmed by an Underwriter or Selling Agent, is less than the number covered by its Application, or if an Application is wholly or partially rejected by the Issuer, then the Company shall refund, without interest, within [five] Business Days from the end of the Offer Period, all or the portion of the payment corresponding to the number of Offer Shares wholly or partially rejected. All refunds shall be made through the Underwriter or Selling Agent with whom the applicant has filed the Application at the applicant's risk.</p>
Governing Law	<p>The Offer Shares will be issued pursuant to the laws of the British Virgin Islands.</p>
Process Agent	<p>The resident agent of the Regional Operating Headquarters of the Issuer in the Philippines.</p>
Selling Agents	<p>Trading Participants of the PSE</p>
Stock Transfer Agent	<p>Philippine Branch Share Registrar BDO Unibank, Inc. – Trust and Investments Group</p> <p>15th Floor BDO South Tower,</p>

	<p>BDO Corporate Center, 7899 Makati Avenue, Makati City 0726 Philippines</p> <p>BVI Share Registrar & Share Transfer Office Nerine Trust Company (BVI) Limited Nerine Chambers, PO Box 905 Quastisky Building Road Town Tortola VG 1110 British Virgin Islands</p> <p>Singapore Share Transfer Agent Boardroom Corporate & Advisory Services Pte Ltd 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623</p>
Registrar and Paying Agent	BDO Unibank, Inc. – Trust and Investments Group 15 th Floor BDO South Tower, BDO Corporate Center, 7899 Makati Avenue, Makati City 0726 Philippines
Depository Agent	Philippine Depository & Trust Corp.
Transaction Counsel	SyCip Salazar Hernandez & Gatmaitan
British Virgin Island Counsel for the Issuer	Conyers Dill & Pearman Pte. Ltd.
Timetable	The timetable of each tranche of the Offer shall be set out in the relevant Offer Supplement.
Risk of Investing	Before making an investment decision, prospective investors should carefully consider the risks associated with an investment in the Offer Shares. These risks are discussed in the section entitled “Risk Factors” and include: risks relating to our business, risks relating to our organization and structure, risks relating to the Philippines and risks relating to the Offer Shares.

DESCRIPTION OF THE SERIES A PREFERENCE SHARES

The following provides general information relating to the Series A Preference Shares but does not purport to be complete or to give full effect to the provisions of law and is in all respects qualified by reference to the applicable provisions of the Company's Memorandum and Articles of Association, as amended to date.

SHARE CAPITAL

As of the date of this Prospectus, the Company has an authorized capital stock of U.S.\$630,000,000.00 consisting of 3,000,000,000 Ordinary Shares, each with a par value of U.S.\$0.01, and 600,000,000 Preference Shares, each with a par value of U.S.\$1.00 which may be issued in one or more series.

The BVI Business Companies Act permits the designation of one or more classes of shares in the Company's Memorandum of Association, including the rights, privileges, restrictions and conditions attaching to each class of shares, which may include delegated authority to the Board of Directors to determine certain terms of a class of preferred shares which have not been fixed in the Memorandum of Association.

THE PREFERENCE SHARES

The Memorandum of Association of the Company provides that Preference Shares shall have and be subject to such rights, privileges, restrictions, conditions and subject to such limitation thereof as may be prescribed by the relevant stock exchange, and be issued in such series as the Board may, from time to time, by resolution of directors, determine.

The discussion below sets out the rights, privileges, restrictions and conditions of the Series A Preference Shares constituting the Offer Shares as set out in the Memorandum of Association and otherwise as approved by the Board in a resolution dated 26 November 2015 and by the officers so authorized by such resolution.

Issue Price

The Issue Price of the Series A Preference Shares shall be U.S.\$10.00 per Preference Share.

Issue Date

The Issue Date of the Series A Preference Shares to be issued for each tranche shall be set out in the relevant Offer Supplement. For the avoidance of doubt, each tranche of the Series A Preference Shares shall have an Issue Date different from the Issue Date of the other tranches.

Par Value

The par value of the Series A Preference Shares shall be U.S.\$1.00 per Series A Preference Share.

Registration and Listing

The Series A Preference Shares shall be registered with the SEC and listed on the PSE. The Offer Shares are expected to be listed on the PSE Main Board under the symbol "DMPLA".

Presently, the Company does not have any plan of applying for the additional listing of the Series A Preference Shares with the SGX-ST. The Series A Preference Shares may or may not be listed in the SGX-ST in the future.

Shelf Registration

The Offer Shares consisting of up to 36,000,000 U.S. dollar-denominated Series A Preference Shares shall be filed under shelf registration to be issued in tranches within a period of three (3) years. The specific terms of the Offer Shares for each tranche shall be determined by the Issuer taking into account prevailing market conditions at the time of sale and shall be set out in the relevant Offer Supplement.

Dividend Payment Dates, Dividend Periods and Dividend Rates

The Series A Preference Shares shall, subject to the conditions for the Declaration and Payment of Dividends, bear cumulative non-participating cash dividends based on the Issue Price, at the Dividend Rate (as such term is defined below) *per annum* from the Issue Date, payable [on [●] and [●] of each year (each, a “**Dividend Payment Date**”), being the last day of each [6-month / 180-day] period (each, a “**Dividend Period**”) following the Issue Date.

The dividends on the Series A Preference Shares will be calculated on a 180/360-day basis for each Dividend Period.

If the Dividend Payment Date is not a Business Day, dividends will be paid on the next succeeding Business Day, without adjustments as to the amount of dividends to be paid. A “**Business Day**” means a day other than a Saturday or Sunday on which banks in Metro Manila are generally open for normal banking business.

The dividends on the Series A Preference Shares shall be computed at the Dividend Rate. The term “**Dividend Rate**” means (a) from the Issue Date up to the Step Up Date, the Initial Dividend Rate, and (b) from the Step Up date, the higher of the Initial Dividend Rate and the Step Up Rate.

- (a) The Dividend Rate applicable from the Issue Date up to the Step Up Date shall be at the fixed rate *per annum* identified in the relevant Offer Supplement as the Initial Dividend Rate (the “**Initial Dividend Rate**”).
- (b) If the Series A Preference Shares shall not have been redeemed by the Company on the fifth anniversary of the Issue Date (the “**Step Up Date**”), the Initial Dividend Rate shall be adjusted on the Step Up Date to the fixed rate *per annum* identified in the relevant Offer Supplement as the Step Up Rate (the “**Step Up Rate**”).

[However, if the Initial Dividend Rate is higher than the applicable Step Up Rate, there shall be no adjustment on the Dividend Rate, and the Initial Dividend Rate shall continue to be the Dividend Rate.]

Conditions on Declaration and Payment of Dividends

The declaration and payment of dividends on each Dividend Payment Date will be subject to the discretion of the Board of Directors, to the covenants (financial or otherwise) in the

agreements to which the Company is a party and the requirements under applicable laws and regulations.

If the profits available to distribute as dividends are, in the opinion of the Board of Directors, not sufficient to enable the Company to pay in full on the same date both dividends on the Series A Preference Shares and the dividends on other shares that have an equal right to dividends as the Series A Preference Shares (the “**Comparable Shares**”), the Company may pay dividends on the Series A Preference Shares and any Comparable Shares provided that such dividends are *pro rata* to the amount of the cash dividends scheduled to be paid to the Series A Preference Shares and the Comparable Shares, respectively. The amount scheduled to be paid shall include all dividends due on such date as well as all accumulated dividends due and payable or dividends in arrears in respect of prior Dividend Periods (the “**Dividends in Arrears**”).

Nothing in the immediately preceding paragraph shall be construed as allowing the Company, and the Company undertakes not to issue any shares which rank, or are expressed to rank, by its terms or by operation of law, senior to the Series A Preference Shares. However, there is no agreement or instrument that limits the ability of the Company to issue Comparable Shares or other securities that rank *pari passu* with the Series A Preference Shares.

The profits available for distribution are, in general and with some adjustments pursuant to applicable laws and regulations, equal to the Company’s accumulated, realized profits less accumulated, realized loss and reserves.

Under its Articles of Association, the Company may, by a resolution of directors, declare and pay dividends in money but shall only be declared and paid out of surplus. The directors may, before declaring any dividend, set aside out of the profits of the Company such sum as they think proper as a reserve fund.

No dividend shall be declared and paid unless the directors determine that, immediately after the payment of the dividend, the Company will be able to satisfy its liabilities as they become due in the ordinary course of its business and the realizable value of the assets of the Company will not be less than the sum of its total liabilities, other than deferred taxes, as shown in its books of account, and its capital.

Cumulative

Cash dividends on the Series A Preference Shares will be cumulative. If for any reason, the Board does not declare dividend on the Series A Preference Shares for a Dividend Period, the Company shall not pay dividend on the Dividend Payment Date for such Dividend Period. However, on any future Dividend Payment Date, on which cash dividends are declared, holders of the Series A Preference Shares shall receive the dividends due them on such Dividend Payment Date as well as all Dividends in Arrears.

The Company covenants that, in the event (for any reason):

- (a) any dividends due with respect to the Series A Preference Shares then outstanding for any period are not declared and paid in full when due;
- (b) where there remains Dividends in Arrears; or

- (c) any other amounts payable in respect of the Series A Preference Shares are not paid in full when due,

then the Company will not:

- (i) declare or pay any dividends or other distributions in respect of Comparable Shares and shares or securities ranking junior to the Series A Preference Shares (unless such declaration or payment of dividends or distributions in respect of Comparable Shares shall be in accordance with “*Conditions on Declaration and Payment of Cash Dividends*”), or
- (ii) repurchase or redeem, Comparable Shares, or shares or securities junior to, the Series A Preference Shares (or contribute any moneys to a sinking fund for the redemption of any Comparable Shares, or shares or securities junior to the Series A Preference Shares),

until any and all amounts described in (a), (b) and (c) have been paid to the holders of the Series A Preference Shares.

Optional Redemption and Purchase

As and if declared by its Board of Directors and subject to the requirements of applicable laws and regulations, the Company may redeem the Series A Preference Shares in whole (not in part) without the consent of the holder(s) of the Series A Preference Shares:

- (a) on the fifth anniversary from the Issue Date or on any Dividend Payment Date thereafter (each, an “**Optional Redemption Date**”); or
- (b) at any time prior to the first Optional Redemption Date, if an Accounting Event or a Tax Event (each as defined below) has occurred and is continuing (the “**Early Redemption Date**”).

An accounting event (“**Accounting Event**”) shall occur if an opinion of a recognized person authorized to provide auditing services has stated that there is more than an insubstantial risk that the funds raised through the issuance of the Series A Preference Shares may no longer be recorded as “equity” pursuant to the International Financial Reporting Standards issued by the International Accounting Standards Board (“**IFRS**”), or such other accounting standards, or such other accounting standards which succeed IFRS, applied by the Company for drawing up its consolidated financial statements for the relevant financial year.

However, if there is available to the Company the opportunity to eliminate an Accounting Event by pursuing some reasonable measure that will not have an adverse effect on the Company or the holders of the Series A Preference Shares, and will not involve any material cost to the Company or the holders of the Series A Preference Shares, the Company shall pursue such measure in lieu of redemption [prior] to the occurrence of an Accounting Event.

A tax event (“**Tax Event**”) shall occur if any payment to be made by the Company to the holders of the Series A Preference Shares becomes subject to any new tax, which makes such payment more burdensome to the Company, as a result of changes in any applicable law, rule or regulation, or in the interpretation thereof, and such tax cannot be avoided by use of reasonable measures available to the Company.

Any redemption of shares (other than by reason of a CoC Event which shall be governed by the provisions set out below):

- (i) may only occur on one of the Optional Redemption Dates or on the Early Redemption Date;
- (ii) may only occur if the Company has provided the holders of the Series A Preference Shares with not less than 30 nor more than 60 Business Days written notice of the redemption, such notice to include an explanation of the authority under which the redemption is to be made; and
- (iii) shall be at the redemption price equal to the aggregate of (1) the Issue Price and (2) any accrued and unpaid dividends in respect of such Preference Share for the period commencing from (and including) the Issue Date and ending on (but excluding) the relevant Optional Redemption Date (the “**Preference Redemption Price**”).

With respect to any redemption of Series A Preference Shares made on the basis of a Tax Event having occurred, prior to the delivery of any notice of redemption pursuant to item (ii) of the immediately preceding paragraph, the Company shall deliver to the Company’s registrar and transfer agent: (1) a certificate signed by two directors of the Company stating that the Company is entitled to effect such redemption; and (2) an opinion of counsel or advisor to the Company experienced in such matters to the effect that a Tax Event has occurred. The delivery of such opinion shall constitute conclusive evidence of the occurrence of a “Tax Event” for all purposes.

With respect to any redemption of Series A Preference Shares made on the basis of an Accounting Event having occurred, prior to the delivery of any notice of redemption pursuant to item (ii) above, the Company shall deliver to the Company’s registrar and transfer agent: (1) a certificate signed by two directors of the Company stating that the Company is entitled to effect such redemption; and (2) an opinion of counsel or advisor to the Company experienced in such matters to the effect that an Accounting Event has occurred. The delivery of such opinion shall constitute conclusive evidence of the occurrence of an “Accounting Event” for all purposes.

Change of Control: Step Up and Optional Redemption and Purchase

Change of control (the “**CoC Event**”) shall be deemed to have occurred if any person or persons acting in concert or any third person or persons acting on behalf of such person(s) at any time acquire(s) directly or indirectly a controlling participation in the Company. For purposes of this paragraph, the word “controlling participation” means ownership of at least 51% of the total issued and outstanding voting capital stock, or the right to elect at least 51% of the total number of the members of the Board of Directors of the Company.

In the event of the occurrence of a COC Event, the Dividend Rate will be increased by [●] basis points commencing and including the day falling 180 days after the day on which a CoC Event has occurred.

If a CoC Event has occurred and as and if declared by its Board of Directors and subject to the requirements of applicable laws and regulations, the Company may at any time redeem the Series A Preference Shares in whole (not in part) without the consent of the holders of

such Series A Preference Shares, at the redemption price equal to the aggregate of the (1) Issue Price, and (2) (i) any accrued and unpaid dividends computed on the applicable Dividend Rate in respect of such Preference Share for the period commencing from (and including) the Issue Date and ending on (but excluding) the redemption date, and (ii) the additional [●] basis points commencing from (and including) the day on which a CoC Event has occurred and ending on (but excluding) the redemption date (the “**CoC Preference Redemption Price**”).

Any redemption by reason of a CoC Event may only occur if the Company has provided the holders of the Series A Preference Shares with not less than 30 nor more than 60 Business Days written notice of the redemption, such notice to include an explanation of the authority under which the redemption is to be made. Prior to the delivery of any notice of redemption pursuant to the preceding statement, the Company shall deliver to the Company’s registrar and transfer agent: (1) a certificate signed by two directors of the Company stating that the Company is entitled to effect such redemption; and (2) an opinion of counsel or advisor to the Company experienced in such matters to the effect that a CoC Event has occurred. The delivery of such opinion shall constitute conclusive evidence of the occurrence of a “CoC Event” for all purposes.

General Provisions Applicable to all Events of Optional Redemption

With effect from the date upon which the redemption of Series A Preference Shares occurs (the “**Redemption Date**”), the holders of the Series A Preference Shares concerned shall cease to be entitled to any rights in respect of the redeemed Series A Preference Shares, except for the right to receive, to the extent not received yet, the Preference Redemption Price or the CoC Preference Redemption Price (as applicable).

The Preference Redemption Price or the CoC Preference Redemption Price shall be paid within 10 Business Days of the Redemption Date. The payment of the Preference Redemption Price or the CoC Preference Redemption Price, which shall be in priority to the payment of any distributions or other payments to any holder of Ordinary Shares, shall extinguish any claim the former holder of the Series A Preference Shares has against the Company for the Preference Redemption Price or the CoC Preference Redemption Price and any dividends on the Series A Preference Shares.

Any Series A Preference Shares redeemed pursuant to the foregoing shall be cancelled, but shall remain part of the Company’s authorized capital and shall be available to be reissued by resolution of the directors.

No Sinking Fund

For greater certainty, (i) the Company is not legally required to establish, has not established, and currently has no plans to establish a sinking fund for the redemption of the Series A Preference Shares; and (ii) any redemption of the Series A Preference Shares pursuant to the foregoing shall not prejudice the rights of holders of Series A Preference Shares whose Series A Preference Shares were so redeemed to receive any Dividends in Arrears on their Series A Preference Shares as of the Redemption Date.

Purchases by the Company of Series A Preference Shares

After Listing Date, the Company may purchase the Series A Preference Shares at any time in the open market or by public tender or by private contract at any price through the PSE. The Series A Preference Shares so purchased may either be redeemed (pursuant to the terms and conditions of redemption as set out in this Prospectus) and cancelled or kept as treasury shares.

Status

The Series A Preference Shares will constitute the direct and unsecured subordinated obligations of the Company ranking at least *pari passu* in all respects and ratably without preference of priority among themselves.

The Series A Preference Shares shall rank as regards participation in the Company's profits that are legally available for distribution as dividends, if, as, and when declared by the Board of Directors, *pari passu* with all other shares in the capital of the Company to the extent that they are expressed to rank *pari passu* therewith and in priority to the Ordinary Shares.

As stated previously, the Company undertakes not to issue any shares which rank, or are expressed to rank, by its terms or by operation of law, senior to the Series A Preference Shares. However, there is no agreement or instrument that limits the ability of the Company to issue Comparable Shares or other securities that rank *pari passu* with the Series A Preference Shares.

Issue of Additional Shares

The Company may issue Preference Shares in one or more series from time to time by resolutions of the directors, and any series of Preference Shares may rank equally with the Series A Preference Shares constituting the Offer Shares.

The rights conferred upon the Series A Preference Shares shall not be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

Subject to the provision of the Company's Memorandum and Articles of Association, any amendment of such Memorandum and Articles of Association which may have an economic impact on the Preference Shares, yet will not directly amend the rights which are attached to such shares, shall not be deemed, for any purpose hereunder, to modify or abrogate the rights attached to the Preference Shares.

Variations of Rights

Pursuant to the Company's Memorandum and Articles of Association, the rights attached to the Preference Shares may, whether or not the Company is being wound up, be varied with the consent in writing of holders of not less than three-fourths of the outstanding Preference Shares and of the issued shares of any other class or series of shares which may be affected by such variation.

Voting Rights

The holders of the Preference Shares, subject to the limitations and qualifications described in the Company's Memorandum and Articles of Association, shall have the same rights as holders of Ordinary Shares to receive notice of any meeting of the members of the Company and all reports and balance sheets of the Company that are available to the holders of the Ordinary Shares and

attending GMs of the Company, but the holders of Preference Shares shall not be entitled to (i) attend, speak or vote at any meeting of the members of the Company; or (ii) vote on any resolution of members; provided that the holders of Preference Shares shall have the right to attend, speak and vote on any resolution proposed at a GM of the Company convened for the purpose of:

- (a) reducing the Company's authorised or issued share capital;
- (b) winding up the Company; or
- (c) sanctioning a sale of the whole or substantially the whole of the business or undertaking of the Company; or
- (d) where the proposal to be submitted to the general meeting directly affects the rights and privileges of holders of the Preference Shares,

Further, the holders of Preference Shares shall have the right to attend, speak and to vote at any general meeting of the Company convened when the dividend on the Preference Shares has been duly declared by the Board and has not been paid in full when due and remains unpaid for at least six months.

Non-Participating

Holders of the Preference Shares shall not be entitled to participate in any other or future dividends beyond the dividends specifically payable on the Preference Shares.

Non-Convertible

Holders of the Series A Preference Shares shall have no right to convert the Series A Preference Shares to any other preference shares or Ordinary Shares of the Company.

No Pre-emptive Rights

Holders of the Series A Preference Shares shall have no pre-emptive rights to subscribe to any shares (including, without limitation, treasury shares) that will be issued by the Company.

Perpetual

The Series A Preference Shares are perpetual securities with no maturity date.

Liquidation Rights

In the event of any liquidation, dissolution or winding up (whether voluntarily or involuntarily), the holders of the Preference Shares at the time outstanding will be entitled to receive, in U.S. dollars, out of the Company's assets available for distribution to shareholders, together with other holders of any of the Company's shares ranking, as regards repayment of capital in the aforesaid events, *pari passu* with the Preference Shares and before any distribution of assets is made to holders of any class of the Company's shares ranking after the Preference Shares as regards repayment of capital in the aforesaid events, an amount equal to the Issue Price, plus an amount equal to any dividends declared but unpaid in respect of the previous Dividend Period to (including) the date of

commencement of the Company's liquidation, dissolution or winding up ("**Liquidation Distribution**").

If, upon any return of capital in the Company's liquidation, dissolution or winding up, the amount payable with respect to the Preference Shares and any other of the Company's shares ranking as to any such distribution *pari passu* with the Preference Shares are not paid in full, the holders of the Preference Shares and of such other shares will share ratably in any such distribution of the Company's assets in proportion to the full respective preferential amounts to which they are entitled.

After payment of the full amount of the Liquidation Distribution to which they are entitled, the holders of the Preference Shares will have no right or claim to any of the Company's remaining assets and will not be entitled to any further participation or return of capital in such liquidation, dissolution or winding up.

Taxes

Please see "*Philippine Taxation*" on page [295] of this Prospectus for the tax consequences of investing in the Preference Shares.

The holders of the Series A Preference Shares shall be responsible for declaring the amount they received as dividend in their respective income tax returns and paying the applicable taxes.

Form, Title and Registration of the Preference Shares

The Series A Preference Shares will be issued in scripless form through the electronic book-entry system of BDO Trust as Registrar for the Offer, and lodged with the Philippine Depository and Trust Corporation ("**PDTC**") as Depository Agent on Listing Date through Trading Participants nominated by the applicants. Applicants shall indicate in the proper space provided for in the Application Form the name of the Trading Participant under whose name their Shares will be registered.

After Listing Date, holders of Series A Preference Shares (the "**Shareholders**") may request the Registrar, through their nominated Trading Participant, to (a) open a scripless registry account and have their holdings of the Series A Preference Shares registered under their name ("name-on-registry account"), or (b) issue stock certificates evidencing their investment in the Series A Preference Shares. Any expense that will be incurred in relation to such registration or issuance shall be for the account of the requesting Shareholder.

Legal title to the Series A Preference Shares will be shown in an electronic register of shareholders (the "**Registry of Shareholders**") which shall be maintained by the Registrar. The Registrar shall send a transaction confirmation advice confirming every receipt or transfer of the Series A Preference Shares that is effected in the Registry of Shareholders (at the cost of the requesting Shareholder). The Registrar shall send (at the cost of the Company) at least once every year a Statement of Account to all Shareholders named in the Registry of Shareholders, except certificated Shareholders and Depository Participants, confirming the number of Series A Preference Shares held by each Shareholder on record in the Registry of Shareholders. Such Statement of Account shall serve as evidence of ownership of the relevant Shareholder as of the given date thereof. Any request by a Shareholder for certifications, reports or other documents from the Registrar, except as provided herein, shall be for the account of the requesting Shareholder.

Selling and Transfer Restrictions

Initial placement of the Series A Preference Shares and subsequent transfers of interests in the Series A Preference Shares shall be subject to normal selling restrictions for listed securities as may prevail in the Philippines from time to time.

Eligible Investors

The Series A Preference Shares may be owned or subscribed to by any person, partnership, association or corporation regardless of nationality. In addition, under certain circumstances, the Company may reject an application or reduce the number of Series A Preference Shares applied for subscription or purchase.

Law may restrict subscription to the Series A Preference Shares in certain jurisdictions. Foreign investors interested in subscribing for or purchasing the Series A Preference Shares should inform themselves of the applicable legal requirements under the laws and regulations of the countries of their nationality, residence or domicile, and as to any relevant tax or foreign exchange control laws and regulations affecting them personally. Foreign investors, both corporate and individual, shall warrant that their purchase of the Series A Preference Shares will not violate the laws of their jurisdiction and that they are allowed to acquire, purchase and hold the Series A Preference Shares.

Offer Period

The offer period for each tranche shall be set out in the relevant Offer Supplement.

Minimum Subscription to the Series A Preference Shares

Each Application shall be for a minimum of [100] Offer Shares, and thereafter, in multiples of [10] Series A Preference Shares. No Application for multiples of any other number of Offer Shares will be considered.

Procedure for Application

Application Forms for the subscription of Offer Shares may be obtained from any of the Underwriters or Selling Agents. All applications shall be evidenced by the Application Form, duly executed in each case by an authorized signatory of the applicant and accompanied by two completed signature cards, the corresponding payment for the Series A Preference Shares covered by the Application Form and all other required documents including documents required for registry with the Registrar and Depository Agent (the “**Application**”). The duly executed Application Form and required documents should be submitted to the Underwriters or Selling Agents on or prior to the set deadlines for submission of Applications to Underwriters and Selling Agents, respectively. If the applicant is a corporation, partnership, or trust account, the Application must be accompanied by the following documents:

- a. a certified true copy of the applicant’s latest articles of incorporation and by-laws and other constitutive documents, each as amended to date, duly certified by the corporate secretary (or equivalent officer);

- b. a certified true copy of the applicant's SEC certificate of registration, duly certified by the corporate secretary (or equivalent officer);
- c. a duly notarized corporate secretary's certificate setting forth the resolution of the applicant's board of directors or equivalent body authorizing (i) the purchase of the Series A Preference Shares indicated in the application and (ii) the designated signatories for the purpose, including their respective specimen signatures; and
- d. two specimen signature cards fully completed and signed by the applicant, [and certified by the corporate secretary (or equivalent officer).]

If the applicant is an individual, two specimen signature cards duly authenticated by the Underwriter or the Selling Agent which forwarded the Application and such other documents as may be required in the Application Forms or by the Underwriters.

Foreign corporate and institutional applicants who qualify as Eligible Investors, in addition to the documents listed above as applicable, are required to submit in quadruplicate, a representation and warranty stating that their Application will not violate the laws of their jurisdictions of incorporation or organization, and that they are allowed to acquire, purchase and hold the Offer Shares.

Payment for the Series A Preference Shares

The Offer Shares must be paid for in full upon submission of the Application. The purchase price must be paid in full in U.S. dollars upon the submission of the duly completed and signed Application Form and signature cards together with the requisite attachments.

[Under existing BSP regulations as of the date of this Prospectus, it may not be possible to purchase foreign currency from within the Philippine banking system for the payment of the purchase price for the Series A Preference Shares. Payment for the purchase price of the Series A Preference Shares may have to be sourced from an existing Foreign Currency Deposit Unit Account (whether such purchase will be done during the Offer Period and after the Listing Date through the PSE facilities).]

Payment for the Offer Shares being subscribed for which shall be through cash deposit, direct credit or credit via real time gross settlement in same day funds, to the following bank account of the Company maintained with [●]. All bank charges shall be for the account of the applicant. Proof of remittance or credit to the account of the Company shall be submitted to the Receiving Agent through any Underwriter or Selling Agent.

The Company has appointed [●] as the Receiving Agent for purposes of the Offer.

Acceptance/Rejection of Applications

The actual number of Offer Shares that an applicant will be allowed to subscribe for is subject to the confirmation of the Underwriters. The Company reserves the right to accept or reject, in whole or in part, or to reduce any Application due to any grounds specified in the Underwriting Agreement. Applications which were unpaid or where payments were insufficient and those that do not comply with the terms of the Offer shall be rejected.

Moreover, any acceptance or receipt of payment pursuant to the Application does not constitute as approval or acceptance by the Company of the Application.

An Application, when accepted, shall constitute an agreement between the applicant and the Company for the subscription to the Offer Shares at the time, in the manner and subject to terms and conditions set forth in the Application Form and those described in the Prospectus. Notwithstanding the acceptance of any Application by the Company, the actual subscription by the applicant for the Offer Shares will become effective only upon listing of the Offer Shares on the PSE and upon the obligations of the Underwriters under the Underwriting Agreement becoming unconditional and not being suspended, terminated or cancelled, on or before the Listing Date, in accordance with the provision of the said agreement/s. If such conditions have not been fulfilled on or before the periods provided above, all Application payments will be returned to the applicants without interest.

Refunds for Rejected Applications

In the event that the number of Offer Shares to be allotted to an applicant, as confirmed by an Underwriter or Selling Agent, is less than the number covered by its Application, or if an Application is wholly or partially rejected by the Company, then the Company shall refund, without interest, within 5 Business Days from the end of the Offer Period, all or the portion of the payment corresponding to the number of Offer Shares wholly or partially rejected. All refunds shall be made through the Underwriter or Selling Agent with whom the applicant has filed the Application at the applicant's risk.

Timetable for the Offer

The timetable of each tranche of the Offer shall be set out in the relevant Offer Supplement.

Governing Law

The Offer Shares will be issued pursuant to the laws of the British Virgin Islands.

Process Agent

The process agent for purposes of the Series A Preference Shares shall be the resident agent of the Regional Operating Headquarters (“**ROHQ**”) of the Company in the Philippines.

Stock Transfer Agent

The Company's share registrars / share transfer agents for its shares are as follows:

Philippine Branch Share Registrar	BDO Unibank, Inc. – Trust and Investments Group 15 th Floor BDO South Tower, BDO Corporate Center, 7899 Makati Avenue, Makati City 0726 Philippines
BVI Share Registrar & Share Transfer Office	Nerine Trust Company (BVI) Limited Nerine Chambers, PO Box 905 Quastisky Building Road Town Tortola VG 1110 British Virgin Islands

**Singapore Share Transfer
Agent**

Boardroom Corporate & Advisory Services Pte Ltd
50 Raffles Place #32-01 Singapore Land Tower
Singapore 048623

SUMMARY OF CONSOLIDATED FINANCIAL INFORMATION

The selected financial information set forth in the following tables has been derived from the Company's audited consolidated financial statements for the fiscal year ended 30 April 2015, four months ended 30 April 2014, and for the year ended 31 December 2013; and unaudited financial statements for the nine months ended 31 January 2016 and 2015.

This should be read in conjunction with the audited consolidated financial statements and notes thereto annexed to this Prospectus, the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations", and other financial information included herein.

The Company's consolidated financial statements were prepared in accordance with the IFRS and were reviewed and audited by R.G. Manabat & Co., in accordance with Philippine Standards on Auditing.

The summary financial information set out below does not purport to project the results of operations or financial condition of the Company for any future period or date.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In U.S.\$'000)

	30 April 2015	30 April 2014	31 December 2013
	(Audited)	(Audited) (Restated)	(Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	578,359	504,953	99,465
Subsidiaries	–	–	–
Investment in joint ventures	22,590	21,008	20,193
Intangible assets and goodwill	759,700	742,763	14,862
Deferred tax assets	80,773	45,108	10,555
Other assets	28,985	23,688	13,208
Biological assets	1,446	1,613	1,685
Employee benefits	–	10,673	–
	1,471,853	1,349,806	159,968
Current assets			
Biological assets	127,194	118,310	111,489
Inventories	764,350	814,257	98,162
Trade and other receivables-net	182,583	152,351	93,235
Cash and cash equivalents	35,618	28,401	132,921
Prepaid and other current assets	41,689	63,905	21,869
	1,151,434	1,177,224	457,676
Assets held for sale	8,113	–	–
	1,159,547	1,177,224	457,676
Total assets	2,631,400	2,527,030	617,644
Equity			
Share capital	19,449	12,975	12,975
Reserves	254,407	170,301	217,681
Equity attributable to owners of the Company	273,856	183,276	230,656
Non-controlling interests	59,590	67,603	(2,273)
Total equity	333,446	250,879	228,383

	30 April 2015	30 April 2014	31 December 2013
	(Audited)	(Audited) (Restated)	(Audited)
Non-current liabilities			
Financial liabilities	1,272,945	934,385	11,260
Other non-current liabilities	61,163	46,880	1,036
Employee benefits	129,199	99,060	1,876
Environmental remediation liabilities	4,580	4,241	–
Deferred tax liabilities	1,092	1,092	–
	<u>1,468,979</u>	<u>1,085,658</u>	<u>14,172</u>
Current liabilities			
Financial liabilities	445,542	919,579	265,404
Employee benefits	7,720	13,039	–
Trade and other payables	374,414	257,749	104,539
Current tax liabilities	1,299	126	5,146
	<u>828,975</u>	<u>1,190,493</u>	<u>375,089</u>
Total liabilities	<u>2,297,954</u>	<u>2,276,151</u>	<u>389,261</u>
Total equity and liabilities	<u>2,631,400</u>	<u>2,527,030</u>	<u>617,644</u>

CONSOLIDATED STATEMENTS OF INCOME

(In U.S.\$'000, Except Per Share Data)

	Year ended 30 April 2015	Four months ended 30 April 2014	Year ended 31 December 2013
	(Audited)	(Audited) (Restated)	(Audited)
Revenue	2,159,375	378,799	492,177
Cost of sales	(1,769,516)	(342,698)	(376,567)
Gross profit	<u>389,859</u>	<u>36,101</u>	<u>115,610</u>
Other income	26,568	–	–
Distribution and selling expenses	(145,877)	(32,541)	(33,980)
General and administrative expenses	(216,289)	(47,455)	(52,248)
Other expenses	(10,048)	(5,923)	(1,906)
Results from operating activities	<u>44,213</u>	<u>(49,818)</u>	<u>27,476</u>
Finance income	400	391	395
Finance expense	(99,861)	(18,247)	(5,478)
Net finance expense	(99,461)	(17,856)	(5,083)
Share of (loss)/profit, net of tax	(2,453)	(1,154)	(4,908)
(Loss)/Profit before taxation	<u>(57,701)</u>	<u>(68,828)</u>	<u>17,485</u>
Tax credit/(expense)	14,440	22,339	(1,710)
(Loss)/Profit for the year/period	<u>(43,261)</u>	<u>(46,489)</u>	<u>15,775</u>
Profit attributable to:			
Non-controlling interests	(5,214)	(4,725)	(334)
Owners of the Company	(38,047)	(41,764)	16,109
	<u>(43,261)</u>	<u>(46,489)</u>	<u>15,775</u>
Earnings per share			
Basic (loss)/earnings per share (US cents)	(2.74)	(3.22)	1.24
Diluted (loss)/earnings per share (US cents)	(2.74)	(3.22)	1.24

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In U.S.\$'000)

	Year ended 30 April 2015 (Audited)	Four months ended 30 April 2014 (Audited) (Restated)	Year ended 31 December 2013 (Audited)
NET INCOME (LOSS)	(\$43,261)	(\$46,489)	\$15,775
OTHER COMPREHENSIVE INCOME			
Items that will never be reclassified to profit or loss			
Remeasurement of retirement plan, net of tax	(14,378)	(3,551)	2,057
Gain on property revaluation, net of tax	-	-	5,912
	(14,378)	(3,551)	7,969
Items that will be reclassified to profit or loss			
Exchange difference on translation of foreign operations	(1,655)	696	(20,408)
Effective portion of changes in fair value of cash flow hedges, net of tax	(10,399)	(2,708)	-
	(12,054)	(2,012)	(20,408)
OTHER COMPREHENSIVE LOSS	(26,432)	(5,563)	(12,439)
TOTAL COMPREHENSIVE INCOME (LOSS)	(\$69,693)	(\$52,052)	\$3,336
Total Comprehensive Income Attributable to:			
Owners of the Company	(\$61,676)	(\$47,428)	\$3,670
Non-controlling interests	(8,017)	(4,624)	(334)
	(\$69,693)	(\$52,052)	\$3,336

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In U.S.\$'000)

	Year ended 30 April 2015 (Audited)	Four months ended 30 April 2014 (Audited) (Restated)	Year ended 31 December 2013 (Audited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Income (loss) before income tax	(\$57,701)	(\$68,828)	\$17,485
Adjustments for:			
Finance expense	99,861	18,247	5,478
Depreciation and amortization of property, plant and equipment	51,423	13,803	18,826
Amortization of intangible assets	7,560	1,434	571
Recognition of provision for inventory obsolescence	5,992	2,650	1,259
Deconsolidation of a subsidiary	5,186	-	-
Share of loss of joint venture, net of tax	2,453	1,154	4,908
Gain (loss) on disposal of property, plant and equipment - net	1,278	41	(141)
Ineffective portion of cash flow hedges	319	-	-
Equity-settled share-based payment transactions	144	48	494
Finance income	(400)	(391)	(395)
Recognition of impairment loss on property, plant and equipment	(508)	(172)	(313)
Recognition (reversal) of impairment loss on trade receivables - net	(4,652)	1,220	2,971
Bargain purchase - Sager Creek	(26,568)	-	-
Operating income (loss) before working capital changes	84,387	(30,794)	51,143
Decrease (increase) in:			
Trade and other receivables	(50,730)	72,606	(14,359)
Prepaid and other current asset	22,216	(42,036)	(6,612)
Biological assets	(9,040)	(6,749)	(12,182)
Inventories	95,861	79,987	5,970
Other assets	10,951	(6,867)	188
Increase (decrease) in:			
Trade and other payables	88,426	(6,815)	15,470
Employee benefits	10,180	1,323	(1,004)
Cash generated from operations	252,251	60,655	38,614
Taxes paid	(12,623)	(5,982)	(10,846)
Net cash flows provided by operating activities	239,628	54,673	27,768

	Year ended 30 April 2015 (Audited)	Four months ended 30 April 2014 (Audited) (Restated)	Year ended 31 December 2013 (Audited)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of property, plant and equipment	\$353	\$63	\$444
Interest received	353	111	370
Acquisition of Consumer Food Business, net of cash acquired	-	(1,708,997)	-
Deconsolidation of a subsidiary	(1,258)	-	-
Additional investment in joint venture	(4,249)	(2,271)	(3,594)
Purchase of Sager Creek business	(75,000)	-	-
Withdrawal/(Deposit) to escrow account related to the acquisition of Consumer Food Business		100,000	(100,000)
Acquisitions of property, plant and equipment	(75,179)	(17,980)	(24,739)
Net cash flows used in investing activities	(154,980)	(1,629,074)	(127,519)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	1,270,084	2,133,766	1,107,203
Proceeds from issuance of shares	155,036	-	-
Capital injection by non-controlling interest of subsidiaries	4	-	-
Proceeds from exercise of share options	-	-	404
Acquisition of treasury shares	-	-	(2,188)
Dividends paid	-	-	(24,319)
Payment of transactions costs related to issuance of share capital	(2,924)	-	-
Interest paid	(88,111)	(7,650)	(3,644)
Repayment of borrowings	(1,411,388)	(558,176)	(956,638)
Net cash flows from provided by (used in) financing activities	(77,299)	1,567,940	120,818
EFFECT OF EXCHANGE RATE CHANGES ON BALANCES HELD IN FOREIGN CURRENCY			
	(132)	1,941	(12,701)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	7,217	(4,520)	8,366
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	28,401	32,921	24,555
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$35,618	\$28,401	\$32,921

**CONSOLIDATED INTERIM
STATEMENTS OF FINANCIAL POSITION**

	As at 31 January 2016 U.S.\$'000 (Unaudited)	As at 30 April 2015 U.S.\$'000 (Audited)
Non-current assets		
Property, plant and equipment	562,298	578,359
Investment in joint venture	23,280	22,590
Intangible assets and goodwill	752,280	759,700
Deferred tax assets	87,112	80,773
Other assets	30,578	28,985
Biological assets	1,395	1,446
	<u>1,456,943</u>	<u>1,471,853</u>
Current assets		
Inventories	968,176	764,350
Biological assets	120,547	127,194
Trade and other receivables	202,603	182,583
Prepaid and other current assets	25,540	41,689
Cash and cash equivalents	26,291	35,618
	<u>1,343,157</u>	<u>1,151,434</u>
Assets held for sale	3,609	8,113
	<u>1,346,766</u>	<u>1,159,547</u>
Total assets	<u>2,803,709</u>	<u>2,631,400</u>
	As at 31 January 2016 U.S.\$'000 (Unaudited)	As at 30 April 2015 U.S.\$'000 (Audited)
Equity		
Share capital	19,449	19,449
Reserves	279,228	254,407
Equity attributable to owners of the Company	<u>298,677</u>	<u>273,856</u>
Non-controlling interests	62,308	59,590
Total equity	<u>360,985</u>	<u>333,446</u>
Non-current liabilities		
Financial liabilities	1,463,866	1,272,945
Other non-current liabilities	78,021	61,163
Employee benefits	76,379	129,199
Environmental remediation liabilities	4,490	4,580
Deferred tax liabilities	1,092	1,092
	<u>1,623,848</u>	<u>1,468,979</u>
Current liabilities		
Trade and other payables	302,679	374,414
Financial liabilities	497,742	445,542
Employee benefits	15,631	7,720
Current tax liabilities	2,824	1,299
	<u>818,876</u>	<u>828,975</u>
Total liabilities	<u>2,442,724</u>	<u>2,297,954</u>
Total equity and liabilities	<u>2,803,709</u>	<u>2,631,400</u>

**UNAUDITED CONSOLIDATED INTERIM
STATEMENTS OF COMPREHENSIVE INCOME
(In U.S.\$'000)**

	Nine months ended 31 January	
	2016	2015
	US\$'000	US\$'000
	(Unaudited)	(Unaudited/ Restated)
Profit (loss) for the period	44,312	(27,505)
Other comprehensive income (loss)		
Items that will not be classified to profit or loss		
Remeasurements of retirement plans	13,868	(767)
Income tax effect	(5,326)	230
	8,542	(537)
Items that will or may be reclassified subsequently to profit or loss		
Currency translation differences	(18,379)	6,533
Effective portion of changes in fair value of cash flow hedges	(13,692)	(18,900)
Income tax effect	5,203	7,182
	(26,868)	(5,185)
Other comprehensive income/(loss) for the period, net of tax	(18,326)	(5,722)
Total comprehensive income/(loss) for the period	25,986	(33,227)
Total comprehensive income/(loss) attributable to:		
Non-controlling interests	2,529	(4,457)
Owners of the Company	23,457	(28,770)

**UNAUDITED CONSOLIDATED INTERIM
STATEMENTS OF CASH FLOWS
(In U.S.\$'000)**

	Nine months ended 31 January	
	2016 US\$'000 (Unaudited)	2015 US\$'000 (Unaudited/ Restated)
Cash flows from operating activities		
Profit/(loss) for the period	44,312	(27,505)
Adjustments for:		
Depreciation of property, plant and equipment	45,886	38,269
Amortisation of intangible assets	7,420	5,399
Reversal of impairment loss on property, plant and equipment	(353)	(385)
Loss on disposal of property, plant and equipment	171	626
Equity-settled share-based payment transactions	1,534	109
Share of loss of joint venture, net of tax	1,257	1,681
Finance income	(3,582)	(310)
Finance expense	74,017	76,482
Tax expense/(benefit), net	4,777	(13,610)
Remeasurement of employee benefits	(39,422)	–
	136,017	80,756
Changes in:		
Other assets	(1,136)	(4,083)
Inventories	(209,231)	(7,443)
Biological assets	(1,258)	(3,439)
Trade and other receivables	(10,840)	(100,623)
Prepaid and other current assets	(2,559)	33,463
Trade and other payables	(77,719)	68,256
Employee benefits	10,652	(8,302)
Operating cash flows	(156,074)	58,585
Taxes paid	(8,846)	(9,179)
Net cash flows provided by/(used in) operating activities	(164,920)	49,406
Cash flows from investing activities		
Interest received	273	228
Proceeds from disposal of property, plant and equipment	3,777	274
Purchase of property, plant and equipment	(37,099)	(53,758)
Additional investment in joint venture	(1,950)	(9,309)
Purchase of consumer products business	–	(1,302)
Net cash flows used in investing activities	(34,999)	(63,867)

Unaudited consolidated statement of cash flows (continued)

	Note	Nine months ended 31 January	
		2016	2015
		US\$'000	US\$'000
Cash flows from financing activities			
Interest paid		(61,407)	(63,214)
Proceeds from/(repayment of) borrowings		254,710	76,573
Proceeds from issue of share capital		–	2,083
Transactions costs related to rights issue		–	(141)
Capital injection by non-controlling interests		189	–
Acquisition of treasury shares		(173)	–
Net cash flows provided by financing activities		193,319	15,301
Net increase/(decrease) in cash and cash equivalents		(6,600)	840
Cash and cash equivalents at 1 May		35,618	28,401
Effect of exchange rate changes on balances held in foreign currency		(2,727)	118
Cash and cash equivalents at 31 January	11	26,291	29,359

RISK FACTORS

Investors should carefully consider the risks described below, in addition to other information contained in this Prospectus (including the financial statements and notes relating thereto annexed to this Prospectus), whenever making any investment decision relating to the Offer Shares.

This section describes some of the significant risks that could affect the Group and the value of the Offer Shares. This section does not purport to disclose all the risks and other significant aspects of an investment in the Offer Shares. The Group's past performance is not an indication of its future performance. Investors deal in a range of investments, each of which may carry a different level of risk. The occurrence of any of the events described below and any additional risks and uncertainties not presently known to the Group or that are currently considered immaterial could have a material adverse effect on the Group's business, results of operations, financial condition and prospects, and cause the market price for the Offer Shares to fall significantly and investors may lose all or part of their investment.

An investor should seek professional advice if he or she is uncertain of, or has not understood any aspect of the securities to be invested in or the nature of the risks involved in holding and trading of such securities, especially in the trading of high-risk securities. Investors should undertake independent research regarding the Group and the trading of securities before commencing any trading activity, and should obtain all publicly available information regarding the Group and the Company's shares. Each investor should consult its own counsel, accountant and other advisors as to legal, tax, business, financial and other related aspects of an investment in the Offer Shares.

The risk factors discussed in this section are separated into categories for ease of reference, and within each category, are discussed in order of importance.

Risk Factors Relating to the Business

Some of the financial information presented in this Prospectus may not be comparable among the different periods presented, nor may it be indicative of future performance, primarily due to the Acquisition

On 18 February 2014, the Company, through its subsidiary, DMFI, completed the Acquisition of the DMFI Consumer Food Business. The DMFI Consumer Food Business was consolidated into the Group's consolidated financial statements as of 18 February 2014.

Due to the timing of the Acquisition and the differing fiscal years for each of the Company (year end 31 December) and the DMFI Consumer Food Business (year end 30 April), the Group's board decided to change the Company's fiscal year to end on 30 April so that the Group would have one consistent fiscal year end beginning with the fiscal year 2015 (year end 30 April 2015). As a result, the financial presentation in this Prospectus includes the following: (i) pre-Acquisition consolidated audited financial statements of the Group as of and for the year ended 31 December 2013; (ii) audited interim condensed consolidated financial statements as of and for the four months ended 30 April 2014, which present the Group's financial position from 1 January 2014 to 18 February 2014 and the Group's (including the DMFI Consumer Food Business) financial position from 18 February 2014 to 30 April 2014; (iii) the post-Acquisition audited financial statements of the Group as of and for the fiscal year ended 30 April 2015, representing the full year-end of the Group's newly integrated fiscal year; and (iv) the post-Acquisition reviewed financial statement for the nine months ended 31 January 2016.

The increase in financing incurred in connection with the Acquisition may have a material adverse effect on the Group's financial condition

Due to the scale of the Acquisition and the amount of financing involved, the Group's gearing and financial obligations have increased significantly. Although the Group's strong operating cash flows are expected to be sufficient to service these obligations, risks arise if there is a general economic slowdown that may impact the Group's performance. This might affect the Group's ability to service its interest and debt obligations. The increased leverage also opens the Group to interest rate risks and potential restrictions from bank covenants that might limit the Group's ability to pursue favourable business and investment opportunities. Below is a breakdown of certain of the Group's material outstanding borrowings as a result of the Acquisition.

DMFI's indebtedness

DMFI has obtained a total of U.S.\$970.0 million of indebtedness, primarily relating to U.S.\$710.0 million of 1st Lien Term Loan and U.S.\$260.0 million of 2nd Lien Term Loan (the "**Term Loan Facilities**"). Additionally, DMFI has obtained a U.S.\$442.55 million loan under an ABL Credit Agreement (a senior secured asset-based revolving facility) to be used for working capital needs and general corporate purposes (the "**ABL Facility**").

In addition, DMFI has executed U.S.\$626.0 million of interest rate swaps to fix the LIBOR component of its borrowings.

The Company's indebtedness

The Company has also obtained a total of U.S.\$630.6 million to finance the Acquisition, comprising of U.S.\$350.0 million, U.S.\$15.6 million and U.S.\$165.0 million bridging facilities (the "**Bridging Facilities**") and U.S.\$100.0 million through a drawdown from an existing credit facility (together with the Term Loan Facilities, the ABL Facility and the Bridging Facility, the "**Credit Facilities**").

As of January 2016, the Company has paid the U.S.\$165.0 million bridging facility thru a stock rights offering conducted last March 2015 and DMPL credit facilities. A portion of the proceeds from the Company's follow-on offering last October 2014, amounting to U.S.\$2.0 million, was used to partially pay the U.S.\$15.6 million bridging facility. The Company has also obtained a credit facility to refinance the balance of U.S.\$13.6 million bridging facility and U.S.\$100.0 million drawdown.

Interest and principal payments / accruals

	Year ended 30 April 2015⁽⁵⁾	Year ended 30 April 2016
Interest Related Expense (<i>in U.S.\$ million</i>)		
1 st Lien term Loan (U.S.\$710 million)	29.8	29.5
2 nd Lien term Loan (U.S.\$260 million)	21.5	21.5
Credit Facilities (U.S.\$100.0 million & U.S.\$13.6 million ⁽¹⁾ in 2015)	2.2	20.5
Bridge Facilities (U.S.\$350.0 million, U.S.\$165.0 million ⁽²⁾ and U.S.\$15.6 million) ⁽³⁾	119.5	-13.5

	Year ended 30 April 2015⁽⁵⁾	Year ended 30 April 2016
Credit Facility (U.S.\$130 million in FY2016) ⁽⁴⁾	0.0	4.1
Total Interest Related Payments / Accruals	773.9	569.4
Capital Payments Required (1st Lien Tier Loans)	8.9	7.1
Bridge Facilities to be fully refinanced through equity (U.S.\$350.0 million and U.S.\$165.0 million)	152.0	350.0⁽⁶⁾

Notes:

- (1) *The credit facility amounting to U.S.\$15.6 million has been reduced by U.S.\$2.0 million as the proceeds of the Philippine public offering were used to reduce the loan.*
- (2) *The bridge facility from BPI was fully paid from the proceeds of the stock rights offering conducted last March 2015 in the amount of U.S.\$149.0 million and a credit facility amounting to U.S.\$16.0 million.*
- (3) *Interest payments/expenses may change depending on the timing of the equity raising activities of the Company.*
- (4) *The credit facilities amounting to U.S.\$100 million, U.S.\$13.6 million and U.S.\$16 million were refinanced to a long-term, fixed rate loan.*
- (5) *The period is from 1 May 2014 to 30 April 2015.*
- (6) *Timing of payment will depend on market conditions.*

The Group's high level of indebtedness could have important consequences, such as:

- requiring a substantial portion of its cash flows to be dedicated to debt service payments instead of funding growth, working capital, capital expenditures, investments or acquisitions or other cash requirements;
- reducing its flexibility to adjust to changing business conditions or obtain additional financing;
- exposing it to the risk of increased interest rates as certain of its borrowings, including borrowings under its Credit Facilities, are at variable rates of interest. The Group is monitoring the interest rate environment and will consider fixing interest rates, if the Group believes that it is warranted.

The Credit Facilities entered by the Group contain various affirmative and negative covenants that are typical of these types of facilities. These covenants include requirements for delivery of periodic financial information and restrictions and limitations on indebtedness, investments, acquisitions, guarantees, liens, asset sales, disposals, mergers, changes in business, dividends and other transfers.

The ABL Facility includes a requirement that DMFI maintains a specified fixed charge coverage ratio if at any time its excess borrowing availability falls below a specified amount. The Term Loan Facilities include certain mandatory prepayments from proceeds of asset sales or in the event of the issuance of debt or equity, generation of excess cash flow and other events. The covenants in these facilities restrict the ability of DMFI to make funds available to its corporate parent and the Company.

The Bridging Facilities include financial covenants relating to required debt-to-equity ratio, interest cover and maximum annual capital expenditure restrictions. One of the credit lines also includes a specific provision on ensuring that the aggregate value of export letters of credit advised and negotiated at the counters of the bank and/or documentary collections where the bank has been appointed as the collecting bank shall not be less than a required minimum value on an annual basis.

Restrictive covenants in the Credit Facilities may restrict the Group's operational flexibility. If the Group fails to comply with these restrictions, it may be required to repay its debt, which would materially and adversely affect its financial position and results of operations.

The Group expects to meet its financial obligations by increasing its operating cash flow and management of interest rate risk by swapping variable with fixed interest rates given the possibility of an increase in interest rate. The Group currently expects to increase operating cash flow through the following, but no assurances can be given that any of these actions will be successful or provide sufficient cash flow to fund the Group's financial obligations:

- (a) the Group's planned increased in attention and resources to the management of DMFI;
- (b) potential business growth in the U.S. by: (i) anchoring on the well-known *Del Monte* brand; (ii) increasing market share in canned vegetable and canned fruit; and (iii) product and packaging innovation. The DMFI Consumer Food Business is expected to account for approximately 80% of the Group's revenue and cash flow;
- (c) potential business growth in new markets including South America;
- (d) expected synergies between the Group and the DMFI Consumer Food Business, especially in pineapple-based products and in co-procurement of key packaging and raw materials;
- (e) the Group's long-term growth driven by the *Del Monte* brand in the Philippines and the *S&W* brand in Asia, in particular, in the fresh pineapple business; or
- (f) at the Company level, the Bridging Facilities (except for the bridging facility, which the Company may repay through a loan facility or equity fund-raising, or a combination of both) will be refinanced with equity as soon as practical, subject to regulatory approvals and market conditions.

If any member of the Group fails to comply with restrictive covenants in its respective credit facilities or is unable to adequately service its debt, the financing counterparty may declare an event of default which may require the defaulting entity to repay the debt immediately, which would materially and adversely affect the Group's financial position and results of operations.

There are other entities that have the license to use the "Del Monte" trademark, and actions by, or circumstances affecting these other entities could negatively impact the Group

Although the Group holds the *Del Monte* trademark rights in the U.S., South America, Philippines, the Indian subcontinent and Myanmar, the *Del Monte* trademark is licensed to other companies that are independent of the Group. Acts or omissions by any of such companies or any of the licensees of the *Del Monte* trademark may adversely affect the value of the *Del Monte* trademark, the trading prices for the Company's shares and demand for the Group's products.

Conflicts may arise as they sometimes do as to the extent and delineation of the *Del Monte* Foods' and the *Del Monte* licensees and owners' respective exclusive rights to the *Del Monte* trademarks for certain products in various countries. Parallel importation of *Del Monte* products by third parties into countries for which they are not intended by the licensees constitutes an issue between licensees which they endeavour to address through continuing cooperative efforts.

A number of companies within the Group use the words "*Del Monte*" as part of their corporate name. Third party announcements or rumours about the licensees and product liability issues

concerning these other companies using the words “*Del Monte*” as part of their corporate name, or challenges to the use of the corporate name could also have negative effects on the *Del Monte* trademark or the Group, which may require the Group to address through the issuance of public statements, such as in relation to the ongoing litigation with Fresh Del Monte. See “*Business — Legal Proceedings — Material litigation involving the DMFI Consumer Food Business — Litigation between Fresh Del Monte and DMFI*”.

If the Group is not successful in protecting its intellectual property rights, its ability to compete may be adversely affected

The Group’s brand names and trademarks are important to its business. The Group relies on trademark, copyright, trade secret, patent and other intellectual property laws, including IP registration and enforcement procedures, as well as non-disclosure and confidentiality agreements and other methods, to protect its proprietary information, technologies and processes. The Group also has obligations with respect to the non-use and non-disclosure of third-party intellectual property. The Group may need to engage in litigation or similar activities to enforce its intellectual property rights, to protect its trade secrets or to determine the validity and scope of the proprietary rights of others. Any such litigation could require the Group to expend significant resources and divert the efforts and attention of its management and other personnel from its business operations. The steps the Group takes to prevent misappropriation, infringement or other violation of its intellectual property or the intellectual property of others may not be successful all the time. In addition, effective patent, copyright, trademark and trade secret protection may be unavailable or limited for some of the Group’s trademarks and patents. Failure to protect its intellectual property could harm the Group’s business and results of operations. However, the Group’s enterprise risk management program should enable it to monitor, assess and address risks promptly.

Intellectual property infringement or violation claims may adversely impact results of operations

The Group may be subject to claims by others that the Group infringes their intellectual property or otherwise violates their intellectual property rights. To the extent the Group develops, introduces and acquires products, such risk may be exacerbated. The Group has in the past been subject to such claims. For example, under DMC, the DMFI Consumer Food Business lost a case brought against it by Fresh Del Monte. As a result of the final judgment against the Group, it was required to pay, among others, compensatory damages of approximately U.S.\$16.6 million. DMC also voluntarily stopped producing certain fruit products named in the litigation. Claims of infringement or violation may require the Group to engage in litigation to determine the scope and validity of such claims and change certain products. Any of such events may adversely impact the Group’s results of operations. While the Group would vigorously defend its intellectual property rights, the Group’s continuing enterprise risk management program should enable it to calibrate its stance on issues and prevent it from taking very risky aggressive positions.

The food product categories in which the Group participates are highly competitive and, if it is not able to compete effectively, its results of operations could be adversely affected

The food product categories in which the Group participates are highly competitive. There are numerous brands and products that compete for shelf space and sales, with competition based primarily upon brand recognition and loyalty, product packaging, quality and innovation, taste, nutrition, breadth of product line, price and convenience. The Group competes with a significant number of companies of varying sizes, including divisions or subsidiaries of larger companies. The Group’s branded products face strong competition from private label products that are

generally sold at lower prices, imports, other national and regional brands and fresh and frozen alternatives. The impact of price gaps between the Group's products and private label products may be particularly acute, where significant price gaps may result in share erosion and harm the business. Some of the Group's competitors have broader product lines, substantially greater financial and other resources and/or lower fixed costs. Such competitors may succeed in developing new or enhanced products that are more attractive to customers or consumers than the Group's. These competitors may also prove to be more successful in marketing and selling their products, and may be better able to increase prices to reflect cost pressures. The Group may not compete successfully with these other companies or maintain or grow the distribution of its products. The Group cannot predict the pricing or promotional activities of these competitors or whether they will have a negative effect on the Group. Many of these competitors engage in aggressive pricing and promotional activities, which may affect the Group's pricing. There are competitive pressures and other factors which could cause the Group's products to lose market share or decline in sales or result in significant price or margin erosion, which would have a material adverse effect on the Group's business, financial condition and results of operations.

In general, due to the highly competitive nature of the businesses in which the Group competes, marketing investments and trade spending programmes must be effectively and efficiently executed to sustain the Group's competitive position in its markets. Marketing investments may be costly. Additionally, the Group may, from time to time, change its marketing and trade spending strategies, including the timing or nature of its related promotional programmes. The sufficiency and effectiveness of the Group's marketing and trade spending practices is important to its ability to retain or improve its market share or margins. If the Group's marketing and trade spending programmes are not successful or if the Group fails to implement sufficient and effective marketing and trade spending programmes, its business, results of operations and financial condition may be adversely affected.

The Group may be unable to successfully introduce new products, reposition existing products or anticipate changes in consumer preferences, which could adversely affect its results of operations

The Group's future business and financial performance depend, in part, on its ability to successfully introduce new products and improved products, reposition existing products, and anticipate and offer products that appeal to the changing tastes, dietary habits and trends and product packaging preferences of consumers in the market categories in which the Group competes. There is no certainty that opportunities for product innovation will exist or that new products will be successfully introduced or existing products successfully repositioned. Significant development and marketing costs are usually incurred in connection with the introduction of new products or repositioning of existing products. Successfully launching and selling new products puts pressure on its sales and marketing resources, and sufficient funds might not be invested behind a new product introduction to make it successful. If customers and consumers do not accept a new product, then the introduction of a new product can reduce the Group's operating income as introduction costs, including slotting fees, may exceed revenues. If the Group is not able to anticipate, identify or develop and market products that respond to changes in consumer preferences or if new product introductions or repositioned products fail to gain consumer acceptance, the Group's business may not grow as anticipated, and results of operations could be adversely affected. To mitigate such risks, the Group pursues innovation programs, conducts adequate market studies and go-to market plans before launching new products.

The loss of a significant customer, certain actions by a significant customer or financial difficulties of a significant customer could adversely affect the Group's results of operations

A relatively limited number of customers account for a large percentage of the total sales of the Group. For instance, during fiscal year 2015, the top customer of DMFI, Walmart (including Walmart's stores and supercenters, as well as Sam's Club), represented a material portion of overall list sales, which approximates gross sales. The Group expects that a significant portion of its revenues will continue to be derived from a small number of customers. However, there can be no assurance that these customers will continue to purchase the Group's products in the same quantities as they have in the past. The Group's customers are generally not contractually obligated to purchase from the Group. Changes in customers' strategies, including a reduction in the number of brands they carry, shipping strategies, a shift of shelf space to or increased emphasis on private label products (including "store brands"), or a reduction in shelf space for core grocery items may adversely affect the Group's sales. Requirements that may be imposed on the Group by customers, such as sustainability, inventory management or product specification, may have an adverse effect on the Group's results of operations. Additionally, especially during economic downturns, the Group's customers may face financial difficulties, bankruptcy or other business disruptions that may impact their operations and their purchases from the Group and may affect their ability to pay the Group for products purchased from the Group. Customers may grow their inventory in anticipation of a price increase, or in anticipation of, or during, its promotional events, which typically provide for reduced prices during a specified time or other customer or consumer incentives. To the extent customers seek to reduce their usual or customary inventory levels or change their practices regarding purchases in excess of consumer consumption, the Group's sales and results of operations would be adversely impacted in that period. If the Group's sales of products to one or more of its significant customers are reduced, this reduction could have a material adverse effect on the Group's business, financial condition and results of operations. Recognizing these risks, the Group cultivates its relationship with major customers at all levels of the organization and endeavors to improve its market position to foster stronger mutually beneficial partnerships.

The loss of rights to land required for growing operations in the Philippines could adversely affect the Group's results of operations

The Group's pineapple growing operations cover a total of approximately 23,000 hectares of land in Mindanao, Philippines. The Group's growership agreements for over approximately 14,000 hectares typically provide for an initial 10-year period, renewable at the Group's option on a cycle-to-cycle basis, up to five cycles, with each cycle averaging 40 months. Other agreements have been negotiated to provide for an extended straight period of 20 years. However, there is no assurance that these agreements will be continually renewed or that they will be renewed on terms favourable to the Group.

In January 1997, the Group concluded negotiations with the Del Monte Employees Agrarian Reform Beneficiaries Cooperative for the renewal of their agreement covering approximately 8,000 hectares for a term of 25 years effective from 11 January 1999. This may be further renewed by agreement between the parties. Any future changes in legislation relating to the coverage or implementation of the Government's agrarian reform programme may affect this contract with the Del Monte Employees' Cooperative.

In addition, the Group has under lease approximately 1,000 hectares from the National Development Corporation, a Philippine government-owned and controlled corporation. This lease was renewed for a term of 25 years on 1 March 2007. This lease may be affected by any future change in the disposition of public lands owned by government-owned or controlled corporations.

The Group manages potential risks by conducting standard due diligence on land used in its operations, as well as through a dedicated team tasked with sourcing land and renewing existing land leases.

Foreign currency and commodities hedging may not reduce exposure to fluctuations or prevent losses

In the normal course of business, the Group enters into transactions denominated in various foreign currencies. In addition, the Company and its subsidiaries maintain their respective books and accounts in their functional currencies. Since 1 January 2009, the value of the Philippine Peso against the U.S. dollar, based on BSP statistics, has fluctuated from a low of ₱49.06 per U.S. dollar on 3 March 2009 to a high of ₱40.59 per U.S. dollar on 14 March 2013. For the four months ended 30 April 2014 and six months ended 31 October 2013, revenues of the Group denominated in Philippine Peso were 15% and 13%, respectively, while cost of sales of the Group denominated in Philippine Peso were 21% and 21%, respectively. In addition, for the four months ended 30 April 2014 and six months ended 31 October 2013, the percentage of the Group's outstanding debt denominated in U.S. dollars was 95% and 96%, respectively. As a result, the Group is subject to transaction and translation exposures resulting from currency exchange rate fluctuations, especially between the Philippine Peso and U.S. dollar. To a certain extent, the Group has a natural hedge between the two currencies due to its revenue and cost mix. It is the Group's policy to optimise its natural hedge.

Commodity futures and options are generally used to reduce the price volatility associated with anticipated commodity purchases used in the production of certain of its products. Additionally, hedging programmes are typically used relating to interest rates, currency, natural gas and diesel fuel. The Group may cease any of its current programmes or use other hedging or derivative programmes in the future. The extent of these hedges at any given time depends on the Group's assessment of the markets for these commodities, diesel fuel, natural gas, and capital, including its assumptions about future prices, currency exchange rates and interest rates. For example, if the Group believes market prices for the commodities it uses are unusually high, the Group may choose to hedge less, or even none, of its upcoming requirements.

If the Group fails to hedge and prices, interest rates or currency exchange rates subsequently increase, or if the Group institutes a hedge and prices, interest rates or currency exchange rates subsequently decrease, the Group's costs may be greater than anticipated or greater than its competitors' costs and the Group's financial results could be adversely affected. Accordingly, volatility in interest rates, commodities and other hedged items associated with the Group's economic hedges could result in volatility in the Group's results of operations.

A number of financial institutions similar to those that serve or may serve as counterparties to the Group's hedging arrangements were adversely affected by the global credit crisis. The failure of any of the counterparties to its hedging arrangements to fulfil their obligations to the Group could adversely affect the Group's financial position and results of operations.

The Group's cash and interest rate management policies may not be successful

The Group's cash balances are placed with global and major Philippine banks and financial institutions. The Group manages its interest income by placing the cash balances with varying maturities and interest rate terms. This includes investing the Group's temporary excess liquidity in short-term low-risk securities from time to time. There is no assurance that such investments will increase in value and any loss in value may reduce the amount of cash available to the Group. Furthermore the Group obtains financing through bank borrowings and leasing arrangements.

Financing is obtained from bank credit facilities, for both short-term and long-term requirements and/or through the sale of assets, particularly receivables from its customers. Any unfavourable movements in interest rates related to the Group's current or prospective financing may result in a material adverse effect on the Group's financial condition and results of operations.

The Group's credit risk policy may not limit exposure to counterparty credit risk

The Group sells its products through major distributors and buyers in various geographical regions. Management has a credit risk policy which includes, among others, the requirement of certain securities to ensure prompt observance and performance of the obligations of its distributors and other buyers from time to time. In spite of such policy, there is no guarantee that the Group's customers, distributors, buyers or other contracted counterparties will be able to fulfil their respective contractual financial obligations to the Group and as a result, the Group may experience a decrease in cash flow and an inability to offset costs associated with manufacturing and distributing its products.

The Group is exposed to the economic, political and social environment in countries in which it conducts business

The Group's overall earnings from its trading activities with international customers are primarily affected by movements in the worldwide supply, demand and prices of its products. For example, the current slowdown in the Indian economy may have a material adverse effect on the Group's overall business and the supply of PJC from Thailand, which is the largest exporter of pineapple juice concentrate in the world, may affect prices as well as demand in international markets.

In addition, the Group's international business and results of operations will be influenced, to a significant degree, by political, economic and social developments in the countries in which it operates. The Group is subject to the risks inherent in conducting business across national boundaries, any one of which could adversely affect its business. These risks include but are not limited to:

- general economic downturns;
- currency exchange rate fluctuations or imposition of foreign exchange controls;
- governmental policies, laws or regulations, including increased protectionism affecting import and export duties and quotas or customs and tariffs;
- uncertainty regarding, or different levels of, protection of the Group's intellectual property;
- international incidents, including war or acts of terrorism;
- government instability; and
- nationalisation of assets.

Any adverse economic, political or social developments in the countries in which the Group operates could adversely affect its business, financial condition and results of operations.

There is no guarantee that the Group will be able to maintain historical agricultural output levels

The output of the plantation in the Philippines is subject to certain risk factors relating to weather conditions, crop yields, outgrowers and service providers' performance, and leasehold arrangements. Any decrease in the Group's output levels may have a material adverse effect on its

business, financial condition and results of operations. To manage any impact from heavy rainfall and floods, plantings are done in various locations to minimize tonnage loss, and towing units have been augmented to ensure continuity of harvest during wet conditions. The Group is PhilGAP and GLOBALGAP certified, and complies with proven agricultural practices in pineapple growing operations. Long-term land leases with staggered terms are also secured.

El Niño

DMPL sales were impacted by reduced pineapple supply as a result of the El Niño weather pattern which led to decreased exports of packaged pineapple both under the S&W brand and non-branded business.

The El Niño weather pattern is not expected to abate in the second half of the fiscal year, which will continue to impact the Group's pineapple supply. In light of this, the Group has embarked on mitigating measures in the field, such as continuous enforcement of land preparation activities and reinforcing root health, among others. The Group will continue to closely monitor the situation and execute mitigating plans accordingly. Meanwhile, the Group will continue its proactive cost management across all other areas to make up for higher pineapple costs resulting from El Niño.

The Group is exposed to potential cost increases related to primary inputs and raw materials

The primary inputs, commodities, ingredients and other raw materials that are required by the Group include energy (including natural gas), fuel, packaging, fruits, vegetables, tomatoes, grains (including corn), sugar, spices, meats, meat by-products, soybean meal, water, fats, oils and chemicals. To the extent that these raw materials are not manufactured or grown by the Group, prices for these and other items being used may be volatile and the Group might experience shortages in these items due to factors beyond its control, such as commodity market fluctuations, inflationary pressure, availability of supply, increased demand (whether for the item required or for other items, which in turn impacts the item required), weather conditions, natural disasters, currency fluctuations, governmental regulations (including import restrictions, agricultural programmes and energy programmes), labour strikes and the financial health of the Group's suppliers. Input, commodity, ingredient and other raw material price increases or shortages may result in higher costs or interrupt the Group's production schedules, each of which could have a material adverse effect on its results of operations. Production delays could lead to reduced sales volumes and profitability as well as loss of market share.

Higher costs in primary inputs and raw materials could adversely impact the Group's earnings. For example, fuel prices affect transportation costs for both raw materials and finished product and natural gas prices also affect the Group's production costs. If productivity initiatives are not implemented or the Group's product prices are not increased to offset price increases of inputs, commodities, ingredients and other raw materials, as a result of consumer sensitivity to pricing or otherwise, or if sales volumes decline due to price increases, the Group's results of operations could be adversely affected. The Group's competitors may be better able to implement productivity initiatives or effect price increases or to otherwise pass along cost increases to their customers. Moreover, if the Group increases its prices in response to increased costs, the Group may need to increase marketing spending, including trade promotion spending, in order to retain market share. Such increased marketing spending may significantly offset the benefits, if any, of any price increase and negatively impact its results of operations.

Drought in the United States

The ongoing drought in California is endangering fruit trees such as peaches, affecting quality, volume and pricing. Reduced peach volumes, higher product costs and pricing could reduce consumer demand. The Group is exploring sourcing peaches from other areas in the United States and from foreign sources. Higher peach product costs are expected to be offset by lower costs from productivity enhancements and operational efficiencies.

DMFI operates and contractually grows food in seven states in the United States where water availability may be at a risk. Its other water risks include:

- Fresh water shortages due to drought and pressures on limited surface and groundwater supplies. Increased drought may pose a particular risk to water supplies in Mexico, California, Texas, and Wisconsin near term as well as longer term (over the next 15-45 years);
- New regulatory restrictions on fresh water use and grey water discharges;
- Reputational damage if issues of sustainable and equitable water use are not properly addressed; and
- Increasing costs and/or reduced revenues to all of the above risks.

To minimize the risks, the Group needs to:

- Invest in technologies to improve water conservation;
- Encourage business culture to make saving water a daily priority;
- Reuse and/or recycle water in operations as many times as possible before discharging to grey water;
- Improve the quality of grey water discharges through source point pollution control and new raw product processing-methods that discharge less pollutants of concern; and
- Work with growers to encourage the use of more water-efficient irrigation systems and techniques to use less water.

Materials provided by third-party suppliers may not meet the Group's safety or quality standards

The Group buys some ingredients, commodities and other raw materials that it uses in producing its products from third-party suppliers. If these materials are alleged or proved to include contaminants affecting the safety or quality of the Group's products, the Group may need to find alternate materials for its products, delay production of its products, or discard or otherwise dispose of its products, which could adversely affect its results of operations. Additionally, if the presence of such contaminants are not alleged or discovered until after the affected product has been distributed, the Group may need to withdraw or recall the affected product and the Group may experience adverse publicity or product liability claims. In either case, the Group's results of operations could be adversely affected.

The Group is highly dependent on logistics and transportation and any failures or slowdowns may have an adverse effect on the Group's business

Logistics and other transportation related costs have a significant impact on the Group's results of operations. Multiple forms of transportation are used to bring the Group's products to the market.

They include ships, trucks, intermodals and railcars. Disruption to the timely supply of these services or increases in the cost of these services for any reason, including availability or cost of fuel, regulations affecting the industry, service failures by the Group's third-party logistics service providers, availability of various modes of transportation, or natural disasters (which may impact the transportation infrastructure or demand for transportation services), could have an adverse effect on the Group's ability to serve its customers, and could have a material adverse effect on its financial performance. For example, the lifted truck ban in Manila resulted in an increase in port congestion as well as an increase in freight rates and although the ban is no longer in effect, such rates have yet to normalise.

The Group's ability and the ability of its suppliers, co-packers and other business partners to make, move and sell products are critical to its success. Damage or disruption to the Group's or its manufacturing or distribution capabilities due to weather, natural disaster, fire, terrorism, pandemics, strikes or other reasons could impair the Group's ability to manufacture or sell its products. Failure to take adequate steps to mitigate the likelihood or potential impact of such events, or to effectively manage such events if they occur, particularly when a product is sourced from a single supplier or location or if such events impact its seasonal packing, could adversely affect business and results of operations.

A number of the Group's distribution centres are managed by third parties. Additionally, it also uses distribution centres owned by third parties, which may distribute its products as well as the products of other companies. Activity at these distribution centres could be disrupted by a number of factors, including, labour issues, failure to meet customer standards, bankruptcy or other financial issues affecting the third party providers, or other matters affecting any such third party's ability to service the Group's customers effectively. Any disruption of these distribution centres could adversely affect the Group's business.

Any failure of third party co-packers to fulfil their contractual obligations may have an adverse effect on the Group's ability to distribute its products to the market

The Group has a number of supply agreements with co-packers that require them to provide it with specific finished products. The failure for any reason of any co-packer to fulfil its obligations under the applicable agreements with the Group or the termination or renegotiation of any such co-packing agreement could result in disruptions to the supply of finished goods and have an adverse effect on the Group's results of operations.

Additionally, from time to time, a co-packer may experience financial difficulties, bankruptcy or other business disruptions, which could disrupt the Group's supply of finished goods or require that the Group incur additional expenses by providing financial accommodations to the co-packer or taking other steps to seek to minimise or avoid supply disruption, such as establishing a new co-packing arrangement with another provider. During an economic downturn, the Group's co-packers may be more susceptible to experiencing such financial difficulties, bankruptcies or other business disruptions. A new co-packing arrangement may not be available on terms as favourable to the Group as the existing co-packing arrangement, if at all.

The DMFI Consumer Food Business uses a single national broker to represent a significant portion of its branded products to the retail grocery trade and any failure by the broker to effectively represent the DMFI Consumer Food Business would adversely affect its business

The DMFI Consumer Food Business uses a single national broker, Advantage Sales and Marketing, to represent a significant portion of its branded products to the retail grocery trade. The DMFI Consumer Food Business would suffer substantial disruption if this broker were to

default in the performance of its obligations to perform brokerage services or if this broker fails to effectively represent the DMFI Consumer Food Business to the retail grocery trade. Changes in the DMFI Consumer Food Business sales strategy may impact this relationship.

Risk associated with foreign operations, including changes in import/export duties, wage rates, political or economic climates, criminal activity or exchange rates, may adversely affect the Group's operations

The Group's international operations and relationships with foreign suppliers and co-packers, as well as its export of certain products, subject it to the risks of doing business abroad. For example, some of the DMFI Consumer Food Business' production facilities are located outside the U.S. and some of its co-packers are located in foreign locations. The countries from which the DMFI Consumer Food Business sources its products and in which the DMFI Consumer Food Business has facilities may be subject to political and economic instability, which may adversely affect its results of operations. For example, Venezuela (where the DMFI Consumer Food Business has one production facility) and Mexico (where the DMFI Consumer Food Business has two production facilities) are currently experiencing political and economic instability. In Venezuela, the government seized several food production facilities for allegedly skirting price controls and imposed price controls on the DMFI Consumer Food Business' juice products during DMFI's fiscal year 2013. Furthermore, access to U.S. dollars to purchase raw materials restricted DMFI's ability to produce both canned products and beverages, resulting in reduced profitability in fiscal year 2013. Given the political and economic instability in the region, the Venezuelan government may take further actions that may impact the DMFI Consumer Food Business' operations, and the Venezuelan business could become a source of losses given the deteriorating macroeconomic situation in that country. In Mexico, criminal activity has impacted the country's logistics and infrastructure, including recent gang attacks on businesses. Products of the DMFI Consumer Food Business in Mexico are sold primarily in the United States and the transportation and import of such products may be disrupted as a result of such criminal activities.

Furthermore, foreign countries in which the Group produces its products, as well as countries to which it exports its products may periodically enact new or revise existing laws, taxes, duties, quotas, tariffs, currency controls or other restrictions to which the Group is subject, which may adversely affect its business. Other events that disrupt foreign production, sourcing, or transportation (such as labour unrest) or generate consumer concerns (whether justified or not) regarding foreign-produced products could also adversely affect its business. Finally, the Group's products are subject to import duties and other restrictions, and governments may periodically impose new or revise existing duties, quotas, tariffs or other restrictions to which the Group is subject, which may adversely affect its business.

The Group is dependent on information technology systems in order to effectively manage its order processing and supply chain management

The efficient operation of the Group's business depends on its information technology systems, some of which are managed by third party service providers. The Group relies on its information technology systems to effectively manage its business data, communications, supply chain, order entry and fulfilment, and other business processes. The failure of its information technology systems to perform as expected could disrupt the Group's business and could result in transaction errors, processing inefficiencies, and the loss of sales and customers, causing the business and results of operations to suffer. In addition, the Group's information technology systems may be vulnerable to damage or interruption from circumstances beyond its control, including fire, natural disasters, power outages, systems failures, security breaches, cyber-attacks and viruses.

Any such damage or interruption could have a material adverse effect on the Group's business and operations.

New ERP system in the United States

In January 2015, DMFI implemented a new ERP, SAP, and migrated its finance and accounting functions to a reputable global service provider in the Philippines. Given the new systems and processes involved, there are risks to timely and accurate processing of documents, along with the decision-making associated with the steady flow of detailed quality information. The Group will manage this by retaining existing staff in its back office for a certain period, early knowledge transfer to key members of the new staff, and solid training for all staff involved with SAP.

The nature of the Group's business makes it vulnerable to product recalls and withdrawals, as well as litigation associated with such claims

The Group may be exposed to product recalls, including voluntary recalls or withdrawals, and adverse public relations if the Group's products are alleged to cause injury or illness, or if the Group is alleged to have mislabelled or misbranded its products or otherwise violated governmental regulations. The Group may also voluntarily recall or withdraw products that the Group considers below standards, whether for taste, appearance or otherwise, in order to protect its brand reputation. A product recall or withdrawal could result in substantial and unexpected expenditures, destruction of product inventory, and lost sales due to the unavailability of the product for a period of time, which could reduce profitability and cash flow. In addition, a product recall or withdrawal may require significant management attention. Product recalls, product liability claims (even if unmerited or unsuccessful), or any other events that cause consumers to no longer associate the Group's brands with high quality and safe products may also result in adverse publicity, hurt the value of the Group's brands, lead to a decline in consumer confidence in and demand for the Group's products, and lead to increased scrutiny by federal and state regulatory agencies of the Group's operations, which could have a material adverse effect on the Group's brands, business, results of operations and financial condition. The Group also may be subject to product liability claims and adverse public relations if consumption, use or opening of the Group's products is alleged to cause injury or illness.

A product liability judgment against the Group or its agreement to settle a product liability claim could also result in substantial and unexpected expenditures, which would reduce profitability and cash flow. In addition, even if product liability claims against the Group are not successful or are not fully pursued, these claims could be costly and time-consuming and may divert management's attention to defending the claims.

The Group has in place a robust Quality Management and Food Safety System that is designed to meet high global standards in product quality, food safety, hygiene and service. Manufacturing programs have been established to identify and control hazards that impact on food safety and product quality. These programs' effectiveness is periodically verified by various third-party certification bodies following well accepted quality systems and standards such as ISO 9001:2008, GMP, HACCP, GLP, GAP, BRC, IFS and FSSC. Moreover, the Group has established a system to effectively manage incidents that may require immediate action to protect its brands, including procedures to manage emergency situations that may impact consumer safety, product quality or regulatory compliance. In the event that a product withdrawal or recall is initiated, a well documented traceability procedure is initiated. A complete identification of production lots from all raw and packaging materials used up to distribution is accomplished within eight hours. Effectiveness of these procedures is tested by an annual conduct of a mock recall.

The Group is required to comply with a variety of laws and regulations, including those relating to environmental protection, and failure to comply may result in fines, penalties or shutdown of operations

The Group is subject to a wide range of government regulations, which may vary from one locality to another, and typically including regulations related to the environment, land use and occupational health and safety. Compliance with many of these laws and regulations is costly. While the Group commits to make efforts to comply with existing rules, regulations and laws governing its operations, it cannot foresee what environmental or health and safety legislation or regulations will be amended or enacted in the future; how existing or future laws or regulations will be enforced, administered or interpreted; or the amount of future expenditures that may be required to comply with these environmental or health and safety laws or regulations or to respond to environmental claims.

In addition, manufacturing, processing, labelling, packaging, storing and distributing food products are activities subject to government regulation. Certain regulations provide direct recall authority to government authorities and include a number of other provisions designed to enhance food safety, including increased inspections of food production facilities, increased review of imported food products and mandatory continuous on-site inspections. Complying with government regulation can be costly and may adversely affect the Group's business.

The Group is also affected by import and export controls and such similar laws and regulations. Issues such as national security or health and safety, which slow or otherwise restrict imports or exports, could adversely affect the Group's business. In addition, the modification of existing laws or regulations or the introduction of new laws or regulations could require the Group to make material expenditures or otherwise adversely affect the way that the Group has been historically operating. Failure to comply with all applicable laws and regulations could subject the Group to significant civil penalties, including fines, injunctions, recalls or seizures, as well as potential criminal sanctions, which could have a material adverse effect on the Group's business, financial condition and results of operations.

There is no guarantee that the Group's current corporate and tax structure will not result in an increase in the Group's tax rate in the future

The Group was structured to take into account international tax regimes. Although the Group periodically evaluates its corporate and tax structure and consults professional advisers to optimise the structure where necessary, there can be no assurance that the tax incurred historically and the effective tax rate of the Group will not change as further tax reforms may be introduced and changes may be made to the existing corporate structure of the Group that may have a material effect on the Group.

The Group's business could be harmed by strikes or work stoppages by its employees

If a strike or work stoppage were to occur in connection with negotiations of the Group's significant collective bargaining agreements ("CBAs"), or as a result of disputes under its CBAs with labour unions, the Group's business, financial condition and results of operations could be materially and adversely affected.

Changes in the valuation of certain intangible assets may have an adverse effect on the Group's financial condition

If the Group changes its judgments or assumptions used in valuing its goodwill or other intangible assets in connection with any future impairment tests, it may conclude that the

estimated fair value of its goodwill or an indefinite life trademark it owns, which is a trademark acquired as part of a business combination determined using the relief from royalty method, is less than the book value. This would result in a write down of its goodwill or indefinite life trademark book value to the estimated fair value and recognition of an impairment charge. Any such impairment charge would adversely affect the Group's earnings and could be material.

The DMFI Consumer Food Business typically tests goodwill for impairment at least annually. Events indicative of a potential impairment (such as a decrease in the cash flow) may cause the DMFI Consumer Food Business to perform additional tests for impairment and may also cause the DMFI Consumer Food Business to change its judgments or assumptions. Goodwill is considered impaired if the book value exceeds its estimated fair value. For goodwill, the DMFI Consumer Food Business determines the estimated fair value using the income approach (which is based on the cash flows expected to be generated over its remaining life) and the market approach (which is based on market multiples of similar businesses). The DMFI Consumer Food Business typically tests its indefinite life trademarks for impairment at least annually. Events indicative of a potential impairment (such as a significant decline in the expected sales associated with a brand) may cause the DMFI Consumer Food Business to perform additional tests for impairment. Indefinite life trademarks are considered impaired if the book value for a brand exceeds its estimated fair value. The DMFI Consumer Food Business determines the estimated fair value of an indefinite life trademark using the relief-from-royalty method of the income approach (which is based upon the estimated rent or royalty the DMFI Consumer Food Business would pay for the use of a brand name if it did not own it). Considerable judgment by the DMFI Consumer Food Business is necessary in estimating future cash flows, market interest rates, discount factors, and other factors used in the relief-from-royalty method of the income approach to value goodwill and indefinite life trademarks. Many of these factors reflect the DMFI Consumer Food Business' assumptions regarding the future performance of its businesses, which may be impacted by risks discussed elsewhere in this "Risk Factors" section. If the DMFI Consumer Food Business changes its judgments or assumptions used in valuing its goodwill or other intangible assets in connection with any future impairment tests, it may conclude that the estimated fair value of the goodwill or indefinite life trademarks (as applicable) is less than the book value. This would result in a write down of the goodwill or indefinite life trademark book value to the estimated fair value and recognition of an impairment charge. Any such impairment charge would adversely affect the DMFI Consumer Food Business' earnings and could be material.

The Group's results may be negatively impacted if consumers do not maintain their favourable perception of its brands. Consumers' perception of its brands can be influenced by negative posts or comments about its brands on social or digital media

The Group believes that maintaining and continually enhancing the value of its brands is critical to the success of its business. Brand value is based in large part on consumer perceptions. Success in promoting and enhancing brand value depends in large part on the Group's ability to provide high-quality products. Brand value could diminish significantly due to a number of factors, including consumer perception that the Group has acted in an irresponsible manner, adverse publicity about the Group's products (whether or not valid), the Group's failure to maintain the quality of its products, the failure of the Group's products to deliver consistently positive consumer experiences, or the products becoming unavailable to consumers. The growing use of social and digital media by consumers increases the speed and extent that information and opinions can be shared. Negative posts or comments about the Group or its brands or products on social or digital media could damage its brands and reputation. If the Group does not maintain the favourable perception of its brands, its results of operations could be negatively impacted.

In general, the Group has an established enterprise-wide risk management program that aims to provide a structured basis for proactively managing financial, operational, compliance and information technology risks in all levels of the organization.

Risk Factors Relating to the Philippines

The Philippine economy and business environment may be disrupted by political or social instability

The Philippines has from time to time experienced political, social and military instability and no assurance can be given that the future political environment in the Philippines will be stable.

Political instability in the Philippines occurred in the 1980's when Presidents Ferdinand Marcos and Corazon Aquino held office. In 2000, former President Joseph Estrada resigned from office after allegations of corruption led to impeachment proceedings, mass public protests and withdrawal of support of the military. In February 2006, President Gloria Arroyo issued Proclamation No. 1017, which declared a state of national emergency in response to reports of an alleged attempted coup d'état. The state of national emergency was lifted in March 2006.

The country has also been subject to sporadic terrorist attacks in the past several years. The Philippine army has been in conflict with the Abu Sayyaf organisation, a group alleged to have ties with the Al-Qaeda terrorist network, and identified as being responsible for kidnapping and terrorist activities. On 9 September 2013, a faction of the Moro National Liberation Front ("MNLF") under the leadership of Nur Misuari seized hostages in Zamboanga and attempted to raise the flag of the self-proclaimed Bangsamoro Republic, a state which declared its independence from the Philippines earlier in August, in Talipao, Sulu. This armed incursion has been met by the Armed Forces of the Philippines ("AFP"), which sought to free the hostages and expel the MNLF from the city. The standoff has degenerated into urban warfare, and brought parts of the city under standstill for days. On 28 September 2013, the government declared the end of military operations in Zamboanga City.

On 12 December 2011, the House of Representatives initiated impeachment proceedings against Renato Corona, Chief Justice of the Supreme Court of the Philippines. The impeachment complaint accused Corona of improperly issuing decisions that favoured former President Gloria Macapagal-Arroyo, as well as failure to disclose certain properties, in violation of rules applicable to all public employees and officials. The trial of Chief Justice Corona began in January 2012 and ended in May 2012, with Corona being found guilty with respect to his failure to disclose to the public his statement of assets, liabilities and net worth, and consequently being impeached. In July 2013, a major Philippine newspaper exposed a scam relating to the diversion and misuse of the Priority Development Assistance Fund by some members of Congress through pseudo-development organisations headed by Janet Lim Napoles. As a result of this expose, a number of investigations, including one in the Senate, have been launched to determine the extent of the diversion of the Priority Assistance Development Fund and the Government officials and the private individuals responsible for the misappropriation of public funds. On 16 September 2013, cases of plunder and violations of the Anti-Graft and Corrupt Practices (Republic Act No. 3019, as amended) were filed with the Office of the Ombudsman against Janet Lim Napoles, three Senators, a few members of the House of Representatives and other persons. In a resolution issued in April 2014, the Office of the Ombudsman found probable cause to indict Napoles, the said senators and others in connection with the controversy; the proceedings remain pending.

No assurance can be given that the political environment in the Philippines will remain stable. Political instability in the Philippines could negatively impact the general economic conditions

and operating environment in the Philippines, which could have a material impact on the Group's business, financial condition and results of operation.

The political and social situation in Mindanao may have an adverse effect on the Group's pineapple plantation operation

The Group's pineapple plantation is situated in Northern Mindanao, Philippines. Since the 1960s, several Muslim and communist groups in Mindanao have sought the complete autonomy of Mindanao from the rest of the Philippines and the establishment of a separate constitution. Until recently, the Philippine government and the various separatist groups have been engaged in varying levels of prolonged armed conflict after failing to reach any form of resolution. In 1990, the government successfully negotiated a peace settlement with the largest of the separatist groups, through the establishment of the ARMM in southwestern Mindanao, which aims to hasten the economic development of Muslim areas.

On 15 October 2012, the Philippine Government and the Moro Islamic Liberation Front signed the Framework Agreement on the Bangsamoro, which is a preliminary peace agreement for the creation of an autonomous political entity named Bangsamoro, replacing the ARMM. On 27 March 2014, the Philippine Government and the Moro Islamic Liberation Front signed the Comprehensive Agreement on the Bangsamoro, representing the final peace agreement between the Philippine Government and the Moro Islamic Liberation Front.

Although separatist groups still exist, most of their armed activities are confined to areas in Central Mindanao where they have camps. All of the operations of the Group based in Mindanao are located in the northern part of the island where the population is predominantly Catholic. However, any extension of separatist group activities into the northern part of Mindanao could cause a disruption to the Group's operations, which could, in turn, have a significant effect on the Group's supply of pineapple raw materials to its cannery.

On 19 February 2013, an armed group believed to be members of the New People's Army, a leftist militant group, entered Camp Phillips, a residential community for DMPI employees and an office site in Bukidnon, Mindanao, Philippines. They burned three heavy equipment units and a vehicle. One security guard was fatally shot and three others were injured while resisting their entry. All residents of the camp were unharmed. To secure its employees, DMPI sought for and obtained military security right after the incident. The incident did not affect DMPI's plantation and cannery operations.

Developments in other emerging market countries may adversely affect the Philippine economy and, therefore, the market price of the Series A Preference Shares

In the past, the Philippine economy and the securities of Philippine companies have been, to varying degrees, influenced by economic and market conditions in other emerging market countries, especially other countries in Southeast Asia, as well as investors' responses to those conditions.

Although economic conditions are different in each country, investors' reactions to adverse developments in one country may affect the market price of securities of companies in other countries, including the Philippines. For example, the 1997 Asian economic crisis triggered market volatility in other emerging market countries' securities markets, including the Philippines. Accordingly, adverse developments in other emerging market countries could lead to a reduction in the demand for, and market price of the Series A Preference Shares.

The ongoing military actions in the Middle East, the recession or economic slowdown experienced by Europe and the U.S. may have negative and unpredictable effects on the international, U.S. or Philippine economies or financial markets. The Company cannot predict what future effects these events may have on investors' perceptions of risk regarding investments in equity securities of companies in emerging markets or equity securities generally.

Economic instability could have a negative effect on the financial results of the Group

The growth and profitability of the Group, as with any business for that matter, is greatly influenced by the economic situation of the Philippines. Any economic instability in the future may have a negative effect on the financial results of the Group and the level of dividends paid and distributions made by the Group.

Over the years, the Philippines has experienced periods of slow or negative growth, high inflation, unforeseen devaluation of the Philippine currency, imposition of exchange controls, debt restructuring and significant rise in oil prices.

The Asian financial crisis in 1997 resulted in higher interest rates, slower economic growth, and a significant reduction in the country's credit ratings which ultimately resulted in the depreciation of the Philippine Peso. In addition, global financial, credit and currency markets have, since the second half of 2008, experienced, and may continue to experience, significant dislocations and liquidity disruptions. The volatility in global financial markets has added to the uncertainty of the global economic outlook, and a number of countries are experiencing slowing economic activity. In the past, the Philippine economy and the securities of Philippine companies have been influenced, to varying degrees, by economic and market conditions in other countries, particularly other countries in Southeast Asia, as well as investors' responses to those conditions. The current uncertainty surrounding the global economic outlook could cause economic conditions in the Philippines to deteriorate and have a negative effect on the sovereign rating of the Philippines.

On 27 March 2013, Fitch Ratings ("**Fitch's**") upgraded the Philippines' Long-Term Foreign-Currency IDR to 'BBB-' from 'BB+', and the Long-Term Local-Currency IDR to 'BBB' from 'BBB-', both with stable outlooks. Fitch's also upgraded the Country Ceiling to 'BBB' from 'BBB-' and the Short-Term Foreign-Currency IDR to 'F3' from 'B'. The upgrade of Philippines' sovereign ratings reflects the strength of the Philippines' sovereign external balance sheet relative not only to 'A' range peers, but also to 'BB' and 'BBB' category medians.

On 8 May 2014, S&P upgraded the Philippines' sovereign long-term credit rating to 'BBB' from 'BBB-' and the Philippines' sovereign short-term credit rating to 'A-2' from 'A-3'. S&P assigned a stable outlook on the new ratings, with the new ratings to hold for six months to one year. According to S&P, "based on our assessment that even though a change of administration after the presidential elections in 2016 represents some uncertainty for reforms, the risks have shifted toward maintaining the impetus and direction of the process, away from a potential reversal or abandonment of advances achieved to date."

Despite being hit by the worst typhoon in its history, Philippine economy has maintained strong macroeconomic fundamentals and steady real GDP growth of 7.2% in 2013, an improvement from 6.8% achieved in 2012. While the damage from Typhoon Haiyan (Yolanda) pushed up inflation on a two-year high of 4.5% in May 2014 and darkened the medium-term economic forecast, the Philippines benefitted from a surge in FDI. Net FDI inflow for March 2014 was U.S.\$476 million, an increase of 78.5% as compared to March 2013. Cumulative FDI for the first three months of 2014 was U.S.\$1.9 billion. Equity placements reflected broader annual trends, with financing sourced from the U.S., Hong Kong, Japan, Singapore and Taiwan. The majority of

funds went into the financial, insurance, real estate, manufacturing, wholesale and retail trade and mining sectors.

Though growth in FDI is expected to continue following Fitch's, S&P's and Moody's decision to upgrade the credit rating of the Philippines, no assurance can be given that Fitch's, S&P's, Moody's or any other international credit rating agency will not in the future, downgrade the credit ratings of the Philippines, which will affect Philippine companies including the Group. Any such downgrade could have an adverse impact on the liquidity of the Philippine financial market, the ability of the Philippine Government and Philippine companies, including the Group to raise additional financing and the interest rates and other commercial terms at which such additional financing will be made available.

While the Group shall continue to adopt conservative policies to protect its operations and finances, any deterioration in the economic conditions of the country could affect the Group's financial condition and operations.

Natural disasters in the Philippines may adversely affect the business of the Group

The Philippines has experienced a number of major natural catastrophes over the years, including typhoons, floods, volcanic eruptions and earthquakes. The Company's plantations are located in the northern part of Mindanao, which is outside the typhoon belt and any earthquake faults. The plantations are located on a high elevation which minimizes the risk of flooding. The Company was fortunate that its pineapple plantation and manufacturing facilities were spared from the wrath of typhoon Haiyan. However, there can be no assurance that natural catastrophes will not materially disrupt the Group's business operations in the future, or that the Group is fully capable to deal with these situations with respect to all the damages and economic losses resulting from these catastrophes. To manage these risks, the Group develops and executes a long-term strategic plan and annual operating plan supported by a contingency plan and risk management measures. It also has in place disaster recovery plans and business continuity plans.

If foreign exchange controls were to be imposed, the Company's ability to access foreign currency to purchase raw materials and equipment and to service foreign currency denominated debt obligations could be adversely affected

Generally, Philippine residents may freely dispose of their foreign exchange receipts and foreign exchange may be freely sold and purchased outside the Philippine banking system. However, the Monetary Board of the BSP, with the approval of the President of the Philippines, has statutory authority, in the imminence of or during a foreign exchange crisis or in times of national emergency, to: (i) suspend temporarily or restrict sales of foreign exchange; (ii) require licensing of foreign exchange transactions; or (iii) require delivery of foreign exchange to the BSP or its designee banks. The Philippine government has, in the past, instituted restrictions on the conversion of Philippine Pesos into foreign currency and the use of foreign exchange received by Philippine residents to pay foreign currency obligations.

The Group purchases raw materials, machinery and equipment from abroad and needs foreign currency to make these purchases. In addition, the Group has incurred and may continue to incur foreign currency denominated obligations and Philippine Peso-denominated debt obligations that are payable in foreign currency. There can be no assurance that the Philippine government will not impose economic or regulatory controls that may restrict free access to foreign currency in the future. Any such restrictions imposed in the future could severely curtail the Group's ability to purchase raw materials, machinery and equipment from outside the Philippines in U.S. dollars and its ability to make principal and interest payments in U.S. dollars on its foreign currency-

denominated obligations or Philippine Peso-denominated debt obligations that are payable in foreign currency, which could materially and adversely affect its financial condition and results of operations.

Territorial disputes with China and a number of Southeast Asian countries may have an adverse effect on the Group's business

The Philippines, China and several Southeast Asian nations have been engaged in a series of long standing territorial disputes over certain islands in the West Philippine Sea, also known as the South China Sea. The Philippines maintains that its claim over the disputed territories is supported by recognised principles of international law consistent with the United Nations Convention on the Law of the Sea (“UNCLOS”). The Philippines made several efforts during the course of 2011 and 2012 to establish a framework for resolving these disputes, calling for multilateral talks to delineate territorial rights and establish a framework for resolving disputes.

Despite efforts to reach a compromise, a dispute arose between the Philippines and China over a group of small islands and reefs known as the Scarborough Shoal. In April and May 2012, the Philippines and China accused one another of deploying vessels to the shoal in an attempt to take control of the area, and both sides unilaterally imposed fishing bans at the shoal during the late spring and summer of 2012. These actions threatened to disrupt trade and other ties between the two countries, including a temporary ban by China on Philippine banana imports, as well as a temporary suspension of tours to the Philippines by Chinese travel agencies. Since July 2012, Chinese vessels have reportedly turned away Philippine fishing boats attempting to enter the shoal, and the Philippines has continued to protest China’s presence there. In January 2013, the Philippines sent a notice to the Chinese embassy in Manila that it intended to seek international arbitration to resolve the dispute under UNCLOS. China has rejected and returned the notice sent by the Philippines requesting arbitral proceedings.

Should these territorial disputes continue or escalate further, the Philippines and its economy may be disrupted and the Group’s operations could be adversely affected as a result. In particular, further disputes between the Philippines and China may lead both countries to impose trade restrictions on the other’s imports. China may also seek to suspend visits by Chinese citizens to the Philippines, or Chinese citizens may choose not to visit the Philippines as a result of these disputes. In early March 2013, several hundred armed Filipino-Muslim followers of Sultan Jamalul Kiram III, the self-proclaimed Sultan of Sulu from the south of the Philippines, illegally entered Lahad Datu, Sabah, Malaysia in a bid to enforce the Sultan of Sulu’s historical claim on the territory. As a result of the illegal entry, these followers engaged in a three-week standoff with the Malaysian armed forces, resulting in casualties on both sides. Since then, the Malaysian Government has mounted a military operation to secure Lahad Datu, and Malaysian authorities continue to search for members of the Sultan of Sulu’s army, which are suspected to be hiding in certain villages. Clashes which began on 1 March 2013 have killed 98 Filipino-Muslims, and 10 Malaysian policemen. About 4,000 Filipino-Muslims working in Sabah have returned to the southern Philippines. Recent reports in the press quoted the Malaysian Defence Minister as stating that at least 35 armed men were shot dead by the AFP while trying to enter Sabah, which has not been confirmed by the AFP.

Any such impact from these disputes could materially and adversely affect the Group’s business, financial condition and results of operations.

Investors may face difficulties enforcing judgments against the Company

While the Company is organised under, and the Series A Preference Shares are governed by, the laws of the British Virgin Islands, substantially all of the directors and Senior Management of the Company are residents of the Philippines, and all or a substantial portion of the assets of these persons are or may be located in the Philippines. As a result, it may be difficult for investors outside of the Philippines to effect service of process upon such persons or to enforce against them judgments obtained in courts or arbitral tribunals outside the Philippines.

The Philippines is not a party to any international treaty relating to the recognition or enforcement of foreign judgments. Philippine law provides that a final and conclusive judgment of a foreign court is enforceable in the Philippines through an independent action filed to enforce such judgment, and without re-trial or re-examination of the issues, only if (i) the court rendering such judgment had jurisdiction in accordance with its jurisdictional rules, (ii) the other party had notice of the proceedings, (iii) such judgment was not obtained by collusion or fraud or based on a clear mistake of fact or law, and (iv) such judgment was not contrary to public policy or good morals in the Philippines.

Risk Factors Relating to the Offer and the Series A Preference Shares

The Series A Preference Shares may not be a suitable investment for all investors

Each potential investor in the Series A Preference Shares must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Series A Preference Shares, the merits and risks of investing in the Series A Preference Shares and the information contained in this Prospectus;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Series A Preference Shares and the impact the Series A Preference Shares will have on its overall investment portfolio;
- understand thoroughly the terms of the Series A Preference Shares and be familiar with the behavior of any relevant financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate, foreign exchange rate and other factors that may affect its investment and its ability to bear the applicable risks.

Each investor should also have sufficient financial resources and liquidity to bear all of the risks of an investment in the Series A Preference Shares, including where the currency for principal or dividend payments is different from the potential investor's currency. Although expected to be listed and traded on the PSE, relative to common shares, especially peso-denominated ones, the Series A Preference Shares may have less liquidity.

The rights and obligations of the Company's shareholders and the responsibilities of Management and the Board of Directors under Singapore law may be different from those of a company incorporated in another jurisdiction, including the Philippines

The Company's corporate affairs are governed by its Memorandum and Articles of Association, by the laws governing companies incorporated in the British Virgin Islands, and by the laws and rules applicable to companies listed on the SGX-ST. As a result, the rights and obligations of the Company's shareholders and the responsibilities of the Company's Management and Board of

Directors under Singapore law may be different from those of a company incorporated or listed in another jurisdiction, including the Philippines.

There may also be obligations imposed on shareholders, such as notification requirements for the Company's substantial shareholders under Singapore laws, which will apply to the Company's shareholders whether in the Philippines or elsewhere. For example, a substantial shareholder of a company is required to notify the company in writing of his interests in the voting shares in the company within two business days after becoming a substantial shareholder or any change in the percentage level of his shareholding after he is aware of such change. The notice shall be also required if the person has ceased to be a substantial shareholder before the expiration of the two business days.

With respect to the consequences of any non-compliance with the aforementioned notification requirements under Singapore laws, a substantial shareholder who fails to comply with the relevant provisions under Singapore laws may be subject to certain penalties. For example, a substantial shareholder who fails to notify a company in the form prescribed within two business days of the substantial shareholder becoming aware (i) that he has become a substantial shareholder, (ii) of a change in the percentage level of his interest, or (iii) that he has ceased to be a substantial shareholder, relating to his shareholding interests in the company shall be guilty of an offence and shall be liable on conviction to a fine not exceeding S\$250,000 or to imprisonment for a term not exceeding two years or both, and in the case of a continuing offence to a further fine not exceeding S\$25,000 for every day or part thereof during which the offence continues after conviction.

Furthermore, there may also be taxation implications resulting from the acquisition, holding or disposal of, dealing in, or the exercise of any rights in relation to, the Series A Preference Shares which will apply to the Company's shareholders whether in the Philippines or elsewhere.

Any prospective investors and/or the Company's shareholders should note that the laws applicable to the Company's shareholders may change, whether as a result of proposed legislative reforms to the Singapore laws or otherwise, and they should consult their own advisers for specific advice concerning their possible obligations (including but not limited to legal obligation and tax obligations) as the Company's shareholders under the relevant laws.

The market price of the Series A Preference Shares may be volatile, which could lead to the decline in the value of the investors' investments in the Series A Preference Shares

The market price of the Series A Preference Shares could be affected by various factors, including:

- general market, political and economic conditions;
- changes in earnings estimates and recommendations by financial analysts;
- changes in market valuations of listed stocks, in general, and stocks of other conglomerates;
- changes to government policy, legislation or regulations, and
- general operational and business risks.

In addition, many of the risks described within this section could materially and adversely affect the market price of the Series A Preference Shares.

The price of securities can and does fluctuate, and any individual security (such as the Series A Preference Shares) may experience upward or downward movements and may even become

valueless. There is an inherent risk that losses may be incurred rather than profit made as a result of buying and selling the Series A Preference Shares.

Payment of dividends on Series A Preference Shares is discretionary

Under the terms and conditions governing the Series A Preference Shares, the Group may pay no dividends or less than full dividends on a Dividend Payment Date. Holders of the Series A Preference Shares will not receive dividends on a Dividend Payment Date or for any period during which the Group has not retained earnings out of which to pay dividends.

The claims of holders of the Series A Preference Shares on assets of the Group will be subordinated to the claims of general creditors of the Group

The Company's obligations in respect of the Series A Preference Shares are subordinated to all of the indebtedness of the Group, and it will not make any payments under the Series A Preference Shares unless it can satisfy in full all of its other obligations that rank senior to the Series A Preference Shares.

The obligations of the Company under the Series A Preference Shares are unsecured and will, in the event of any voluntary or involuntary dissolution, liquidation or winding-up of the Company, rank junior in right of payment to all indebtedness of the Group and junior in right of payment to securities of, or claims against, the Company which rank or are expressed to rank senior to the Series A Preference Shares. Accordingly, the obligations of the Company under the Series A Preference Shares will not be satisfied, unless the Company can satisfy in full all of its other obligations ranking senior to the Series A Preference Shares. If any such assets are insufficient to pay the full amount due to the holders of the Series A Preference Shares, then holders of Series A Preference Shares shall share rateably in any such distribution of assets in proportion to the full distributions to which they would otherwise be respectively entitled.

There is no agreement or instrument that limits the ability of the Company or the Group to incur additional indebtedness that ranks senior to or *pari passu* with the Series A Preference Shares.

Contractual limitations of the Group

The Group has and will continue to have a certain amount of outstanding indebtedness. The current terms of the financing agreements of entities in the Group contain provisions that could limit the ability of the Company to make payments on the Series A Preference Shares. Also, the Company may in the future, directly or indirectly through its subsidiaries, enter into other financing agreements which may restrict or prohibit the ability of the Company to make payments on the Series A Preference Shares. There can be no assurance that existing or future financing arrangements will not adversely affect the ability of the Company to make payments on the Series A Preference Shares.

The Series A Preference Shares have no maturity date and the Company has the sole right to redeem the Series A Preference Shares

The Series A Preference Shares have no maturity date and are only redeemable at the option of the Issuer on the Optional Redemption Date as defined in the "*Description of the Series A Preference Shares - Optional Redemption and Purchase*". Accordingly, if a holder of Series A Preference Shares wishes to obtain the cash value of the investment, the holder will have to sell the Series A Preference Shares in the secondary market.

The Series A Preference Shares are newly-issued shares which have no existing trading market and as a result may be inactive or illiquid investments

The Group cannot guarantee that the market for the Series A Preference Shares will always be active or liquid. Furthermore, the Underwriters are not obligated to create a trading market for the Series A Preference Shares and any such market making will be subject to the limits imposed by applicable law, and may be interrupted or discontinued at any time without notice. Accordingly, the Company cannot predict whether an active or liquid trading market for the Series A Preference Shares will develop or if such a market develops, if it can be sustained. Consequently, an investor may be required to hold his Series A Preference Shares for an indefinite period of time or sell them for an amount less than the Offer Price.

Failure to pay dividends may have an adverse effect on the trading price of the Series A Preference Shares

If dividends on the Series A Preference Shares are not paid in full, or at all, the Series A Preference Shares may trade at a lower price than they might otherwise have traded if dividends had been paid. The sale of Series A Preference Shares during such a period by a holder of Series A Preference Shares may result in such holder receiving lower returns on the investment than a holder who continues to hold the Series A Preference Shares until dividend payments resume. In addition, because of the dividend limitations, the market price for the Series A Preference Shares may be more volatile than that of other securities that do not have these limitations.

Exchange rate risks

The Issuer will pay amounts in respect of the Series A Preference Shares in U.S. dollars. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency other than U.S. dollars, such as for instance, Philippine Peso. These include the risk that exchange rates may significantly change (including changes due to appreciation of the Philippine Peso relative to the U.S. dollars or appreciation of U.S. dollars relative to Philippine Peso). An appreciation in the value of the Philippine Peso relative to U.S. dollars would decrease (i) the Philippine Peso equivalent yield on the Series A Preference Shares, (ii) the Philippine Peso equivalent value of the amount payable, including any redemption price payment, in respect of the Series A Preference Shares, and (iii) the Philippine Peso equivalent market value of the Series A Preference Shares.

Reinvestment Risk

On the Optional Redemption Date or at any time redemption occurs, the Company may redeem the Series A Preference Shares at the Redemption Price, as described in "*Description of the Series A Preference Shares*". At the time of redemption, interest rates may be lower than at the time of the issuance of the Series A Preference Shares and, consequently, the holders of the Series A Preference Shares may not be able to reinvest the proceeds at a comparable interest rate or purchase securities otherwise comparable to the Series A Preference Shares.

Holders of Preference Shares will have limited voting rights

Holders of Series A Preference Shares will not be entitled to elect the Board of Directors of the Company. Generally, the holders of the Series A Preference Shares shall not be entitled to (i) attend, speak or vote at any meeting of the members of the Company; or (ii) vote on any resolution of members. See "*Description of the Series A Preference Shares*".

[Since the Offer Shares are the first U.S. dollar-denominated equity securities listed on the PSE, the procedure for trading and settlement is new and may be susceptible to possible disruptions.]

The Series A Preference shares are the first U.S. dollar-denominated equity securities to be listed and traded on the PSE. On account of the application made by the Company for the listing of the Offer Shares on the PSE, the PSE promulgated on [●] new rules on trading and settlement for foreign currency-denominated securities. The Series A Preference Shares will be the first equity securities to be traded on the PSE pursuant to the said new rules. While the trading will be executed through the [● system] of the PSE which is also used for peso trades, the clearing and settlement process will not be supported by the automated system of the Securities Clearing Corporation of the Philippines (“SCCP”) called the Central Clearing and Central Settlement System, which is used for settlement of trades of peso equity securities. There is no certainty that the clearing and settlement process of trades involving foreign currency denominated securities will be automated in the future.

Given that the procedure is new and because there are no Philippine precedents, it is possible that events may occur in the clearing and settlement process which may or may not result in delay or disruption in the delivery of the payments for the trades and/or securities. Although SCCP will act as the central counterparty of all [Qualified Trading Participants] in their trades involving the Series A Preference Shares and standard measures applied in case of failed trades will be adopted, there is no guarantee that such delay or disruption will not occur.]

Risk Factors Relating to Statements Made in this Prospectus

Certain statistics in this Prospectus relating to the Philippines are derived from various Government and private publications, in particular, those produced by industry associations and research groups. This information has not been independently verified and may not be accurate, complete, up-to-date or consistent with other information compiled within or outside the Philippines.

USE OF PROCEEDS

The Company intends to use the proceeds it receives from this Offer to prepay/repay the bridge loan facility extended by BDO Unibank to the Company, in the amount of U.S.\$ 350,000,000.00,¹ which partially financed the acquisition of the DMFI Consumer Food Business, and offer-related costs. The balance of proceeds, if any, will be used for general corporate purposes. This prepayment of the BDO Unibank bridge loan will allow the Company to deleverage and strengthen its balance sheet. Such prepayment is allowed under the BDO Unibank bridge loan facility agreement without any fee or penalty. See “*Material Agreements relating to the Acquisition*” on page [161] of this Prospectus.

Further details on the proposed use of proceeds from this Offer are set forth below:

Use of Proceeds	Estimated Amounts (in U.S.\$)	Percentage	Estimated Timing
Repayment of BDO Unibank Bridge Loan Facility	350,000,000.00	[97.22%]	[●]
Offer-related costs	[7,895,449.39]	[2.19%]	[●]
General Corporate Purposes	[2,104,550.61]	[0.58%]	[●]
Estimated Total Proceeds	[360,000,000.00]	100.0%	

The BDO Unibank bridge loan facility to be paid using the proceeds of this Offer was obtained to partially finance the acquisition of the DMFI Consumer Food Business. On 12 February 2014, the Company obtained a loan from BDO Unibank amounting to U.S.\$350.0 million or ₱16.41 billion, computed as of 30 April 2016 at U.S.\$1.00 for ₱46.887, for the purpose of partially financing the acquisition of the DMFI Consumer Food Business. The loan bears interest at the rate of LIBOR plus 3.50% per annum, payable every three months with a final repayment date on 10 February 2017. BDO Unibank is the parent company of BDO Capital, one of the Joint Lead Underwriters.

The balance of proceeds from this Offer, after paying the U.S.\$350.0 million bridge facility from BDO Unibank and this Offer-related costs, will be used for general corporate purposes, such as payment of interest related to the BDO Unibank bridge loan and working capital requirements. Out of this Offer-related costs, the Company has already paid the amount of [₱4,846,697.10] as SEC filing fees. The proposed use of proceeds described above represents a best estimate of the use of the net proceeds of this Offer based on the Company’s current plans and expenditures. The actual amount and timing of disbursement of the net proceeds from this Offer for the uses stated above will depend on various factors which include, among others, changing market conditions or new information regarding the cost or feasibility of the Company’s expansion plans. The Company’s cost estimates may change as it develops its plans, and actual costs may be different from its budgeted costs. To the extent that the net proceeds from this Offer are not immediately applied to the above purposes, the Company will invest the net proceeds in interest-bearing short-term demand deposits and/or money market instruments. Aside from underwriting and selling fees, the Joint Lead Underwriters and other Underwriters will not receive any of the net proceeds from this Offer.

Based on the Offer Price of U.S.\$10.00 per Offer Share, the total proceeds from this Offer, the estimated total expenses for this Offer and the estimated net proceeds from this Offer will be:

¹The Peso equivalent of U.S.\$ 352,104,550.61 is ₱16,509,126,064.50, which represents the estimated net proceeds from this Offer, computed using the PDS weighted average rate as of 30 April 2016 (₱46.887 = U.S.\$1.00).

	Estimated Amounts	
	(PHP)	(USD)
Total proceeds from the Offer	₱[16,879,320,000.00]	[\$360,000,000.00]
Expenses		
Underwriting and selling fees for the Offer Shares (including fees to be paid to the Underwriter).....	₱[210,991,500.00]	\$[4,500,000.00]
SEC registration, filing and research fees	₱[4,846,697.10]	\$[103,369.74]
PSE Registration and Listing Fees	₱[18,960,838.40]	\$[404,394.36]
Estimated professional fees (including legal, accounting, and financial advisory fees)	₱[133,594,900.00]	\$[2,849,295.11]
Others ⁽¹⁾	₱[1,800,000.00]	\$[38,390.17]
Total estimated expenses	₱[370,193,935.50]	[\$7,895,449.39]
Estimated net proceeds from the Offer	₱[16,509,126,064.50]	[\$352,104,550.61]

Note:

⁽¹⁾ "Others" includes expenses for the printing of the Prospectus, roadshows and miscellaneous expenses.

The use of proceeds for each tranche of the Offer shall be set out in the relevant Offer Supplement.

No amount of the proceeds will be used to reimburse any officer, director, employee or shareholder for services rendered, assets previously transferred, money loaned or advanced, or otherwise.

In the event that the actual expenses are more than the estimates, or the actual net proceeds are less than the projected net proceeds, the Company will utilize said net proceeds as set out in the Offer Supplement and will use internally generated funds and/or bank loans to finance the shortfall, or delay or abandon one or more of the components of its plans. It is possible that a shortfall will occur, if due to market conditions or other factors, any of the Offer Shares under shelf-registration or those intended for Subsequent Offers are not sold during the Shelf Period.

In the event of any material deviation or adjustment in the planned use of proceeds, the Company shall inform its shareholders, the SEC and the PSE in writing at least 30 days before such deviation or adjustment is implemented. Any material or substantial adjustments to the use of proceeds, as indicated above, will be approved by the Company's Board of Directors and disclosed to the SEC and the PSE. In addition, the Company shall submit via the PSE EDGE the following disclosures to ensure transparency in the use of proceeds:

- (i) any disbursements made in connection with the planned use of proceeds from this Offer;
- (ii) Quarterly Progress Report on the application of the proceeds from this Offer on or before the first 15 days of the following quarter; the Quarterly Progress Report should be certified by the Company's Chief Financial Officer or Treasurer and external auditor;
- (iii) annual summary of the application of the proceeds on or before January 31 of the following year; the annual summary report should be certified by the Company's Chief Financial Officer or Treasurer and external auditor;
- (iv) approval by the Company's Board of Directors of any reallocation on the planned use of proceeds, or of any change in the work program; the disbursement or implementation of

such reallocation must be disclosed by the Company at least 30 days prior to the actual disbursement or implementation; and

- (v) a comprehensive report on the progress of its business plans on or before the first 15 days of the following quarter.

The quarterly and annual reports required in items (ii) and (iii) above must include a detailed explanation of any material variances between the actual disbursements and the planned use of proceeds in the work program or the Prospectus, if any. The detailed explanation must also state that the Company's Board of Directors has given its approval as required in item (iv) above.

The Company shall submit an external auditor's certification on the accuracy of the information reported by the Company to the PSE in the Company's quarterly and annual reports as required in items (ii) and (iii) above.

PLAN OF DISTRIBUTION

The Company plans to issue the Offer Shares to institutional and retail investors through a public offering to be conducted through the Underwriters. The Offer does not include an international offering.

The detailed plan of distribution and underwriting arrangement for each tranche of the Offer shall be set out in the relevant Offer Supplement.

The Underwriters are duly licensed by the SEC to engage in the underwriting or distribution of the Offer Shares. The Underwriters may, from time to time, engage in transactions with, and perform services in the ordinary course of business for, the Issuer or its subsidiaries.

The Underwriters have no contract or other arrangement with the Issuer by which it may return to the Company any unsold Initial Offer Shares.

SALE AND DISTRIBUTION

The distribution and sale of the Offer Shares shall be undertaken by the Underwriters who shall sell and distribute the Offer Shares to third party buyers/investors. The Underwriters are authorized to organize a syndicate of sub-underwriters, soliciting dealers and/or selling agents for the purpose of the Offer.

The Company and the Underwriters will not allocate any Offer Shares for the Local Small Investors. Under the PSE Revised Listing Rules, a Local Small Investor is defined as a subscriber or purchaser who is willing to subscribe up to a maximum value of ₱25,000 [(or the U.S. dollar equivalent thereof)] of the Offer Shares under the LSI program. The Offer will have a minimum subscription of [100] Series A Preference Shares which is equivalent to [U.S.\$1,000.00]. The minimum subscription amount for this Offer is beyond the prescribed maximum subscription amount for Local Small Investors.

Any Offer Shares not taken up by the Trading Participants shall be distributed by the Underwriters directly to their respective clients and the general public. All Series A Preference Shares not taken up by the Trading Participants, general public and the Underwriters' clients shall be purchased by the Underwriters pursuant to the terms and conditions of the Underwriting Agreement.

TERM OF APPOINTMENT

The engagement of the Underwriters for each tranche shall be set out in the relevant Offer Supplement.

MANNER OF DISTRIBUTION

The Underwriters shall, at their discretion, determine the manner by which proposals for subscriptions to, and issuances of, the Offer Shares shall be solicited, with the primary sale of the Offer Shares to be effected only through the Underwriters. The Underwriters may appoint other entities, including trading participants, to sell on their behalf.

No shares are designated to be sold to specific persons.

OFFER PERIOD

The Offer Period for each tranche of the Offer shall be set out in the relevant Offer Supplement.

APPLICATION TO PURCHASE

All applications to purchase the Offer Shares shall be evidenced by a duly completed and signed Application to Purchase, together with two fully executed signature cards authenticated by the Corporate Secretary with respect to corporate and institutional investors, and shall be accompanied by the payment in full of the corresponding purchase price of the Offer Shares applied for, by check or by the appropriate payment instruction, and the required documents which must be submitted to any of the Underwriters.

[Under existing BSP regulations, it may not be possible to purchase foreign currency from within the Philippine banking system for the payment of the purchase price for the Offer Shares. Payment for the purchase price of the Offer Shares may have to be sourced from an existing Foreign Currency Deposit Unit Account.]

Corporate and institutional purchasers must also submit a copy of SEC-certified or corporate secretary-certified true copy of the SEC Certificate of Registration, latest Articles of Incorporation and By-laws, or such other relevant organizational or charter documents, and the original or Corporate Secretary-certified true copy of the duly notarized certificate confirming the resolution of the board of directors and/or committees or bodies authorizing the purchase of the Offer Shares and designating the authorized signatory/ies therefor. Individual applicants must also submit a photocopy of any one of the following identification cards (“**ID**”): passport/driver's license, company ID, SSS/GSIS ID and/or Senior Citizen's ID or such other ID and documents as may be required by or acceptable to the selling bank.

An applicant who is exempt from, or is not subject to, withholding tax or who claims reduced tax treaty rates shall, in addition, be required to submit the following requirements to any of the Underwriters (together with their applications) who shall then forward the same to the Registrar and Depository, subject to acceptance by the Company as being sufficient in form and substance: (i) certified true copy of the original tax exemption certificate, ruling or opinion issued by the BIR on file with the applicant as certified by its duly authorized officer; (ii) with respect to tax treaty relief, proofs to support applicability of reduced treaty rates, consularized proof of tax domicile issued by the relevant tax authority of the Preference Shareholder, and original or SEC-certified true copy of the SEC confirmation that the relevant entity is not doing business in the Philippines; (iii) an original of the duly notarized undertaking, in the prescribed form, declaring and warranting its tax exempt status, undertaking to immediately notify the Company, the Registrar and Depository of any suspension or revocation of its tax exempt status, and agreeing to indemnify and hold the Company, the Registrar and Depository and the Paying Agent free and harmless against any claims, actions, suits, and liabilities resulting from the non-withholding or reduced withholding of the required tax; and (iv) such other documentary requirements as may be required under the applicable regulations of the relevant taxing or other authorities.

The Issue Manager shall be responsible for accepting or rejecting any application or scaling down the amount of Offer Shares applied for. The application, once accepted, shall constitute the duly executed purchase agreement covering the amount of Offer Shares so accepted and shall be valid and binding on the Company and the applicant. On the Business Day following the Closing Date, the Issue Manager shall advise all the Underwriters of any applications that were rejected and/or scaled-down, with copy to the Company.

MINIMUM PURCHASE

A minimum purchase of [100] Offer Shares shall be considered for acceptance. Purchases in excess of the minimum shall be in multiples of [10] Offer Shares.

REFUNDS

In the event an application is rejected or the amount of Offer Shares applied for is scaled down, the Underwriters, upon receipt of such rejected and/or scaled down applications, shall notify the applicant concerned that his application has been rejected or the amount of Offer Shares applied for is scaled down, and refund the amount paid by the applicant with no interest thereon. All refunds shall be made available by the Underwriters to whom the rejected or scaled down application was submitted within [five] Business Days after the last day of the Offer Period. The Company shall not be liable in any manner to the applicant for any payment corresponding to any rejected or scaled-down application which is not returned by an Underwriter; in which case, such Underwriter shall be responsible directly to the applicant for the refund of the payment.

SECONDARY MARKET

Upon listing on the PSE, the Issuer may purchase the Offer Shares at any time in the open market or by public tender or by private contract at any price through the PSE. The Offer Shares so purchased may either be redeemed and cancelled (but only after the first Optional Redemption Date) or kept as treasury shares.

REGISTRY OF SHAREHOLDERS

The Offer Shares will be issued in scripless form through the electronic book-entry system of BDO Trust as Registrar for the Offer, and lodged with PDTC as Depository Agent on Listing Date through Trading Participants nominated by the applicants. Applicants shall indicate in the proper space provided for in the Application Form the name of the Trading Participant under whose name their Offer Shares will be registered.

After Listing Date, holders of Offer Shares may request the Registrar, through their nominated Trading Participant: to (a) open a scripless registry account and have their holdings of the Offer Shares registered under their name (“name-on-registry account”), or (b) issue stock certificates evidencing their investment in the Offer Shares. Any expense that will be incurred in relation to such registration or issuance shall be for the account of the requesting shareholder.

Legal title to the Shares will be shown in an electronic register of shareholders (the “**Registry of Shareholders**”) which shall be maintained by the Registrar. The Registrar shall send a transaction confirmation advice confirming every receipt or transfer of the Offer Shares that is effected in the Registry of Shareholders (at the cost of the requesting Shareholder). The Registrar shall send (at the cost of the Issuer) at least once every year a Statement of Account to all Shareholders named in the Registry of Shareholders, except certificated Shareholders and Depository Participants, confirming the number of Shares held by each Shareholder on record in the Registry of Shareholders. Such Statement of Account shall serve as evidence of ownership of the relevant Shareholder as of the given date thereof. Any request by a Shareholder for certifications, reports or other documents from the Registrar, except as provided herein, shall be for the account of the requesting Shareholder. See “*Philippine Stock Market – Amended Rule on Lodgment of Securities*” on page [224].

EXPENSES

All out-of-pocket expenses, including, but not limited to, registration with the SEC, printing, publication, communication and signing expenses incurred by the Issue Manager in the negotiation and execution of the transaction will be for the Company's account, irrespective of whether the Offer is completed. Such expenses are to be reimbursed upon presentation of a composite statement of account. See "*Use of Proceeds*" on page [●] of the Offer Supplement for details of expenses.

SELLING RESTRICTIONS

No securities, except of a class exempt under Section 9 of the SRC or unless sold in any transaction exempt under Section 10 thereof, shall be sold or distributed by any person within the Philippines, unless such securities shall have been registered with the SEC on Form 12-1 and the registration statement has been declared effective by the SEC.

LISTING WITH THE SGX-ST AND THE PSE

Listing with the SGX-ST

On 2 August 1999, the Company (with stock code: D03) had its shares initially listed and officially traded on the Mainboard of the SGX-ST. At that time, the Company's authorized share capital was U.S.\$20,000,000.00, consisting of 2,000,000,000 Ordinary Shares with a par value of U.S.\$0.01 each, out of which 1,000,000,000 Ordinary Shares were issued and paid-up. An aggregate of 285,715,143 Ordinary Shares were subject of the invitation and listing, comprising of 142,857,133 new shares and 142,858,000 existing shares.

From the foregoing, 57,142,000 shares were offered to the public in Singapore and employees of the Group for subscription and/or purchase; and 228,573,143 shares were subject to a placement arrangement.

Initially, the quotation of, and dealing in, the Ordinary Shares were in U.S. dollars. On 20 December 1999, the SGX-ST approved the conversion of the Company's quotation of shares from U.S. dollars to Singapore dollars.

On 30 October 2014, the Company had 5,500,000 additional Ordinary Shares listed on the SGX-ST pursuant to a public offering conducted in the Philippines. The resultant number of shares following the allotment is 1,302,100,071 Ordinary Shares (excluding 900,420 Ordinary Shares).

On 11 March 2015, additional 641,935,335 Ordinary Shares were listed on the SGX-ST, which were offered for sale to eligible shareholders by way of a stock rights offering at an offer price of S\$0.325 per share.

Presently, the Company does not have any plan of applying for the listing of the Offer Shares with the SGX-ST. It is possible that the Offer Shares may not be listed at all with the SGX-ST.

Listing with the PSE

In order to widen its investor base and provide for additional sources of capital, the Company applied for the listing of its shares with the PSE.

On 10 June 2013, the Company (with stock code: DMPL) became part of the Philippine stock market as 1,297,500,491 of its Ordinary Shares were officially listed on the Main Board of the PSE. Given that the Company was already listed with the SGX-ST, the Company was allowed to list by way of introduction, without the need of a public offering. The initial listing price was then made to depend on the closing price of the shares at the SGX-ST on the trading day immediately preceding the listing with the PSE.

On 30 October 2014, an additional of 5,500,000 new Ordinary Shares was listed on the PSE, which were offered for sale to the Philippine public by way of a primary offer.

On 11 March 2015, the Company had 641,935,335 additional Ordinary Shares listed on the PSE. The Ordinary Shares were offered and sold to eligible shareholders by way of a stock rights offering.

Sale of Unregistered or Exempt Securities

In January 2015, the Company applied with the PSE for the listing of 641,935,335 Ordinary Shares (the “**Rights Shares**”) for purposes of the rights offering in the Philippines (the “**Philippine Rights Issue**”) that was simultaneously conducted with the rights issue in Singapore (the “**Singapore Rights Issue**”) (collectively, the “**Rights Issue**”). It also obtained from SEC the Confirmation of Exempt Transaction which confirmed that an exemption from filing of a registration statement was available for the offer and issuance to existing shareholders, pursuant to Section 10.1 (e), and for offer and issuance to qualified buyers pursuant to Section 10.1(l) of the SRC Rules.

The Company entered into separate Management and Underwriting Agreement with DBS Bank Ltd as the Singapore Manager and Underwriter for the Singapore Rights Issue, and with BPI Capital Corporation as the Philippine Manager and Underwriter for the Philippine Rights Issue.

Pursuant to the Singapore Management and Underwriting Agreement, the amount of underwriting commission payable to the Singapore Manager and Underwriter was: (i) 2.0% of the aggregate issue price of the Singapore Rights Shares; (ii) at the Company’s sole discretion, an incentive fee of up to 0.5% of the aggregate issue price of the Singapore Rights Shares; and (iii) a management fee of U.S.\$300,000.00 (approximately S\$405,480.00).

Pursuant to the Philippine Management and Underwriting Agreements, the Philippine Manager and Underwriter received an underwriting fee of 2.0% on the total amount raised from the sale and distribution of unsubscribed Rights Shares in the Philippine Rights Issue, to qualified buyers in the Philippines, as defined by the SRC. No commissions or any form of remuneration were received for the sale of the Rights Shares to eligible Shareholders in the Philippines during the first and second rounds of the Rights Issue.

The entire Rights Shares were allotted and issued on 10 March 2015, and listed and quoted on the Main Boards of the SGX-ST and the PSE on 11 March 2015. The Rights Shares were offered from 12 February 2015 to 2 March 2015, and had an exercise price per share of S\$0.325 in Singapore and PhP10.60 in the Philippines.

Market Information

- a. The high and low prices of the Ordinary Shares traded on the SGX-ST and the PSE over the last two (2) years and subsequent interim periods are as follows:

Quarter	SGX		PSE	
	High (S\$)	Low (S\$)	High (₱)	Low (₱)
CY 2013				
January 2013 - March 2013	0.970	0.610	-	-
April 2013 - June 2013	0.955	0.680	30.000	20.000
July 2013 - September 2013	0.950	0.700	30.250	23.900
October 2013 - December 2013	0.990	0.575	39.500	22.450
FY 2015				
January 2014 - April 2014	0.675	0.585	25.000	21.400
May 2014 - July 2014	0.640	0.515	23.000	18.180
August 2014 - October 2014	0.550	0.455	18.200	16.600
November 2014 - January 2015	0.545	0.460	17.280	13.380

February 2015 - April 2015	0.480	0.305	17.260	10.720
FY 2016				
May 2015 - July 2015	0.430	0.335	13.360	11.440
August 2015 - October 2015	0.380	0.285	12.980	9.480
November 2015 - January 2016	0.450	0.280	13.700	9.680
February 2016 - April 2016	0.400	0.300	12.600	10.920

Notes:

- (1) *The high price is the highest price that the Ordinary Shares reached during the trading days of the quarter. The low price is the lowest price that the Ordinary Shares reached during the trading days of the quarter.*
- (2) *FY 2015 includes the four-month financial transition period of the Group from 1 January 2014 to 30 April 2014.*
- (3) *Source: Bloomberg L.P. [Bloomberg L.P. has not consented for the purposes of Section 249 and Section 277 of the SFA to the inclusion of the information above which is publicly available, and is thereby not liable for these statements under Section 253 and Section 254 of the SFA. The Company has included the above information in its proper form and context and has not verified the accuracy of the content of these statements. The Company is not aware of any disclaimers made by Bloomberg L.P in relation to these quotes.*

- b. The closing price of the Ordinary Shares on the SGX-ST and the PSE as of 29 April 2016 was S\$0.30 and ₱10.94, respectively.

DETERMINATION OF THE OFFER PRICE

The Offer Price was arrived at by dividing the desired gross proceeds of U.S.\$[360.0] million by the amount of Series A Preference Shares allocated for this offering. The resulting Offer Price of U.S.\$10.00 per share is a premium to the Preference Share's par value per share of U.S.\$1.00.

DIVIDENDS AND DIVIDEND POLICY

Subject to any limitations or provisions to the contrary in its Memorandum or Articles of Association, the Company may, by a resolution of directors, declare and pay dividends in money, shares or other property. Dividends shall only be declared and paid out of surplus.

No dividends shall be declared and paid, unless the directors determine that immediately after the payment of the dividends:

- (a) the Company will be able to satisfy its liabilities as they become due in the ordinary course of its business; and
- (b) the realizable value of the assets of the Company will not be less than the sum of its total liabilities, other than its deferred taxes, as shown in its books of accounts, and its capital.

For its Ordinary Shares, the Company has a stated policy of paying a minimum of 33% of prior year's net profit, although this has been exceeded in past years' payouts (before the Acquisition). The dividend payout from 2006 to 2012 was 75% and the dividend payout for 2013 was 50%. There is, however, no guarantee that the Company will pay any dividends to its common equity shareholders in the future. The dividend history of the Company for the last three (3) years is provided below:

For the Financial Year	Name of Dividend	Rate of Dividend (per share)	Record Date	Payment Date	Dividends Paid (in US thousand dollars)	Details of any waiver
2012	Interim	0.72 US cents	17 August 2012	05 September 2012	7,771	N.A.
	Final	1.51 US cents	07 March 2013	27 March 2013	16,297	N.A.
2013	Interim	0.62 US cents	20 August 2013	04 September 2013	8,022	N.A.
	Final	N.A.	N.A.	N.A.	N.A.	N.A.
2015 ²	Interim	N.A.	N.A.	N.A.	N.A.	N.A.
	Final	N.A.	N.A.	N.A.	N.A.	N.A.

The Company has declared dividends in the past, the last of which was a cash dividend of U.S.\$0.0062 per Ordinary Share declared on 12 August 2013, and paid on 4 September 2013.

The Company did not declare a final dividend in 2013 and any dividend in FY 2015 due to the non-recurring Acquisition-related expenses, purchase accounting financial impact and transition expenses of DMFI resulting in a loss to the Company.

Dividend Income

The Company's subsidiaries do not have defined dividend policies. Dividend declaration is discretionary and subject to the respective companies' Board approval.

² In 2014, the Company changed its financial year end from 31 December to 30 April. FY2015 began on 1 May 2014 and ended on 30 April 2015.

Additionally, the dividend history for the past three years for each of the Company's subsidiary is information not readily available to the Company. The following table sets forth the dividends received by the Company from its subsidiary, DMPRL, for the years 2014, 2013, and 2012:

	2014	2013	2012
Dividend received in U.S.\$'000	N.A.	25,000	35,000

Apart from the above, the Company has not received dividends from its subsidiaries.

DMPL's subsidiaries' business operations, which include exports to various countries in the world such as the U.S., Europe and Asia, generate U.S. dollars that, when upstreamed to DMPL, will fund the dividends on the Preference Shares. Please see *Description of the Business* of the Group starting on page [154] of this Prospectus.

CAPITALIZATION AND INDEBTEDNESS

The unaudited consolidated short-term and long-term debt and capitalization of the Issuer as of the relevant period shall be set out in the Offer Supplement for each tranche of the Offer.

DILUTION

The Series A Preference Shares will not have any dilutive effect on the rights of the holders of the Ordinary Shares of the Company as the Series A Preference Shares are non-voting, non-convertible and non-participating.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The selected financial information set forth in the following tables has been derived from the Company's audited consolidated financial statements for the fiscal year ended 30 April 2015, for the four months ended 30 April 2014, and for the year ended 31 December 2013, and the unaudited consolidated financial statements for the nine months ended 31 January 2016 and 2015. The consolidated financial statements for the nine months ended 31 January 2016 and 2015 have not been audited.

This should be read in conjunction with the audited consolidated financial statements and notes thereto annexed to this Prospectus, the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and other financial information included herein.

The Company's consolidated financial statements were prepared in accordance with the IFRS and were audited by R.G. Manabat & Co., in accordance with Philippine Standards on Auditing.

The summary financial information set out below does not purport to project the results of operations or financial condition of the Company for any future period or date.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In U.S.\$'000)

	30 April 2015	30 April 2014	31 December 2013
	(Audited)	(Audited) (Restated)	(Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	578,359	504,953	99,465
Subsidiaries	-	-	-
Joint ventures	22,590	21,008	20,193
Intangible assets and goodwill	759,700	742,763	14,862
Deferred tax assets	80,773	45,108	10,555
Other assets	28,985	23,688	13,208
Biological assets	1,446	1,613	1,685
Employee benefits	-	10,673	-
	1,471,853	1,349,806	159,968
Current assets			
Biological assets	127,194	118,310	111,489
Inventories	764,350	814,257	98,162
Trade and other receivables-net	182,583	152,351	93,235
Cash and cash equivalents	35,618	28,401	132,921
Prepaid and other current assets	41,689	63,905	21,869
	1,151,434	1,177,224	457,676
Assets held for sale	8,113	-	-
	1,159,547	1,177,224	457,676
Total assets	2,631,400	2,527,030	617,644
Equity			
Share capital	19,449	12,975	12,975
Reserves	254,407	170,301	217,681

Equity attributable to owners of the Company	273,856	183,276	230,656
Non-controlling interests	59,590	67,603	(2,273)
Total equity	333,446	250,879	228,383

	30 April 2015	30 April 2014	31 December 2013
	(Audited)	(Audited) (Restated)	(Audited)
Non-current liabilities			
Financial liabilities	1,272,945	934,385	11,260
Other non-current liabilities	61,163	46,880	1,036
Employee benefits	129,199	99,060	1,876
Environmental remediation liabilities	4,580	4,241	–
Deferred tax liabilities	1,092	1,092	–
	1,468,979	1,085,658	14,172
Current liabilities			
Financial liabilities	445,542	919,579	265,404
Employee benefits	7,720	13,039	–
Trade and other payables	374,414	257,749	104,539
Current tax liabilities	1,299	126	5,146
	828,975	1,190,493	375,089
Total liabilities	2,297,954	2,276,151	389,261
Total equity and liabilities	2,631,400	2,527,030	617,644

CONSOLIDATED STATEMENTS OF INCOME

(In U.S.\$'000, Except Per Share Data)

	Year ended 30 April 2015	Four months ended 30 April 2014	Year ended 31 December 2013
	(Audited)	(Audited) (Restated)	(Audited)
Revenue	2,159,375	378,799	492,177
Cost of sales	(1,769,516)	(342,698)	(376,567)
Gross profit	389,859	36,101	115,610
Other income	26,568	–	–
Distribution and selling expenses	(145,877)	(32,541)	(33,980)
General and administrative expenses	(216,289)	(47,455)	(52,248)
Other expenses	(10,048)	(5,923)	(1,906)
Results from operating activities	44,213	(49,818)	27,476
Finance income	400	391	395
Finance expense	(99,861)	(18,247)	(5,478)
Net finance expense	(99,461)	(17,856)	(5,083)
Share of (loss)/profit, net of tax	(2,453)	(1,154)	(4,908)
(Loss)/Profit before taxation	(57,701)	(68,828)	17,485
Tax credit/(expense)	14,440	22,339	(1,710)
(Loss)/Profit for the year/period	(43,261)	(46,489)	15,775

Profit attributable to:

Non-controlling interests	(5,214)	(4,725)	(334)
Owners of the Company	(38,047)	(41,764)	16,109
	(43,261)	(46,489)	15,775
Earnings per share			
Basic (loss)/earnings per share (US cents)	(2.74)	(3.22)	1.24
Diluted (loss)/earnings per share (US cents)	(2.74)	(3.22)	1.24

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In U.S.\$'000)

	Year ended 30 April 2015 (Audited)	Four months ended 30 April 2014 (Audited) (Restated)	Year ended 31 December 2013 (Audited)
NET INCOME (LOSS)	(\$43,261)	(\$46,489)	\$15,775
OTHER COMPREHENSIVE INCOME			
Items that will never be reclassified to profit or loss			
Remeasurement of retirement plan, net of tax	(14,378)	(3,551)	2,057
Gain on property revaluation, net of tax	-	-	5,912
	(14,378)	(3,551)	7,969
Items that will be reclassified to profit or loss			
Exchange difference on translation of foreign operations	(1,655)	696	(20,408)
Effective portion of changes in fair value of cash flow hedges, net of tax	(10,399)	(2,708)	-
	(12,054)	(2,012)	(20,408)
OTHER COMPREHENSIVE LOSS	(26,432)	(5,563)	(12,439)
TOTAL COMPREHENSIVE INCOME (LOSS)	(\$69,693)	(\$52,052)	\$3,336
Total Comprehensive Income Attributable to:			
Owners of the Company	(\$61,676)	(\$47,428)	\$3,670
Non-controlling interests	(8,017)	(4,624)	(334)
	(\$69,693)	(\$52,052)	\$3,336

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In U.S.\$'000)

	Year ended 30 April 2015 (Audited)	Four months ended 30 April 2014 (Audited) (Restated)	Year ended 31 December 2013 (Audited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Income (loss) before income tax	(\$57,701)	(\$68,828)	\$17,485
Adjustments for:			
Finance expense	99,861	18,247	5,478
Depreciation and amortization of property, plant and equipment	51,423	13,803	18,826
Amortization of intangible assets	7,560	1,434	571
Recognition of provision for inventory obsolescence	5,992	2,650	1,259
Deconsolidation of a subsidiary	5,186	-	-
Share of loss of joint venture, net of tax	2,453	1,154	4,908
Gain (loss) on disposal of property, plant and equipment - net	1,278	41	(141)
Ineffective portion of cash flow hedges	319	-	-
Equity-settled share-based payment transactions	144	48	494
Finance income	(400)	(391)	(395)
Recognition of impairment loss on property, plant and equipment	(508)	(172)	(313)
Recognition (reversal) of impairment loss on trade receivables - net	(4,652)	1,220	2,971
Bargain purchase - Sager Creek	(26,568)	-	-
Operating income (loss) before working capital changes	84,387	(30,794)	51,143
Decrease (increase) in:			
Trade and other receivables	(50,730)	72,606	(14,359)
Prepaid and other current asset	22,216	(42,036)	(6,612)
Biological assets	(9,040)	(6,749)	(12,182)
Inventories	95,861	79,987	5,970
Other assets	10,951	(6,867)	188
Increase (decrease) in:			
Trade and other payables	88,426	(6,815)	15,470
Employee benefits	10,180	1,323	(1,004)
Cash generated from operations	252,251	60,655	38,614
Taxes paid	(12,623)	(5,982)	(10,846)
Net cash flows provided by operating activities	239,628	54,673	27,768

	Year ended 30 April 2015 (Audited)	Four months ended 30 April 2014 (Audited) (Restated)	Year ended 31 December 2013 (Audited)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of property, plant and equipment	\$353	\$63	\$444
Interest received	353	111	370
Acquisition of Consumer Food Business, net of cash acquired	-	(1,708,997)	-
Deconsolidation of a subsidiary	(1,258)	-	-
Additional investment in joint venture	(4,249)	(2,271)	(3,594)
Purchase of Sager Creek business	(75,000)	-	-
Withdrawal/(Deposit) to escrow account related to the acquisition of Consumer Food Business		100,000	(100,000)
Acquisitions of property, plant and equipment	(75,179)	(17,980)	(24,739)
Net cash flows used in investing activities	(154,980)	(1,629,074)	(127,519)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	1,270,084	2,133,766	1,107,203
Proceeds from issuance of shares	155,036	-	-
Capital injection by non-controlling interest of subsidiaries	4	-	-
Proceeds from exercise of share options	-	-	404
Acquisition of treasury shares	-	-	(2,188)
Dividends paid	-	-	(24,319)
Payment of transactions costs related to issuance of share capital	(2,924)	-	-
Interest paid	(88,111)	(7,650)	(3,644)
Repayment of borrowings	(1,411,388)	(558,176)	(956,638)
Net cash flows from provided by (used in) financing activities	(77,299)	1,567,940	120,818
EFFECT OF EXCHANGE RATE CHANGES ON BALANCES HELD IN FOREIGN CURRENCY			
	(132)	1,941	(12,701)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS			
	7,217	(4,520)	8,366
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD			
	28,401	32,921	24,555
CASH AND CASH EQUIVALENTS AT END OF PERIOD			
	\$35,618	\$28,401	\$32,921

CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
(In U.S.\$'000)

	As at 31 January 2016 U.S.\$'000 (Unaudited)	As at 30 April 2015 U.S.\$'000 (Audited)
Non-current assets		
Property, plant and equipment	562,298	578,359
Investment in joint venture	23,280	22,590
Intangible assets	752,280	759,700
Deferred tax assets	87,112	80,773
Other assets	30,578	28,985
Biological assets	1,395	1,446
	<u>1,456,943</u>	<u>1,471,853</u>
Current assets		
Inventories	968,176	764,350
Biological assets	120,547	127,194
Trade and other receivables	202,603	182,583
Prepaid and other current assets	25,540	41,689
Cash and cash equivalents	26,291	35,618
	<u>1,343,157</u>	<u>1,151,434</u>
Assets held for sale	3,609	8,113
	<u>1,346,766</u>	<u>1,159,547</u>
Total assets	<u>2,803,709</u>	<u>2,631,400</u>
	As at 31 January 2016 U.S.\$'000 (Unaudited)	As at 30 April 2015 U.S.\$'000 (Audited)
Equity		
Share capital	19,449	19,449
Reserves	279,228	254,407
Equity attributable to owners of the Company	<u>298,677</u>	<u>273,856</u>
Non-controlling interests	62,308	59,590
Total equity	<u>360,985</u>	<u>333,446</u>
Non-current liabilities		
Financial liabilities	1,463,866	1,272,945
Other non-current liabilities	78,021	61,163
Employee benefits	76,379	129,199
Environmental remediation liabilities	4,490	4,580
Deferred tax liabilities	1,092	1,092
	<u>1,623,848</u>	<u>1,468,979</u>
Current liabilities		
Trade and other payables	302,679	374,414
Financial liabilities	497,742	445,542
Employee benefits	15,631	7,720
Current tax liabilities	2,824	1,299
	<u>818,876</u>	<u>828,975</u>
Total liabilities	<u>2,442,724</u>	<u>2,297,954</u>
Total equity and liabilities	<u>2,803,709</u>	<u>2,631,400</u>

**UNAUDITED CONSOLIDATED INTERIM STATEMENT OF INCOME
FOR THE NINE MONTHS ENDED 31 JANUARY**

(In U.S.\$'000, Except Per Share Data)

		Nine months ended	
		31 January	
	Note	2016	2015
		(Unaudited)	(Unaudited) (Restated)
Revenue		1,725,205	993,627
Cost of sales		(1,355,873)	(808,170)
Gross profit		369,332	185,457
Distribution and selling expenses		(143,891)	(67,318)
General and administrative expenses		(97,147)	(104,212)
Other expenses		(7,513)	(596)
Results from operating activities		120,781	13,331
Finance income		3,582	867
Finance expense		(74,017)	(49,155)
Net finance expense		(70,435)	(48,288)
Share of loss of joint venture, net of tax		(1,257)	(1,246)
Loss before taxation		49,089	(36,203)
Tax credit		(4,777)	11,802
Loss for the period	15	44,312	(24,401)
Loss attributable to:			
Non-controlling interests		2,440	(2,690)
Owners of the Company		41,872	(21,711)
Earnings per share			
Basic loss per share (US cents)	17	2.15	(1.67)
Diluted loss per share (US cents)	17	2.15	(1.67)

**UNAUDITED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE
INCOME FOR THE NINE MONTHS ENDED 31 JANUARY
(In U.S.\$'000)**

	Nine months ended 31 January	
	2016	2015
	US\$'000	US\$'000
	(Unaudited)	(Unaudited/ Restated)
Profit (loss) for the period	44,312	(27,505)
Other comprehensive income (loss)		
Items that will not be classified to profit or loss		
Remeasurements of retirement plans	13,868	(767)
Income tax effect	(5,326)	230
	<u>8,542</u>	<u>(537)</u>
Items that will or may be reclassified subsequently to profit or loss		
Currency translation differences	(18,379)	6,533
Effective portion of changes in fair value of cash flow hedges	(13,692)	(18,900)
Income tax effect	5,203	7,182
	<u>(26,868)</u>	<u>(5,185)</u>
Other comprehensive income/(loss) for the period, net of tax	(18,326)	(5,722)
Total comprehensive income/(loss) for the period	25,986	(33,227)
Total comprehensive income/(loss) attributable to:		
Non-controlling interests	2,529	(4,457)
Owners of the Company	<u>23,457</u>	<u>(28,770)</u>

UNAUDITED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

For the nine months ended 31 January

(In U.S.\$'000)

	Nine months ended 31 January	
	2016	2015
	US\$'000	US\$'000
	(Unaudited)	(Unaudited/ Restated)
Cash flows from operating activities		
Profit/(loss) for the period	44,312	(27,505)
Adjustments for:		
Depreciation of property, plant and equipment	45,886	38,269
Amortisation of intangible assets	7,420	5,399
Reversal of impairment loss on property, plant and equipment	(353)	(385)
Loss on disposal of property, plant and equipment	171	626
Equity-settled share-based payment transactions	1,534	109
Share of loss of joint venture, net of tax	1,257	1,681
Finance income	(3,582)	(310)
Finance expense	74,017	76,482
Tax expense/(benefit), net	4,777	(13,610)
Remeasurement of employee benefits	(39,422)	–
	136,017	80,756
Changes in:		
Other assets	(1,136)	(4,083)
Inventories	(209,231)	(7,443)
Biological assets	(1,258)	(3,439)
Trade and other receivables	(10,840)	(100,623)
Prepaid and other current assets	(2,559)	33,463
Trade and other payables	(77,719)	68,256
Employee benefits	10,652	(8,302)
Operating cash flows	(156,074)	58,585
Taxes paid	(8,846)	(9,179)
Net cash flows provided by/(used in) operating activities	(164,920)	49,406
Cash flows from investing activities		
Interest received	273	228
Proceeds from disposal of property, plant and equipment	3,777	274
Purchase of property, plant and equipment	(37,099)	(53,758)
Additional investment in joint venture	(1,950)	(9,309)
Purchase of consumer products business	–	(1,302)
Net cash flows used in investing activities	(34,999)	(63,867)

Unaudited consolidated statement of cash flows (continued)

	Note	Nine months ended 31 January	
		2016	2015
		US\$'000	US\$'000
Cash flows from financing activities			
Interest paid		(61,407)	(63,214)
Proceeds from/(repayment of) borrowings		254,710	76,573
Proceeds from issue of share capital		–	2,083
Transactions costs related to rights issue		–	(141)
Capital injection by non-controlling interests		189	–
Acquisition of treasury shares		(173)	–
Net cash flows provided by financing activities		193,319	15,301
Net increase/(decrease) in cash and cash equivalents		(6,600)	840
Cash and cash equivalents at 1 May		35,618	28,401
Effect of exchange rate changes on balances held in foreign currency		(2,727)	118
Cash and cash equivalents at 31 January	11	26,291	29,359

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The discussion pertaining to the audited consolidated financial statements for the twelve-month period 30 April 2015 and 2014 and the unaudited consolidated financial statements for the nine months ended 31 January 2016 and 2015 should be read in conjunction with the section entitled "Selected Consolidated Financial Information".

This discussion contains forward-looking statements and reflects the current views of the Company with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the section entitled "Risk Factors" and elsewhere in this Prospectus.

OVERVIEW

The Group

The Group is principally engaged in growing, processing, and selling canned and fresh pineapples, pineapple juice concentrate, tropical mixed fruit, tomato-based products, beverage products and certain other foods products mainly under the brand names of *Del Monte*, *S&W* and *Today's*.

Following the Acquisition, the Group gained access to the U.S. market. The Group can also build on the DMFI Consumer Food Business' core business and leading market shares in the U.S. across its canned fruit, vegetable, tomato and broth businesses as well as to expand the DMFI Consumer Food Business' current product offering to include beverage and culinary products. The DMFI Consumer Food Business' largely untapped South America business also has the potential to expand over time across new markets and product categories.

The details of the Company's subsidiaries and their principal activities are set out in "*Description of Business*" at page [136] of this Prospectus.

Reportable Segments

Branded Business

The branded business, comprising of the *Del Monte* branded business in the Philippines and the Indian subcontinent (all processed), plus the *S&W* branded business in Asia and the Middle East (both fresh and processed), generated 68% of revenue for the year ended 31 December 2013 and 70% of revenue for the year ended 31 December 2012, up from 65% in the year ended 31 December 2011.

Non Branded Business

Non-branded products accounted for 32% of revenue for the year ended 31 December 2013 and 30% of revenue for the year ended 31 December 2012, down from 35% of revenue for the year 31 December 2011. This segment includes revenue of private label and non-branded processed fruits, beverages, other processed products and non-branded fresh fruit.

1. Non-supply contract Asia Pacific – Includes revenue of private label and non-branded processed fruits, beverages, other processed products, fresh fruit and cattle in the Asia Pacific

region and revenue of private label processed fruits and beverage to a non-affiliated Del Monte company at market prices in the Asia Pacific region.

2. Non-supply contract Europe and North America – Includes revenue of private label and non-branded processed fruits, beverages and other processed products in Europe and North America and revenue of private label processed fruits, beverages and other processed products to non-affiliated Del Monte companies at market prices in Europe and North America.
3. Supply contract – Includes revenue of processed fruits, beverages and fresh fruit to non-affiliated Del Monte companies under long term supply contracts.

Consumer Food Business

The DMFI Consumer Food Business sells products under the *Del Monte*, *Contadina*, *College Inn* and *S&W* brand names, as well as private label products to key customers. The DMFI Consumer Food Business is one of the largest marketers of processed fruit, vegetables and tomatoes in the U.S. with the leading market share for branded products in both packaged fruit and vegetable. The products of DMFI Consumer Food Business are sold in a number of channels which include retail markets, mass merchandisers, the U.S. military, certain export markets, food service industry and foods processors. The DMFI Consumer Food Business' fruit, vegetable and tomato products are in mature categories, characterised by high household penetration.

The DMFI Consumer Food Business' packaged fruit, vegetable, tomato and broth products compete primarily on the basis of brand recognition, taste, variety, convenience and value. In fiscal 2013, the DMFI Consumer Food Business continued its new product innovations with the launch of Del Monte Fruit Naturals Mango Chunks, Del Monte Diced Mangos cups and Del Monte Mango Pineapple cups, making *Del Monte* the first brand to bring mangos to the centre of stores in the U.S. Competitors include branded and private label fruit, vegetable, tomato and broth processors. The DMFI Consumer Food Business' primary competitors include Dole, Seneca Foods and Pacific Coast Producers in fruit; General Mills and Seneca Foods in vegetable; Con Agra, Heinz and Unilever in tomato; and Campbell Soup and smaller regional brands in broth.

Customers

Most food retailers in the U.S. carry the DMFI Consumer Food Business' products, and it has developed strong relationships over the long term with the majority of significant participants in the retail grocery trade. Walmart, which includes Walmart's stores and supercentres along with SAM'S CLUB, is the most significant customer of the DMFI Consumer Food Business.

The DMFI Consumer Food Business' sales teams work with its customers to promote the resale of its products in their stores. These efforts include working with customers in the areas of merchandising, product assortment and distribution and shelving. The customers of DMFI Consumer Food Business provide it with purchase orders as they desire product and it fills these orders based on generally standard terms of sale. Where the DMFI Consumer Food Business provides private label products for its customers, it typically supplies those customers on a purchase order basis as well. These purchase orders could be on a standalone basis, or issued under a master agreement that sets forth matters such as payment and delivery terms. The DMFI Consumer Food Business' arrangement with its largest customer, Walmart, operates in generally the same fashion as those with its other customers and on overall similar terms.

Supply

The DMFI Consumer Food Business manufactures its products from a wide variety of raw materials. Each year it buys over 1.2 million tons of fresh fruit, vegetables and tomatoes from individual growers, farmers and cooperatives located primarily in the U.S. The DMFI Consumer Food Business' fruit supply contracts generally range from one to ten years. Fruit prices are generally negotiated with grower associations annually. The Consumer Food Business purchases raw products from over 500 fruit growers located in California, Oregon and Washington. Yellow cling peaches are contracted by the acre, while contracts for other fruits require delivery of specified quantities each year. The DMFI Consumer Food Business' vegetable supply contracts are for a one-year term and require delivery from contracted acreage with specified quality. Vegetable prices are negotiated annually. The DMFI Consumer Food Business purchases raw product from approximately 600 vegetable growers located primarily in Wisconsin, Illinois, Minnesota, Washington and Texas. Raw tomatoes are purchased from approximately 25 tomato growers located in California, where approximately 95% of domestic tomatoes for processing are grown. Tomato prices are generally negotiated with grower associations and are reset each year. The DMFI Consumer Food Business actively participates in agricultural management, agricultural practices, quality control and compliance with pesticide/herbicide regulations. Other ingredients, including sugar and sweeteners, spices, proteins, grains, flour, and certain other fruits and vegetables are generally purchased through annual supply agreements or in the open market.

The DMFI Consumer Food Business maintains long-term relationships with growers to help ensure a consistent supply of raw fruit, vegetables and tomatoes.

Production

The DMFI Consumer Food Business operates 16 production facilities in the U.S., Mexico and Venezuela. Fruit plants are located in California and Washington, most of its vegetable plants are located in the U.S. Midwest and its tomato plants are located in California and Indiana. The DMFI Consumer Food Business has a seasonal production cycle that generally runs between the months of June and October. Most of its seasonal plants operate close to full capacity during the packing season. This seasonal production primarily relates to the majority of processed fruit, vegetable and tomato products, while some of its processed fruit and tomato products and its *College Inn* broth products are produced throughout the year. Additionally, the DMFI Consumer Food Business has contracts to co-pack certain processed fruit and vegetable products for other companies.

The DMFI Consumer Food Business uses 12 co-packers and 1 re-packer located in the U.S. and foreign locations, in addition to its own production facilities. Co-packers are used for broth, processed pineapple, tropical fruit salad, mandarin oranges and certain other products. Co-packers are used periodically to supplement supplies of certain processed fruit, vegetable and tomato products.

Distribution

Customers of DMFI can order products to be delivered via third-party trucking, on a customer pickup basis or by rail. Distribution centres provide casing, labeling and special packaging and other services.

Research and Development

The DMFI Consumer Food Business' research and development organization provides product, packaging and process development. The research and development facility in Walnut Creek, California develops new products and product line extensions and conducts research in a number of areas related to its processed fruit, vegetable, tomato and broth products, including packaging, pest management, food science, environmental and engineering. This facility employs scientists, engineers and researchers and is equipped with pilot shops and test kitchens.

Seasonality

Historical net sales for the DMFI Consumer Food Business have generally exhibited seasonality, with the first fiscal quarter typically having the lowest net sales. Lower levels of promotional activity, the availability of fresh produce, the timing of price increases and other factors have historically affected net sales in the first quarter.

The DMFI Consumer Food Business has experienced increased sales of its processed fruit, vegetable, tomato and broth products during the back-to-school and holiday periods in the U.S., extending from September through December, as well as during periods associated with the Easter holiday. The DMFI Consumer Food Business typically schedules promotional events to coincide with these periods of increased product consumption.

REVIEW OF THE GROUP FOR THE FOUR MONTHS ENDED 30 APRIL 2014 AND 30 APRIL 2013

in U.S.\$'000 unless otherwise stated	For the four months ended		
	30 April		
	2014 (Audited)	2013 (Unaudited)	% Change
Revenue	378,799	127,639	196.8
Gross profit	36,101	30,852	(17.0)
<i>Gross margin (%)</i>	9.5	24.2	(14.6 ppts)
Distribution and selling expenses	32,541	10,956	(197.0)
General and administrative expenses	47,455	8,335	469.3
Other operating expenses	5,923	284	Nm
Operating profit	(49,818)	11,277	Nm
<i>Operating margin (%)</i>	(13.2)	8.8	(22.0ppts)
Net finance expense	17,856	886	Nm
Share of loss in joint venture, net of non-controlling interest	1,154	1,493	(22.7)
Taxation	22,339	(2,437)	Nm
Net profit attributable to owners	(46,489)	6,461	Nm
<i>Net Margin (%)</i>	12.3	5.1	(17.3)
Depreciation	13,803	5,477	152.0

Revenue

For the four months ended 30 April 2014, the Group generated sales of U.S.\$378.8 million, up from U.S.\$127.6 million in 2013 due to the consolidation of the results from the acquired DMFI Consumer Food Business for the period from 18 February to 30 April 2014. In the U.S., the Group benefited from the DMFI Consumer Food Business' Easter shipments, while in Asia, the

S&W branded business delivered sales growth of 27% mainly driven by market expansion into the Middle East, business development in the Philippines and strong growth in Korea.

Revenue for the four months ended 30 April 2014 is net of discounts of U.S.\$13.6 million, returns of U.S.\$4.5 million and direct promotions of U.S.\$84.0 million. Revenue for four months ended 30 April 2013 is net of discounts of U.S.\$8.2 million, returns of U.S.\$1.6 million and direct promotions of U.S.\$3.0 million.

Gross Profit

Gross profit decreased by 14.8% due to non-recurring expenses, including the impact of inventory step-up relating to fair value adjustments. Without these non-recurring expenses, gross profit margin would have been 19.9%.

Selling and Distribution Expenses

Selling and distribution expenses was 8.6% of revenue for the four months ended 30 April 2014 which was approximately the same percentage as compared to the same period in the previous year but higher in terms of absolute amount due to the consolidation of the results from the acquired DMFI Consumer Food Business.

General and Administrative Expenses

General and administrative expenses significantly increased from U.S.\$8.3 million for the four months ended 30 April 2013 to U.S.\$49.5 million for the four months ended 30 April 2014, mainly due to one-time transaction fees relating to the acquisition of the DMFI Consumer Food Business.

Other Operating Expenses

Other operating expenses for the four months ended 30 April 2014 amounted to U.S.\$3.0 million, higher than for the same period in the previous year of U.S.\$ 0.3 million, mainly due to Sager Creek business bargain purchase.

Operating Profit

Operating profit for the four months ended 30 April 2014 amounted to U.S.\$ 49.4 million and was unfavorably impacted by non-recurring expenses, including transaction costs relating to the Acquisitions and inventory step-up relating to fair value adjustments, brought about by the Acquisition. Without these non-recurring expenses, operating profit would have been U.S.\$2.9 million, representing 0.8% operating margin..

Finance Income/Expenses

For the four months ended 30 April 2014, interest income for the Group declined as compared to the four months ended 30 April 2013, as a result of lower interest income from operating assets. Interest expense for the Group for the four months ended 30 April 2014 was significantly higher as compared to the same period in the prior year due to higher borrowings to fund the purchase of the DMFI Consumer Food Business.

Finance expense for the Company was higher for the four months ended 30 April 2014 compared to prior year due to higher borrowing due to working capital requirements and new loans related to the purchase of DMFI Consumer Food Business.

Depreciation Expense

Depreciation expense for the Company increased by U.S.\$8.7 million in the four months ended 30 April 2014 to U.S.\$14.1 million as compared to the same period in 2013. This is mainly due to the consolidation of the results from the acquired DMFI Consumer Food Business.

Share of Loss of Joint Venture, net of tax

The Group recognised a share of loss of U.S.\$1.2 million for the four months ended 30 April 2014 for its 47% stake in the Indian FieldFresh joint venture. This is 22.7% lower than the same period in the prior year of U.S.\$1.5 million as a result of higher revenue, improved product mix and reduced overheads.

Tax

The Group recognized a tax expense of U.S.\$2.4 million in 30 April 2013 and recognized a U.S.\$21.8 million tax benefit in 30 April 2014, mainly due to a net loss incurred during 2014.

Profit for the Period

The Group generated a net loss attributable to the owners of the Group of U.S.\$42.3 million for the four months ended 30 April 2014, lower than U.S.\$6.6 million profit in the same period of the prior year. This was impacted by non-recurring expenses.

Key Performance Indicators

The following sets forth the explanation why certain performance ratios for the four months ended 30 April 2014 versus twelve months ended 31 December 2013 (i.e. current ratio, debt to equity ratio, net profit margin, return on asset, and return on equity) do not fall within the benchmarks indicated by SEC.

A. Current Ratio

	30-Apr-14	31-Dec-13	Benchmark
Current Ratio	0.9883	1.2202	Minimum of 1.20

The current ratio is below benchmark mainly due to the U.S.\$630.5 million bridge loans obtained by the Company to acquire the DMFI Consumer Food Business. The Company expects to refinance majority of the bridge loans through equity offerings such that these loans will no longer form part of current liabilities. Upon refinancing, the Company's current ratio will normalize. Stripping out the bridge loans, current ratio would be above 1.50, higher than the minimum benchmark.

B. Debt to Equity

	30-Apr-14	31-Dec-13	Benchmark
Debt to Equity	9.0727	1.7044	Maximum of 2.50

The Company's debt-to-equity ratio has risen significantly on 30 April 2014 mainly due to the borrowings for the acquisition of the DMFI Consumer Foods Business. Of the U.S.\$ 1.9 billion

debt, U.S.\$ 0.5 billion are loans that are planned to be refinanced through equity offerings.

C. Net Profit Margin

	30-Apr-14	31-Dec-13	Benchmark
Net Profit Margin attributable to owners of the company	-11.03%	3.30%	Minimum of 3%

The Group generated sales of U.S.\$378.9 million for the Transitional Period which included DMFI's sales of U.S.\$293.4 million for 18 February to 30 April 2014, and posted a net loss of U.S.\$43.3 million due to one-off acquisition expenses. Net profit margin of -11.03% was significantly lower than the minimum benchmark and 2013 margin mainly due to the non-recurring costs incurred related to the acquisition of the DMFI Consumer Foods Business.

It is also important to note that revenues and profits of the Group's business are subject to seasonal fluctuations as a result of increased demand during the end-of-year festive season. Low levels of sales normally occur in the first four months of the year; thus, the Transitional Period profit and margin would be lower than the full year results.

D. Return on Asset

	30-Apr-14	31-Dec-13	Benchmark
Return on Asset	-1.84%	2.55%	Minimum of 1.21%

Return on asset posted a negative figure for April 2014 caused by the net unfavourable results of the Group. This is mainly due to the non-recurring costs recognized during the Transitional Period. In addition, the four-month period of January to April is an off-peak season in terms of revenues, thus affecting profitability. The business trends of the Group shows that majority of its profitability and revenue are recognized in the second half of the year.

Historically, the Company has been posting an average of around 5% return on asset on a full year basis, which is higher than the benchmark of 1.21.

E. Return on Equity

	30-Apr-14	31-Dec-13	Benchmark
Return on Equity	-18.51%	6.91%	Minimum of 8%

Decrease in return on equity is mainly driven by the non-recurring costs related to the acquisition, consequently generating net loss for the Group. Historical average for the Company's ROE is around 9% to 10%, which is higher than the benchmark figure of 8%.

Material Changes in Accounts

Material increase in accounts was primarily due to the consolidation of the results of the DMFI Consumer Foods Business. If the acquisition did not occur, movement of the accounts

enumerated would not have been significant.

A. Cash and cash equivalent

Decrease in cash and cash equivalent is mainly due to purchase of the DMFI Consumer Foods Business. In 2013, cash included the deposit in escrow amounting to U.S.\$100 million. Upon acquisition of the business, this amount has been disbursed.

B. Inventories

Increase in inventories from December 2013 balances is due to the consolidation of the acquired DMFI Consumer Foods Business for the period 18 February to 30 April 2014. Of the total inventories, DMFI contributed U.S.\$702.5 million for the Transitional Period. Should there have been no acquisition, the increase in inventories would only have been 13.1%.

C. Trade and Other Receivables

Increase in trade and other receivables is mainly due to increase in sales from the consolidation of the DMFI Consumer Foods Business for the period 18 February to 30 April 2014.

D. Property, Plant and Equipment

Increase in Property and Equipment is mainly due to additional assets acquired through business combination. Of the total increase of \$412.7 million, 99% percent is attributed to the acquisition.

E. Intangible assets

Increase in intangible assets is mainly attributable to the DMFI Consumer Foods Business acquisition. Main reason for the increase is due to additional trademark and recognized goodwill arising from the acquisition of the business.

F. Trade & Other Payables

Increase in trade & other payables is mainly due to consolidation of the DMFI Consumer Foods Business. Trade and other payables in the new subsidiary represented 72.6% of the total trade and other payables of the Group.

G. Financial liabilities

Increase in financial liabilities is due to purchase-related debt, which includes bridge loans undertaken by the business amounting to U.S.\$530.6 million, coupled with U.S.\$970 million institutional debt financing obtained by the DMFI Consumer Foods Business. Increase in the financial liabilities was also driven by short-term loans taken by the US subsidiary for working capital requirements.

H. Other assets

Increase in other assets is mainly due to consolidation of the U.S. Consumer Foods Business. Total other assets contributed by the new subsidiary amounted to U.S.\$8.1 million or 52.1% of the total increase in the account.

Liquidity and Covenant Compliance

The Group monitors its liquidity risk to ensure that it has sufficient resources to meet its liabilities as they become due, under both normal and stressed circumstances without incurring unacceptable losses or risk to the Group's reputation. The Group maintains a balance between continuity of cash inflows and flexibility in the use of available and collateral free credit lines from local and international banks and constantly maintains good relations with its banks, such that additional facilities, whether for short or long term requirements, may be made available.

As at 30 April 2014 and 31 December 2013, the Company is in compliance with the covenants stipulated in its loan agreements.

REVIEW OF THE GROUP FOR THE TWELVE MONTHS ENDED 30 APRIL 2015 AND 30 APRIL 2014

in U.S.\$'000 unless otherwise stated	For the twelve months ended 30 April		% Change
	2015 (Audited)	2014 (Unaudited)	
Revenue	2,159,375	743,337	190.5
Gross profit	389,859	120,860	222.6
<i>Gross margin (%)</i>	<i>18.1%</i>	<i>16.3%</i>	<i>1.8 pts</i>
Distribution and selling expenses	(145,877)	(55,565)	162.5
General and administrative expenses	(216,289)	(91,369)	136.7
Other operating expenses	16,520	(7,545)	(319.0)
Operating profit	44,213	(33,619)	(231.5)
<i>Operating margin (%)</i>	<i>2.0%</i>	<i>(4.52%)</i>	<i>(6.6) pts</i>
Net finance expense	(99,461)	(22,053)	351.0
Share of loss in joint venture, net of non-controlling interest	(2,453)	(4,568)	(46.3)
Taxation	14,440	23,065	(37.4)
Net profit attributable to owners	(38,047)	(32,221)	18.1
<i>Net Margin (%)</i>	<i>(1.8%)</i>	<i>(4.3%)</i>	<i>(2.6) pts</i>
Depreciation	51,423	27,054	90.1

Revenue

For the fiscal year 2015, the Group generated sales of U.S.\$2.2 billion, up from U.S.\$743.3 million in 2014 due to the consolidation of DMFI since 18 February 2014. DMFI generated sales of U.S.\$1.7 billion in 2015, 5% higher on a pro-forma same period basis.

A key accomplishment was the growth of DMFI's market share across all key retail segments by reverting back to competitive pricing levels, reintroducing the well recognised classic Del Monte label and reinstating trade support levels. DMFI also strengthened its partnership with key retailers through investments in effective marketing and trade promotion

Meanwhile, sales for Del Monte in the Philippines and S&W in Asia and the Middle East were up strongly by 19% and 17%, respectively, for the twelve months ended 30 April 2015.

Revenue for fiscal year ended 30 April 2015 is net of discounts of U.S.\$82.8 million, returns of U.S.\$21.1 million and direct promotions of U.S.\$482.6 million. Revenue for fiscal year ended 30

April 2014 is net of discounts of U.S.\$34.0 million, returns of U.S.\$8.6 million and direct promotions of U.S.\$103.5 million.

Gross Profit

Gross profit rose to U.S.\$389.9 million due to better prices and volume improvements. Gross margin also increased by 1.8 percentage points, from 16.3% in 2014 to 18.1% in 2015 due to higher volume and better prices.

Selling and Distribution Expenses

Selling and distribution expenses was 6.8% of revenue for the twelve months ended 30 April 2015 and amounted to U.S.\$145.9 million, 162.5% higher compared to the same period last year mainly due to higher sales promotion and marketing expenses.

General and Administrative Expenses

General and administrative expenses increased by 136.7% from U.S.\$91.4 million to U.S.\$216.3 million mainly on higher spending.

Other Operating Expenses

Other operating expenses, including non-recurring expenses and miscellaneous expenses related to the changes in the fair value of the growing crops, for the twelve months ended 30 April 2015 amounted to U.S.\$16.5 million, higher than the previous year's U.S.\$7.5 million mainly Primarily due to Sager Creek business bargain purchase.

Operating Profit

Operating profit for the period covered in 2015 was U.S.\$44.2 million, a complete turnaround versus last year's operating loss of U.S.\$33.6 million mainly due to better margin.

Finance Income/Expenses

For the twelve months ended 30 April 2015, finance income for the Company decreased by 25.4% to U.S.\$0.40 million from U.S.\$0.54 million in the prior period as a result of lower interest income from operating assets.

Finance expense for the Company was 342.1% higher in 2015 compared to prior year due to higher borrowing due to working capital requirements and new loans related to the purchase of DMFI. For the twelve months ended 30 April 2015, interest expense was at U.S.\$99.9 million. Interest expense for the twelve months ended 30 April 2014 was at U.S.\$22.6 million.

Depreciation Expense

Depreciation expense for the Company increased by 90.1% from U.S.\$27.1 million in the twelve months ended 30 April 2014 to U.S.\$51.4 million for the same period in 2015. This is mainly due to higher capital expenditures.

Share of Profit of Associates, net of non-controlling interest

The Company recognised a share of loss of U.S.\$2.5 million on 30 April 2015 for its 47.08% stake in the Indian FieldFresh joint venture. This is 46.3% lower than prior year of U.S.\$4.6 million as a result of higher revenue and reduced cost in 30 April 2015.

Tax

Tax expense declined from U.S.\$23.1 million in 30 April 2014 to U.S.\$14.4 million in 30 April 2015 mainly on lower taxable income.

Profit for the Period

The Company generated a net loss attributable to the owners of the Company of U.S.\$38.0 million, 18.1% higher than the U.S.\$32.2 million loss in the prior period. This was mainly due to acquisition-related and non-recurring expenses worth U.S.\$62.6 million, after tax.

Financial Performance by Operating Segment

AMERICAS

For the full year ended 30 April

In U.S.\$'000	Revenue			Gross Profit			Operating Income/(Loss)		
	FY2015	FY2014	% Chg	FY2015	FY2014	% Chg	FY2015	FY2014	% Chg
Packaged fruit and vegetable	1,316,361	271,013	385.7	213,070	22,084	nm	13,882	(49,402)	128.1
Beverage	43,283	21,241	103.8	971	1,414	(31.3)	(3,759)	(479)	Nm
Culinary	303,159	53,033	471.6	53,739	5,218	nm	(6,107)	(13,007)	53.0
Fresh fruit and others	54,148	11,953	353.0	13,050	3,908	233.9	(10,639)	1,134	Nm
Total	1,716,951	357,240	380.6	280,830	32,624	nm	(6,623)	(61,754)	89.3

Reported under the Americas segment are sales and profit on sales in North and South America and Canada. 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 food service industry and other food processors.

Revenue in the Americas in the fourth quarter reached U.S.\$423.1 million. DMFI's results were consolidated post acquisition closing on 18 February 2014.

For the full year, DMFI's sales, including the Sager Creek business, grew by 5% against the same period last year (pro forma same quarter basis). DMFI acquired SCVC's assets on 11 March 2015.

ASIA PACIFIC

For the full year ended 30 April

In U.S.\$'000	Revenue	Gross Profit	Operating Income
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	FY2015	FY2014	% Chg	FY2015	FY2014	% Chg	FY2015	FY2014	% Chg
Packaged fruit and vegetable	106,490	89,478	19.0	23,145	17,425	32.8	9,933	4,363	127.7
Beverage	123,482	102,800	20.1	28,093	19,764	42.1	10,858	164	nm
Culinary	113,748	99,219	14.6	40,503	37,069	9.3	21,727	18,578	17.0
Fresh fruit and others	67,028	57,766	16.0	14,944	14,123	5.8	8,671	8,780	(1.2)
Total	410,748	349,263	17.6	106,685	88,381	20.7	51,189	31,885	60.5

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 57% to U.S.\$94.7 million from U.S.\$60.4 million on higher sales in the Philippines and S&W branded business in Asia.

The Philippine market finished strong with double-digit growth across all key measures, sustaining gains from consumption-building initiatives across categories, with broader product distribution and superior in-store presence.

Sales of the S&W branded business in Asia and the Middle East also increased significantly in the fourth quarter, with robust sales from both the fresh and packaged segments. China, Japan and the Middle East generated much higher sales. S&W also started shipping Canned Fruit Cocktail to Pakistan.

For the full year, sales in Asia Pacific grew by 18% to U.S.\$410.7 million while operating profit jumped 61% to U.S.\$51.2 million.

EUROPE

For the full year ended 30 April

In U.S.\$'000	Revenue			Gross Profit			Operating Income/(Loss)		
	FY2015	FY2014	% Chg	FY2015	FY2014	% Chg	FY2015	FY2014	% Chg
Packaged fruit and vegetable	22,011	23,138	(4.9)	2,128	1,950	9.1	17	(123)	Nm
Beverage	9,533	13,696	(30.4)	168	(2,095)	(108.0)	(565)	(3,627)	(84.4)
Culinary	132	–	–	49	–	–	41	–	Nm
Fresh fruit and others	–	–	–	–	–	–	–	–	–
Total	31,676	36,834	(14.0)	2,296	(145)	nm	(353)	(3,750)	(90.6)

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

For the full year, the segment's sales decreased by 14% to U.S.\$31.7 million from U.S.\$36.8 million on reduced sales of packaged fruits. However, operating loss in Europe was lower at U.S.\$0.4 million from U.S.\$3.8 million in the prior year period due to favourable mix and pricing.

Key Performance Indicators

The following sets forth the explanation why certain performance ratios for the twelve months ended 30 April 2015 versus twelve months ended 30 April 2014 and twelve months ended 31 December 2013 (i.e. current ratio, debt to equity ratio, net profit margin, return on asset, and return on equity) do not fall within the benchmarks indicated by the SEC.

A. Current Ratio

	30-Apr-15	30-Apr-14	31-Dec-13	Benchmark
Current Ratio	1.3988	0.9889	1.2202	Minimum of 1.20

The current ratio is above benchmark mainly due to the refinancing of a short term loan to a long term loan.

B. Debt to Equity

	30-Apr-15	30-Apr-14	31-Dec-13	Benchmark
Debt to Equity	6.8915	9.0727	1.7044	Maximum of 2.50

The Company's debt-to-equity ratio has fallen on 30 April 2015 versus April 2014 mainly due to the follow-on offering and stock rights offering conducted by the Group.

On 30 October 2014, the Company had additional Ordinary Shares listed and traded on the PSE and the SGX-ST. The Company offered and sold by way of primary offer, 5,500,000 ordinary shares at an offer price of PhP17.00 per share.

On 11 March 2015, an aggregate of 641,935,335 Ordinary Shares were additionally listed on the Main Boards of the PSE and the SGX-ST as a result of the rights offering conducted in the Philippines and in Singapore. Said rights shares had an exercise price per share of S\$0.325 in Singapore and PhP10.60 in the Philippines.

C. Net Profit Margin

	30-Apr-15	30-Apr-14	31-Dec-13	Benchmark
Net Profit Margin attributable to owners of the company	-1.76%	-4.33%	3.30%	Minimum of 3%

Net profit margin of -1.76% was lower from the minimum benchmark and 2013 margin mainly due to non-recurring expenditures related to purchase price accounting as well as other acquisition related costs.

D. Return on Asset

	30-Apr-15	30-Apr-14	31-Dec-13	Benchmark
Return on Asset	-1.64%	-1.47%	2.55%	Minimum of 1.21%

Return on asset posted a negative figure for April 2015 caused by the net unfavourable results of the Group. This is mainly due to by the one-off expenses during the year.

E. Return on Equity

	30-Apr-15	30-Apr-14	31-Dec-13	Benchmark
Return on Equity	-12.97%	-14.82%	6.91%	Minimum of 8%

The improvement in the return in equity from April 2014 is mainly due to the increase in equity from the follow-on offering of ordinary shares and rights offering. In addition, the reported net loss for the year is better than the net loss reported during the four-month period ended 30 April 2014.

Material Changes in Accounts

Material increase in accounts was primarily due to the consolidation of the results of the Sager Creek business. If the acquisition did not occur, movement of the accounts enumerated would not have been significant.

A. Cash and cash equivalent

Increase in cash is mainly due to timing of payments as well as increased collection.

B. Inventories

Decrease in the inventories is mainly due to the increase in the sales during the year ended 30 April 2015.

C. Property, Plant and Equipment

Increase in Property and Equipment is mainly due to the purchase of Sager Creek assets, improvement of operational plan and equipment and investments of the US subsidiary in computer equipment. DMFI migrated its ERP to SAP in January 2015, and capitalised U.S.\$39.8 million for this project in FY2015.

D. Intangible assets

Increase in intangible assets is mainly attributable to the purchase of the Customer relationship and trademark of Sager Creek. The trademarks were acquired when the Group acquired the Sager Creek business in March 2015. Sager Creek's well-known brands include Veg-All, Freshlike, Popeye, Princella and Allens', among others.

E. Deferred tax assets

Increase in deferred tax assets is mainly due to the losses incurred by the Group.

F. Other assets

Other Assets increased mainly on higher advances to growers and excess insurance.

G. Trade & Other Payables

Increase in trade and other payables is mainly due to increase in trade payables, accrued payroll expenses, professional fees and advances from suppliers.

H. Financial liabilities

Decrease in financial liabilities is due to the reduction of asset-backed loan. The Company also was able to pay off portions of its bridge loans from the proceeds of its stock rights and follow on offerings.

Liquidity and Covenant Compliance

The Group monitors its liquidity risk to ensure that it has sufficient resources to meet its liabilities as they become due, under both normal and stressed circumstances without incurring unacceptable losses or risk to the Group's reputation. The Group maintains a balance between continuity of cash inflows and flexibility in the use of available and collateral free credit lines from local and international banks and constantly maintains good relations with its banks, such that additional facilities, whether for short or long term requirements, may be made available.

As at 30 April 2015 and 30 April 2014, the Company is in compliance with the covenants stipulated in its loan agreements.

The Company is now a global branded food and beverage multinational company with sales of more than U.S.\$2 billion, and with more than 80% of sales being branded, and with market leadership positions in the largest consumer market in the world. The Company is a large global company with a long brand heritage, diverse product portfolio and expansive geographic coverage.

REVIEW OF THE GROUP FOR THE NINE MONTHS ENDED 31 JANUARY 2016 AND 31 JANUARY 2015

	For the nine months ended 31 January		
	2016	2015	% Change
	in U.S.\$'000 unless otherwise stated		
Revenue	1,725,205	1,631,186	5.8
Gross profit	369,332	307,831	20.0
<i>Gross margin (%)</i>	21.4%	18.9%	2.5 ppts
Distribution and selling expenses	(143,891)	(115,716)	24.3
General and administrative expenses	(97,147)	(154,630)	(37.2)
Other operating expenses	(7,513)	(747)	n.m.

Operating profit	120,781	36,738	228.8
<i>Operating margin (%)</i>	7.0%	2.3%	4.7 ppts
Net finance expense	(70,435)	(76,172)	(7.5)
Share of loss in joint venture, net of non-controlling interest	(1,257)	(1,681)	(25.2)
Taxation	(4,777)	13,610	(135.1)
Net profit attributable to owners	41,872	(23,902)	275.2
<i>Net Margin (%)</i>	2.4%	-1.5%	3.9 ppts
Depreciation	45,886	38,269	19.9

Revenue

For the nine months of FY2016, the Group generated sales of U.S.\$1.7 billion, up 5.8% versus the prior year period. DMFI generated U.S.\$1.4 billion or 80.1% of Group sales, higher by 7.5% versus prior year period. Without Sager Creek, DMFI's sales decreased by 2.8%, mainly due to unsuccessful government contract bids. DMFI maintained its market share in the nine-month period across major categories in retail.

The Philippine market's sales were up 11.0% in peso terms and 6.6% in US dollar terms driven by the strong momentum across major categories – Del Monte beverage and tomato sauce. The S&W branded sales were up 15.6% versus last year but non-branded exports of packaged pineapple business were lower due to constrained supply as a result of the El Niño weather pattern.

Revenue for nine months ended 31 January 2016 is net of discounts of U.S.\$65.5 million, returns of U.S.\$15.0 million and direct promotions of U.S.\$382.5 million. Revenue for nine months ended 31 January 2015 is net of discounts of U.S.\$62.9 million, returns of U.S.\$15.2 million and direct promotions of U.S.\$399.1 million.

Gross Profit

Gross profit margin increased by 2.5ppts, mainly driven by better sales mix and cost optimization initiatives.

DMFI's gross margin in the nine months improved to 19.6%, much higher than the 17.3% in the same period last year mainly driven by lower trade spend. Last year also included the US\$44.3 million unfavourable inventory step-up adjustment that was not required in the current nine months. The improvement was partly offset by operational issues and inefficiencies in the newly acquired Sager Creek sites. The supply chain footprint for Sager Creek is being integrated with the rest of DMFI.

DMPL ex-DMFI's gross profit grew to U.S.\$97.3 million and its gross margin increased to 25.2% from 23.0% due to better sales mix, pricing actions and cost optimisation initiatives to mitigate the impact of lower pineapple output from El Niño, particularly in the first half.

Selling and Distribution Expenses

‘Selling and distribution expenses’ as a percentage of revenue was higher by 1.2ppts for the nine months ended 31 January 2016 versus the same period last year and higher in terms of amount mainly due to higher merchandisers costs.

General and Administrative Expenses

General and administrative expenses have decreased from U.S.\$154.6 million to U.S.\$97.1 million mainly due to DMFI’s favourable adjustment from retirement plan amendment worth U.S.\$39.4 million

Other Operating Expenses

Other operating income for the nine months ended 31 January 2016 amounted to U.S.\$7.5 million, higher than the previous year’s U.S.\$0.7 million, and was mainly due to higher miscellaneous expenses.

Operating Profit

The Group achieved an operating profit of U.S.\$120.8 million, significantly higher from the U.S.\$36.7 million operating income last year mainly due to the the improvement in DMFI’s base business results (excluding Sager Creek) plus the one-time favourable adjustment arising from DMFI’s retirement plan amendment of US\$39.4 million and the absence of inventory step-up adjustments.

Finance Income/Expenses

For the nine months ended 31 January 2016, interest income for the Company increased as a result of higher interest income from operating assets.

Interest expense for the Company was higher as compared to prior year due to higher level of borrowings.

Depreciation Expense

Depreciation expense for the Company increased by 19.9% in the nine months ended 31 January 2016 to U.S.\$45.9 million mainly due to higher asset base.

Share of Profit of Associates, net of non-controlling interest

The Company recognised a share of loss of U.S.\$1.2 million on 31 January 2016 for its 47% stake in the Indian FieldFresh joint venture. This is 24.8% lower than the prior year, which is U.S.\$1.6 million, as a result of higher revenue in 31 January 2016.

Tax

Tax expense from U.S.\$13.6 million tax benefit in 31 January 2015 to U.S.\$4.8 million tax expense in 31 January 2016 due to higher taxable income.

Profit for the Period

The Group generated a net income of US\$41.9 million for the nine months (with US\$21.5 million from DMFI), a turnaround from prior year period's loss of US\$23.9 million mainly due to the improvement in DMFI's base business results (excluding Sager Creek) plus the one-time favourable adjustment arising from DMFI's retirement plan amendment of US\$39.4 million and the absence of inventory step-up adjustments. The results were partly impacted by non-recurring costs amounting to US\$21.5 million (pre-tax basis) that the Group incurred in the US relating to the Sager Creek acquisition, stabilising SAP implementation, and implementation of Projects Restoration and One. These are expected to improve the profitability of the Group's US operations in the future.

Excluding this one-off gain and non-recurring costs, the Group's recurring net income would have been U.S.\$18.5 million, still a turnaround from the loss position last year.

Financial Performance by Operating Segment AMERICAS

For the third quarter ended 31 January

In US\$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg
Packaged fruit	153,536	204,421	(24.9)	27,535	30,600	(10.0)	1,416	(2,423)	(158.4)
Packaged vegetable	222,375	188,685	17.9	40,889	33,585	21.7	701	3,737	(81.2)
Beverage	6,765	6,761	0.1	1,600	(87)	nm	56	(1,197)	(104.7)
Culinary	77,511	103,448	(25.1)	15,895	21,911	(27.5)	2,083	6,306	(67.0)
Others	—	11,042	(100.0)	—	4,184	(100.0)	(1,381)	(1,149)	20.2
Total	460,187	514,357	(10.5)	85,919	90,193	(4.7)	2,875	5,274	(45.5)

For the nine months ended 31 January

In US\$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg
Packaged fruit	474,846	527,492	(10.0)	86,257	81,054	6.4	20,267	(4,721)	529.3
Packaged vegetable	653,488	459,187	42.3	138,887	83,386	66.6	46,074	5,252	777.3
Beverage	20,592	21,944	(6.2)	3,866	687	462.7	143	(2,864)	105.0
Culinary	227,307	239,020	(4.9)	46,513	45,727	1.7	12,041	1,411	753.4
Others	11	46,218	(100.0)	(4)	11,928	(100.0)	(4,112)	(3,447)	19.3
Total	1,376,244	1,293,861	6.4	275,519	222,782	23.7	74,413	(4,369)	nm

Reported under the Americas segment are sales and profit on sales in the US, 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 food service industry and other food processors.

Sales in the Americas in the third quarter decreased by 10.5% to U.S.\$460.2 million mainly due to the decline in the packaged fruit and culinary segments. The acquisition of Sager Creek vegetable business in March 2015 added U.S.\$64.9 million to the packaged vegetable sales. Volume (excluding Sager Creek) decreased by 18.5%. This was mainly attributed to unsuccessful government and co-pack contract bids. DMFI's market share in retail for 13 weeks continues to be in line with last 52 weeks amidst category contraction. Packaged fruits and beverage sales were also lower due to reduced pineapple supply resulting from the El Niño weather pattern.

For the nine-month period, Americas generated U.S.\$1.4 billion or 80.1% of Group sales and showed an improvement of 6.4% versus prior year period. Without Sager Creek, America's sales decreased by 2.8%, mainly impacted by unsuccessful government contract bids. .

The Others category showed a significant decline due to the deconsolidation of the Venezuelan business in March 2015 due to the unstable economic conditions and additional currency devaluation in that country.

Operating profit for the nine months turned around to U.S.\$74.4 million from a net loss of U.S.\$4.4 million due to higher volume, gross margin improvements and reduction of advertising and operating expenses. Gross margin improvement was mainly due to the absence of the one-off inventory step-up last year worth U.S.\$44.3 million. The operating profit also benefited from the one-time favourable adjustment in the second quarter arising from DMFI's retirement plan amendment that reduced SG&A expenses by U.S.\$39.4 million (both gross and net of tax basis, ie no tax impact). As per IFRS, the decrease in the obligation due to plan change is recognised immediately.

One-off expenses included in the operating results related to stabilising SAP, "Project Restoration/ One" and Sager Creek acquisition. These amounted to U.S.\$12.5 million in the third quarter and U.S.\$21.5 million in the nine months.

ASIA PACIFIC

For the third quarter ended 31 January

In US\$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg
Packaged fruit	39,878	35,364	12.8	9,340	9,776	(4.5)	5,693	6,027	(5.5)
Packaged vegetable	385	367	4.9	95	98	(3.1)	45	98	(54.1)
Beverage	31,258	31,112	0.5	7,330	7,367	(0.5)	3,036	3,537	(14.2)
Culinary	37,399	35,413	5.6	13,596	12,943	5.0	8,424	8,132	3.6
Others	17,954	14,049	27.8	3,840	1,478	159.8	3,003	393	nm
Total	126,874	116,305	9.1	34,201	31,662	8.0	20,201	18,187	11.1

For the nine months ended 31 January

In US\$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg
Packaged fruit	81,003	83,457	(2.9)	18,035	19,928	(9.5)	8,042	9,334	(13.8)
Packaged vegetable	1,415	1,315	7.6	353	342	3.2	163	233	(30.0)
Beverage	97,879	91,335	7.2	23,890	21,280	12.3	9,184	8,542	7.5

Culinary	101,830	95,500	6.6	37,324	35,175	6.1	19,772	20,337	(2.8)
Others	46,811	44,465	5.3	10,100	6,812	48.3	6,566	3,041	115.9
Total	328,938	316,072	4.1	89,702	83,537	7.4	43,727	41,487	5.4

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 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 sales in the third quarter increased by 9.1% to U.S.\$126.9 million driven by higher sales across all product categories in the Philippines.

The Philippine market delivered a strong set of results in the third quarter, growing 11.6% in peso terms and 6.4% in US dollar terms, driven by expanded penetration and increased consumption for its juices, tomato-based sauces and packaged pineapple products. The Group continued to promote its pineapple juice health benefits – immunity-building, daily detoxification and cholesterol management, and holiday season campaigns across categories.

Sales of the S&W branded business in Asia and the Middle East improved by 35.3% in the third quarter as a result of the strong performance of both the fresh and packaged segments. Though on a small base, our business in China and Japan grew by 130.5% and 33.7%, respectively.

Operating profit in the third quarter increased by 11.1% to U.S.\$20.2 million reflecting gross margin improvement resulting from higher sales, productivity initiatives in the cannery and plantation, and optimisation of trade discount spending.

Operating profit for the nine months increased by 5.4% to U.S.\$43.7 million driven by higher sales and gross margin improvement as outlined for the quarter.

EUROPE

For the third quarter ended 31 January

In US\$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg
Packaged fruit	3,954	4,097	(3.5)	853	463	84.2	568	103	451.5
Beverage	3,127	2,777	12.6	1,031	56	nm	866	(157)	nm
Culinary	–	23	(100.0)	–	–	–	–	–	–
Total	7,081	6,897	2.7	1,884	519	263.1	1,434	(54)	nm

For the nine months ended 31 January

In US\$'000	Turnover			Gross Profit			Operating Income/(Loss)		
	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg	FY2016	FY2015	% Chg
Packaged fruit	12,625	14,108	(10.5)	2,636	1,281	105.8	1,632	(42)	nm
Beverage	7,398	7,047	5.0	1,474	231	538.1	1,008	(338)	398.2

Culinary	-	98	(100.0)	-	-	-	-	-	-
Total	20,023	21,253	(9.8)	4,110	1,512	171.8	2,640	(380)	794.7

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

Sales in Europe in the third quarter increased by 2.7% to U.S.\$7.1 million mainly driven by the beverage category.

Operating income in the third quarter increased to U.S.\$1.4 million reflecting gross margin improvement mainly from higher pricing in line with prevailing market conditions.

Key Performance Indicators

The following sets forth the explanation why certain performance ratios (i.e. current ratio, debt to equity ratio, net profit margin, return on asset, and return on equity) do not fall within the benchmarks indicated by SEC.

A. Current Ratio

	31-Jan-16	31-Jan-15	30-Apr-15	Benchmark
Current Ratio	1.6447	0.9236	1.40	Minimum of 1.20

Current ratio increased primarily on higher receivables due to stronger sales.

B. Debt to Equity

	31-Jan-16	31-Jan-15	30-Apr-15	Benchmark
Debt to Equity	6.7668	11.1985	6.89	Maximum of 2.50

Debt ratio has significantly improved versus last year driven by successful equity offerings and improved profitability.

C. Net Profit Margin

	31-Jan-16	31-Jan-15	30-Apr-15	Benchmark
Net Profit Margin attributable to owners of the company	2.43%	-1.47%	-1.76%	Minimum of 3%

The Group generated a net income of U.S.\$41.9 million for the nine months (with U.S.\$21.5 million from DMFI), a turnaround versus prior year period's loss of U.S.\$23.9 million mainly due to the significant improvement in DMFI's base business results (excluding Sager Creek) plus the one-time favourable adjustment arising from DMFI's retirement plan amendment of U.S.\$39.4 million and the absence of inventory step-up adjustments. The results were partly impacted by non recurring costs (amounting to U.S.\$ 21.5 million) that we incurred in the US related to the Sager Creek acquisition, stabilizing SAP implementation, and implementation of Projects Restoration and One.

D. Return on Asset

	31-Jan-16	31-Jan-15	30-Apr-15	Benchmark
Return on Asset	1.58%	-1.03%	-1.64%	Minimum of 1.21

Headwinds in the Group's net sales, improved operating results supported by increase in operating assets led to better return on assets compared to same period last year.

E. Return on Equity

	31-Jan-16	31-Jan-15	30-Apr-15	Benchmark
Return on Equity	12.28%	-12.52%	-12.97%	Minimum of 8%

Improvements in earnings from stronger sales from organic growth and expansion coupled with the favourable employee benefit adjustment led to improved return on equity compared to same period last year.

Material Changes in Accounts

A. Cash and cash equivalent

Decrease in cash is mainly due to higher inventories and receivables.

B. Inventories

Increase in inventory is due to inventory build-up in the first half to support the increased demand in the 2nd half of the fiscal year.

C. Property, plant and equipment

Decrease is driven mainly by depreciation for the year.

D. Intangible assets

Decrease in intangibles is mainly attributed to the amortization for the year.

E. Deferred tax assets

Increase in deferred tax assets is mainly on DMFI taxable losses on the first quarter.

F. Trade & other payables

Decrease in trade and other payables are mainly due to settlement of debts.

G. Financial liabilities

Increase in financial liabilities is due to working capital requirements.

Liquidity and Covenant Compliance

The Group monitors its liquidity risk to ensure that it has sufficient resources to meet its liabilities as they become due, under both normal and stressed circumstances without incurring unacceptable losses or risk to the Group's reputation. The Group maintains a balance between continuity of cash inflows and flexibility in the use of available and collateral free credit lines from local and international banks and constantly maintains good relations with its banks, such that additional facilities, whether for short or long term requirements, may be made available.

As at 31 January 2016 and 30 April 2015, the Company is in compliance with the covenants stipulated in its loan agreements.

Formula of Key Performance Indicators

- A. $\text{Current Ratio} = \text{Current Assets} / \text{Current Liabilities}$
- B. $\text{Debt to Equity} = \text{Total Liabilities} / \text{Total Equity}$
- C. $\text{Net Profit Margin} = \text{Net Profit Attributable to Owners} / \text{Revenue}$
- D. $\text{Return on Asset} = \text{Loss/Profit for the period} / \text{Total Assets}$
- E. $\text{Return on Equity} = \text{Loss/Profit for the period} / \text{Total Equity}$

DESCRIPTION OF THE BUSINESS

OVERVIEW

The Company

The Company was incorporated as an international business company in the British Virgin Islands on 27 May 1999 under the International Business Companies Act (Cap. 291) of the British Virgin Islands. The International Business Companies Act was repealed and replaced by the Business Companies Act 2004 of the British Virgin Islands. On 1 January 2007, DMPL was automatically re-registered as a company under the BVI Companies Act 2004. The registered office of the Company is located at Craigmuir Chambers, PO Box 71 Road Town, Tortola, the British Virgin Islands.

The principal activity of the Company is that of investment holding. Its subsidiaries are principally engaged in growing, processing, and selling canned and fresh pineapples, pineapple juice concentrate, tropical mixed fruit, tomato-based products, and certain other food and beverage products mainly under the brands *Del Monte*, *S&W*, *Today's*, *Contadina*, *College Inn*, and other brands. The Company's subsidiaries also produce and distribute private label food products.

On 2 August 1999, the Company was admitted to the Official List of the SGX-ST; and on 10 June 2013, the Ordinary Shares of the Company were listed on the PSE.

The functional currency of the Group is in U.S. dollars since majority of its income is principally denominated in U.S. dollars.

The Company obtained on 6 August 2010 a license from the SEC to establish an ROHQ in the Philippines. The ROHQ has recently commenced its operations.

Group Structure

The details of the Company's subsidiaries and their principal activities as of 30 April 2016 are set out below.

Name of subsidiary	Date of Incorporation	Principal activities	Place of incorporation and business	Effective equity held by the Group
<i>Held by the Issuer</i>				
Del Monte Pacific Resources Limited ("DMPRL")	21 Dec 1990	Investment holding	British Virgin Islands	100.00%
DMPL India Pte Ltd ("DMPLI")	29 Mar 2004	Investment holding	Singapore	100.00%
DMPL Management Services Pte Ltd ("DMPL Mgt Svcs")	29 Apr 1999	Providing administrative support and liaison services to the Group	Singapore	100.00%

Name of subsidiary	Date of Incorporation	Principal activities	Place of incorporation and business	Effective equity held by the Group
GTL Limited (“GTL Ltd”)	9 Mar 1998	Trading food products mainly under the brand name, “Del Monte” and buyer’s own labels	Federal Territory of Labuan, Malaysia	100.00%
S&W Fine Foods International Limited (“S&W”)	12 Nov 2007	Owner of the “S&W” trademark in Asia (excluding Australia and New Zealand), the Middle East, Western Europe, Eastern Europe, Africa, and a licence to use “S&W” in Western Europe. Sale and distribution of food products under “S&W.”	British Virgin Islands	100.00%
DMPL Foods Limited (“DMPLFL”)	11 Dec 2013	Investment holding	British Virgin Islands	Approximately 89.40%
<i>Held by Del Monte Pacific Resources Limited</i>				
Central American Resources, Inc. (“CARI”)	16 Dec 1971	Investment holding	Panama	100.00%
<i>Held by Central American Resources, Inc.</i>				
Del Monte Philippines, Inc. (“DMPI”)	11 Jan 1926	Growing, processing and distribution of food products mainly under the brand name “Del Monte”	Philippines	100.00%
Dewey Limited (“Dewey”)	13 Dec 1990	Owner of trademarks in various countries; investment holding	Bermuda	100.00%
Pacific Brands Philippines, Inc. (“Pacific Brands”)	1 Jul 1935	Inactive	State of Delaware, U.S.	100.00%
South Bukidnon Fresh Trading, Inc.	20 Jun 2014	Growing, packing and sale and export of fresh produce	Philippines	100.00%

Name of subsidiary	Date of Incorporation	Principal activities	Place of incorporation and business	Effective equity held by the Group
<i>Held by DMPL India Pte Ltd</i>				
Del Monte Foods India Private Limited (“ Del Monte Foods India ”)	10 Aug 2004	Manufacturing, processing and distributing food, beverages and other related products	Mumbai, India	100.00%
DMPL India Limited (“ DMPL India Ltd ”)	12 Aug 2004	Investment holding	Mauritius	Approximately 94.00%
<i>Held by Del Monte Philippines, Inc.</i>				
Philippine Packing Management Service Corporation (“ PPMSC ”)	18 Jun 2007	Management, logistics and support services	Philippines	100.00%
Del Monte Txanton Distribution, Inc.	7 Jan 2015	Distribution of food products	Philippines	Approximately 40%
<i>Held by Dewey Limited</i>				
Dewey Sdn Bhd	5 Oct 2009	Owner of the “Del Monte” and “Today’s” trademarks in the Philippines	Malaysia	100.00%
<i>Held by DMPL Foods Limited</i>				
Del Monte Foods Holdings Limited (“ DMFHL ”)	11 Nov 2013	Investment holding	British Virgin Islands	Approximately 89.40%
<i>Held by Del Monte Foods Holdings Limited</i>				
Del Monte Foods Holdings, Inc. (“ DMFHI ”)	2 Jun 2014	Investment holding	State of Delaware, U.S	Approximately 89.40%
<i>Held by Del Monte Foods Holdings, Inc.</i>				
Del Monte Foods, Inc. (“ DMFI ”)	16 Sep 2013	Owner of “Del Monte” trademarks, and the DMFI Consumer Food Business in the U.S. and South America,	State of Delaware, U.S.	Approximately 89.40%

Name of subsidiary	Date of Incorporation	Principal activities	Place of incorporation and business	Effective equity held by the Group
		and investment holding		
<i>Held by DMFI</i>				
Del Monte Andina C.A.	16 Jul 1998	Distribution of food products	Venezuela	Approximately 89.40%
Del Monte Colombiana S.A.	27 Oct 1999	Distribution of food products	Colombia	Approximately 89.40%
Industrias Citricolas de Montemorelos, S.A. de C.V.(ICMOSA)	1 Nov 1974	Distribution of food products	Mexico	Approximately 89.40%
Del Monte Peru S.A.C.	18 Jan 2000	Distribution of food products	Peru	Approximately 89.40%
Del Monte Ecuador DME C.A.	10 Feb 2000	Distribution of food products	Ecuador	Approximately 89.40%
Hi-Continental Corp.	15 Jul 1959	Distribution of food products	State of California, U.S.	Approximately 89.40%
College Inn Foods	17 Jul 1958	Distribution of food products	State of California, U.S.	Approximately 89.40%
Contadina Foods, Inc.	26 Jan 1998	Distribution of food products	State of Delaware, U.S.	Approximately 89.40%
S&W Fine Foods, Inc.	26 Feb 2001	Distribution of food products	State of Delaware, U.S.	Approximately 89.40%
Sager Creek Foods, Inc.	24 Feb 2015	Distribution of food products	State of Delaware, U.S.	Approximately 89.40%
<i>Held by Del Monte Andina C.A. (Venezuela)</i>				
Del Monte Argentina S.A.	22 Sep 2000	Distribution of food products	Argentina	Approximately 89.40%

The chart below sets out the Group corporate structure as of the date of this Prospectus. Unless otherwise indicated above, each subsidiary in the structure is wholly-owned by its parent.

BUSINESS OF THE GROUP

Group Overview

The Group caters to today's consumer needs for premium quality, healthy food and beverage products. It innovates, produces, markets and distributes its products worldwide.

The Group owns the *Del Monte* brand in the Philippines for processed products where it enjoys leading market shares for canned pineapple juice and juice drinks, canned pineapple and tropical mixed fruits, tomato sauce, spaghetti sauce and tomato ketchup.

The Group is one of the largest and most well-known producers and distributors of premium quality food products in the U.S., marketing and selling these products under the iconic *Del Monte*, *S&W*, *Contadina*, and *College Inn* brands.

The Group holds the exclusive rights to produce and distribute processed food and beverage products under the *Del Monte* brand in the Indian subcontinent and Myanmar.

The Group also owns another premium brand, *S&W*, globally except Australia and New Zealand. As with *Del Monte*, *S&W* originated in the U.S. in the 1890s as a producer and marketer of premium quality processed fruit and vegetable products. Key geographical markets for *S&W* currently include countries in Asia-Pacific and the Middle East.

In India, the Group owns approximately 94% of DMPL India, Limited, a holding company which owns approximately [47%] of FieldFresh. FieldFresh is a licensee of the *Del Monte* trademark for processed food products in India and markets *Del Monte*-branded processed products in the domestic market and *FieldFresh*-branded fresh produce. The Group's partner in FieldFresh is the well-respected Bharti Enterprises, which owns one of the largest conglomerates in India.

With a 23,000-hectare pineapple plantation in the Philippines, over 700,000-ton processing capacity and a port beside the cannery, the Company's subsidiary, DMPI, operates the world's largest fully-integrated pineapple operation. It is proud of its long heritage of over 88 years of pineapple growing and processing.

The Group is not affiliated with certain other Del Monte companies in the world, including Fresh Del Monte Produce Inc., Del Monte Canada, Del Monte Asia Pte. Ltd., and these companies' affiliates.

Competitive Strengths

Record of stable cash flow generation

The Group has a history of stable cash flow generation with cash flows from operating activities of U.S.\$38.1 million, U.S.\$19.5 million and U.S.\$27.8 million for the years ended 31 December 2011, 2012 and 2013, respectively. For the years ended 28 April 2012 and 29 April 2013, the DMFI Consumer Food Business had net sales of approximately U.S.\$1.8 billion and U.S.\$1.8 billion, respectively, and operating income of U.S.\$117.2 million and U.S.\$121.2 million, respectively. The Group's historical revenues have not been significantly impacted during economic downturns and recessionary periods, including the recent global financial crisis.

Established consumer brands with market leading positions in the U.S. and globally

The consumer recognition of the Group's brand names including *Del Monte*, *S&W*, *Contadina* and *College Inn* and the association of these brand names with quality food products allow the

Group to maintain the number one or number two positions, in terms of market share, in the U.S. in the key product segments of packaged fruit and vegetable and the packaged tomatoes category, respectively (Source: *Nielsen Retail Index, 22 October 2014 to 22 November 2014*). In the Philippines, the Group is a market leader in the canned pineapple juice and juice drinks, canned pineapple and tropical mixed fruits, tomato sauce, spaghetti sauce and tomato ketchup categories (Source: *Nielsen Retail Index, May-October 2014*). Also, the Group believes that sales of its S&W brand fresh pineapples rank among the market share leaders in Japan, Singapore, South Korea and China. Furthermore, strong global brand recognition provides the Group with credibility as it enters new product categories and expands to new geographies. In addition, the *Del Monte* brand has significant versatility as many products (packaged pineapples, canned vegetables and canned tomatoes, fruit drink, among others) can be marketed under the *Del Monte* name whereas some of the Group's competitors have to rebrand to sell their other products within their respective portfolios.

Large global business and vertically integrated operations with economies of scale

The Group's global footprint reaches across dozens of countries including the United States, Canada, the Philippines, India and numerous other countries in Asia, Europe and the Middle East. The Group has 13 production facilities and 5 distribution centres in the United States, 2 production facilities in Mexico, 1 production facility in Venezuela and 1 production facility near Bangalore, India, as well as growth, production and distribution facilities in the Philippines. In addition, the Group believes that it operates the world's largest fully-integrated pineapple operation which includes ownership of the entire product life cycle, from cultivation to distribution. Furthermore, for products which it does not grow directly, the Group maintains long-term supply contracts with growers to ensure a stable supply of fruits and vegetables for the Group's production and distribution chain.

Production facilities in the U.S. are located in close proximity to growers, have offseason production capabilities and have the flexibility to expand into production of similar products, if necessary. The Group believes it has strong relationships with its growers and key distributors globally.

Strong supply chain management

The Group believes that its efficient and integrated supply chain and distribution logistics system allows it to focus on the most attractive markets and gives it the flexibility to take advantage of changes in product supply and demand as a result of market conditions and consumer preferences. In addition, the Group maintains longterm relationships with its growers to help ensure a consistent supply of raw fruits and vegetables.

In order to ensure that the Group's supply chain system is operating efficiently, the Group conducts on-going reviews of the system and sets annual goals in conjunction with its Six-Sigma techniques (for the DMFI Consumer Food Business) and its productivity to cost efficiency programme (for the Philippine business). For example, in the past, the Group has achieved goals to decrease line loss and wastage over the course of 2014 through improvements in its supply chain system.

The DMFI Consumer Foods Business' operations and supply chain organisation have set a target of productivity improvements equal to 3% of cost of sales for each fiscal year. The DMFI Consumer Food Business has achieved U.S.\$229.0 million in productivity and waste elimination savings over the past five years, or an average of U.S.\$45.8 million per year and an average of 3.1% of cost of sales per year.

Past initiatives that have helped improve the Group's operations and supply chain and resulted in cost savings include: (i) working with can suppliers to change their manufacturing practice; (ii) changing terms of sale with a supplier in China, resulting in a reduction in ocean freight expenses annually; (iii) reducing size of packaging on pasta sauce; (iv) utilising lean techniques to generate numerous continuous improvement projects to keep fixed costs flat year on year; and (v) implementing labour management systems in distribution centres which yielded an improvement in handling productivity. DMFI's ERP migrated to the SAP system at the end of January 2015.

Diversified portfolio of blue-chip customers

The Group has a reliable and diversified customer base with long-term relationships with all of its major customers, which include leading global and regional mass merchandisers and supermarkets in the United States. In particular, the Group has maintained a strong relationship over the past 15 years with its largest customer, Walmart (one of the largest retailers in the world), including Walmart's stores and supercentres as well as Sam's Club, contributed 26% of the Group's overall revenue for the nine months ended 31 January 2016. The Group also has a 15-year relationship with Costco (one of the largest membership warehouse clubs in the U.S.), which contributed approximately 5% of the Group's overall revenue for the nine months ended 31 January 2016. The Group also has similar long-term relationships with its customers globally, including McDonald's, 7-Eleven, Jolibee and Robinson's Malls in the Philippines and Samsung, Tesco, Shinsegae, Fair Price, Kikkoman Corporation and LF Asia, among others, in the rest of Asia.

Strong shareholder support and experienced management team with proven track record

NutriAsia has been the majority shareholder of the Company since 2006 and as of the date of this Prospectus, maintains 59.44% ownership. The Group has a strong relationship with NutriAsia and believes that the Group's long-term strategy and plans are fully supported by NutriAsia. All rights offered to NutriAsia in connection with the Rights Issue have been fully taken up pursuant to an undertaking by NutriAsia to the Company and the relevant parties involved in the Rights Issue that NutriAsia would subscribe for 285,715,944 Rights Shares and renounce 142,857,471 entitled Rights Shares to Bluebell, and an undertaking by Bluebell to subscribe for the 142,857,471 renounced Rights Shares. The Company also expects NutriAsia to continue to support and align its goals with the long-term vision of the Group. In addition, Lee Pineapple Company Pte. Ltd., which is owned by the Lee Foundation, Singapore and Lee Foundation, States of Malaya and the Lee family (the largest shareholder of OCBC Bank) owns, as of the date of this Prospectus, 5.17% of the Company and has been a shareholder since 2003.

In addition, the management of the Group's various entities, including the Company and the DMFI Consumer Food Business are highly experienced in their fields and in international markets. The Group believes that its strong core management team will continue to contribute to the Group's future growth and ensure that the DMFI Consumer Food Business be seamlessly integrated into the Group's ongoing operations. In addition, DMFI has implemented a stock option plan for its management, which is contingent upon meeting certain financial thresholds of the Group's business in order to align management's interests with those of the overall business of the Group. Since the completion of the Acquisition, the combined management team of the Group has, through successful implementation of pricing and marketing strategies, increased its market share in the U.S. in packaged fruit from 25.5% to 31.9%, packaged vegetable from 17.9% to 25.7% and packaged tomato from 8.9% to 11.9% comparing the one month period from 22 October 2014 to 22 November 2014 to the corresponding period in 2013.

Strategies

Leverage the integrated platform with the combined portfolio of brands to generate incremental synergies

In line with its strategy underlying the Acquisition, the Group is focused on integrating the businesses of the Company and the DMFI Consumer Food Business and leveraging off this integrated platform, broad geographic spread and singular focus on the food and beverage sector. The Group's management intends to expand the packaged pineapple business in the U.S. as previously the Company was a supplier of pineapple, but not a distributor in the U.S. and the DMFI Consumer Food Business was a distributor but not a supplier of pineapple.

As a result of the Acquisition, the Group is now able to vertically integrate its supply and distribution capabilities and leverage its new position to take advantage of growth opportunities in the market. In addition, further synergies can be realised as a result of the Acquisition, including entering into the beverage and culinary categories in the United States, broadening distribution in the United States so that certain brands have national, rather than regional exposure and entering into new countries in the Americas and focusing on new demographics including the Hispanic and Asian populations.

Continue to invest in the portfolio of well-recognised and market-leading brands

The Group intends to maintain its market-leading positions in the major packaged fruit and vegetable categories and packaged tomato and broth categories in the U.S. as well as its market-leading positions in the canned pineapple juice and juice drinks, canned pineapple and tropical mixed fruits, tomato sauce, spaghetti sauce and tomato ketchup categories in the Philippines and continue to grow and expand its business in other product areas and categories. In addition, the Group intends to leverage the strong brand recognition of its brands in the United States and the Americas to grow its core markets to increase the percentage of sales of its branded business, where it has enjoyed premium prices, to aggregate sales as well as expand into or enter other markets that present opportunities for the Group. The Group has, in the past, spent approximately 2% of its aggregate sales annually in marketing.

Invest in R&D to focus on product innovation

The Group has, in the last three fiscal years, spent approximately 1% of its aggregate sales annually in research and development³ and as a result has introduced a new product every year into the Philippine market. These products include new product lines such as Fit 'n Right, Heart Smart and Bone Smart. In addition to the new product development, the Group also develops and accesses new innovative technologies, such as Nice Fruit's technology that allows fruit to be frozen without losing freshness. The Group intends to invest in product development and innovation through its research and development facilities in California, USA and in the Philippines in a prudent manner to support its growth objectives by introducing new products into the global market and support such product launches through marketing and promotional campaigns opportunistically.

Continue to efficiently manage capital structure and exercise prudent financial management

The Group has adopted a conservative long-term financial and cash management policy and intends to keep or bring its gearing ratio at approximately 1.8 times by prudently managing equity and debt levels and undertaking de-levering exercises over time as necessary. Although the DMFI

³ The Group spent a total of U.S.\$14,200,950, U.S.\$5,509,291, U.S.\$3,159,345 for the twelve months ended 30 April 2015, 2014 and 2013, respectively, each of which is equivalent to 0.7% of the total Net Sales Value.

Consumer Food Business leverage levels have been above the Group's 1.8 times target level in the past due to several LBOs involving sponsor-driven acquisitions, the DMFI Consumer Food Business intends to reduce its gearing in the future, in line with the strategic and more conservative policies adopted by the Company and the present management of the Group. The Group's historical adjusted EBITDA to net interest expense for the years ended 31 December 2011, 2012 and 2013 was approximately 21 times, 18 times and 14 times, respectively. The Company intends to manage the Group's leverage levels in an efficient and conservative manner, in line with the Company's financial policies. For the six months ended 31 October 2014, the Group's adjusted EBITDA to net interest expense was approximately 1.8 times. Adjusted EBITDA is calculated by adding depreciation and amortisation, share of loss in joint ventures, net of tax, and non-recurring expenses to income from operations.

The DMFI Consumer Food Business Acquisition

On 11 October 2013, the Company announced that the Company and DMFI had on 9 October 2013 entered into a purchase agreement with DMC in connection with the acquisition of certain assets and liabilities of DMC and on 18 February 2014, the Company, along with its subsidiary DMFI, which was incorporated in 2013, acquired (1) all of the shares of certain subsidiaries of DMC and (2) certain assets and assumed certain liabilities relating to the consumer products business of DMC (collectively, the "**DMFI Consumer Food Business**"). The initial purchase consideration for the Acquisition was U.S.\$1.675 billion, subject to working capital adjustments.

The majority of the DMFI Consumer Food Business' products are branded products, and principally sold under the *Del Monte* brand but also under the *Contadina*, *S&W*, *College Inn* and other brands. The Consumer Food Business also produces and distributes private label food products. The consumer products business of DMC that the Group acquired holds, among other assets, the *Del Monte* brand rights for processed food products in the U.S. and South America.

Post-Acquisition Group Overview

With the acquisition of the DMFI Consumer Food Business on 18 February 2014, the Group's business can be classified into: (a) the DMFI Consumer Food Business (which includes both branded and non-branded businesses in the Americas); (b) the branded business (excluding the branded business of the DMFI Consumer Food Business); and (c) the non-branded business (excluding the non-branded business of the DMFI Consumer Food Business).

The DMFI Consumer Food Business

The DMFI Consumer Food Business comprises a portfolio of consumer brands holding leading positions in numerous packaged foods categories, including leading U.S. market share positions in major packaged fruit and vegetable categories and in packaged tomato and broth categories. The majority of the DMFI Consumer Food Business' products are principally sold under the *Del Monte* brand but also under the *Contadina*, *S&W*, *College Inn*, and other brands. The DMFI Consumer Food Business also produces and distributes private label food products. The DMFI Consumer Food Business' products are sold across the U.S., in all channels serving retail markets, as well as to the U.S. military, certain export markets, the food service industry and other food processors. The facilities of the DMFI Consumer Food Business consist of several production facilities and distribution centres that are located principally in the United States. The DMFI Consumer Food Business' diversified, multi-category product line provides the DMFI Consumer Food Business with a competitive advantage in selling to the retail grocery industry. The DMFI Consumer Food Business sells its products in the U.S. retail dry grocery market and produce sections, primarily through grocery chains, club stores, supercentres and mass merchandisers.

Additionally, there exists growth opportunities for both brands in the Group's existing markets plus the prospects for future growth in new geographies, such as Myanmar and Pakistan, for the *Del Monte* brand and Western Europe, Eastern Europe and Africa for *S&W*. The DMFI Consumer Food Business' largely untapped South America business also has the potential to expand over time across new markets and product categories.

Branded Business

Branded business, comprising of the *Del Monte* branded business in the Philippines and the Indian subcontinent (all processed) plus the *S&W* branded business in Asia and the Middle East (both fresh and processed), generated 68% of revenue for the year ended 31 December 2013 and 70% of revenue in the year ended 31 December 2012, up from 65% in the year ended 31 December 2011.

Non-Branded Business

Non-branded products accounted for 32% of revenue for the year ended 31 December 2013 and 30% of revenue for the year ended 31 December 2012, down from 35% of revenue for the year ended 31 December 2011. This segment includes revenue of private label and non-branded processed fruits, beverages, other processed products and non-branded fresh fruit. The non-branded business can be further classified as follows:

1. Non-supply contract Asia Pacific – Includes revenue of private label and non-branded processed fruits, beverages, other processed products, fresh fruit and cattle in the Asia Pacific region and revenue of private label processed fruits and beverage to a non-affiliated *Del Monte* company at market prices in the Asia Pacific region.
2. Non-supply contract Europe and North America – Includes revenue of private label and non-branded processed fruits, beverages and other processed products in Europe and North America, and revenue of private label processed fruits, beverages and other processed products to non-affiliated *Del Monte* companies at market prices in Europe and North America.
3. Supply contract – Includes revenue of processed fruits, beverages and fresh fruit to non-affiliated *Del Monte* companies under long term supply contracts.

The DMFI Consumer Food Business

Overview

The DMFI Consumer Food Business produces and sells under well-known household brands such as *Del Monte*, *Contadina*, *College Inn*, *S&W* and other brands. The DMFI Consumer Food Business also produces and distributes private label food products. The DMFI Consumer Food Business' products are sold across the United States, in all channels to the retail markets, as well as to the U.S. military, certain export markets, the food service industry and other food processors. The DMFI Consumer Food Business' facilities consist of 13 production facilities and 5 distribution centres in the United States, as well as 2 production facilities in Mexico and 1 production facility in Venezuela.

The DMFI Consumer Food Business' diversified, multi-category product line provides the DMFI Consumer Food Business with a competitive advantage in selling to the retail grocery industry. The DMFI Consumer Food Business sells its products in the U.S. retail dry grocery market and produce sections, primarily through grocery chains, club stores, supercenters and mass

merchandisers. The DMFI Consumer Food Business has developed strong relationships with customers over the long-term that provides a solid base for the business.

History

The original owner of the DMFI Consumer Food Business was incorporated in 1916 and was a publicly traded company until its acquisition in 1979 by the predecessor of RJR Nabisco, Inc. From 1979 to 1999, the predecessor's business went through a number of ownership changes and divestitures. In February 1999, Del Monte Foods Company (“DMFC”) became a publicly traded company and was listed on the New York Stock Exchange under the symbol “DLM”. DMFC remained a publicly traded company until March 2011.

From 1997 to 2001, DMFC completed several acquisitions, including: in 1997, the acquisition of assets comprising Nestle U.S.A., Inc.'s U.S. business of manufacturing and marketing certain processed tomato products and the rights to *Contadina* processed tomato products; in 1998, the acquisition of rights to the *Del Monte* brand in South America from Nabisco, Inc. and Nabisco's processed vegetable and tomato business in Venezuela; in 2000, the acquisition of rights to the *SunFresh* brand citrus and tropical fruits line of the UniMark Group, Inc.; and in 2001, the acquisition of inventory and rights to the brand name of the *S&W* business from Tri Valley Growers, an agricultural cooperative association, which included processed fruits, tomatoes, vegetables, beans and specialty sauces.

On 18 February 2014, the Company completed its acquisition of the DMFI Consumer Food Business, relating to the business of developing, manufacturing, marketing, distributing and selling food and beverage products for human consumption under the brands *Del Monte*, *Contadina*, *S&W*, *College Inn* and others.

Sales and Marketing

The DMFI Consumer Food Business uses a direct sales force and independent food brokers to sell its products to customers in different channels. A direct sales force is used for most of the DMFI Consumer Food Business' sales to grocery, club store, supercentre and mass merchandiser customers. The DMFI Consumer Food Business uses a combination of a direct sales force and some food brokers for other channels such as dollar stores, drug stores, convenience stores, military, foodservice, food ingredients and private label. These brokers are paid commissions based on a percentage of sales which vary based on the scope of services provided. Within the grocery channel and certain other channels, the DMFI Consumer Food Business manages retail in-store conditions through a primary broker and generally pays a flat fee for this retail coverage.

The DMFI Consumer Food Business maintained investment in its brands, including marketing and trade spending, at competitive levels. Its marketing function oversees insight market research, new product development, pricing strategy, advertisement, publicity, consumer promotion and package design. Collectively, its marketing programmes are designed to strengthen its brand equities, generate awareness of new items and stimulate trial among its target consumers. The DMFI Consumer Food Business also partners with its customers to develop trade promotion programmes which deliver merchandising and price promotions to its customers.

Foreign Sales and Operations

Total revenue of the DMFI Consumer Food Business for the nine months ended 31 January 2016 amounts to U.S.\$1.38 billion and U.S.\$1.71 billion for fiscal year ended 30 April 2015.

(in U.S.\$'000)	Net Sales Nine months ended 31 January 2016	Net Sales Fiscal year ended 30 April 2015
South America	0.0	52.3
Sager Creek	180.8	29.3
North America	1,201.4	1,623.6
Total	1,382.2	1,705.1

Revenues from Non-U.S. Countries

The DMFI Consumer Food Business' non-U.S. sales are consummated either through local operations or through brokers, distributors, U.S. exporters, direct sales force or licences in foreign destinations.

Non-U.S. Operations

DMFI has subsidiaries located in Argentina, Mexico, Venezuela, Colombia, Ecuador and Peru.

To supply sales of products in the South American market, the DMFI Consumer Food Business operates a food processing plant in Venezuela and purchases raw product, primarily vegetables, from approximately 13 growers in Venezuela. In addition, the DMFI Consumer Food Business purchases tomato paste, frozen vegetables and fruit pulps from 7 suppliers in Chile and Peru, dried beans from a supplier in Canada and dried peas from a supplier in the United States. The DMFI Consumer Food Business also uses 12 co-packers located in Chile, the Philippines, Belgium and Venezuela to provide products sold in South America.

Products produced by Industrias Citricolas de Montemorelos, S.A. de C.V. ("ICMOSA") in Mexico are sold primarily in the United States. The DMFI Consumer Food Business operates 2 fruit processing plants in Mexico, and buys fruits from about 325 growers in Mexico and the United States to supply these plants.

Geographic Location of Fixed Assets

The DMFI Consumer Food Business' fixed assets are primarily located in the United States with 8% of the DMFI Consumer Food Business' fixed assets located in foreign countries (Mexico and South America).

Customers

Most food retailers in the U.S. carry the DMFI Consumer Food Business' products, and the DMFI Consumer Food Business has developed strong relationships over the long term with the majority of significant participants in the retail grocery trade.

Walmart, which includes Walmart's stores and supercentres along with SAM'S CLUB, is DMFI's most significant customer.

The DMFI Consumer Food Business sales teams work with customers to promote the resale of the DMFI Consumer Food Business' products in the stores. These efforts include working with customers in the areas of merchandising, product assortment and distribution and shelving. Where the DMFI Consumer Food Business provides private label products for its customers, the DMFI Consumer Food Business typically supplies those customers on a purchase order basis as well. These purchase orders could be on a stand-alone basis, or issued under a master agreement that

sets forth matters such as payment and delivery terms. The DMFI Consumer Food Business' arrangements with its largest customer, Walmart, operate in generally the same fashion as those with the DMFI Consumer Food Business' other customers and on overall similar terms.

The sales to the largest customer of the DMFI Consumer Food Business, Walmart, as a percentage of DMFI's gross sales for the nine months ended 31 January 2016 and fiscal year ended 30 April 2015 are as follows:

Name of customer	As a percentage of gross sales (%)	
	Nine months ended 31 January 2016	Fiscal year ended 30 April 2015
Walmart / Sam's	28	27

To the best of the Group's knowledge, it is not aware of any information or arrangements which would lead to a cessation or termination of the current relationship of the DMFI with any of its major customers.

Competition

DMFI is one of the largest marketers of processed fruit, vegetables and tomatoes in the United States, with market shares of 31%, 20% and 12% respectively, in the fiscal year ended 3 May 2015. The DMFI Consumer Food Business has leading market shares for branded products in both processed fruit and vegetable. The DMFI Consumer Food Business' processed fruit, vegetable and tomato products are in well-developed categories, characterised by high household penetration. The DMFI Consumer Food Business' fruit category includes packaged produce products. Due to good reputation and awareness of the DMFI Consumer Food Business' brands and its value-added products, the DMFI Consumer Food Business has been able to price its processed fruit, vegetable and tomato products at a premium compared to private label products.

College Inn broth products were the second largest branded broth products in the U.S.

The DMFI Consumer Food Business' processed fruit, vegetable, tomato and broth products compete primarily on the basis of brand recognition, taste, variety, convenience and value.

The DMFI Consumer Food Business' competitors include branded and private label fruit, vegetable, tomato and broth processors. The DMFI Consumer Food Business's primary competitors include Dole, Seneca Foods and Pacific Coast Producers in processed fruit; General Mills and Seneca Foods in processed vegetable; Con Agra, Heinz and Unilever in processed tomato; and Campbell Soup and smaller regional brands in broth.

Branded Business

For the full year ended 30 April

In U.S.\$'000	Net Sales			Gross Profit			Operating Income		
	FY2015	FY2014	% Chg	FY2015	FY2014	% Chg	FY2015	FY2014	% Chg
Packaged fruit and vegetable	106,490	89,478	19.0	23,145	17,425	32.8	9,933	4,363	127.7
Beverage	123,482	102,800	20.1	28,093	19,764	42.1	10,858	164	nm
Culinary	113,748	99,219	14.6	40,503	37,069	9.3	21,727	18,578	17.0
Fresh fruit and others	67,028	57,766	16.0	14,944	14,123	5.8	8,671	8,780	(1.2)
Total	410,748	349,263	17.6	106,685	88,381	20.7	51,189	31,885	60.5

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.

Philippines

The Group sells Del Monte branded processed products in the Philippines, comprising of processed fruits (pineapple and tropical mixed fruit in cans and pouches), juices (packed in cans, doy packs and PET), and a wide range of culinary products (sauces, ketchup, condiments and pasta). For the year ended 30 April 2015, culinary and beverage account for approximately 37% and 40% of total Philippines sales, respectively, while the processed fruits segment account for the balance 23%.

For retail, the Company sells through both general trade and modern trade. DMPI utilizes 17 non-exclusive distributors nationwide to cover approximately 107,981 general trade accounts such as wholesalers, public markets and retail stores. DMPI also sells directly to modern trade accounts such as supermarkets, and to institutional accounts which include hotels, fast food chains, schools, catering businesses, restaurants and many others.

The Philippine market contributes approximately 14% of the Group's total revenues. Del Monte has a long heritage in the Philippines of 90 years and is a household name with strong following and extensive trade shelf presence. The Group is a market leader in the branded market segments it competes in in the Philippines.

Del Monte commands leading market share in the Philippines in the canned juice segment, canned pineapple and tomato sauce categories, and in the spaghetti sauce segment. In the ready to drink PET juice market, Del Monte has a share of approximately 21%.

DMPI is the market leader in processed pineapple in the Philippines where Dole is a distant second brand in the segment. From its traditional can format, DMPI introduced pineapple and tropical mixed fruit in small convenient pouches for on-the-go snacking, a new and growing market that encourages healthy living. Fruit in pouches offer an alternative to chips and other snacks. It also provides a lower cash outlay pack option for Del Monte, meant to encourage trial and help improve household penetration.

Del Monte is almost uncontested in the 100% pineapple juice segment. The Company's canned juices experienced significant growth in recent years. In 2010, the Company started its functional platform for daily health maintenance - initially with the 100% Pineapple Juice Fiber-Enriched variant and then subsequently with the Pineapple Juice Heart Smart variant (for reducing cholesterol). This changed the way consumers looked at 100% Pineapple Juice from the "generic" immunity building juice with vitamins A,C, and E to one that they can take on a regular basis for daily health maintenance. Marketing support for Heart Smart haloed on other 100% Pineapple Juice variants.

In 2011, the Group launched its quarterly marketing support and expanded media target audience definition from moms/families to mature adults, specifically males. The Company also aired a TV commercial in June, highlighting the benefits of the full 100% Pineapple Juice range, which is sourced from pineapples freshly picked from the Group's own plantation.

In 2012, the Group changed its 100% Pineapple Juice brand ambassador to a celebrity news personality with a stronger message of "1-in-3 Filipinos have borderline to high cholesterol" to broaden trial and penetration. The campaign also expanded consumption for the brand beyond mature adults to include single, young adults who deemed the cholesterol management and detoxification messages highly relevant, particularly given their lifestyle. Improved in-store communication and visibility (mass display units showcasing all variants) not only grew total 100% Pineapple Juice range but also had a halo effect on previously stagnant mixed juice drinks in can.

In 2013, the Group strengthened its position as the market leader in high quality juices by introducing Tipco 100% Juices by Del Monte, a line of 100% fruit and vegetable juices in convenient multi-serve cartons, through a partnership with Tipco F&B Co., Ltd. The Group also launched its DM Juice Drinks in 1L Tetra Packaging, which aims to provide a more convenient juice experience to consumers and to increase juice consumption. The Tipco line, in addition to the Del Monte Juice Drinks in 1L Tetra Cartons, also seeks to generate resurgent growth for Del Monte Juices' multi-serve business (flat to declining in recent years) by providing consumers a new, more convenient resealable packaging format compared to the 46 oz. can.

Following its successful strategic partnership with Tipco, the Group also took on the exclusive distributorship of all Kikkoman products in the Philippines beginning July 2014.

Similar to processed pineapple, Del Monte is a significant player in tomato-based product segment, such as ketchup and sauces. Competitors, like Hunts, Conagra, Nestlé, and even global leader in tomato ketchup Heinz, are distant seconds. Other competitors in this segment include local players like Universal Robina Corporation, Mama Sita and Nutri-Asia. The Group is a major supplier of tomato-based products, such as, ketchup and sauces to international and domestic food chains, including the Jollibee Group, Greenwich (the Philippines' Number 1 Pizza Chain), Goldilocks and 7-Eleven.

DMPI is also a notable player in the fast growing beverage market. It competes with major players such as Coca Cola (Minute Maid), Universal Robina Corporation (C2), Dole (pineapple juice), and Pepsi (Tropicana) in the fruit-based beverage segment in PET bottles and other packaging formats. Its innovative products, such as, *Del Monte Fit 'n Right* and *Del Monte Heart Smart*, are making significant inroads in this category. The Group also leads in serving the pineapple juice requirements of institutional accounts, primarily the Jollibee Group, McDonald's and 7-Eleven.

In all of the above, product quality, customer service level and innovation are keys to Del Monte's leadership and continuing success.

S&W – International



S&W Processed

S&W processed products include a range of canned fruits, vegetable, tomatoes, beans and juices, including prune juices in PET. These are sold in a number of countries in Asia, as far as the Middle East. China and South Korea are the two biggest markets accounting for almost 43% of S&W processed product sales in 2015. The Group sells through carefully selected distributors of S&W processed products in each of these markets:

Market	Distributor for S&W Branded Processed Products
South Korea	Shinsegae, SPC, Misung, TS Corporation and Samsung
China	Crown Asia
Hong Kong	LFAsia and Sims Trading
Japan	Lead Off Japan
Singapore	HL Yong, NTUC Fairprice and Lucas Foods
Indonesia	PD Sinar Abadi
Middle East / Pakistan Region	Silex, Festival, Sheen, Al Saggaf, International Trading House

The Group's three clusters (for S&W processed products) are North Asia, South East Asia, and the Middle East:

1. North Asia – Sales in this cluster accounted for 60% of S&W processed sales in 2015. Key competitors in canned pineapple and juices are *Dole* and *Del Monte* plus low-priced products from Thailand, notably in China. The food service channel in China and Korea has shown good performance, and the Group plans to extend distribution in China's retail market with new value added products. The Group intends to capitalize on the large demand for canned pineapple market in Japan when the import quota is accessible. In general, the Group intends to grow in canned tropical fruits and enter the beverage market with canned ready to drink juices either imported from Philippines or outsourced locally.

2. South East Asia – Sales in this cluster accounted for 28% of S&W processed products sales in 2015. Key competitors are *Del Monte Asia* and *Hosen* for canned pineapple, *Hunts* for tomatoes and *Pokka* for beverages. The Group has a stable presence in Singapore, Malaysia and Indonesia. The Group plans to grow in canned ready to drink juices and new culinary products in Singapore, Malaysia, and Indonesia, as well as increase distribution in the Philippines by piggybacking on DMPI’s sales team.
3. Middle East/Pakistan – Sales in this new market began in 2013 and accounted for 12% of S&W processed products sales in 2015 although this percentage is expected to significantly increase. Key competitors are *Dole* for canned pineapple and *Rani*, *Del Monte*, and various local brands for juices. The Group’s portfolio will be skewed towards canned pineapples and beverages .There is opportunity to capture part of the huge juice market with locally outsourced products in order to be more competitive in the low priced market.

In summary, higher growth is expected out of Middle East and North Asia while South East Asia will be more stable.

S&W Fresh

The Group’s S&W fresh pineapples are sold in Asia, mainly South Korea, China, Japan, Taiwan, Singapore, and the Middle East. South Korea and Japan are the two biggest markets accounting for almost 52% of S&W fresh pineapple sales for the fiscal year ended 30 April 2015. The Group sells through these important distributors in each of these markets:

Market	Distributor for S&W Branded Fresh Pineapple
South Korea	Shinsegae and Wonil
China	Eachtake
Japan	Wismettac Foods
Singapore	NTUC Fairprice
Middle East	Farzana

Based on trade import data from the 2015 Asia Fruit Congress, the Group estimates its market share to be about 20% in South Korea, 13% in China, and about 15% in Japan for both S&W branded and private label fresh pineapple. On the aggregate, the Group estimates its market share to be about 19% in Asia, a good achievement given that the Group had been supply-constrained and only started selling fresh pineapples commercially in 2009. In Japan, the Group only started selling in 2012 and has achieved commendable market share in such a short period, attesting to the product’s good quality.

The fresh pineapple sector has few dominant players. The Group’s major competitors are *Dole*, *Fresh Del Monte* (to whom the Group supplies under a supply contract; see “*Suppliers*” at Page [164] of this Prospectus), *Sumifru* and *Lapanday*. All these companies export fresh pineapples out of the Philippines. The outlook for fresh pineapple is positive given the strong demand in Asia, with growing consumption among middle-upper income consumers especially in China. Prices are attractive and stable due to limited supply. The fresh pineapple business commands higher margins than processed pineapples making the former one of the Group’s key growth drivers.

There is opportunity for the Group to extend distribution to fresh cut distributors in Korea, Japan and China. Fresh cut (whereby fruit is already peeled and cut into pieces for ready consumption) is a big segment in these markets as consumers are willing to pay more for convenience.

The Group expects to increase its market share over the years as it continues to improve its yields and production, thus offering the market with superior quality golden or MD2 pineapples at a steady supply.

Indian Subcontinent

The Group has exclusive license to the *Del Monte* trademark for processed food and beverage products for the Indian subcontinent, which includes Pakistan, Bangladesh, India (through a joint venture with Bharti Group, please see section below on India), Sri Lanka, Maldives, Nepal and Bhutan.

The Company's products in the Indian subcontinent include canned pineapple and tropical mixed fruit, juices, ketchup, pasta and olives. Most of these products are sourced from the Philippines, except for olives and some premium pasta, which come from Europe, and canned apple juice which comes from FieldFresh's factory in India.

The Company's biggest market in the Indian subcontinent outside of India is Pakistan, to which the Group has been selling its products through Anjum Asif Pvt Ltd., for more than ten years. The Group entered Maldives four years ago and more recently, Bangladesh and Sri Lanka. The Group operates through distributorship arrangements in South Asia through the important distributors in each of these markets:

Market	Distributor for <i>Del Monte</i> Branded Processed Products
Pakistan	Anjum Asif Pvt. Ltd.
Maldives	Raajje Supply Pvt. Ltd.
Bangladesh	Meridian Marketing
Sri Lanka	Edinborough Products Pvt. Ltd.

Del Monte is the market leader for canned pineapple and mixed fruit in Pakistan. Other players include *Dole* and products from Thailand.

The four markets listed above are expected to contribute over U.S.\$2 million in sales to Group revenue. In Pakistan, there are opportunities in the food service channel, in particular the bakeries, for the Group's canned fruit products. Higher sales are expected for the Group's newly introduced olives and pasta products. In Maldives, the Group expects increased sales of juices in hotels and resorts. In newer markets of Bangladesh and Sri Lanka, inroads are being made in the ketchup category while new products like juices and canned fruits are introduced.

India

In 2007, the Company entered into a joint venture with the Bharti Group in India under the FieldFresh brand. The Company owns approximately 94% of the DMPL India Limited, which owns 50% of FieldFresh, thereby having equal voting rights with the Bharti Group. For completeness, a discussion of the Indian joint venture is included here, even though FieldFresh is equity accounted for in the Company's profit and loss statement.

The joint venture started with a plan to develop both fresh products under the "FieldFresh" brand and processed products under the *Del Monte* brand. Over the years, and given the experience in the fresh domestic market, the joint venture decided to be more focused, and rationalized the

fresh business. The only fresh business remaining is the export of sweet corn and baby corn to the United Kingdom, where the joint venture has a high market share.

The main focus for this joint venture is to develop the *Del Monte* branded processed business in India. This launched the *Del Monte* processed food and beverage products in 2009. The joint venture's products include processed fruits, juices, ketchup, sauces, mustard, mayonnaise, pasta, olives and olive oil. The sauces and condiments segment account for almost half of total *Del Monte* sales in India. The next biggest category is the Italian range – pasta, olives and olive oil - with a 20% revenue share.

In the general trade category, which consists of independent retail and wholesale shops, the joint venture covered 30,000 outlets in 80 cities. The focus in general trade category is on consolidation and increasing throughput. In the modern trade category, which consists of retail chains, the joint venture covered 1,800 outlets in about 60 cities. The joint venture's product share in the existing accounts (e.g. Metro cash and carry, Bharti Walmart, Reliance, etc.) is expected to increase by product portfolio expansion as well as customization. In the food service category, the joint venture's products are in 4,500 hotels, bakeries, quick service restaurants, and caterers in 110 cities.

Myanmar

The Group also has the exclusive license to the *Del Monte* trademark for processed food and beverage products for Myanmar. The Group launched *Del Monte* branded products there in January of 2013 which included ketchup, spaghetti sauces and pasta. The Group plans to add canned pineapple, tropical mixed fruit and juices in its product offering. The Group partnered with Global Sky Company Limited of the Dagon Group, a leading conglomerate in Myanmar, which operates retail chains (supermarkets, shopping centers), hotels and real estate ventures.

Non-Branded Business

For the full year ended 30 April

In US\$'000	Net Sales			Gross Profit			Operating Income/(Loss)		
	FY2015	FY2014	% Chg	FY2015	FY2014	% Chg	FY2015	FY2014	% Chg
Packaged fruit and vegetable	22,011	23,138	(4.9)	2,128	1,950	9.1	17	(123)	nm
Beverage	9,533	13,696	(30.4)	168	(2,095)	(108.0)	(565)	(3,627)	(84.4)
Culinary	132	–	–	49	–	–	41	–	nm
Fresh fruit and others	–	–	–	–	–	–	–	–	–
Total	31,676	36,834	(14.0)	2,296	(145)	nm	(353)	(3,750)	(90.6)

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

For the full year, the segment's sales decreased by 14% to U.S.\$31.7 million from U.S.\$36.8 million on reduced sales of packaged fruits. However, operating loss in Europe was lower at U.S.\$0.3 million from U.S.\$3.8 million in the prior year period due to favourable mix and pricing.

Non Supply Contract Europe and North America

In Europe, there is very high food retailer concentration. Consequently, the Group sells primarily on a private label basis to key food retailers including the top five retailers in the United Kingdom and the top three retailers in Spain. The Group also supplies to the *Del Monte* brand owner in Europe at market prices.

The Group sells private label processed fruits in Europe in various formats: pineapple and tropical mixed fruit in cans, jars and plastic cups, and ready to drink juices in cans. The Group also sells a wide range of industrial products to food and beverage producers: industrial PJC, water white fruit syrup and pineapple crushed bits and cubes. Currently, as the most commodity-oriented product, industrial PJC suffers from price volatility in the global markets as a result of soft consumption in Europe and oversupply in the largest exporting country, Thailand. Given the Group's experience in 2012 where PJC prices collapsed from a high of close to U.S.\$2,000 per ton in 2011 to a low of below U.S.\$1,000 in 2012, the Group's strategy is to reduce the contribution of volatile non-branded PJC by producing more of the branded ready to drink juices for the consumer market, mainly in Asia. Industrial PJC accounted for 31% of the Group's Europe sales in 2013.

The Group's major competitors in Europe are the top producers in Thailand, PT Great Giant in Indonesia, and Del Monte Kenya.

Suppliers

The DMFI Consumer Food Business

The DMFI Consumer Food Business' products are manufactured from a wide variety of raw materials. Each year, the DMFI Consumer Food Business buys over 1.2 million tons of fresh fruit, vegetables and tomatoes from individual growers, farmers and cooperatives located primarily in the United States. The DMFI Consumer Food Business' fruit supply contracts generally range from 1 to 10 years. Fruit prices are generally negotiated with grower associations annually. The DMFI Consumer Food Business purchases raw product from over 500 fruit growers located in California, Oregon and Washington. Yellow cling peaches are contracted by the acre, while contracts for other fruits require delivery of specified quantities each year. The DMFI Consumer Food Business' vegetable supply contracts are for a one-year term and require delivery from contracted acreage with specified quality. Vegetable prices are negotiated annually. The DMFI Consumer Food Business purchases raw product from approximately 600 vegetable growers located primarily in Wisconsin, Illinois, Minnesota, Washington and Texas. The DMFI Consumer Food Business purchases raw tomatoes from approximately 25 tomato growers located in California, where approximately 95% of domestic tomatoes for processing are grown. Tomato prices are generally negotiated with grower associations and are reset each year. The DMFI Consumer Food Business has actively participated in agricultural management, agricultural practices, quality control and compliance with pesticide/herbicide regulations. Other ingredients, including sugar and sweeteners, spices, proteins, grains, flour, and certain other fruits and vegetables are generally purchased through annual supply agreements or on the open market.

The DMFI Consumer Food Business maintains the long-term relationships with growers to help ensure a consistent supply of raw fruit, vegetables and tomatoes. The DMFI Consumer Food Business owns virtually no agricultural land for harvesting.

Cans and Ends

The DMFI Consumer Food Business has a long-term supply agreement with Silgan Containers LLC (“**Silgan**”) effective as of 1 January 2010, which relates to Silgan’s provision of metal cans and ends used for the DMFI Consumer Food Business’ canned fruit, vegetable, tomato and broth products. Under the agreement and subject to certain specified exceptions, the DMFI Consumer Food Business must purchase all of its United States metal food and beverage container requirements for its canned fruit, vegetable, tomato and broth products from Silgan. The Silgan agreement expires on 31 December 2021.

Pricing under the Silgan agreement is adjusted up to twice a year to reflect changes in metal costs and annually to reflect changes in the costs of manufacturing.

Branded and Non-Branded Business

The Group sources raw materials and packaging materials from the Philippines, the United States, and other countries. The Group deals with at least two suppliers for all its major materials. Major materials such as tin plates are ordered on a quarter or semi-annual basis depending on commodity prices and supply trends. Certain major agricultural products, such as tomato paste are ordered annually. All other inputs are procured quarterly or semi-annually.

Research and Development

DMFI Consumer Food Business

The DMFI Consumer Food Business’ research and development organisation provides product, packaging and process development. The DMFI Consumer Food Business maintains a research and development facility in Walnut Creek, California, where the DMFI Consumer Food Business develops new processed products and product line extensions and conducts research in a number of areas related to its fruit, vegetable, tomato and broth products, including packaging, pest management, food science, environmental and engineering. This facility employs scientists, engineers and researchers and is equipped with pilot shops and test kitchens.

Branded and Non-Branded Business

The Group has three research and development facilities in the Philippines – one in Metropolitan Manila, one in Cagayan de Oro, and the other in its plantation at Bukidnon, Northern Mindanao. The Company invests in research and development aimed at (a) providing quality products focused on superior taste and health and wellness, (b) developing new products, and (c) achieving cost leadership through breakthroughs in product formulation and processes. The research and development group supports the Company’s objective of achieving competitive advantages in these areas and supports both the Philippine and the international markets.

Intellectual Property

DMFI Consumer Food Business

The DMFI Consumer Food Business’ registered and unregistered trademarks for use in connection with various food and snack products include: *Del Monte*, *Contadina*, *College Inn*, *S&W*, *SunFresh*, *Fruit Naturals* and *Orchard Select*.

Brand name recognition and the product quality associated with the DMFI Consumer Food Business’ brands are key factors in the success of its products. The current registrations of these trademarks in the United States and foreign countries are effective for varying periods of time,

and may be renewed periodically, provided that applicable renewal requirements are complied with, including, where necessary, the continued use of the trademarks in connection with the identified goods. DMFI is not aware of any material challenge to the ownership of its major trademarks.

Various perpetual, exclusive, royalty-free licences for use of the *Del Monte* name and trademark, along with certain other trademarks, patents, copyrights and trade secrets were granted by DMC to third party companies. Licences for use of the *Del Monte* name and trademark are generally for use outside of the United States, though certain of the licences are worldwide. For example, Kikkoman Corporation holds the rights to use *Del Monte* trademarks in Asia and the South Pacific (excluding the Philippines, the Indian Subcontinent and Myanmar); Fresh Del Monte holds the rights to use the *Del Monte* name and trademarks with respect to fresh fruit, vegetables, produce and certain other products throughout the world (including the United States); Fresh Del Monte through its subsidiary Del Monte Foods International, Inc. and its affiliates, holds the rights to use *Del Monte* name and trademarks in Europe, Africa and the Middle East (including ownership rights to the trademark for processed food products in South Africa); and ConAgra holds the rights to use *Del Monte* trademarks in Mexico and Canada. These companies are not affiliated with the DMFI Consumer Food Business or its predecessor.

DMFI retains the right to review the quality of the licencees' products under each of the licence agreements. DMFI generally may inspect the licencees' facilities for quality and may require the licencees to periodically submit samples for inspection. Licensees may grant sublicences but all sublicencees are bound by these quality control standards and other terms of the licence.

As of 31 January 2016, DMFI owns or controls 13 issued U.S. patents covering various food formulation, production, equipment, preservation, packaging methods or ornamental designs. These patents expire between 2026 and 2032 and cannot be renewed. DMFI does not consider these patents to be material to its business.

A number of proprietary vegetable seed varieties have been developed and are protected by access restrictions and/or by the use of non-disclosure agreements. These methods are not guaranteed to be sufficient to protect the secrecy of the seed varieties. In addition, other companies may independently develop similar seed varieties. The DMFI Consumer Food Business has obtained U.S. plant variety protection certificates under the Plant Variety Protection Act on some of its proprietary seed varieties. Under a protection certificate, the breeder has the right, among other rights, to exclude others from offering or selling the variety or reproducing it in the United States. The protection afforded by a protection certificate generally runs for 20 years from the date of its issuance and is not renewable.

Branded and Non-Branded Business

Del Monte, *Del Monte Quality*, and *Shield in Color* are principal registered trademarks of the Group in the Philippines and Indian subcontinent territories. The Group owns the *S&W* trademarks worldwide, except for Australia and New Zealand. The Group's other trademarks include, among other trademarks in various jurisdictions, *Today's*, *Fiesta*, *202*, *Fit 'n Right*, *Heart Smart*, and *Del Monte Quick 'N Easy* in the Philippines.

Properties

As of the date of this Prospectus, the Group owns the following properties:

Description	Location/Address	Status	Condition	Value (In US\$ MM)
Cannery Operations (DMPI)				
Can Plant	Bugo, Cagayan de Oro City	Owned	Good	3.0
Cannery Clothes and Shoes Changing	Bugo, Cagayan de Oro City	Owned	Good	0.1
Central Maintenance	Bugo, Cagayan de Oro City	Owned	Good	0.5
Coal-Fired Boiler Plant	Mambatangan, Bukidnon	Owned	Good	3.9
Compound & Yard	Bugo, Cagayan de Oro City	Owned	Good	9.0
Concentrate Plant	Bugo, Cagayan de Oro City	Owned	Good	1.9
DM Bugo Clinic	Bugo, Cagayan de Oro City	Owned	Good	0.1
Engineering & Design	Bugo, Cagayan de Oro City	Owned	Good	0.1
Factory Offices	Bugo, Cagayan de Oro City	Owned	Good	0.1
Labeling & Warehousing	Bugo, Cagayan de Oro City	Owned	Good	2.5
Mixed Fruit Plant	Bugo, Cagayan de Oro City	Owned	Good	2.5
Preparation Plant	Bugo, Cagayan de Oro City	Owned	Good	3.3
Processing Plant	Bugo, Cagayan de Oro City	Owned	Good	5.1
Quality Control	Bugo, Cagayan de Oro City	Owned	Good	0.1
Steam & Power Plant	Bugo, Cagayan de Oro City	Owned	Good	0.8
Sugar Recovery Plant	Bugo, Cagayan de Oro City	Owned	Good	0.8
Two Storey Building, 1859 SQ.M. (929.5 each floor)	Bugo, Cagayan de Oro City	Owned	Good	0.5
Waste Water Treatment Plant	Bugo, Cagayan de Oro City	Owned	Good	13.3
Others				
Chillers & Dispensers	Bugo, Manila	Owned	Good	0.4
Equipment at Warehouses	Bugo, Manila	Owned	Good	0.1
Fleet of Vehicles for Sales Agent	Global City, Taguig	Owned	Good	1.0
JYCC Building Fit-out Works	Global City, Taguig	Owned	Good	3.8
Quality Assurance, Research & Dev't Equipment	Bugo, Cagayan de Oro City	Owned	Good	0.4
Plantation Operations (DMPI)				
Boom Harvesters	Manolo Fortich, Bukidnon	Owned	Good	0.5
Boom Sprayers	Manolo Fortich, Bukidnon	Owned	Good	0.8
Camp Phillips Compound (Admin Offices)	Malaybalay City, Bukidnon	Owned	Good	0.2
Fertilizer and Chemical Bodega and Batching Facility				
Camp 1 (JMC)	Manolo Fortich, Bukidnon	Owned	Good	0.6
Camp 14	Manolo Fortich, Bukidnon	Owned	Good	0.3
Camp 9	Manolo Fortich, Bukidnon	Owned	Good	0.3
Camp Phillips	Manolo Fortich, Bukidnon	Owned	Good	1.8
Cawayanon	Manolo Fortich, Bukidnon	Owned	Good	0.1
Dalwangan	Malaybalay City, Bukidnon	Owned	Good	0.2
Sumilao	Sumilao, Bukidnon	Owned	Good	0.4

JMC Fresh Fruit Packing House w/ Cold Storage	Manolo Fortich, Bukidnon	Owned	Good	3.5
Livestock, Feedlot, and Dairy	Manolo Fortich, Bukidnon	Owned	Good	0.1
Motorgrader	Manolo Fortich, Bukidnon	Owned	Good	0.2
South Bukidnon Packing House w/ Cold Storage	Quezon, Bukidnon	Owned	Good	2.9
Staff Houses	Manolo Fortich, Bukidnon	Owned	Good	0.8
Trucks, Pick-ups, and Motorcycles	Manolo Fortich, Bukidnon	Owned	Good	1.7
Wheel & Crawler Tractors	Manolo Fortich, Bukidnon	Owned	Good	3.5
Other Facilities (DMFI)				
Production facilities	Continental United States and Mexico	Owned	Good	460.0
Distribution facilities	Continental United States and Mexico	Owned/ Leased	Good	

Employees

DMFI Consumer Food Business

DMFI and its subsidiaries have full-time employees in the U.S. and other countries like Venezuela and Mexico where its other production facilities are located. In addition, temporary seasonal workers are hired during its fruit, vegetable and tomato pack season.

As of 31 January 2016, DMFI has a total of 3,697 regular employees, as categorized in the following table, and a total of 7,506 seasonal workers.

	<u>No. of Employees</u>		
	<u>U.S.</u>	<u>Venezuela</u>	<u>Mexico</u>
Operations (Operation Services, Supply Chain)	2,568	421	363
Support Groups (HR, Procurement, Legal, Audit, IT)	57		
R&D and Quality Assurance	68		
Sales and Marketing	145		
Finance	63		
Executive Office and Corporate Planning	12		
Total	2,913	421	363

Subject to potential shifts in its production operations, DMFI generally plans to maintain the current headcount for the next twelve months.

As of 31 January 2016, the DMFI Consumer Food Business has 8 CBAs with 8 union locals covering approximately less than 63% of its employees. Of these employees, none are covered under CBAs scheduled to expire in fiscal year 2016.

Branded and Non-Branded Businesses

As of 30 April 2016, the Group employed 3,431 regular employees, of which 3,409 are in the Philippines, 19 in Singapore, and 3 in other countries. These regular employees are categorized as follows:

No. of Employees

Operations (Operation Services, Supply Chain)	2,960
Support Groups (HR, Procurement, Legal, Audit, IT)	127
R&D and Quality Assurance	116
Sales and Marketing	134
Finance	84
Executive Office and Corporate Planning	10
Total	3,431

Aside from its direct employees, DMPI provides employment to a monthly average of 7,900 seasonal workers.

The Group intends to maintain the current headcount for the next twelve months.

DMPI has CBAs with three labor unions - one at its cannery facility in Bugo, Cagayan De Oro and two at the plantation (one for the hourly paid and another for the monthly paid employees) in Bukidnon, all in Mindanao, Philippines. The Company has not experienced any labor strike in the past three years.

The CBAs with these three labor unions are due to expire as follows:

Labor Union	CBA Expiry	Midterm Negotiation
Plantation – Hourly	31 October 2019	November 2017
Plantation - Monthly	30 November 2020	December 2018
Cannery	30 June 2019	July 2017

DMPI expects to renegotiate mutually acceptable CBAs.

Material Agreements

The following contracts, not being contracts in the ordinary course of business, have been entered into by the Company or its subsidiaries and are (or may be) material:

1. Asset Purchase Agreement

On 3 March 2015, DMFI and its newly formed subsidiary, SCFI, entered into an Asset Purchase Agreement with SCVC and certain of its subsidiaries, whereby SCFI would acquire certain operating assets of the Sager Creek processed vegetable business.

2. Material Agreements relating to the Acquisition

On 9 October 2013, DMFI entered into a Purchase Agreement with DMC to acquire certain assets and assume certain liabilities relating to the DMFI Consumer Food Business and to acquire all shares of related DMC subsidiaries for an initial purchase consideration of U.S.\$1.675 billion subject to working capital adjustment.

The Group financed the Acquisition through a combination of equity and institutional debt financing, as summarized below:

On 18 February 2014, DMFI obtained a senior secured variable rate first lien term loan amounting to U.S.\$710.0 million from various institutional lenders in the U.S., and a senior

secured second lien variable rate term loan amounting to U.S.\$260.0 million from institutional lenders in the U.S.

On 14 January 2014, the Company obtained from BDO Unibank a bridging facility amounting to U.S.\$350.0 million secured by shares of stock in certain subsidiaries of the Company.

On 14 January 2014, the Company obtained from the Bank of Philippine Islands a bridging facility amounting to U.S.\$165.0 million.

These facilities are expected to be outstanding for certain periods following the Acquisition. The Company expects to refinance and retire such facilities through proceeds from the issuance of additional equity.

Additionally, on 12 February 2014, the Company obtained a U.S.\$15.6 million bridge loan from MetropolitanBank & Trust Company.

The Group likewise received equity investment of U.S.\$74.5 million from certain minority shareholders pursuant to subscription agreements dated 4 February 2014 in exchange for issuance of new shares in a subsidiary of DMPL, DMPL Foods Limited.

Also, the Group obtained U.S.\$100.0 million from various existing credit facilities to finance the balance of the Acquisition purchase price.

In addition, on 18 February 2014, DMFI entered into an ABL Credit Agreement up to U.S.\$350.0 million for working capital needs and general corporate purposes of DMFI. This facility was subsequently amended to increase the maximum commitment to U.S.\$442.5 million.

Below is a tabular summary of the loans obtained by the Group in relation to the Acquisition:

Date	Type of Contract	Parties Involved	Creditor/s	Particulars of the Contract
14 January 2014, as amended	Facility Agreement	Del Monte Pacific Limited, BDO Capital and Investment Corporation, BDO Unibank, Inc., and BDO Unibank, Inc. – Trust and Investments Group	BDO Unibank, Inc.	A bridging loan facility from BDO Unibank, Inc. The facility had a tenor of up to 12 months and bears interest at the rate of 3.5% per annum plus LIBOR for a period comparable to the Interest Period (3 months or any other period agreed between Del Monte Pacific Limited and BDO Unibank, Inc. as Agent) and which in no case shall be below zero. As amended, the final repayment date was extended to 10 February 2017 and the required Borrower Group Interest Cover was adjusted.
14 January 2014	Facility Agreement	Del Monte Pacific Limited, NutriAsia Pacific Ltd., BPI Capital Corporation, and Bank of the	Bank of the Philippine Islands	A U.S.\$165 million bridging loan facility from Bank of the Philippine Islands. The facility has a tenor of up to 360 days and bears interest at a rate

		Philippine Islands		<p>equal to the six month LIBOR plus margin of 3.5% per annum, subject to a floor of 4%.</p> <p>This was discharged through payment from the proceeds of the stock rights offering in 2015.</p>
12 February 2014	Foreign Currency Denominated Promissory Note	Del Monte Pacific Limited, and Metropolitan Bank & Trust Company	Metropolitan Bank & Trust Company	<p>A U.S.\$15.6 million loan from Metropolitan Bank & Trust Company. The loan facility bears an interest rate of 1.50% per annum over 180 days and is to be repriced every month.</p> <p>On 8 August 2014, the Company was given an extension of 182 days from the original maturity period.</p> <p>This loan has been paid as of 10 July 2015.</p>
18 February 2014, as amended	ABL Credit Agreement	Del Monte Foods, Inc., Del Monte Foods Holdings Limited, [named guarantors, lenders and] Citibank, N.A.	Citibank, N.A., Morgan Stanley Bank, N.A., BMO Harris Bank N.A., Union Bank, N.A., Cooperative Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank Nederland), Siemens Financial Services, Inc., Wells Fargo Bank, National Association, Compass Bank, City National Bank, N.A., U.S. Bank National Association, and General Electric Capital Corporation	Loans, on a revolving basis, in the aggregate principal amount not to exceed U.S.\$442,550,000 from the named lenders
18 February 2014, as amended	First Lien Term Loan Credit Agreement	Del Monte Foods, Inc., Del Monte Foods Holdings Limited, [named guarantors and lender and] Citibank, N.A.	Citigroup Global Markets, Inc.	Extension of credit by Citigroup Global Markets, Inc. in the form of loans in an aggregate principal amount not to exceed U.S.\$710 million
18 February 2014, as amended	Second Lien Term Loan Credit Agreement	Del Monte Foods, Inc., Del Monte Foods Holdings Limited, [named guarantors and lender and] Citibank, N.A.	Morgan Stanley Senior Funding, Inc.	Extension of credit by Morgan Stanley Senior Funding, Inc. in the form of loans in an aggregate principal amount not to exceed U.S.\$260 million

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Legal Proceedings

As of the date of this Prospectus, the Group is involved in various civil and criminal lawsuits and legal actions arising in the ordinary course of business. However, save as disclosed below in relation to the DMFI Consumer Food Business, the Group does not consider any of these as material as they will not affect the daily operations of its business, nor are they expected to exceed 10% of the current assets of the Group or have any material effect on the financial position of the Group.

Material litigation involving the DMFI Consumer Food Business

Throughout this section reference is made to DMFI as the Defendant in the actions described since DMFI has assumed the liability of DMC, if any, in these actions.

1. **Kosta Misbranding Class Action**

Name of the Parties: Michael Kosta, Steve Bates, Sarah Langille, and Trevor Fewins (PLAINTIFFS) v. Del Monte Foods, Inc. (DEFENDANT)

Case No.: CV 12-01722 YGR

Court: United State District Court, Northern District of California, Oakland Division

Nature of Case: Consumer class action alleging false and misleading advertising

On 5 April 2012, Plaintiff (Michael Kosta) filed a complaint against DMFI in the U.S. District Court for the Northern District of California alleging false and misleading advertising under California’s consumer protection laws. Plaintiff alleges that DMFI made a variety of false and misleading advertising claims including, but not limited to, its lycopene and antioxidant claims for tomato products and claims that DMFI misled consumers with respect to its refrigerated fruit products. The complaint sought certification as a class action.

On 15 July 2015, Plaintiff’s motion for class certification was denied. Plaintiff has appealed this ruling to the federal court of appeal. Briefs were submitted in early 2016. DMFI cannot, at this time, reasonably estimate a range of exposure, if any, of the potential liability.

2. **Fresh Del Monte v.DMFI**

Name of the Parties: Fresh Del Monte Produce, Inc. (PLAINTIFF) v. Del Monte Foods, Inc. (DEFENDANT)

Case No.: 13 CIV 8997

Court: United States District Court, Southern District of New York

Nature of Case: Alleged breach of contract

On 19 December 2013, Fresh Del Monte (“FDM”) filed a complaint against DMFI in the U.S. District Court for the Southern District of New York alleging that DMFI is in breach of a 1989 License Agreement (the “License”). FDM asserts that DMFI committed a breach by denying FDM’s requests for additional rights under the Licence.

DMFI denies these claims and counterclaimed for breach of contract, trademark infringement and unfair competition on 31 March 2014. Among other things, DMFI asserts that FDM committed a breach and trademark infringement by marking under the *Del Monte* trademark processed avocado and guacamole products that are misleadingly labeled as fresh. Both parties seek declaratory, monetary, and injunctive relief from the other. Discovery is proceeding in the cases, and no trial date has been set. DMFI cannot at this time reasonably estimate a range of exposure, if any, of the potential liability.

The Company will provide updates via PSE EDGE announcement should the claim in any of the foregoing cases become material.

REGULATORY AND ENVIRONMENTAL MATTERS

The Group is mindful of and adheres to the various statutes and regulations that affect its activities in the value chain.

DMPI employs thousands of regular and contractual workers and consequently adheres to various laws and regulations, principally Presidential Decree No. 442 as amended (the Labor Code of the Philippines) governing workers' compensation, workplace safety, labor standards, labor relations, social security, among other things.

DMPI operates pineapple plantation operations mainly in Bukidnon, Northern Mindanao, and food manufacturing operations in its processing plant and cannery in Cagayan de Oro City. The pineapple plantations are under growership arrangements with various landowners and an agrarian reform beneficiary cooperative owned by DMPI's employees. These arrangements involving agricultural lands are governed by Commonwealth Act No. 141 (the Public Land Act), Republic Act No. 6657 (the Comprehensive Agrarian Reform Law), and other relevant statutes.

DMPI adheres to environmental laws and regulations which regulate its various activities in its plantations and manufacturing and packing facilities. These laws include Presidential Decree No. 1586 (the Environmental Impact Statement System), Republic Act No. 8749 (the Philippine Clean Air Act), Republic Act No. 9003 (the Ecological Solid Waste Management Act), Republic Act No. 9275 (the Philippine Clean Water Act), and Republic Act No. 6969 (the Toxic Substances and Hazardous and Nuclear Wastes Control Act). Since DMPI draws and utilizes water from deep wells, it complies with the requirements of Presidential Decree No. 1067 (1976) (the Water Code of the Philippines) and secures the necessary water permits from the National Water Resources Board.

DMPI's procurement, use, and handling of fertilizers and pesticides are subject to regulation by the Fertilizer and Pesticide Authority pursuant to applicable laws and regulations with which DMPI complies.

As a food manufacturing, importing and distributing entity, DMPI procures and maintains all necessary licenses, registrations and permits from the Philippine FDA, and complies with Republic Act No. 9711 (the FDA Law), Republic Act No. 7394 (the Consumer Act of the Philippines), and the various FDA regulations relating to food standards, product claims and liability, labeling and packaging.

DMPI imports various goods including raw materials and exports its products. These trade transactions are subject to, and DMPI adheres to, applicable importation quotas and other regulations as well as export regulations requiring licenses and permits.

DMPI leases and maintains various warehouses and secures the necessary licenses and permits.

Material Permits

The Group is in possession of the material permits required for the conduct of its business. Details of these material permits are set out in the table below.

The law firm Gatmaytan Yap Patacsil Gutierrez & Protacio rendered a legal opinion dated 28 December 2015 confirming that the permits of DMPI identified in the said opinion are valid and subsisting as of the date of the said opinion.

The Philippine Cannery Permits

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
Environmental Compliance Certificate (“ ECC ”) for the Bugo Cannery Project at Bugo, Cagayan de Oro	Department of Environment and Natural Resources (“ DENR ”)	10(43)06 05-15 4226-31141	15 May 2006	n.a.
ECC for the Coal-Fired Boilers Project at Bugo, Cagayan de Oro	DENR	10(43)07 11-28 4565-38123	28 November 2007	n.a.
ECC for the Industrial Sanitary Landfill Project at Mambatangan, Manolo Fortich, Bukidnon	DENR	ECC-R10-2009-006-9200	20 January 2009	n.a.
ECC for the Waste to Energy Project at Bugo, Cagayan de Oro	DENR	ECC-R10-1304-0083	31 May 2013	n.a.
Amended Certificate of Registration as an Ecozone Export Enterprise	Philippine Economic Zone Authority	No. 07-68	2 July 2013	n.a.
Certificate of Registration	Bureau of Internal Revenue (“ BIR ”)	OCN 8RC0000019599 TIN 000-291-799-000	30 June 1994	n.a.
Registration	Social Security System (“ SSS ”)	SSS No. 08-0000900-7-000	September 1957	n.a.
Registration	Philippine Health Insurance Corporation (“ PhilHealth ”)	PhilHealth Employer No. 015000001642	28 July 2009	n.a.
License to Operate (as Food Manufacturer/ Exporter) - DMPI	Food and Drug Administration (“ FDA ”)	OR No. 0623049 A	Note: Application for renewal was filed on 11 December 2015.	
License to Operate (as Food Manufacturer/ Exporter) - PHILPACK	FDA	OR No. 0623048 A	Note: Application for renewal was filed on 11 December 2015.	
Certificate of Registration	Department of Labor and	EIN No. 001013	27 November 2015	n.a.

	Employment ("DOLE")			
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NOTE: There is a local registration with Pag-IBIG/Home Development Mutual Fund Cagayan de Oro. A certification has been issued.

Philippine Plantation Permits

Name of Permit	Agency	License/Permit No.	Date issued	Expiry Date
ECC for the Fresh Fruit Packing Shed Waste Solution Disposal System at the Fresh Fruit Packing Shed, Camp JMC, Manolo Fortich, Bukidnon	DENR	94-ECC-L/SP-1013-554	4 April 1995	n.a.
ECC for the Standby Power Generating Plant at Phillips Compound, Manolo Fortich, Bukidnon	DENR	94-ECC-GS-1013-555	4 April 1995	n.a.
ECC for the Pineapple Plantation Area's Expansion Project at the Municipalities of Sumilao, Impasug-ong, and Malaybalay, Province Bukidnon	DENR	95-ECC-PP-1013-574	25 April 1995	n.a.
ECC for the Pesticide Mixing Station Project at Camp JMC, Manolo Fortich, Bukidnon	DENR	95-ECC-UTL/PMS-1013-758	29 September 1995	n.a.
ECC for the Pineapple Plantation Expansion Project at Sitios Pig-alaran, Lower Bontongon, Kilaug, Pig-ulotan, and Laruc, all in Barangay Poblacion and Kisolon, Municipality of Sumilao, Province of Bukidnon	DENR	97-ECC-AGP/PNP-1013-1194	20 April 1997	n.a.
ECC for the Pineapple Plantation Expansion Project at the Barrios of Poblacion, La Fortuna, Cawayan, Impalutao, Capitan Bayong, and	DENR	10(13)01 02-12 1731-11410	12 February 2001	n.a.

Kibenton, Municipality of Impasug-ong, Province of Bukidnon				
ECC for the Feedlot and Slaughterhouse Project at Damilag, Manolo Fortich, Bukidnon	DENR	10(13)01 09-04 1862-31111	4 September 2001	n.a.
ECC for the Relocation and Upgrading of Central Bodega Complex Project at Field 06, Agusan Canyon, Manolo Fortich, Bukidnon	DENR	10(13)02 07-30 3012-35140	30 July 2002	n.a.
ECC for the Pineapple Plantation Expansion Project at Barrios Alae, San Miguel, and Damilag, Municipality of Manolo Fortich, Province of Bukidnon	DENR	10(13)03 08-08 3360-11420	13 August 2003	n.a.
ECC for the Standby Power Generating Sets at Camp Phillips, Camp JMC, Cawayanon and Camp Fabia, Municipality of Manolo Fortich, Province of Bukidnon	DENR	10(13)04 03-29 3605-41100	29 March 2004	n.a.
ECC for the Standby Generating Sets at Camp 14 and Camp LF Lorenzo, Bukidnon	DENR	10(13)04 03-29 3606-41100	29 March 2004	n.a.
ECC for the Standby Power Generating Sets at Impasug-ong Compound, Impasug-ong, Bukidnon	DENR	10(13)04 03-29 3607-41100	29 March 2004	n.a.
ECC for the Standby Power Generating Sets at Sumilao Compound, Sumilao, Bukidnon	DENR	10(13)04 03-29 3608-41100	29 June 2004	n.a.
ECC for the Pineapple Plantation Project at Barangays Dalwangan, Kalasungay, and Patpat,	DENR	10(13)04 06-29 3686-11410	29 June 2004	n.a.

City of Malaybalay, Province of Bukidnon				
ECC for the Pineapple Plantation Project at Barangays Imbayao, Casisang, Mapayag, and San Jose, all in the City of Malaybalay, Province of Bukidnon	DENR	10(13)07 12-27 4579-11420	27 December 2007	n.a.
ECC for pineapple plantation in barangays Dalwangan, Kalasungay, Patpat, Imbayao, Casisang, Mapayag, Magsaysay, B10, B11, Aglayan and Capitan Anghel, Malaybalay City	DENR	10(13)07 12-27 4579-11420 (amendment)	26 October 2015	n.a.
ECC for the Pineapple Plantation Project at Barangays Kuya and Magsaysay, Maramag, Bukidnon	DENR	ECC-R10-0909-0023	9 October 2009	n.a.
ECC for the Pineapple Plantation Project (to include Barangay Base Camp, Maramag, Bukidnon)	DENR	ECC-R10-0909-0023 (amendment)	15 September 2010	n.a.
ECC for the Pineapple Plantation Project at Barangays Ani-e, Bangon-Bangon, Cabacungan, Gumaod, Hinaplanan, Kalawitan, Luna, Patrocinio, Plaridel, Poblacion, Punong, Rizal, and Tamboboan, all in the Municipality of Claveria, Province of Misamis Oriental	DENR	ECC-R10-0910-0040	6 November 2009	n.a.
ECC for the Fresh Fruits Packing House Project at Barangay San Jose, Quezon, Bukidnon	DENR	ECC-R10-0911-0066	10 December 2009	n.a.
ECC for the Agricultural Crops Plantation Project at	DENR	ECC-R10-0912-0094	18 January 2010	n.a.

Barangays San Jose, Salawagan, Butong, Paitan, Lumintao, Mensalirac, Libertad, Mirangeran, Mimbatang, San Isidro, Manuto, and Mahayag, all in the Municipality of Quezon, Province of Bukidnon				
ECC for the Agricultural Crops Plantation Project at Barangays Balintad, Buenvista, Danatag, Liboran, Lingating, Mabuhay, Mabunga, Salimbalan, San Miguel, and San Vicente, all in the Municipality of Baungon, Province of Bukidnon	DENR	ECC-R10-0912-0095	18 January 2010	n.a.
ECC for pineapple and papaya plantation in barangays Balintad, Buenvista, Danatag, Liboran, Lingating, Mabuhay, Mabunga, Salimbalan, San Miguel & San Vicente and Imbatug, Baungon, Bukidnon	DENR	ECC-R10-0912-0095 (amendment)	21 July 2015	n.a.
ECC for the New Agricultural Crops Plantation Project at Barangays Cogon, Gaas Napaliran, Lingangao, Mambayaan, Napaliran, San Isidro, Talusan, Vencer Cogon, V./ Mandangoa, Dumarait, Kauswagan, Manaol, and Taboc of Lagonglong, all in the Province of Misamis Oriental	DENR	ECC-R10-1101-0003	24 January 2011	n.a.
ECC for the Fresh Fruit Packing House Complex Project at Barangays San Jose and Poblacion, Quezon,	DENR	ECC-R10-1003-0065	26 March 2010	n.a.

Bukidnon				
ECC for the Agricultural Crops Plantation Project at Barangays Culasihan, Bantuanon, and Bugkaon, all in the Municipality of Lantapan, Province of Bukidnon	DENR	ECC-R10-1105-0172	13 June 2011	n.a.
ECC for pineapple and papaya plantations in barangays Culasihan, Bantuanon, Bugkaon, Poblacion, Capitan Juan, Cawayan, Songco, Baclayon, Kibanggay, Victory, Basak, Alanib, & Balila, Lantapan, Bukidnon	DENR	ECC-R10-1105-0172 (amendment)	26 February 2015	n.a.
ECC for the Pineapple Plantation Expansion Project at Barangays 1 to 5, San Isidro, Sto. Niño, San Antonio, Lingi-on, Dagumbaan, Cacaon, Liguron, and Cosina, all in the Municipality of Talakag, Province of Bukidnon	DENR	ECC-R10-1110-0312	28 October 2011	n.a.
ECC for the Pineapple Plantation Project at Barangays Kagumahan, Campo, Subsub, and Kaliti-an of Kinoguitan, and in Barangays Kidampas, Ampiang, Kaulayan, and Mimbuan of Sugbongcogon, Province of Misamis Oriental	DENR	ECC-R10-1206-0103	9 July 2012	n.a.
ECC for the Pineapple Plantation Project at Barangays Kiburiao, Pig-olotan, Puntian, Sta. Cruz, and Palacapao of Quezon, and in Barangays	DENR	ECC-R10-1208-0175	29 August 2012	n.a.

Balangigay and San Lorenzo of Kitaotao, all in the Province of Bukidnon				
ECC for pineapple plantation in barangays Bocboc, Buyot, Cabadiangan, Calao-Calao, Embayao, Kalubihon, Kasigkot, Kawilihan, Kiara, Mahayahay, Manlamonay, Maraymaray, Mauswagon, Minsalagan, New Nongnongan, Old Nongnongan, Pualas, San Francisco, San Nicolas and San Roque, Don Carlos, Bukidnon	DENR	ECC-R10-1503-0059	5 March 2015	n.a.
Business Permit	Mayor's Office, Quezon, Bukidnon	2016-387	20 January 2016	30 June 2016
Business Permit	Mayor's Office, Libona, Bukidnon	364-16	19 January 2016	31 December 2016
Business Permit	Mayor's Office, Sumilao, Bukidnon	P2016-0048	29 January 2016	31 December 2016
Business Permit	Mayor's Office, Malaybalay City	2016-2712	20 January 2016	31 December 2016
Business Permit	Mayor's Office, Impasugong, Bukidnon	2016-086	22 January 2016	30 April 2016 *3 rd quarter payment is due on 20 July 2016.
Business Permit	Mayor's Office, Claveria, Mis. Or.	2016-681 2016-682	20 January 2016 20 January 2016	31 December 2016 31 December 2016

Business Permit	Mayor's Office, Alubijid, Mis. Or.	2016-201	19 January 2016	31 December 2016
Business Permit	Mayor's Office, Balingasag, Mis. Or.	2016-341 2016-342	10 February 2016 10 February 2016	31 December 2016 31 December 2016
Business Permit	Mayor's Office, Pangantucan, Bukidnon	248-2016	20 January 2016	31 December 2016
Business Permit	Mayor's Office, Baungon, Bukidnon	OR No. 1156247	17 February 2016	31 December 2016
Business Permit	Mayor's Office, Manolo Fortich, Bukidnon - Exporter	16-02263	28 January 2016	31 December 2016
Business Permit	Mayor's Office, Manolo Fortich, Bukidnon – Packing House	16-02778	11 February 2016	31 December 2016
Business Permit	Mayor's Office, Manolo Fortich, Bukidnon - Feedlot	16-02387	29 January 2016	31 December 2016
Business Permit	Mayor's Office, Manolo Fortich, Bukidnon - Manufacturer	16-02355	29 January 2016	31 December 2016
Business Permit	Mayor's Office, Manolo Fortich, Bukidnon - Contractors	16-02261	28 January 2016	31 December 2016

Business Permit	Mayor's Office, Manolo Fortich, Bukidnon – Gas Filling Station	16-02293	28 January 2016	31 December 2016
Business Permit	Mayor's Office, Manolo Fortich, Bukidnon – Other Service (Café)	16-02262	28 January 2016	31 December 2016
Business Permit	Mayor's Office, Talakag, Bukidnon	Plate No. 168	10 March 2016	31 December 2016
Business Permit	Mayor's Office, Lantapan, Bukidnon	2016-619	10 February 2016	31 December 2016
Business Permit	Mayor's Office, Maramag, Bukidnon	2016-2150	4 April 2016	30 June 2016
License to operate as importer end-user (Agricultural Pesticide License)**	Fertilizer and Pesticide Authority (FPA)	LIC. NO.: 02 - 0116 - 486; A-X -63	-	26 January 2017
License to operate as importer end-user (Fertilizer License)	FPA	LIC. NO.: F - 04; RX16-04	-	15 February 2017
License to operate as institutional user (Fertilizer License)	FPA	LIC. NO.: F - 05; RX16-05	-	15 February 2017
Warehouse Registration Certificates (for various fertilizer and chemical bodegas in Bukidnon and Misamis Oriental)	FPA	REG. NO.: W-07 RX 16 - 007 REG. NO.: W-08 RX 16 - 018 REG. NO.: W-09 RX 16 - 09 REG. NO.: W-010 RX 16 - 010 REG. NO.: W-011 RX 16 - 011 REG. NO.: W-012	-	15 February 2017

		RX 16 – 012 REG. NO.: W-013 RX 16 – 013 REG. NO.: W-014 RX 16 - 014 REG. NO.: W-015 RX 16 – 015 REG. NO.: W-016 RX 16 - 016 REG. NO.: W-017 RX 16 – 017 REG. NO.: W-018 RX 16 – 018 REG. NO.: W-019 RX 16 – 019 REG. NO.: W-020 RX 16 - 020 REG. NO.: W-021 RX 16 - 021 REG. NO.: W-022 RX 16 - 022 REG. NO.: W-023 RX 16 – 023 REG. NO.: W-024 RX 16 - 024		
Certificate of Product Registration - Imported Fertilizer	FPA	REG. NO.: 1-1IF-3582 REG. NO.: 1-1IF-410 REG. NO.: 1-1IF-2669 REG. NO.: 1-4IF-057 REG. NO.: 1-1IF-1905 REG. NO.: 1-1IF-1903	14 January 2014	14 January 2017 1 August 2017 4 May 2017 21 March 2017 20 July 2017 20 July 2017
Discharge Permits	DENR	2015-DP-A-1013-528 2015-DP-A-1013-068 2015-DP-A-1013-493 2015-DP-A-1013-037 2015-DP-G-1013-777 2014-DP-B-1013-762 2015-DP-F-1013-958	15 January 2015 15 January 2015 15 January 2015 15 January 2015 13 February 2015 25 April 2014 04 June 2015	14 January 2020 14 January 2020 14 January 2020 14 January 2020 13 July 2016 24 February 2019 03 June 2016
Permits To Operate Generator Set (Phillips Compound)	DENR	2014-POA-G-1013-533	02 September 2015	11 July 2020
Permits To Operate	DENR	2014-POA-E-1013-	30 June 2014	19 May 2019

Generator Set (Fresh Fruit Packing House Quezon, Bukidnon)		1123		
Certificate for Safe Re-Use of Wastewater	Department of Agriculture	DMPI 12 - 12	6 December 2012	5 December 2016
Hazardous Waste Registration	DENR	DENR ID No. 1013-0082	16 March 2004	n.a.
Certificate of Registration	Department of Labor and Employment	EIN No. 0020	3 August 2015	n.a.

Non-Mindanao Permits

Name of Permit	Issuing Agency	License/Permit No.	Issue Date	Expiry Date
Certificate of Registration - Fort Office	BIR	OCN 8RC0000022608 TIN 000-291-799-020	2 May 2007	n.a.
Certificate of Registration – Kalawaan Office	BIR	OCN 8RC0000022605 TIN 000-291-799-001	25 November 1998	n.a.
Certificate of Registration – Tipas Office	BIR	OCN 8RC0000045030 TIN 000-291-799-021	29 October 2009	n.a.
Certificate of Registration – Cebu Office	BIR	OCN 8RC0000022606 TIN 000-291-799-010	21 October 2003	n.a.
Registration	SSS	SSS No. 08-0000901-0-000	September 1957	n.a.
Registration	PhilHealth	PhilHealth Employer No. 001000012438	18 September 2007	n.a.
Certificate of Employer’s Registration	Pag-IBIG/Home Development Mutual Fund	Certificate of Employer’s Registration Reference No. 010-000071-P	14 May 2010	n.a.
Business Permit – Fort Office	Taguig local government	11-019306	11 March 2016	31 December 2016

Business Permit – Tipas Office	Taguig local government	11-003515	11 March 2016	31 December 2016
Business Permit – Kalawaan Warehouse	Pasig local government	OR No. 1460288 *Still pending issuance of actual permit	20 January 2016	31 December 2016
Business Permit – Meycauayan, Bulacan	Meycauayan local government	2016-1018	19 January 2016	31 December 2016
Business Permit – Cabuyao, Laguna	Cabuyao local government	2016-0001664	20 January 2016	31 December 2016
Business Permit – Lapu-lapu, Cebu	Lapu-Lapu local government	OR No. 5310475 *Still pending issuance of actual permit	20 January 2016	31 December 2016
Laguna Lake Development Authority (LLDA) Clearance (for warehousing and distribution project)	LLDA	LLDA Clearance (for Development Plan/Program/Project in the Laguna de Bay Region) Permit No. PC-24c-010-00293	10 December 2010	n.a.
License to Operate as Food Distributor/Importer/Wholesaler – DMPI Fort	FDA	LTO No. CFRR-NCR-FI-W-91	26 January 2015	19 January 2017
License to Operate as Manufacturer of Non-Alcoholic Beverages	FDA	LTO No. CFRR-RIV-FM-3246	26 January 2015	19 January 2017
License to Operate as Food Manufacturer/Importer – DMPI Laguna	FDA	LTO No. RDII-RX-F-937	23 July 2015	23 July 2017
License to Operate as Food Manufacturer – DMPI Meycauayan, Bulacan	FDA	LTO No. CFRR-RIII-FM-2368	9 March 2016	9 March 2018
ECC for the Pineapple Flavored Juice Manufacturing Project at LISP 1, Barangay Diezmo, Cabuyao City, Laguna	DENR	ECC-R4A-1504-0291	2 June 2015	n.a.

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Regulation of the DMFI Consumer Food Business

As a manufacturer and marketer of food products, DMFI's operations are subject to extensive regulation by various federal government agencies, including the Food and Drug Administration, the U.S. Department of Agriculture, U.S. Customs and Border Protection, the Environmental Protection Agency and the Federal Trade Commission ("FTC"), as well as state and local agencies, with respect to registrations, production processes, product attributes, packaging, labelling, storage and distribution. Under various statutes and regulations, these agencies prescribe requirements and establish standards for safety, purity, performance and labelling. DMFI's products must comply with all applicable laws and regulations, including food and drug laws, of the jurisdictions in which they are manufactured and marketed, such as the Federal Food, Drug and Cosmetic Act of 1938, as amended, the Federal Fair Packaging and Labeling Act of 1966, as amended, and the Food Allergen Labeling and Consumer Protection Act of 2004, as amended. In addition, advertising these products is subject to regulation by the FTC, and the operations are subject to certain health and safety regulations, including those issued under the Occupational Safety and Health Act, as amended. DMFI's manufacturing facilities and products are subject to periodic inspection by federal, state and local authorities. DMFI seeks to comply with all such laws and regulations and to obtain any necessary permits and licences. Any failure to comply with applicable laws and regulations or obtain any necessary permits and licences could subject DMFI to civil penalties including fines, injunctions, recalls or seizures, as well as potential criminal sanctions.

As a result of DMFI's agricultural, food processing and packaging activities, DMFI is subject to numerous environmental laws and regulations. These laws and regulations govern the treatment, handling, storage and disposal of materials and waste and the remediation of contaminated properties. Violations or non-compliance with these laws and regulations could result in the imposition of fines or civil liability by governmental entities or private parties. Outside the U.S., DMFI is also subject to applicable multi-national, national and local environmental laws and regulations in the host countries where it does business. DMFI has programmes across its international business operations designed to meet compliance with requirements in the environmental area. However, the extent to which the enforcement of any existing or future environmental law or regulation may affect DMFI's operations cannot be predicted.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

The overall management and supervision of the Company, including the exercise of corporate powers and the conduct of the business of the Company, is undertaken by the Board of Directors. There are seven members of the Board of Directors, three of whom are Executive Directors. All four Non-Executive Directors are Independent Directors.

As of the date of this Prospectus, the composition of the Board of Directors is as follows:

Name	Age	Citizenship	Position	Year Appointed	Year Last Elected
Rolando C. Gapud	74	Filipino	Executive Chairman and Executive Director ⁴	2006	2014
Joselito D. Campos, Jr.	65	Filipino	Executive Director	2006	2006
Edgardo M. Cruz, Jr.	60	Filipino	Executive Director	2006	2015
Benedict Kwek Gim Song	69	Singaporean	Lead Independent Director	2007	2014
Yvonne Goh	63	Singaporean	Independent Director	2015	2015
Dr. Emil Q. Javier	75	Filipino	Independent Director ⁵	2007	2013
Godfrey E. Scotchbrook	70	British	Independent Director	2000	2015

As of the date of this Prospectus, the following are the Company's Senior Management:

Name	Age	Citizenship	Position	Year Position was Assumed
Joselito D. Campos, Jr.	65	Filipino	Managing Director and CEO	2006
Luis F. Alejandro	62	Filipino	Chief Operating Officer	2008
Ignacio C. O. Sison	51	Filipino	Chief Corporate Officer	2015
Parag Sachdeva	46	Indian	Chief Financial Officer	2015
Antonio E.S. Ungson	44	Filipino	Chief Legal Counsel and Chief Compliance Officer	2008
			Company Secretary	2015
Ma. Bella B. Javier	56	Filipino	Chief Scientific Officer	2009

Management, together with the Board Committees, including the ARC, NC and RSOC support the Board in discharging its responsibilities. The members of the Board Committees are as follows:

Audit and Risk Committee⁶

Benedict Kwek Gim Song	Chairman and Lead Independent Director
Yvonne Goh	Independent Director
Dr. Emil Q. Javier	Independent Director
Godfrey E. Scotchbrook	Independent Director

Nominating Committee

Godfrey E. Scotchbrook	Chairman and Independent Director
Edgardo M. Cruz, Jr.	Executive Director
Rolando C. Gapud	Executive Director

⁴ Mr. Rolando C. Gapud had been re-designated from Non-Executive Chairman to Executive Chairman of the Board with effect from 1 July 2015.

⁵ Dr. Emil Q. Javier is an Independent Director, pursuant to Sec. 2.3 of the Monetary Authority of Singapore.

⁶ On 25 June 2015, the Audit Committee was renamed as the Audit and Risk Committee.

Benedict Kwek Gim Song	Lead Independent Director
Yvonne Goh	Independent Director
Dr. Emil Q. Javier	Independent Director

Remuneration and Share Option Committee

Godfrey E. Scotchbrook	Chairman and Independent Director
Benedict Kwek Gim Song	Lead Independent Director
Yvonne Goh	Independent Director
Dr. Emil Q. Javier	Independent Director

The following is a brief description of the business experience of the Company’s Board of Directors and Senior Management for the past five (5) years.

Rolando C. Gapud – 74, Filipino

Executive Chairman and Executive Director

Appointed on 20 January 2006 and last elected on 15 April 2014

Mr. Rolando C. Gapud has over 35 years of experience in banking, finance and general management, having worked as CEO of several Philippine companies, notably Security Bank and Trust Company, Oriental Petroleum and Minerals Corp and Greenfield Development Corp. He was also the COO of the joint venture operations of Bankers Trust and American Express in the Philippines. He has served in the Boards of various major Philippine companies, including the Development Bank of the Philippines, the development finance arm of the Philippine Government. Mr. Gapud is the Chairman of the Board of DMFI, the Company’s U.S. subsidiary. He is also a Director of FieldFresh Foods Private Ltd, a joint venture of DMPL with the Bharti Group of India. He holds a Master of Science in Industrial Management degree from the Massachusetts Institute of Technology. He is a member of the Asian Executive Board of the Sloan School in MIT.

Joselito D. Campos, Jr. – 65, Filipino

Executive Director

Appointed on 20 January 2006 and last elected on 28 April 2006

Mr. Joselito D. Campos, Jr. is Chairman and CEO of the NutriAsia Group of Companies, a major food conglomerate in the Philippines. He is also Chairman of Fort Bonifacio Development Corp and Chairman of Ayala-Greenfield Development Corp, two major Philippine property developers. He is a Director of San Miguel Corporation, one of the largest and oldest business conglomerates in the Philippines. Mr. Campos is a Director and the Vice Chairman of the Board of DMFI, the Company’s U.S. subsidiary. He is also a Director of FieldFresh Foods Private Ltd, a joint venture of DMPL with the Bharti Group of India. He was formerly Chairman and CEO of United Laboratories, Inc. (“**Unilab**”) and its regional subsidiaries and affiliates. Unilab is the Philippines’ largest pharmaceutical company with substantial operations in the Asian region. Mr. Campos is the Honorary Consul in the Philippines for the Republic of Seychelles. He is also Chairman of the Metropolitan Museum of Manila, Bonifacio Arts Foundation Inc., The Mind Museum and the Del Monte Foundation. He is a Trustee and Global Council Member of the Asia Society in the Philippines; a Trustee of the Philippines-China Business Council, the Philippine Center for Entrepreneurship and the World Wildlife Fund-Philippines; and a Director of the Philippine Eagle Society. Mr. Campos holds an MBA from Cornell University.

Edgardo M. Cruz, Jr. – 60, Filipino
Executive Director

Appointed on 02 May 2006 and last elected on 30 April 2012

Mr. Edgardo M. Cruz, Jr. is a member of the Board and Corporate Secretary of the NutriAsia Group of Companies. He is a member of the Board of Evergreen Holdings Inc. He sits in the Board of Fort Bonifacio Development Corporation and the BG Group of Companies. He is also a Board member and Chief Financial Officer of Bonifacio Land Corporation. He is the Chairman of the Board of Bonifacio Gas Corporation and President of Bonifacio Transport Corporation. He also sits in the Boards of Ayala Greenfield Development Corporation and Ayala Greenfield Golf and Leisure Club Inc. He is a member of the Board of Trustees of Bonifacio Arts Foundation Inc., The Mind Museum and the Del Monte Foundation. Mr. Cruz is also a Director of DMFI, the Company's U.S. subsidiary. He earned his MBA degree from the Asian Institute of Management after graduating from De La Salle University. He is a Certified Public Accountant.

Benedict Kwek Gim Song – 69, Singaporean
Lead Independent Director

Appointed on 30 April 2007 and last elected on 15 April 2014

Mr. Benedict Kwek Gim Song is a Director and Chairman of the Audit Committee of NTUC Choice Homes. He is also an Independent Director of DMFI, the Company's U.S. subsidiary. Mr. Kwek was Chairman of Pacific Shipping Trust from 2008 to 2012. He has over 30 years of banking experience, having served as the President and CEO of Keppel TatLee Bank. He has held various key positions at Citibank in the Philippines, Hong Kong, New York and Singapore. He holds a Bachelor of Social Science (Economics) degree from the then University of Singapore and attended a management development program at Columbia University in the United States.

Yvonne Goh – 63, Singaporean
Independent Director

Ms. Yvonne Goh is a Director of UNLV Singapore Limited, the Singapore campus of the University of Nevada Las Vegas (UNLV), a state university of the State of Nevada, U.S.A. UNLV offers hospitality management programmes. She was a Managing Director of Boardroom Limited, a company listed on the SGX-ST and recently retired as Managing Director from the KCS Group in Singapore, a professional services organisation. Ms. Goh had served on the Board of WWF Singapore Limited, a registered charity and the Singapore chapter of WWF International, a leading global NGO. She was also a Director of the Accounting and Corporate Regulatory Authority ("ACRA"). Ms. Goh is a Fellow of the Singapore Institute of Directors and was 2nd Vice Chairman and Chairman of its Professional Development Committee. She is also a Fellow of the Institute of Chartered Secretaries and Administrators, U.K. and a past Chairman of the Singapore Association of Chartered Secretaries and Administrators.

Dr. Emil Q. Javier – 75, Filipino
Independent Director

Appointed on 30 April 2007 and last elected on 30 April 2013

Dr. Emil Q. Javier is a Filipino agronomist widely recognized in the international community for his academic leadership and profound understanding of developing country agriculture. He was until recently the President of the National Academy of Science and Technology of the Philippines. He had served as Philippine Minister of Science and President of the University of

the Philippines. He was the first and only developing country scientist to Chair the Technical Advisory Committee of the prestigious Consultative Group for International Agricultural Research (CGIAR). He was Chairman of the Board of the International Rice Research Institute (IRRI); Chair and Acting Director of the Southeast Asia Center for Graduate Study and Research in Agriculture (SEARCA); and Director General of the Asian Vegetable Research and Development Center (Taiwan). Dr. Javier is an Independent Director of DMFI, the Company's U.S. subsidiary. He holds doctorate and masteral degrees in plant breeding and agronomy from Cornell University and the University of Illinois. He completed his bachelor's degree in agriculture at the University of the Philippines at Los Baños.

Godfrey E. Scotchbrook – 70, British
Independent Director

Appointed on 28 December 2000 and last elected on 30 April 2012

Mr. Godfrey E. Scotchbrook is an independent practitioner in corporate communications, issues management and investor relations with more than 40 years of experience in Asia. In 1990, he founded Scotchbrook Communications and his prior appointments included being an executive director of the then publicly listed Shui On Group. A proponent of good corporate governance, he is an Independent Director of Boustead Singapore Ltd and Hong Kong-listed Convenience Retail Asia. He is a Fellow of the Hong Kong Management Association and also of the British Chartered Institute of Public Relations. He is also an Independent Director of DMFI, the Company's U.S. subsidiary.

Luis F. Alejandro – 62, Filipino
Chief Operating Officer

Mr. Luis F. Alejandro has over 25 years of experience in consumer product operations and management. He started his career with Procter & Gamble where he spent 15 years in Brand Management before joining Kraft Foods Philippines Inc. as President and General Manager. Later, he joined Southeast Asia Food Inc. and Heinz UFC Philippines, Inc., two leading consumer packaged condiment companies of the NutriAsia Group, as President and Chief Operating Officer. He was most recently President and Chief Operating Officer of ABS-CBN Broadcasting Corporation, a leading media conglomerate in the Philippines. Mr. Alejandro is a Director of DMFI, the Company's U.S. subsidiary. He holds a Bachelor's degree in Economics from the Ateneo de Manila University and an MBA from the Asian Institute of Management.

Ignacio C. O. Sison – 51, Filipino
Chief Corporate Officer

Mr. Ignacio C. O. Sison has more than 20 years of finance experience spanning treasury, corporate and financial planning, controllership and, more recently, corporate sustainability. He was previously Vice President, Corporate Controller, and Vice President, Treasury and Corporate Development, of Del Monte Philippines, Inc., and Finance Director of the Company's subsidiary in Singapore. Before joining the Company in 1999, he was CFO of Macondray and Company, Inc. He also worked for SGV & Co., the largest audit firm in the Philippines, and Pepsi-Cola Products Philippines, Inc. Mr. Sison holds a MS in Agricultural Economics from Oxford University. He also has a MA degree, Major in Economics, from the International University of Japan; a BA in Economics, magna cum laude, from the University of the Philippines; and an International Baccalaureate at the Lester B. Pearson United World College of the Pacific in Canada.

Parag Sachdeva – 46, Indian

Chief Financial Officer

Mr. Parag Sachdeva has more than 20 years of management and finance experience spanning planning/controllership, performance management, mergers & acquisitions, treasury, IT and human resources. Before joining the Company, he was with Carlsberg Asia for more than a year and supported efficiency and effectiveness programs across Asia/Africa regions. Prior to Carlsberg, he was with HJ Heinz for 20 years and held leadership positions in Asia Pacific/Asia regions in finance, IT and human resources. Mr. Sachdeva graduated from the Aligarh Muslim University in India, Major in Accounting and Economics. He also has an MBA degree, Major in Finance from the same university.

Antonio E. S. Ungson – 44, Filipino

Chief Legal Counsel and Chief Compliance Officer; Company Secretary

Mr. Antonio E. S. Ungson is Chief Legal Counsel and Chief Compliance Officer of the Company. He is also Head of the Legal Department of Del Monte Philippines, Inc. since March 2007. Prior to joining the Group in 2006, Mr. Antonio E. S. Ungson was a Senior Associate in SyCip Salazar Hernandez & Gatmaitan in Manila, where he served various clients for eight years in assignments consisting mainly of corporate and transactional work including mergers and acquisitions, securities and government infrastructure projects. He also performed litigation work and company secretarial services. Mr. Ungson was a lecturer on Obligations and Contracts and Business Law at the Ateneo de Manila University Loyola School of Management. He obtained his MBA from Kellogg HKUST, his Bachelor of Laws from the University of the Philippines College of Law and his undergraduate degree in Economics, cum laude and with a Departmental award at the Ateneo de Manila University.

Ma. Bella B. Javier – 56, Filipino

Chief Scientific Officer

Ms. Ma. Bella B. Javier has more than 30 years of experience in R&D from leading FMCGs in the food industry. She spent 20 years at Kraft Foods Inc., with her last assignment as the Director for Asia Pacific Beverage Technology and Southeast Asia Development. In her present role, she heads the Consumer Product and Packaging Development and the Quality Assurance functions for the Group. She is driving the Technology Development roadmap for the Company, including Plantation Research programs that impact consumer product development. She is a Certified Food Scientist from the Institute of Food Technologists, Chicago, Illinois, U.S. Ms. Javier is a Licensed Chemist with a bachelor's degree in Chemistry from the University of the Philippines. She also sits as Chairman of the Board of the University of the Philippines Chemistry Alumni Foundation.

DIRECTORSHIPS IN OTHER LISTED COMPANIES, BOTH CURRENT AND IN THE PAST THREE YEARS

Name	Position	Company	Date
Joselito D. Campos, Jr.	Independent Director	San Miguel Corporation	2010 – Present
Emil Q. Javier	Independent Director	Centro Escolar University	2002 – Present
Godfrey E. Scotchbrook	Independent Director	Boustead Singapore Ltd. (Singapore)	2000 – Present
	Non-Executive Director	Convenience Retail Asia (HK)	2002 – Present

SIGNIFICANT EMPLOYEES

The Board of Directors and the Senior Management of the Company have been an integral part of its success. Their knowledge, experience, business relationships and expertise greatly contribute to the Company's operating efficiency and financial performance.

The Company maintains that it considers the collective efforts of the Board of Directors and all of its employees as instrumental to its overall success. The business of the Company is not dependent on any individual person. No employee is indispensable in the organization. The Company has institutionalized through documentation, its processes and training to ensure continuity and scalability in the business without relying on any particular employee.

FAMILY RELATIONSHIP

Other than as provided below, there are no other family relationships known to the Company.

On 26 February 2014, Ms. Jeanette B. Naughton was appointed as a Director of DMFI and effective 1 March 2015, as Vice President, Strategic Planning of DMFI. Ms. Jeanette B. Naughton is the daughter of Mr. Joselito D. Campos, Jr., the Company's Managing Director and Chief Executive Officer and a Director and Vice Chairman of DMFI.

INVOLVEMENT IN CERTAIN LEGAL PROCEEDINGS

Except as set out below, the Company is not aware of the occurrence of any of the following events during the past five years, which events may be considered material to an evaluation of the ability or integrity of any director, any nominee for election as director, executive officer, underwriter or control person of the registrant:

1. Any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
2. Any conviction by final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
3. Being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and
4. Being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self regulatory organization, to have violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended, or vacated.

Mr. Luis F. Alejandro, Group Chief Operating Officer, is not involved in any criminal proceeding, or bankruptcy and insolvency investigation, except for the following cases wherein he was impleaded only in his official capacity:

- a) In the libel case filed eight years ago by GMA Network, Inc. against ABS-CBN Broadcasting Corp. (“**ABS-CBN**”), Mr. Alejandro was impleaded as co-accused in his capacity as then President and Chief Operating Officer of ABS-CBN, together with other officers and employees.
- b) In separate civil cases filed by DMPI’s former distributors, Ross Boone Enterprises Co. and Kenneth Mark B. Tan (doing business under the name and style of Everfresh Food Distribution), Mr. Alejandro was impleaded in his capacity as General Manager and Chief Operating Officer of DMPI.

EXECUTIVE COMPENSATION

Under Article 124(1) of the Company’s Articles of Association, the emoluments of all officers, including executive and non-executive Directors, shall be fixed by resolution of Directors.

Furthermore, under Article 124(3) of the Company’s Articles of Association, an executive Director appointed to an office under Article 122 of the Company’s Articles of Association shall receive such remuneration (whether by way of salary, commission, participation in profits or otherwise or by all or any of those modes) and such other benefits (including pension and gratuity and/or other benefits on retirement), and allowances as the Board may, by resolution of directors, from time to time determine, and either in addition to or in lieu of his remuneration as a director, but he shall not in any circumstances be remunerated by a commission on, or a percentage of, revenue.

Executive Compensation Summary

The remuneration of Directors and the CEO are disclosed in bands of S\$250,000/- with a maximum disclosure band of S\$500,000/- and above.

The following table shows the disclosure on remuneration of the Company’s Directors and the CEO for the most recent financial year:

Remuneration Bands & No. of Key Executives	Fixed Salary/ Consultancy Fees %	Director Fees %	Variable Income/ Bonus %	Benefits in Kind %
EXECUTIVE DIRECTORS				
Above S\$500,000				
Mr. Joselito D. Campos, Jr.	81	3	16	-
S\$250,000 to below S\$500,000				
Mr. Edgardo M. Cruz, Jr.	84	15	-	1
Below S\$250,000				

Mr. Rolando C. Gapud ¹	-	100	-	-
NON-EXECUTIVE DIRECTORS				
Below S\$250,000				
Mr. Patrick L. Go ²	-	100	-	-
Dr. Emil Q. Javier	53 ³	43	4	-
Mr. Benedict Kwek Gim Song	-	100	-	-
Mr. Godfrey E. Scotchbrook	-	100	-	-

Notes:

¹ On 1 July 2015, Mr. Rolando Gapud was re-designated from Non-Executive Chairman to Executive Chairman of the Board.

² On 4 September 2015, Mr. Patrick L. Go resigned from the Board and, on the same date, Mrs. Yvonne Goh was appointed as an Independent Non-Executive Director of the Company.

³ Refers to consultancy fees.

The remuneration of the top five Key Executives are similarly disclosed in bands of S\$250,000/- with a maximum disclosure band of S\$500,000/- and above.

The following table shows the disclosure on remuneration of top 5 key executives who are not at the same time executive directors:

Remuneration Bands and No. of Key Executives	Fixed Salary %	Variable Income/ Bonus %	Benefits in Kind %
Above S\$500,000			
1	42	57	1
S\$250,000 to below S\$500,000			
1	97	2	1
1	98	1	1
1	99	-	1
Below S\$250,000			
1	89	6	5

The aggregate compensation paid or incurred during the last two (2) fiscal years and estimated to be paid in the current fiscal year to the CEO and senior executive officers of the Company are as follows:

Name and Principal Position	Year	Salary (in PhP)	Other Income (in PhP)
A. Chief Executive Officer and most highly	FY2016 (Est)	170,122,506	22,298,481

compensated executive officers*	FY2015	156,429,716	14,977,825
	SY2014	49,888,492	15,409,618
	CY2013	151,326,204	55,071,632
B. All other officers and directors as a group unnamed	FY2016 (Est)	119,074,623	33,787,852
	FY2015	113,461,784	25,389,958
	SY2014	34,770,123	15,205,405
	CY2013	133,384,504	40,858,495

*The CEO and executive officers of the Company are as follows: Managing Director & CEO, Mr. Joselito D. Campos, Jr. and the executives (in alphabetical order): Luis F. Alejandro, Ma. Bella B. Javier, Ignacio Carmelo O. Sison, Tan Chooi Khim and Antonio Eugenio S. Ungson.

Employment Contracts between the Company and Executive Officers

There are no arrangements for compensation to be received by any executive officer from the Company in the event of a resignation, or termination of the executive officer's employment or a change of control of the Company. The Company, however, provides retirement benefits to qualified employees including Key Management Personnel.

Interests held by Directors

According to the registers kept by the Company, particulars of interests of Directors in shares in the Company are as follows:

Director's Interest in Shares:

	DIRECT INTEREST As at 31 January 2016	DEEMED INTEREST As at 31 January 2016
<u>The Company</u>		
Ordinary shares of U.S.\$0.01 each		
Mr. Rolando C. Gapud	2,063,140	—
Mr. Joselito D. Campos, Jr.	7,621,466	1,162,651,656
Mr. Edgardo M. Cruz, Jr.	2,881,635	—
Dr. Emil Q. Javier	534,851	—
Mr. Benedict Kwek Gim Song	—	—
Mr. Godfrey E Scotchbrook	—	—
Mrs. Yvonne Goh	—	—

Director's Interest in Options:

	DIRECT INTEREST As at 31 January 2016	DEEMED INTEREST As at 31 January 2016
Options to subscribe for ordinary shares at S\$0.627 per share between 07/03/2010 to 06/03/2018*		
Mr. Rolando C. Gapud	—	—
Mr. Joselito D. Campos, Jr.	—	—
Mr. Edgardo M. Cruz, Jr.	—	—
Mrs. Yvonne Goh	—	—
Dr. Emil Q. Javier	—	—
Mr. Benedict Kwek Gim Song	300,000	—
Mr. Godfrey E. Scotchbrook	360,000	—

	DIRECT INTEREST As at 31 January 2016	DEEMED INTEREST As at 31 January 2016
Options to subscribe for ordinary shares at S\$0.578 per share between 01/07/2010 to 06/03/2018**		
Mr. Rolando C. Gapud	—	—
Mr. Joselito D. Campos, Jr.	—	—
Mr. Edgardo M. Cruz, Jr.	—	—
Mrs. Yvonne Goh	—	—
Dr. Emil Q. Javier	—	—
Mr. Benedict Kwek Gim Song	25,255	—
Mr. Godfrey E. Scotchbrook	30,306	—

* Mr Edgardo M. Cruz, Jr. and Dr. Emil Q. Javier had exercised the 200,000 stock options they each held, on 12 March 2013 and 20 March 2013 respectively, at a consideration of S\$125,400 each. Mr. Rolando C. Gapud had exercised the 400,000 stock options he held on 28 March 2013, at a consideration of S\$250,800.

On 30 April 2013, the Company approved the grant of 150,000 stock options, representing a 20% adjustment to the number of unexercised stock options previously granted. The exercise period therefore follows the same as that the options granted on 7 March 2008.

**On 1 July 2015, the Company approved the adjustment of 75,765 stock options to the unexercised stock options to account for the dilutive effect from the Rights Issue exercise carried out in March 2015 on the unexercised stock options.

Director's Interest in Share Awards:

	DIRECT INTEREST As at 31 January 2016	DEEMED INTEREST As at 31 January 2016
Grant of 2,643,000 share awards at S\$0.485 per share with vesting period from 12/05/2011 onwards***		
Mr. Joselito D. Campos, Jr.	—	—

*** Up to 60% of share awards granted (i.e. 1,585,800 shares) was released on 12 May 2012. Remaining 40% of share awards granted (i.e. 1,057,200 shares) was released on 14 May 2013.

On 30 April 2013, the Company approved the grant of 211,440 share awards, representing a 20% adjustment to the number of unvested share awards previously granted.

	DIRECT INTEREST As at 31 January 2016	DEEMED INTEREST As at 31 January 2016
Grant of 688,000 share awards at S\$0.84 per share vesting period from 22/08/2013 onwards****		
Mr. Rolando C. Gapud	211,000	—
Mr. Joselito D. Campos, Jr.	—	—
Mr. Edgardo M. Cruz, Jr.	95,000	—
Mrs. Yvonne Goh	—	—
Dr. Emil Q. Javier	71,000	—
Mr. Benedict Kwek Gim Song	108,000	—
Mr. Godfrey E. Scotchbrook	108,000	—

	DIRECT INTEREST	DEEMED INTEREST
	As at	As at
	31 January 2016	31 January 2016
Grant of 57,918 share awards at		
S\$0.385 per share vesting period		
from 22/08/2013 onwards*****		
Mr. Rolando C. Gapud	17,763	–
Mr. Joselito D. Campos, Jr.	–	–
Mr. Edgardo M. Cruz, Jr.	7,997	–
Mrs. Yvonne Goh	–	–
Dr. Emil Q. Javier	5,977	–
Mr. Benedict Kwek Gim Song	9,092	–
Mr. Godfrey E. Scotchbrook	9,092	–

**** Up to 60% of share awards granted (i.e. 412,800) will be released upon completion of vesting on or after 21 August 2016. Remaining 40% of share awards granted (i.e. 275,200 shares) will be released upon completion of vesting on or after 21 August 2017.

***** Up to 60% of share awards granted (i.e. 29,952) will be released upon completion of vesting on or after 21 August 2016. Remaining 40% of share awards granted (i.e. 19,969 shares) will be released upon completion of vesting on or after 21 August 2017.

On 1 July 2015, the Company approved the adjustment of 57,918 share awards to the unvested share awards to account for the dilutive effect from the Rights Issue exercise carried out in March 2015 on the unvested share awards.

Stock Option and Share Plans

The Del Monte Pacific Executive Stock Option Plan 1999 (“**ESOP**”) was approved and amended by its shareholders at the GM held on 30 July 1999 and 21 February 2002, respectively. No further options could be granted pursuant to the ESOP as it had expired on 24 July 2009. Any options granted by the Company prior to 24 July 2009 would continue to be valid for a period of 10 years from the date of the grant of options.

The Company’s shareholders also approved the adoption of two share plans, Del Monte Pacific Restricted Share Plan (“**Del Monte Pacific RSP**”) and Del Monte Pacific Performance Share Plan (“**Del Monte Pacific PSP**”) (collectively, the “**Share Plans**”), at a GM held on 26 April 2005. The Share Plans seek to increase the Company’s flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees, and are currently targeted at executives in key positions, to excel in their performance.

Under the ESOP, two types of options were granted:

- Initial Public Offering Options (“**IPO Options**”)
- Market Price Options

IPO Options

At the time of the Company’s initial public offering in July 1999, a total of 11,428,571 IPO Options were granted at an exercise price of U.S.\$0.504 each. None of the IPO Options granted were exercised and all IPO Options granted have since lapsed.

Market Price Options

1. A Market Price Option confers the right to subscribe for shares granted under the ESOP one year after the IPO Listing Date.
2. A Market Price Option may be granted only after the lapse of one year from the IPO Listing Date.
3. The period for the exercise of a Market Price Option commences after the second anniversary of the date of grant of the option and expires on the 10th anniversary of such date of grant.
4. The exercise price of a Market Price Option may be set at a discount not exceeding 20% of the market price at the date of grant.

In March 2001, a total of 14,050,000 Market Price Options were granted at an exercise price of S\$0.490 each. All of the 14,050,000 Market Price Options have either been exercised or have lapsed following the mandatory conditional cash offer by NAPL in January 2006.

On 07 March 2008, a total of 1,550,000 Market Price Options were granted at an exercise price of S\$0.627 each being the average last done price of the Company's share for the last three market days preceding the date of grant. The options are valid for 10 years from 07 March 2008.

On 01 July 2015, a total of 75,765 Market Price Options were granted at an exercise price of S\$0.578 each being the average last done price of the Company's share for the last three market days preceding the date of grant. The options are valid up to 6 March 2018.

Del Monte Pacific RSP

Other information regarding the Del Monte Pacific RSP is set out below:

1. No minimum vesting periods are prescribed.
2. The length of the vesting period(s) in respect of each award granted will be determined on a case-to-case basis by the RSOC.
3. Delivery of shares upon vesting of the share awards may be by way of an issue of new shares and/or the transfer of existing shares (by way of purchase of existing shares).

On 07 March 2008, three employees of related companies were granted an aggregate of 1,725,000 Ordinary Share awards at the market price of S\$0.615 per Share.

On 20 May 2008, 1,611,000 Ordinary Shares were awarded at the market price of S\$0.680 per Share to Mr. Joselito D. Campos, Jr., an associate of a controlling shareholder, approved by shareholders at the AGM of the Company held on 28 April 2008.

On 12 May 2009, six employees of related companies were granted an aggregate of 3,749,000 share awards at the market price of S\$0.540 per Share.

On 29 April 2011, 2,643,000 Ordinary Shares were awarded at the market price of S\$0.485 per share to Mr. Joselito D. Campos, Jr., an associate of a controlling shareholder, approved by shareholders at the AGM of the Company held on 29 April 2011.

On 21 November 2011, 67,700 Ordinary Shares were awarded to a non-executive Director of the Company at the market price of S\$0.455 per share.

On 30 April 2013, the Company approved the grant of 150,000 stock options at an exercise price of S\$0.627 each; and 486,880 share awards at the market price of S\$0.81 per share, representing a 20% adjustment to the number of unexercised stock options and unvested share awards.

On 22 August 2013, 688,000 shares were awarded at the market price of S\$0.84 per share to Messrs. Rolando C. Gapud, Edgardo M. Cruz, Jr., Emil Q. Javier, Benedict Kwek Gim Song, Patrick L. Go and Godfrey E. Scotchbrook.

On 01 July 2015, 57,918 shares were awarded at the market price of S\$0.385 per share to Messrs. Rolando C. Gapud, Edgardo M. Cruz, Jr., Emil Q. Javier, Benedict Kwek Gim Song, Patrick L. Go and Godfrey E. Scotchbrook.

Del Monte Pacific PSP

Other information regarding the Del Monte Pacific PSP is set out below:

1. Vesting periods are not applicable.
2. Ordinary Shares awarded are released at the end of the performance period (typically, at the conclusion of a financial year end) once the RSOC is satisfied that the prescribed performance target(s) have been achieved by awardees.
3. Delivery of share awards may be by way of an issue of new shares and/or the transfer of existing shares (by way of purchase of existing shares).

As at the date of this Prospectus, no share awards have been granted pursuant to the Del Monte Pacific PSP.

Other Arrangements

Dr. Emil Q. Javier has a consultancy agreement with the Company to act as a consultant to, amongst other things, provide guidance and support to the Group on its plantation operations and development of agri-based initiatives.

Except as described above, there are no other arrangements pursuant to which any of the Company's Directors and officers are compensated, or are to be compensated, directly or indirectly.

PRINCIPAL SHAREHOLDERS

The 20 largest shareholders of the Company, their respective number of Ordinary Shares, and the corresponding percentage of ownership as of 30 April 2016 are as follows:

Rank	Name	No. of Ordinary Shares	%
1	NutriAsia Pacific Limited	1,155,030,190	59.44%
2	Bluebell Group Holdings Limited	148,226,771	7.63%
3	Lee Pineapple Company Pte Ltd	100,422,000	5.17%
4	Deutsche Bank Manila-Clients A/C	84,171,255	4.33%
5	DBS Nominees Pte Ltd	78,997,142	4.07%
6	Raffles Nominees (Pte) Ltd	40,888,074	2.10%
7	BNP Paribas Noms S'pore Pl	18,864,490	0.97%
8	HSBC (Singapore) Noms Pte Ltd	16,775,976	0.86%
9	Government Service Insurance System	16,722,937	0.86%
10	Citibank Noms S'pore Pte Ltd	15,989,532	0.82%
11	Wee Poh Chan Phyllis	14,394,800	0.74%
12	United Overseas Bank Nominees	11,796,228	0.61%
13	Banco De Oro - Trust Banking Group	10,414,076	0.54%
14	DBS Vickers Secs (S) Pte Ltd	8,672,971	0.45%
15	Joselito Jr. Dee Campos	7,621,466	0.39%
16	Pineapples of Malaya Private	6,432,000	0.33%
17	Maybank Kim Eng Secs Pte Ltd	5,211,764	0.27%
18	COL Financial Group, Inc.	5,210,298	0.27%
19	The Hongkong and Shanghai Banking Corp. Ltd. -Clients' Acct.	4,688,297	0.24%
20	IGC Securities Inc.	4,368,849	0.22%
Subtotal (Top 20 Stockholders)		1,754,889,116	90.31%
Others		188,314,990	9.69%
Total Outstanding		1,943,214,106	100.00%

BACKGROUND INFORMATION ON TOP 20 STOCKHOLDERS

NutriAsia Pacific Ltd.

NutriAsia Pacific Ltd. (“**NAPL**”) was incorporated as an international business company on 21 November 2005 under the International Business Companies Act (Cap. 291) of the laws of the British Virgin Islands. NAPL’s registered office is located at Trident Chambers, Road Town, Tortola, British Virgin Islands.

NAPL’s principal activity is investment holding.

Capital Structure

NAPL’s subscribed and paid-up capital is U.S.\$180,000,000.

	No. of Shares	Par Value	Amount
Authorized Capital Stock	180,000,000.00	U.S.\$1.00	U.S.\$180,000,000.00
Subscribed Capital	180,000,000.00	U.S.\$1.00	U.S.\$180,000,000.00
Paid-Up Capital	180,000,000.00	U.S.\$1.00	U.S.\$180,000,000.00

Ownership Structure

Name of Stockholder	Subscribed	Paid-Up	Amount
NutriAsia Holdings Ltd.	U.S.\$180,000,000.00	U.S.\$180,000,000.00	U.S.\$180,000,000.00

NAPL's immediate holding company is NutriAsia Holdings Ltd. (formerly known as NutriAsia San Miguel Holdings Limited), the ultimate shareholders of which are Golden Chambers Investment Limited ("GCIL") and Star Orchids Limited ("SOL"), which hold 57.8% and 42.2% respectively through their intermediary companies - NutriAsia Holdings Ltd, NutriAsia Inc. and Well Grounded Limited. GCIL and SOL are incorporated in the British Virgin Islands, and are beneficially owned by the Campos family.

Directors

Joselito D. Campos, Jr.
Rolando C. Gapud
Edgardo M. Cruz, Jr. is also Corporate Secretary
Tin Yu Ang
Genaro D. Reyes

Bluebell Group Holdings Limited

Bluebell Group Holdings Limited ("**Bluebell**") was incorporated as a BVI business company on 16 December 2014 under the BVI Business Companies Act 2004 of the British Virgin Islands. Bluebell's registered office address is at Woodbourne Hall, P.O. Box 916, Road Town, Tortola, British Virgin Islands.

Bluebell's principal activity is investment holding.

Capital Structure

	No. of Shares	Par Value	Amount
Authorized Capital Stock	50,000	No Par Value	n.a. ⁽¹⁾
Subscribed Capital	1	No Par Value	U.S.\$1.00
Paid-Up Capital	1	No Par Value	U.S.\$1.00

Note:

⁽¹⁾Section 5.1 of Bluebell's Memorandum of Association provides that the Company is authorized to issue a maximum of 50,000 no par value shares of a single class.

Ownership Structure

Bluebell's immediate holding company is Golden Sunflower International Limited, which is 100%-owned by HSBC Trustee (Hong Kong) Limited, a trustee of Twin Palms Pacific Trust. One (1) share was subscribed and paid-up by Golden Sunflower International Limited.

Directors

Joselito D. Campos, Jr.
Edgardo M. Cruz, Jr.

Lee Pineapple Company Pte. Ltd.

Lee Pineapple Company Pte. Ltd. (“**Lee**”) was incorporated in Singapore in 1931. Lee’s principal activity is that of investment holding. Lee has pineapple canning operations and oil palm planting.

Capital Structure

Lee’s subscribed and paid-up capital is S\$300,000,000.

	No. of Shares	Par Value	Amount
Subscribed Capital	3,000,000	S\$100.00	S\$300,000,000.00
Paid-Up Capital	3,000,000	S\$100.00	S\$300,000,000.00

Ownership Structure

Name of Stockholder	Subscribed	Paid-Up	Amount
Lee Foundation	S\$60,000,000.00	S\$60,000,000.00	S\$60,000,000.00
Lee Foundation, Singapore	S\$63,990,000.00	S\$63,990,000.00	S\$63,990,000.00
Other Companies and Individuals	S\$176,010,000.00	S\$176,010,000.00	S\$176,010,000.00
Total	S\$300,000,000.00	S\$300,000,000.00	S\$300,000,000.00

Lee is majority-owned by Lee Foundation, Singapore and Lee Foundation, States of Malaya and the Lee family.

Lee and Pineapples of Malaya Pte. Ltd. have been shareholders in the Company since 2003. Their current combined stake in the Company is 5.5%. The Company has no dealings with them, and as such, they are considered a passive shareholder.

Directors

Fong Soon Yong, also a Secretary
Chong Kwok Kian, also a Secretary
Lee Seng Tee
Lee Shih Hua (Alternate Director)
Huang Thiay Sherng
Pang Ngiap Chiew

Officers

Teo Kim Yam

Pineapples of Malaya Pte. Ltd.

Pineapples of Malaya Pte. Ltd. was incorporated in Singapore in 1964 as an investment holding company.

Capital Structure

Its subscribed and paid-up capital is S\$25,000,000.

	No. of Shares	Par Value	Amount
Subscribed Capital	25,000,000	S\$1.00	S\$25,000,000.00
Paid-Up Capital	25,000,000	S\$1.00	S\$25,000,000.00

Ownership Structure

Name of Stockholder	Subscribed	Paid-Up	Amount
Lee Pineapple Company Pte Ltd	S\$25,000,000.00	S\$25,000,000.00	S\$25,000,000.00
Total	S\$25,000,000.00	S\$25,000,000.00	S\$25,000,000.00

It is wholly-owned by Lee Pineapple Company Pte. Ltd.

Lee Pineapple Company Pte. Ltd. and Pineapples of Malaya Pte. Ltd. have been shareholders in the Company since 2003. Their current combined stake in the Company is 5.5%. The Company has no dealings with them and as such, they are considered a passive shareholder.

Directors

Fong Soon Yong also a Secretary
Huang Thiay Sherng
Tang Wee Yong

Government Service Insurance System (GSIS)

The GSIS is a social security institution created by Commonwealth Act No. 186 of the Philippines that was passed on 14 November 1936, and later amended under R.A. No. 8291 dated 24 June 1997.

GSIS, as designated in its charter, is a social insurance institution under a defined benefit scheme. It insures its members against the occurrence of certain contingencies in exchange for their monthly premium contributions.

The social security benefits available to all GSIS members are: compulsory life insurance, optional life insurance, retirement benefits, disability benefits for work-related contingencies and death benefits.

In addition, the GSIS is entrusted with the administration of the General Insurance Fund by virtue of R.A. No. 656 or the Property Insurance Law. It provides insurance coverage to assets and properties that have government insurable interests.

Members of the Board of Trustees

Renato T. de Guzman
Robert G. Vergara
Mario J. Aguja
Karina Constantino David
Elisea G. Gozun
Geraldine Marie Berberabe Martinez
Romeo M. Alip
Roman Felipe S. Reyes
Gregorio T. Yu
Maria Theresa A. Raagas

Others

The rest of the top 20 stockholders are nominee companies, stock brokerage companies (DBS Vickers Securities (Singapore) Pte. Ltd., COL Financial Group, Inc. and IGC Securities), banks/trust (Deutsche Bank-Clients A/C, The Hong Kong and Shanghai Banking Corp. Ltd. - Clients' Acct. and Banco de Oro - Trust Banking Group) and individual shareholders, including the Company's Chief Executive Officer – Joselito D. Campos, Jr.

SECURITY OWNERSHIP OF CERTAIN RECORD AND BENEFICIAL OWNERS

The table below sets forth the security ownership of certain record and beneficial owners of more than 5% of the Company's voting securities as of the date of this Prospectus.

Title of Class	Name and Address of Record Owners; and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Ordinary Shares Held	% of Total Outstanding Shares
Ordinary Shares	NutriAsia Pacific Limited ("NAPL") Trident Chambers, Road Town, Tortola, British Virgin Islands Stockholder	NAPL is the beneficial and record owner of the shares indicated.*	British Virgin Islands	1,155,030,190	59.44%
Ordinary Shares	HSBC (Singapore) Nom's Pte Ltd ("HSBC") 21 Collyer Quay #13-01 HSBC Building Singapore 049320 Stockholder	Bluebell Group Holdings Limited ("Bluebell") is the beneficial owner of the shares indicated.* The shares are held in nominee by HSBC.	British Virgin Islands	148,226,771	7.63%
Ordinary Shares	Lee Pineapple Company Pte. Ltd. ("Lee") 65 Chulia St, #44-01 OCBC Centre Singapore 049513 Stockholder	Lees is the beneficial and record owner of the shares indicated.**	Singapore	100,422,000	5.17%

Notes:

* NAPL and Bluebell are beneficially owned by Mr. Joselito D. Campos, Jr. and the Campos family of the Philippines.

** Lee is beneficially owned by the Lee Family of Malaysia.

SECURITY OWNERSHIP OF DIRECTORS AND MANAGEMENT

The table below sets forth the security ownership of the Company's Directors and executive officers as of the date of this Prospectus:

Title of	Name of Beneficial	Amount and Nature of	Citizenship	Percent of
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Class	Owner	Beneficial Ownership			Class
Ordinary	Joselito D. Campos, Jr.	7,621,466	Direct	Filipino	0.39%
Ordinary	Rolando C. Gapud	2,063,140	Direct	Filipino	0.11%
Ordinary	Edgardo M. Cruz, Jr.	2,881,635	Direct	Filipino	0.15%
Ordinary	Dr. Emil Q. Javier	534,851	Direct	Filipino	0.03%
Ordinary	Luis F. Alejandro	3,681,000	Direct	Filipino	0.19%
Ordinary	Ignacio C. O. Sison	1,079,736	Direct	Filipino	0.06%
Ordinary	Antonio E. S. Ungson	597,864	Direct	Filipino	0.03%
Ordinary	Ma. Bella B. Javier	392,359	Direct	Filipino	0.02%

Voting Trust Holders of 5% or more

There are no persons holding more than 5% of a class of shares of the Company under a voting trust or similar agreement as of the date of this Prospectus.

CHANGE IN CONTROL

As of the date of this Prospectus, there are no arrangements which may result in a change in control of the Company.

RELATED PARTY TRANSACTIONS

The Company and its subsidiaries, in the ordinary course of business, engage in transactions with affiliates. The Company’s policy with respect to related party transactions is to ensure that these transactions are entered into on terms comparable to those available from unrelated third parties. Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities. The transactions with related parties are carried out based on terms agreed between the parties. Pricing for the sales of products are market driven, less certain allowances. For purchases, the Group policy is to solicit competitive quotations. Bids from any related party are evaluated on arm’s length commercial terms and subject to bidding against third party suppliers. Purchases are normally awarded based on the lowest price.

The Company and its subsidiaries have the following major transactions with related parties:

- Management Fees
- Purchases
- Rental
- Shared IT services

Significant Interested Party Transactions (“IPT”) that had been entered into by the Group with certain Interested Persons⁷ for FY2015, SY2014 and CY2013 are as follows:

Related Party Transaction	Relationship	Nature	FY2015 (U.S.\$’000)	SY2014 (U.S.\$’000)	CY2013 (U.S.\$’000)
Del Monte Philippines, Inc. (DMPI Retirement Fund)	Retirement fund of the Company’s subsidiary	Rental to DMPI Retirement Fund	1,519	169	40
		Purchases of Services to DMPI Retirement Fund	-	8	-
		Management fees from DMPI Retirement Fund	(5)	(2)	(5)
Del Monte Philippines, Inc. (DMPI Provident Fund)	Retirement fund of the Company’s subsidiary	Rental to DMPI Provident Fund	-	5	4
NutriAsia Inc.	Affiliate of the Company	Rental to NAI Retirement Fund	582	-	-
		Purchases of Production Materials	392	43	-
		Toll Pack Fees	472	169	-
		Recharge of Inventory Count	(363)	-	-

⁷ Under the SGX-ST Listing Manual, “Interested Person” is defined as: (a) a Director, CEO or Controlling Shareholder of the listed company; or (b) an Associate of any such Director, CEO or Controlling Shareholder. A “Controlling Shareholder” is one who: (a) holds directly or indirectly 15% or more of the nominal amount of all voting shares in the company; or (b) in fact exercises control over a company.

		Shortage			
		Shared IT services from NAI	(419)	(27)	(87)
		Sale of tomato sauce with NAI	(1,627)	(641)	-
TOTAL			551	(276)	(48)

Significant IPTs entered into by the Group with certain Interested Persons for the nine months ended 31 January 2016 and 2015 are as follows:

Related Party Transaction	Relationship	Nature	Nine months period ended 31 January 2016 (U.S.\$'000)	Nine months period ended 31 January 2015 (U.S.\$'000)
Del Monte Philippines, Inc. (DMPI Retirement Fund)	Retirement fund of the Company's subsidiary	Rental to DMPI Retirement Fund	1,068	1,130
		Management fees from DMPI Retirement Fund	(2)	(2)
Del Monte Philippines, Inc. (DMPI Provident Fund)	Retirement fund of the Company's subsidiary	Rental to DMPI Provident Fund	3	-
NutriAsia Inc. (NAI)	Affiliate of the Company	Rental to NAI Retirement Fund	397	463
		Purchases from NAI	433	189
		Toll Pack Fees to NAI	413	382
		Recharge of Inventory Count Shortage	-	(290)
		Shared services from NAI	(113)	(144)
		Sale of tomato paste to NAI	(1,106)	(1,331)
		Sale of other raw materials to NAI	(10)	-

Review

The Company has an IPT policy and manual that set out the definitions, general guidelines, and review and monitoring procedures to be adopted across the Group for IPTs compliance with the Listing Manual of the SGX-ST. The manual presents a comprehensive view of IPT and the procedures that all affected Group personnel, including members of senior management, directors and employees in Purchasing, Treasury, Finance, Sales, Legal, Internal Audit, must follow. The Company established review procedures to ensure that IPTs: (i) are carried out on an arm's length basis and on normal commercial terms, consistent with the Group's usual business practices and policies; and (ii) will not be prejudicial to the interests of the Company and its minority shareholders. In general, the transactions with related parties are carried out based on terms agreed between the parties. Pricing for the sales of products are market driven, less certain allowances. For purchases, the Group's policy is to solicit competitive quotations. Bids from any

related party are evaluated on arm's length commercial terms and subject to bidding against third party suppliers. Purchases are normally awarded based on the lowest price.

The ARC reviews the internal audit report on the IPTs on a quarterly basis to ascertain that the established review procedures are complied with. If during these periodic reviews, the ARC is of the view that the review procedures as stated above have become inappropriate or insufficient in view of changes to the nature of, or the manner in which, the business activities of the Group are conducted, the Company will revert to its shareholders for a fresh mandate based on a new set of guidelines and review procedures that would ensure compliance with the established standards above.

The Company maintains a register of transactions carried out with Interested Persons, as defined in the IPT manual, and the Company's internal audit plan will incorporate an annual review of all transactions entered into in the relevant financial year pursuant to the IPT mandate.

Approval or Ratification

The following are the categories of IPTs in the Company's manual:

1. Mandated IPT – refers to an IPT between the Group and any Interested Person pursuant to a shareholders' mandate approved on an annual basis by the Company's shareholders, which is subject to renewal each year at the annual general meeting. However, despite the existence of the shareholders' mandate, Mandated IPTs are still subject to auditors and AC's review.
2. Non-Mandated IPT – refers to purchase or sale of fixed assets, undertakings or businesses, as well as transactions not included under the shareholders mandate, which may require announcements, management approval, Board approval and/or shareholders' approval, depending on the amounts involved.

Monitoring and Recording:

To facilitate recording of IPTs, each Group subsidiary's Controller shall establish two (2) holding accounts that will be used in recording IPTs – one to record Mandated IPTs and the other to record Non-Mandated IPTs. Transactions recorded under these two holding accounts will then be cleared monthly to the proper accounts. The transactions that are recorded under the holding accounts will then be reported on a quarterly basis to the CFO for consolidation which will then be submitted to the ARC for evaluation and review. (b) Other than standard terms and conditions typical for these kinds of contracts and negotiated at arm's length and upon normal commercial terms with counterparties, there are no other commitments resulting from these arrangements. Considering the arm's length negotiation of these IPTs and the Company's established IPT review, approval, monitoring and disclosure processes, we do not see any material risks arising from these transactions.

DESCRIPTION OF SECURITIES

The following is general information relating to the Company's capital stock but does not purport to be complete or to give full effect to the provisions of law and is in all respects qualified by reference to the applicable provisions of the Company's Memorandum and Articles of Association, as amended to date.

I. SHARE CAPITAL

As of the date of this Prospectus, the Company has an authorized capital stock of U.S.\$630,000,000.00 consisting of 3,000,000,000 Ordinary Shares, each with a par value of U.S.\$0.01, and 600,000,000 Preference Shares, each with a par value of U.S.\$1.00.

The BVI Business Companies Act permits the designation of one or more classes of shares in the Company's Memorandum of Association including the rights, privileges, restrictions and conditions attaching to each class of shares, which may include delegated authority to the Board of Directors to determine certain terms of a class of preferred shares which have not been fixed in the Memorandum of Association.

A. ORDINARY SHARES

As of the date of this Prospectus, [1,943,214,106] Ordinary Shares are outstanding. The number of Ordinary Shares outstanding excludes [1,721,720] Ordinary Shares held by the Company as treasury shares. Total issued Ordinary Shares are [1,944,935,826] Ordinary Shares, including treasury shares. The features of the Ordinary Shares are described below.

Voting Rights of Ordinary Shares

Each Ordinary Share is entitled to one vote.

At any meeting of the members, the Chairman of the Board of Directors shall preside as chairman of the meeting and shall be responsible for deciding in such manner as he shall consider appropriate whether any resolution has been carried or not, and the result of his decision shall be announced in the meeting and recorded in the minutes thereof. If the Chairman shall have any doubt as to the outcome of any resolution put to the vote, he shall cause a poll to be taken of all votes cast upon such resolution, but if the Chairman shall fail to take a poll, then any member present in person or by proxy who disputes the announcement by the Chairman of the result of any vote may, immediately following such announcement, demand that a poll be taken and the Chairman shall thereupon cause a poll to be taken. If a poll is taken at any meeting, the result thereof shall be duly recorded in the minutes of that meeting by the Chairman.

At each meeting of the shareholders, every shareholder entitled to vote on a particular question or matter involved shall be entitled to vote for each share standing in his name in the register of members of the Company at the time of the closing of the register of members for such meeting.

Dividend Rights of Ordinary Shares

Subject to any limitations or provisions to the contrary in its Memorandum of Association or Articles of Association, a company may, by a resolution of directors, declare and pay dividends in money, shares or other property. The Company's Articles of Association provide that dividends shall only be declared and paid by the Company out of surplus, which is defined in the Company's Articles of Association to mean the excess, if any, at the time of the determination of

the total assets of the Company over the aggregate of its total liabilities, as shown in its books of account, plus the Company's capital.

The Company's Articles of Association further provide that no dividends shall be declared and paid unless the directors determine that immediately after the payment of the dividends: (a) the Company will be able to satisfy its liabilities as they become due in the ordinary course of its business; and (b) the realizable value of the assets of the Company will not be less than the sum of its total liabilities, other than its deferred taxes, as shown in its books of accounts, and its capital.

The Company has a stated policy of paying a minimum of 33% of prior year's net profit, although this has been exceeded in past years' payouts (before the Acquisition). The dividend payout from 2006 to 2012 was 75% and the dividend payout for 2013 was 50%. There is, however, no guarantee that the Company will pay any dividends to its common equity shareholders in the future.

The Company has declared dividends in the past, the last of which was a cash dividend of U.S.\$0.0062 per Ordinary Share declared on 12 August 2013, and paid on 4 September 2013.

The Company did not declare a final dividend in 2013 and any dividend in FY 2015 due to the non-recurring Acquisition-related expenses, purchase accounting financial impact and transition expenses of DMFI resulting in a loss to the Company.

Rights of Ordinary Shares to Assets of the Company

Each holder of an Ordinary Share is entitled to a *pro rata* share in the assets of the Company available for distribution to the shareholders in the event of liquidation and winding up, after payment of any liquidation preference that may exist on any class of the Company's shares that by their terms are entitled to a liquidation preference in seniority to the Ordinary Shares.

Other Features of Ordinary Shares

The Ordinary Shares are not convertible. All of the Company's issued Ordinary Shares are fully paid and non-assessable and are free and clear of all liens, claims and encumbrances. The Ordinary Shares are subject to redemption, purchase or acquisition by the Company on such terms, at such prices (which may be less than fair value) as the directors of the Company may determine, subject always, for so long as the shares of the Company are listed on the relevant stock exchange, to the rules of the relevant stock exchange.

B. PREFERENCE SHARES

The Memorandum of Association of the Company provides that Preference Shares shall have and be subject to such rights, privileges, restrictions, conditions and subject to such limitation thereof as may be prescribed by the relevant stock exchange, and be issued in such series as the Board may, from time to time, by resolution of directors, determine.

Please refer to the discussion under "*Description of the Series A Preference Shares*" for the terms and conditions of the Series A Preference Shares constituting the Offer Shares.

II. RESTRICTIONS ON TRANSFER OF SHARES

Save as provided in the Articles, there shall be no restriction on the transfer of fully paid-up Preference Shares and Ordinary Shares (except where otherwise required by any applicable laws or the PSE). The Articles of Association of the Company require that all shares in the Company be transferred by a written instrument of transfer in form approved by the relevant stock exchange or where the Company is no longer listed on such stock exchange in any other form approved by the Board, signed by the transferor and the transferee (in certain cases) and containing the name and address of the transferee.

Without limiting the generality of the last preceding regulation, the Board may decline to recognize any instrument of transfer unless:

- (a) a fee not exceeding two Singapore dollars as the Board may from time to time require is paid to the Company in respect thereof;
- (b) the instrument of transfer is in respect of only one class of share;
- (c) the instrument of transfer is lodged at the Office or such other place in the BVI at which the Register is kept in accordance with the Act or the Registration Office (as the case may be) accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do); and
- (d) if applicable, the instrument of transfer is duly and properly stamped.

If the Board refuses to register a transfer of any share, it shall, within one month after the date on which the transfer was lodged with the Company, send to each of the transferor and transferee notice of the refusal.

The registration of transfers of shares or of any class of shares may, after notice has been given in accordance with any requirements of the Company's Articles of Association, the SEC and the PSE to that effect, be suspended at such times and for such periods (not exceeding 30 days in any year) as the Board may determine.

The Company shall not be required to treat a transferee of a registered share in the Company as a member until the transferee's name has been entered in the share register.

III. RESTRICTIONS ON FOREIGN OWNERSHIP

The ownership of the Offer Shares is not subject to any foreign ownership restrictions.

IV. DISCLOSURE REQUIREMENTS/RIGHT OF INSPECTION

Members of the general public, on a payment of a nominal fee, can inspect the public records of a company available at the office of the Registrar of Companies in the BVI which will include the company's Certificate of Incorporation, its Memorandum and Articles of Association (with any amendments) and the records of license fees paid to date and will also disclose any articles of dissolution, articles of merger, public correspondences with the Registrar of Corporate Affairs, and details of registration with any mortgages, charges and other encumbrances created by the Company over its property and registered pursuant to the optional registration provisions of the BVI Business Companies Act.

Pursuant to the BVI Business Companies Act, a member (i.e., a shareholder) of a company may, in person or by attorney, request in writing, to inspect during normal business hours the Memorandum and Articles of Association of the Company, the register of members of the Company, the register of directors of the Company, and minutes of meetings and resolutions of the Company's members and those classes of members of which he is a member, and to make copies or extracts therefrom. The BVI Companies Act states that a proper purpose is a purpose reasonably related to the members' interest as a member. If the request is submitted by an attorney for a member, the request must be accompanied by a power of attorney authorizing the attorney to act for the member. If a company, by a resolution of directors, determines that it is contrary to the interests of a company to comply with the request, the company may refuse the request. Upon refusal by the company of a request, the member may, before the expiration of a period of 90 days of his receiving notice of the refusal, apply to the courts for an order to allow the inspection. On hearing such application, the court may make such order as it considers just.

A company shall keep minutes of all meetings of directors, members, committees of directors, committees of officers and committees of members and copies of all resolutions consented to by directors, members, committees of directors, committees of officers and committees of members. The books, records and minutes required by the BVI Companies Act shall be kept at the registered office or at such other place as the directors determine.

A company shall cause to be kept one or more registers to be known as share registers containing, inter alia, the names and addresses of the persons who hold registered shares in the company, in the case of shares issued to bearer, the total number of each class and series of shares issued to the bearer, etc. The share register may be in any form as the directors may approve but, if it is in magnetic, electronic or other data storage form, the company must be able to produce legible evidence of its contents and a copy of the share register commencing from the date of registration of the company shall be kept at the registered office of the company.

V. CHANGE IN CONTROL

The Company's Memorandum and Articles of Association provide that no shares shall be issued so as to transfer the controlling interest in the Company without the prior approval of the members in a general meeting.

VI. STOCK AND TRANSFER AGENT

The Company's share registrars / share transfer agents for its shares are as follows:

Philippine Branch Share Registrar	BDO Unibank, Inc. – Trust and Investments Group 15 th Floor BDO South Tower, BDO Corporate Center, 7899 Makati Avenue, Makati City 0726 Philippines
BVI Share Registrar & Share Transfer Office	Nerine Trust Company (BVI) Limited Nerine Chambers, PO Box 905 Quastisky Building Road Town Tortola VG 1110 British Virgin Islands

Singapore Share Transfer Agent Boardroom Corporate & Advisory Services Pte Ltd
50 Raffles Place #32-01 Singapore Land Tower
Singapore 048623

VII. OTHER SECURITIES

The Company has not issued any other securities other than its Ordinary Shares and pursuant to its share option and incentive plans.

COMPLIANCE WITH LEADING PRACTICES ON CORPORATE GOVERNANCE

Evaluation System for Compliance

The Company is committed to the highest standards of corporate governance and supports the principles of openness, integrity and accountability advocated by the SGX-ST, which are similarly upheld by the PSE and the SEC.

The Board of Directors and Management have for several years aligned the Company's governance framework with the recommendations of the revised Singapore Code of Corporate Governance which was issued on 2 May 2012 by the Monetary Authority of Singapore (the “**2012 Code**”), and for this purpose have measured its practices and policies vis-a-vis the Singapore Governance and Transparency Index (“**GTI**”) and more recently, the ASEAN Corporate Governance Scorecard (“**ACGS**”).

With the Company Secretary's assistance, the Board and Management are kept continually apprised of their compliance obligations and responsibilities arising from regulatory requirements and changes. The Company also has a team that monitors and determines level of compliance of all concerned on the requirements of the 2012 Code and the ACGS, as well as the relevant regulatory authorities.

Measures Undertaken to Comply with Leading Practices on Good Corporate Governance

The Company adheres to the principles and guidelines in the 2012 Code and the ACGS. The Company's Annual Report describes the Company's corporate governance policies and practices with specific reference made to each of the principles of the 2012 Code (where stated) in compliance with the Listing Manual of the SGX-ST. (Please see Corporate Governance section excerpted from the FY2015 Annual Report.)

In addition, to improve the Company's score in the GTI and the ACGS, the Company has undertaken the following measures, among others:

- a) The Company has formally constituted an Audit and Risk Management Committee to recognize the committee's ongoing work and efforts relating to risk management;
- b) The Company has reconstituted the Audit and Risk Management Committee and the Remuneration and Stock Option Committee to comprise entirely of Independent Directors;
- c) The Company has imposed limits on the number of directorships and chairmanships that the Directors may hold in other listed companies;
- d) The Company has limited the % of share capital to be offered other than on a pro-rata basis in one year to 10-15% of total number of issued shares (excluding treasury shares);
- e) For increased transparency, the Notice of the Annual General Meeting (“**AGM Notice**”) now includes the profiles of the Directors seeking re-election;

- f) The names of the Company's Internal Audit Head and the independent scrutineer are now specified in the Annual Report;
- g) The AGM Notice now includes a dividend policy and amount of dividend even if nil;
- h) The Company is formalizing a long established and practiced policy requiring the Directors to abstain in matters of conflict.
- i) The Company has adopted and implemented, and continues to strengthen, its Securities Dealings Policy (which replaces and incorporates the guidelines set out in the Best Practices on Securities Transactions adopted by the Company in 2003) to govern dealings by the Directors, Key Management Personnel and employees in the Company's securities. With this policy, the Directors, Key Management Personnel and their associates are required to seek the approval of the Chairman or the Board before dealing in the Company's shares. Directors are also required to report their dealings in the Company's shares within two (2) business days from the date of transaction.

Deviation from Compliance

- a) The NC had assessed the independence of each Director, including Directors whose tenure had exceeded nine (9) years from the date of their first appointment. In this regard, the NC had noted that Mr. Godfrey E. Scotchbrook (first appointed on 28 December 2000) would be deemed non-independent under the guidelines of the 2012 Code.

The NC had noted that Mr. Scotchbrook had demonstrated independent mindedness and conduct at Board and Board committee meetings. The NC is also of the firm view and opinion that Mr. Scotchbrook is able in exercising independent judgment in the best interest of the Company in the discharge of his duties as Director, despite his extended tenure in office.

The NC, having reviewed the Director's judgment and conduct in carrying out his duties, deems that Mr. Godfrey E. Scotchbrook, together with the other Independent Directors of the Company, continues to be independent.

- b) The remuneration of Directors and the CEO are disclosed in bands of S\$250,000/- with a maximum disclosure band of S\$500,000/- and above.

The remuneration of the top five (5) Key Management Personnel are similarly disclosed in bands of S\$250,000/- with a maximum disclosure band of S\$500,000/- and above.

Although the disclosure is not in full compliance with the recommendation of the 2012 Code, the Board is of the view that, given the confidentiality and commercial sensitivity attached to remuneration matters, disclosure in bands of S\$250,000/- in excess of S\$500,000/- will not be provided. In addition, for personal security reasons, the names of the Company's top five (5) Key Management Personnel are not disclosed.

Improvement on Corporate Governance Practices

To improve its corporate governance practices, the Company will carry out the following:

- a) The Company is in the process of developing and will soon implement a Board diversity policy to improve the diversity among its directors and consequently enhance decision making by the Board.
- b) The Board will also review the Company's Vision and Mission on a more frequent basis, i.e., annually.
- c) The Company will implement and disclose its process of identifying the quality of directors aligned with the Company's strategic directions.
- d) The Company will endeavour to disclose non-financial performance indicators in its Annual Report (e.g. at least 1 quantifiable non-financial performance indicator is expected. Examples include customer satisfaction index and market share, etc.)

THE PHILIPPINE STOCK MARKET

The information presented in this section has been extracted from publicly available documents which have not been prepared or independently verified by the Company and the Underwriters or any of their respective subsidiaries, affiliates or advisors in connection with the offer and sale of the Offer Shares.

THE EXCHANGE

The PSE is the only stock exchange in the Philippines. It is one of the oldest stock exchanges in Asia, having been in continuous operation since the establishment of the Manila Stock Exchange in 1927. It currently maintains two trading floors, one at the PSE Centre (Tektite), Ortigas Center in Pasig City, and another at its principal office at the Ayala Tower One in Makati City's Central Business District. The PSE is composed of a 15-man Board of Directors with Jose T. Pardo as Chairman.

Trading in the PSE is a continuous session from 9:30AM to 3:30PM daily with a recess from 12:00PM to 1:30PM.

Brief History

The Philippines initially had two stock exchanges, the Manila Stock Exchange, which was organized in 1927, and the Makati Stock Exchange, which began operations in 1963. Each exchange was self-regulating, governed by its respective Board of Governors elected annually by its members.

Several steps initiated by the Philippine government have resulted in the unification of the two bourses into the PSE. The PSE was incorporated in 1992 by officers of both the Makati and the Manila Stock Exchanges. In March 1994, the licenses of the two exchanges were revoked. While the PSE maintains two trading floors, one in Makati City and the other in Pasig City, these floors are linked by an automated trading system, which integrates all bid and ask quotations from the bourses.

In June 1998, the SEC granted the PSE a "Self-Regulatory Organization" (SRO) status, which meant that the bourse can implement its own rules and establish penalties on erring trading participants (TPs) and listed companies. In 2011, Capital Market Integrity Corporation was incorporated to function as the independent audit, surveillance and compliance arm of PSE. The mandate of CMIC is to ensure that trading participants adhere to all pertinent rules, regulations, and code of conduct of CMIC and PSE, as well as all related legislative and regulatory requirements.

In 2001, one year after the enactment of the SRC, the PSE was transformed from a non-profit, non-stock, member-governed organization into a shareholder-based, revenue-earning corporation headed by a president and a board of directors. The PSE eventually listed its own shares on the exchange (traded under the ticker symbol PSE) by way of introduction on 15 December 2003.

Classified into financial, industrial, holding firms, property, services, and mining and oil sectors, companies are listed either on the PSE's Main Board or the Small, Medium and Emerging Board. Previously, the PSE allowed listing on the First Board, Second Board or the Small, Medium and Enterprises Board. With the issuance by the PSE of Memorandum No. CN-No. 2013-0023 dated 6 June 2013, revisions to the PSE Listing Rules were made, among which changes are the

removal of the Second Board listing and the requirement that lock-up rules be embodied in the articles of the incorporation of the issuer.

With the increasing calls for good corporate governance, the PSE has adopted an online daily disclosure system to improve the transparency of listed companies and to protect the investing public.

The main index for PSE is the PSEi, which is a capitalization-weighted index composed of stocks representative of the Industrial, Properties, Services, Holding Firms, Financial and Mining & Oil Sectors of the PSE. It measures the relative changes in the free float-adjusted market capitalization of the 30 largest and most active common stocks listed at the PSE. The selection of companies in the PSEi is based on a specific set of public float, liquidity and market capitalization criteria. There are also six sector-based indices as well as a broader all shares index.

The table below sets out movements in the composite index from 1995 to 30 June 2015, and shows the number of listed companies, market capitalization, and value of shares traded for the same period:

Year	Composite Index at Closing	Number of Listed Companies	Aggregate Market Capitalization (in ₱ billions)	Combined Value of Turnover (in ₱ billions)
1995	2,594.2	205	1,545.7	379.0
1996	3,170.6	216	2,121.1	668.9
1997	1,869.2	221	1,261.3	588.0
1998	1,968.8	221	1,373.7	378.9
1999	2,142.9	223	1,936.5	668.8
2000	1,494.5	226	2,576.5	58.61
2001	1,168.1	228	2,143.3	407.2
2002	1,014.4	232	2,083.2	780.9
2003	1,442.4	235	2,973.8	357.6
2004	1,822.8	236	4,766.2	206.6
2005	2,096.0	237	5,948.4	383.5
2006	2,982.5	240	4,277.8	1,145.3
2007	3,621.6	244	7,977.6	1,338.3
2008	1,872.9	246	4,069.2	763.9
2009	3,052.7	248	6,029.1	994.2
2010	4,201.1	253	8,866.1	1,207.4
2011	4,372.0	253	8,697.0	1,422.6
2012	5,812.7	268	10,850	1,420
2013	5,889.8	257	11,931.3	2,546.3
2014	7,230.6	263	14,251.7	2,130.1
2015 (as of June 30)	7,564.5	271	14,386.7	1,075.6

Source: Philippine Stock Exchange, Inc.

Trading

The PSE is a double auction market. Buyers and sellers are each represented by stockbrokers. To trade, bid or ask prices are posted on the PSE's electronic trading system. A buy (or sell) order that matches the lowest asked (or highest bid) price is automatically executed. Buy and sell orders received by one broker at the same price are crossed at the PSE at the indicated price. Payment of purchases of listed securities must be made by the buyer on or before the third trading day (the settlement date) after the trade.

Beginning 2 January 2012, trading on the PSE starts at 9:30 a.m. until 12:00 p.m., when there will be a one and a half hour lunch break. In the afternoon, trading resumes at 1:30 p.m. and ends at 3:30 p.m., inclusive of a 10-minute period during which transactions may be conducted, provided that they are executed at the last traded price and are only for the purpose of completing unfinished orders. Trading days are Monday to Friday, except legal holidays and days when the BSP clearing house is closed.

Minimum trading lots range from 5 to 1,000,000 shares depending on the price range and nature of the security traded. Odd-sized lots are traded by brokers on a board specifically designed for odd-lot trading.

To maintain stability in the stock market, daily price swings are monitored and regulated. Under current PSE regulations, when the price of a listed security moves up by 50% or down by 50% in one day (based on the previous closing price or last posted bid price, whichever is higher), the price of that security is automatically frozen by the PSE, unless there is an official statement from the company or a government agency justifying such price fluctuation, in which case the affected security can still be traded but only at the frozen price. If the issuer fails to submit such explanation, a trading halt is imposed by the PSE on the listed security the following day. Resumption of trading shall be allowed only when the disclosure of the company is disseminated, subject again to the trading ban.

Non-Resident Transactions

When the purchase/sale of Philippine shares involves a non-resident, whether the transaction is effected in the domestic or foreign market, it will be the responsibility of the securities dealer/broker to register the transaction with the BSP. The local securities dealer/broker shall file with the BSP, within three Business Days from the transaction date, an application in the prescribed registration form. After compliance with other required undertakings, the BSP shall issue a Certificate of Registration. Inward foreign investments in PSE-listed securities are registered with the investor's designated custodian bank on behalf of the BSP. Under BSP rules, all registered foreign investments in securities including profits and dividends, net of taxes and charges, may be repatriated.

Settlement

The SCCP is a wholly-owned subsidiary of the PSE, and was organized primarily as a clearance and settlement agency for SCCP-eligible trades executed through the facilities of the PSE. SCCP received its permanent license to operate on 17 January 2002. It is responsible for:

- synchronizing the settlement of funds and the transfer of securities through Delivery versus Payment clearing and settlement of transactions of Clearing Members, who are also Trading Participants of the PSE;
- guaranteeing the settlement of trades in the event of a Trading Participant's default through the implementation of its Fails Management System and administration of the Clearing and Trade Guaranty Fund; and
- performance of Risk Management and Monitoring to ensure final and irrevocable settlement.

SCCP settles PSE trades on a three-day rolling settlement environment, which means that settlement of trades takes place three trading days after transaction date ("T+3"). The deadline for settlement of trades is 12:00 n.n. of T+3. Securities sold should be in scripless form and lodged

under the book-entry system of the PDTC. Each PSE Broker maintains a Cash Settlement Account with one of the five existing Settlement Banks of SCCP, which are BDO Unibank, Inc., Rizal Commercial Banking Corporation, Metropolitan Bank and Trust Company, Deutsche Bank and Unionbank of the Philippines. Payment for securities bought should be in good, cleared funds and should be final and irrevocable. Settlement is presently on a broker level.

SCCP implemented its Central Clearing and Central Settlement system on 29 May 2006. CCCS employs multilateral netting, whereby the system automatically offsets “buy” and “sell” transactions on a per issue and a per flag basis to arrive at a net receipt or a net delivery security position for each Clearing Member. All cash debits and credits are also netted into a single net cash position for each Clearing Member. Novation of the original PSE trade contracts occurs, and SCCP stands between the original trading parties and becomes the Central Counterparty to each PSE-eligible trade cleared through it.

Scripless Trading

In 1995, the PDTC (formerly the Philippine Central Depository, Inc.), was organized to establish a central depository in the Philippines and introduce scripless or book-entry trading in the Philippines. On December 16, 1996, the PDTC was granted a provisional license by the SEC to act as a central securities depository.

All listed securities at the PSE have been converted into book-entry settlement in the PDTC. The depository service of the PDTC provides the infrastructure for lodgment (deposit) and upliftment (withdrawal) of securities, pledge of securities, securities lending and borrowing and corporate actions including shareholders’ meetings, dividend declarations and rights offerings. The PDTC also provides depository and settlement services for non-PSE trades of listed equity securities. For transactions on the PSE, the security element of the trade will be settled through the book-entry system, while the cash element will be settled through the current settlement banks, BDO Unibank, Inc., Rizal Commercial Banking Corporation, Metropolitan Bank and Trust Company, Deutsche Bank and Unionbank of the Philippines.

In order to benefit from the book-entry system, securities must be immobilized into the PDTC system through a process called lodgment. Lodgment is the process by which shareholders transfer legal title (but not beneficial title) over their shares in favor of the PCD Nominee Corporation (“**PCD Nominee**”), a corporation wholly-owned by the PDTC, whose sole purpose is to act as nominee and legal title holder of all shares lodged in the PDTC. “Immobilization” is the process by which the warrant or share certificates of lodging holders are cancelled by the transfer agent and the corresponding transfer of beneficial ownership of the immobilized shares in the account of the PCD Nominee through the PDTC Participant will be recorded in the issuing corporation’s registry. This trust arrangement between the participants and PDTC through the PCD Nominee is established by and explained in the PDTC Rules and Operating Procedures approved by the SEC. No consideration is paid for the transfer of legal title to the PCD Nominee. Once lodged, transfers of beneficial title of the securities are accomplished via book-entry settlement.

Under the current PDTC System, only participants (e.g. brokers and custodians) will be recognized by the PDTC as the beneficial owners of the lodged equity securities. Thus, each beneficial owner of shares, through his participant, will be the beneficial owner to the extent of the number of shares held by such participant in the records of the PCD Nominee. All lodgments, trades and uplifts on these shares will have to be coursed through a participant. Ownership and transfers of beneficial interests in the shares will be reflected, with respect to the participant’s aggregate holdings, in the PDTC system, and with respect to each beneficial owner’s holdings, in

the records of the participants. Beneficial owners are thus advised that in order to exercise their rights as beneficial owners of the lodged shares, they must rely on their participant-brokers and/or participant-custodians.

Any beneficial owner of shares who wishes to trade his interests in the shares must course the trade through a participant. The participant can execute PSE trades and non-PSE trades of lodged equity securities through the PDTC System. All matched transactions in the PSE trading system will be fed through the SCCP, and into the PDTC System. Once it is determined on the settlement date (T+3) that there are adequate securities in the securities settlement account of the participant-seller and adequate cleared funds in the settlement bank account of the participant-buyer, the PSE trades are automatically settled in the SCCP Central Clearing and Central Settlement system, in accordance with the SCCP and PDTC Rules and Operating Procedures. Once settled, the beneficial ownership of the securities is transferred from the participant-seller to the participant-buyer without the physical transfer of stock certificates covering the traded securities.

The difference between the depository and the registry would be on the recording of ownership of the shares in the issuing corporations' books. In the depository set-up, shares are simply immobilized, wherein customers' certificates are cancelled and a confirmation advice is issued in the name of PCD Nominee to confirm new balances of the shares lodged with the PDTC. Transfers among/between broker and/or custodian accounts, as the case may be, will only be made within the book-entry system of the PDTC. However, as far as the issuing corporation is concerned, the underlying certificates are in the PCD Nominee's name. In the registry set-up, settlement and recording of ownership of traded securities will already be directly made in the corresponding issuing company's transfer agents' books or system. Likewise, recording will already be at the beneficiary level (whether it be a client or a registered custodian holding securities for its clients), thereby removing from the broker its current "de facto" custodianship role.

Amended Rule on Lodgment of Securities

On 24 June 2009, the PSE apprised all listed companies and market participants through Memorandum No. 2009-0320 that commencing on 1 July 2009, as a condition for the listing and trading of the securities of an applicant company, the applicant company shall electronically lodge its registered securities with the PDTC or any other entity duly authorized by the SEC, without any jumbo or mother certificate in compliance with the requirements of Section 43 of the SRC. In compliance with the foregoing requirement, actual listing and trading of securities on the scheduled listing date shall take effect only after submission by the applicant company of the documentary requirements stated in the amended rule on Lodgment of Securities of the PSE.

Pursuant to the said amendment, the PDTC issued implementing procedural rules:

- For a new company to be listed at the PSE as of 1 July 2009, the usual procedure will be observed but the transfer agent of the company shall no longer issue a certificate to PCD Nominee but shall issue a Registry Confirmation Advice, which shall be the basis for the PDTC to credit the holdings of the depository participants on the listing date.
- On the other hand, for an existing listed company, the PDTC shall wait for the advice of the transfer agent that it is ready to accept surrender of PCD Nominee jumbo certificates and upon such advice the PDTC shall surrender all PCD Nominee jumbo certificates to the transfer agent for cancellation. The transfer agent shall issue a Registry Confirmation Advice to PDTC evidencing the total number of shares registered in the name of PCD Nominee in the listed company's registry as of confirmation date.

Issuance of Stock Certificates for Certificated Shares

On or after the listing of the shares on the PSE, any beneficial owner of the shares may apply with PDTC through his broker or custodian-participant for a withdrawal from the book-entry system and return to the conventional paper-based settlement. If a shareholder wishes to withdraw his shareholdings from the PDTC System, the PDTC has a procedure of upliftment under which PCD Nominee will transfer back to the shareholder the legal title to the shares lodged. The uplifting shareholder shall follow the Rules and Operating Procedures of the PDTC for the uplifting of the shares lodged under the name of the PCD Nominee. The transfer agent shall prepare and send a Registry Confirmation Advice to the PDTC covering the new number of shares lodged under PCD Nominee. The expenses for upliftment are on the account of the uplifting shareholder.

Upon the issuance of stock certificates for the shares in the name of the person applying for upliftment, such shares shall be deemed to be withdrawn from the PDTC book-entry settlement system, and trading on such shares will follow the normal process for settlement of certificated securities. The expenses for upliftment of the shares into certificated securities will be charged to the person applying for upliftment. Pending completion of the upliftment process, the beneficial interest in the shares covered by the application for upliftment is frozen and no trading and book-entry settlement will be permitted until the relevant stock certificates in the name of the person applying for upliftment shall have been issued by the relevant company's transfer agent.

Amended Rule on Minimum Public Ownership

Under the amended rules on minimum public ownership promulgated by the PSE and approved by the SEC, listed companies are required at all times to maintain a minimum percentage of listed securities held by the public of 10% of the listed companies' issued and outstanding shares, exclusive of any treasury shares, or as such percentage as may be prescribed by the PSE. The determination of whether shareholdings are considered public or non-public is based on: (a) the amount of shareholdings and its significance to the total outstanding shares; (b) purpose of investment; and (c) extent of involvement in the management of the company.

The shares held by the following are generally considered as held by the public: (i) individuals whose shares are not of significant size and which are non-strategic in nature; (ii) PSE trading participants (such as brokers) whose shareholdings are non-strategic in nature; (iii) investment funds and mutual funds; (iv) pension funds which hold shares in companies other than the employing company or its affiliates; (v) PCD Nominee provided that none of the beneficial owners of the shares has significant holdings (i.e., shareholdings by an owner of 10% or more are excluded and considered non-public); and (vi) Social Security funds.

If an investment in a listed company is meant to partake of sizable shares for the purpose of gaining substantial influence on how the company is being managed, then the shareholdings of such investor are considered non-public. Ownership of 10% or more of the total issued and outstanding shares of a listed company is considered significant holding and therefore non-public.

Listed companies which become non-compliant with the minimum public ownership requirement will be suspended from trading for a period of not more than six months and will be automatically delisted if it remains non-compliant with the said requirement after the lapse of the suspension period.

LISTINGS, REGISTRATION, DEALINGS AND SETTLEMENT

LISTINGS

The Company currently has a primary listing of Ordinary Shares on the SGX-ST and a listing of Ordinary Shares on the Main Board of the PSE.

The Series A Preference Shares will be listed on the Main Board of the PSE. Presently, the Company does not have any plan of applying for the listing of the Series A Preference Shares with the SGX-ST. The Series A Preference Shares may or may not be listed in the SGX-ST in the future.

REGISTRATION

The principal register of members is maintained in the BVI by the Singapore Share Transfer Agent who acts on behalf of the BVI Share Registrar. The Company has established the Philippine Branch Share Register, which is maintained by the Philippine Branch Share Registrar, BDO Trust whose address is at the 15th Floor BDO South Tower, BDO Corporate Center, 7899 Makati Avenue, Makati City. The Singapore Share Transfer Agent is Boardroom Corporate & Advisory Services Pte. Ltd., whose address is at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623.

The BVI Share Registrar will keep in BVI duplicates of the Philippine Branch Share Register, which will be updated from time to time.

Please refer to the section "*Form, Title and Registration of the Series A Preference Shares*" under the heading "*Description of the Series A Preference Shares*" for a discussion on the scripless form of the Series A Preference Shares, and the option of the investor to have stock certificates evidencing their investment in the Series A Preference Shares issued in the investor's names.

In case share certificates are issued in the name of the investor, the Philippine Branch Share Registrar will notify the BVI Share Registrar that the Shares are registered in the name of the investor in the Philippine Branch Share Register whereupon the BVI Share Registrar will update the BVI Share Register.

If the investor's Series A Preference Shares are in scripless form and hence deposited into the PDTC System, such shares will be registered by the Philippine Branch Share Registrar in the name of PCD Nominee Corp. in the Philippine Branch Share Register. The Philippine Branch Share Registrar will notify the BVI Share Registrar that the Series A Preference Shares are registered in the name of PCD Nominee Corp in the Philippine Branch Share Register whereupon the BVI Share Registrar will reflect the same in the BVI Share Register.

CERTIFICATES

Only Preference Share certificates issued by the Philippine Branch Share Registrar will be valid for delivery in respect of lodgement of the Series A Preference Shares in the PDTC System and eventual dealings effected on the PSE. No Preference Share certificates will be issued by the BVI Share Registrar.

DEALINGS

Dealings in Series A Preference Shares on the PSE will be conducted in U. S. Dollars. The Company's Series A Preference Shares will be traded on the PSE in board lots of 100 Shares each.

SETTLEMENT

In order to be able to settle any trades on the PSE through the system for the central handling of securities by which transactions involving such securities may be settled by book-entries in the records of PDTC (the "**PDTC System**"), investors should ensure that they have set up an account with a brokerage in the Philippines which has applied for and has been approved as a participant by the PDTC ("**PDTC Participant**"), through a brokerage in the Philippines. Investors should consult their stockbrokers or other professional advisers on the logistical details for the setting up of such stock account.

PSE trades are settled on a three-day rolling settlement environment, which means that settlement of trades takes place three days after transaction date (T+3). The deadline for settlement of trades is 12:00 noon of T+3. Securities sold should be in scripless form and lodged under PDTC's book entry system.

Foreign Exchange Risk

Please see the section headed "Risk Factors" in this Prospectus for a discussion on foreign exchange risks.

DIVIDENDS

The Company must pay all dividends out of its distributable profits less any required reserve funds. To the extent that the Company declares dividends on the Series A Preference Shares, it anticipates that they will be declared in U.S. dollars. Holders of Series A Preference Shares will receive their dividends in U.S. dollars. Each holder of Series A Preference Shares will nominate through their respective brokers the Foreign Currency Deposit Unit Account in the name of such holder into which all cash dividends may be credited.

COSTS INVOLVED

All duties, fees and expenses specified herein are subject to changes from time to time.

Stamp Duty on Transfer of Shares

No stamp duty in the Philippines is currently payable for transfers of the Shares if the Shares are traded and listed on the PSE, and the sale is conducted through the facilities of the PSE.

Other Costs on Transfer of our Shares

The transaction costs of dealings in the Company's Shares on the PSE include a stock transaction tax at the rate of 0.5% based on the gross selling price or gross value in money of the shares of stock sold or otherwise disposed. The brokerage commission in respect of trades of Shares on the PSE is freely negotiable although subject to a minimum of between 0.05% and 0.25% depending on the transaction value.

DESCRIPTION OF RELEVANT LAWS

SUMMARY OF SALIENT PROVISIONS OF THE LAWS OF SINGAPORE

The following summarizes the salient provisions of certain laws of Singapore applicable to the Company's shareholders as at the date of this Prospectus. The summaries below are for general guidance only and do not constitute legal advice, nor must they be used as a substitute for specific legal advice, on the corporate laws of Singapore. Additionally, the Company's shareholders should also note that the laws applicable to the Company's shareholders may change, whether as a result of proposed legislative reform to the laws of Singapore or otherwise. The Company's shareholders should consult their own legal advisers for specific legal advice concerning their legal obligations under the relevant laws.

Takeover obligations

Offenses and Obligations Relating to Take-overs

Section 140 of the SFA

Section 140 of the SFA provides that a person shall not give notice or publicly announce that he intends to make a take-over offer if (a) he has no intention to make a take-over offer; or (b) he has no reasonable or probable grounds for believing that he will be able to perform his obligations if the take-over offer is accepted or approved, as the case may be. A person who contravenes section 140 of the SFA is guilty of an offense and shall be liable on conviction to a fine not exceeding S\$250,000 or to imprisonment for a term not exceeding seven years or to both.

Obligations under the Singapore Take-Over Code and the consequences of non-compliance

Obligations under the Singapore Take-Over Code

The Singapore Take-Over Code regulates the acquisition of ordinary shares of public companies and contains certain provisions that may delay, deter or prevent a future takeover or change in control of the Company. Any person acquiring an interest, either on his own or together with parties acting in concert with him, in 30% or more of the voting Shares, or, if such person holds, either on his own or together with parties acting in concert with him, between 30% and 50% (both inclusive) of the voting Shares, and if he (or parties acting in concert with him) acquires additional voting Shares representing more than 1% of the voting Shares in any six-month period, must, except with the consent of the Securities Industry Council of Singapore ("**Securities Industry Council**"), extend a takeover offer for the remaining voting Shares in accordance with the provisions of the Singapore Take-Over Code.

"Parties acting in concert" comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), cooperate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company. Certain persons are presumed (unless the presumption is rebutted) to be acting in concert with each other. They are as follows:

1. a company and its related companies, the associated companies of any of the company and its related companies, companies whose associated companies include any of these companies and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing for the purchase of voting rights;

2. a company and its directors (including their close relatives, related trusts and companies controlled by any of the directors, their close relatives and related trusts);
3. a company and its pension funds and employee share schemes;
4. a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis;
5. a financial or other professional advisers and its clients in respect of shares held by the advisers and persons controlling, controlled by or under the same control as the advisers and all the funds managed by the advisers on a discretionary basis, where the shareholdings of the advisers and any of those funds in the client total 10% or more of the client's equity share capital;
6. directors of a company (including their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts) which is subject to an offer or where the directors have reason to believe a bona fide offer for the company may be imminent;
7. partners; and
8. an individual and his close relatives, related trusts, any person who is accustomed to act in accordance with his instructions and companies controlled by the individual, his close relatives, his related trusts or any person who is accustomed to act in accordance with his instructions and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing for the purchase of voting rights.

In the event that one of the abovementioned trigger-points is reached, the person acquiring an interest (the “**Offeror**”) must make a public announcement stating the terms of the offer and its identity. The Offeror must post an offer document not earlier than 14 days and not later than 21 days from the date of the offer announcement. An offer must be kept open for at least 28 days after the date on which the offer document was posted.

The Offeror may vary the offer by offering more for the shares or by extending the period in which the offer remains open. If a variation is proposed, the Offeror is required to give a written notice to the offeree company and its shareholders, stating the modifications made to the matters set out in the offer document. The revised offer must be kept open for at least another 14 days. Where the consideration is varied, shareholders who agree to sell before the variation are also entitled to receive the increased consideration.

A mandatory offer must be in cash or be accompanied by a cash alternative at not less than the highest price paid by the Offeror or parties acting in concert with the Offeror within the six months preceding the acquisition of shares that triggered the mandatory offer obligation.

Under the Singapore Take-Over Code, where effective control of a company is acquired or consolidated by a person, or persons acting in concert, a general offer to all other shareholders is normally required. An Offeror must treat all shareholders of the same class in an offeree company equally. A fundamental requirement is that shareholders in the company subject to the takeover offer must be given sufficient information, advice and time to consider and decide on the offer.

Consequences of non-compliance with the requirements under the Singapore Take-Over Code

The Singapore Take-Over Code is non-statutory in that it does not have the force of law. Therefore, as provided in section 139(8) of the SFA, a failure of any party concerned in a take-over offer or a matter connected therewith to observe any of the provisions of the Singapore Code shall not of itself render that party liable to criminal proceedings. However, the failure of any party to observe any of the provisions of the Singapore Take-Over Code may, in any civil or criminal proceedings, be relied upon by any party to the proceedings as tending to establish or to negate any liability which is in question in the proceedings.

Section 139 further provides that where the Securities Industry Council has reason to believe that any party concerned in a take-over offer or a matter connected therewith is in breach of the provisions of the Singapore Take-Over Code or is otherwise believed to have committed acts of misconduct in relation to such take-over offer or matter, the Securities Industry Council has power to enquire into the suspected breach or misconduct. The Securities Industry Council may summon any person to give evidence on oath or affirmation, which it is thereby authorized to administer, or produce any document or material necessary for the purpose of the inquiry.

Reporting obligations of shareholders

Reporting obligations under the Singapore Companies Act

Section 81 of the Singapore Companies Act

A person has a substantial shareholding in a company if he has an “interest” in voting shares in the company, and the total votes attached to those shares is not less than 5% of the total votes attached to all the voting shares in the company.

Section 82 of the Singapore Companies Act

A substantial shareholder of a company (as defined under the Singapore Companies Act) is required to notify the company in writing of his name, address and full particulars of his “interests” in the voting shares in the company within two business days after becoming a substantial shareholder.

Sections 83 and 84 of the Singapore Companies Act

A substantial shareholder (as defined under the Singapore Companies Act) is required to notify the company in writing of changes in the “percentage level” of his shareholding or his ceasing to be a substantial shareholder within two business days after he is aware of such changes or within two business days after he ceases to be a substantial shareholder, as the case may be.

The reference to changes in “percentage level” means any changes in a substantial shareholder’s interest in the company which results in his interest, following such change, increasing or decreasing to the next discrete 1% threshold. For example, an increase in interests in the company from 5.1% to 5.9% need not be notified, but an increase from 5.9% to 6.1% will have to be notified.

Consequences of non-compliance under the Singapore Companies Act

Section 89 of the Singapore Companies Act

Section 89 of the Singapore Companies Act provides for the consequences of non-compliance with sections 82, 83 and 84. Under section 89, a person who fails to comply shall be guilty of an offense and shall be liable on conviction to a fine not exceeding S\$5,000 and in the case of a continuing offense to a further fine of S\$500 for every day during which the offense continues after conviction.

Section 90 of the Singapore Companies Act

Section 90 of the Singapore Companies Act provides for a defense to a prosecution for failing to comply with sections 82, 83 or 84. It is a defense if the defendant proves that his failure was due to his not being aware of a fact or occurrence the existence of which was necessary to constitute the offense and that he was not so aware on the date of the summons; or he became so aware less than seven days before the date of the summons. However, a person will conclusively be presumed to have been aware of a fact or occurrence at a particular time (a) of which he would, if he had acted with reasonable diligence in the conduct of his affairs, have been aware at that time; or (b) of which an employee or agent of the person, being an employee or agent having duties or acting in relation to his master's or principal's interest or interests in a share or shares in the company concerned, was aware or would, if he had acted with reasonable diligence in the conduct of his master's or principal's affairs, have been aware at that time.

Powers of the court with respect to defaulting substantial shareholders

Section 91 of the Singapore Companies Act

Section 91 of the Singapore Companies Act provides that where a substantial shareholder fails to comply with sections 82, 83 or 84, the Court may, on the application of the Minister, whether or not the failure still continues, make one of the following orders:

1. an order restraining the substantial shareholder from disposing of any interest in shares in the company in which he is or has been a substantial shareholder;
2. an order restraining a person who is, or is entitled to be registered as, the holder of shares referred to in paragraph (1) from disposing of any interest in those shares;
3. an order restraining the exercise of any voting or other rights attached to any share in the company in which the substantial shareholder has or has had an interest;
4. an order directing the company not to make payment, or to defer making payment, of any sum due from the company in respect of any share in which the substantial shareholder has or has had an interest;
5. an order directing the sale of all or any of the shares in the company in which the substantial shareholder has or has had an interest;
6. an order directing the company not to register the transfer or transmission of specified shares;
7. an order that any exercise of the voting or other rights attached to specified shares in the company in which the substantial shareholder has or has had an interest be disregarded; or

8. for the purposes of securing compliance with any other order made under this section, an order directing the company or any other person to do or refrain from doing a specified act.

Any order made under this section may include such ancillary or consequential provisions as the Court thinks just. The Court may not make an order other than an order restraining the exercise of voting rights, if it is satisfied (a) that the failure of the substantial shareholder to comply was due to his inadvertence or mistake or to his not being aware of a relevant fact or occurrence; and (b) that in all the circumstances, the failure ought to be excused. Any person who contravenes or fails to comply with an order made under this section that is applicable to him shall be guilty of an offense and shall be liable on conviction to a fine not exceeding S\$5,000 and, in the case of a continuing offense, to a further fine of S\$500 for every day during which the offense continues after conviction.

Reporting obligations under the SFA

Sections 135(1), 136(1) and 137(1) of the SFA

A substantial shareholder (as defined under the Singapore Companies Act) is required to notify the Company of his interest or change in interest in the voting Shares of the Company. Such notification must be made within two business days of the substantial shareholder becoming aware: (i) that he has become a substantial shareholder, (ii) of a change in the percentage level of his interest, or (iii) that he has ceased to be a substantial shareholder. A substantial shareholder need only give notice to the Company and the Company will in turn announce or otherwise disseminate the information stated in the notice to the SGX-ST as soon as practicable and in any case, no later than the end of the Singapore business day following the day on which the Company received the notice. A person has a substantial shareholding in a company if he has an interest or interests in one or more voting shares in the company, and the total votes attached to that share, or those shares, is not less than 5% of the total votes attached to all the voting shares in the company.

While the definition of an “interest” in voting shares for the purposes of substantial shareholder disclosure requirements under the SFA is similar to that under the Singapore Companies Act, the SFA provides that a person who has authority (whether formal or informal, or express or implied) to dispose of, or to exercise control over the disposal of, a voting share is regarded as having an interest in such share, even if such authority is, or is capable of being made, subject to restraint or restriction in respect of particular voting shares. In addition, the deadline for a substantial shareholder (as defined under the Singapore Companies Act) to make disclosure to the company is two Singapore business days after he becomes aware:

- that he is or (if he had ceased to be one) had been a substantial shareholder (as defined under the Singapore Companies Act);
- of any change in the percentage level in his interest; or
- that he had ceased to be a substantial shareholder (as defined under the Singapore Companies Act),

there being a conclusive presumption of a person being “aware” of a fact or occurrence at the time at which he would, if he had acted with reasonable diligence in the conduct of his affairs, have been aware.

Sections 137A and 137B of the SFA

A beneficial owner who authorizes another person to hold, acquire or dispose of, on his behalf, voting shares or an interest or interests in voting shares in a company shall take reasonable steps to ensure notification by the person who holds, acquires or disposes of interests on his behalf and, in any case, no later than two business days after any acquisition or disposal of any of those voting shares or interest or interests in voting shares effected by the second-mentioned person on his behalf which will or may give rise to any duty on the part of the beneficial owner to give notice pursuant to the reporting obligations under the SFA.

Similarly, a person who holds, acquires or disposes of interests for benefit of another beneficial owner shall give to the beneficial owner a notice of any acquisition or disposal of any of those shares effected by him as soon as practicable and, in any case, no later than two business days after acquiring or disposing of the shares.

Consequences of non-compliance under the SFA

Section 137D of the SFA

Section 137D of the SFA provides for the consequences of non-compliance with section 135, 136(1), 137, 137A or 137B of the SFA. Under 137D, a person who (i) intentionally or recklessly contravenes the foregoing provisions of the SFA, or (ii) in purported compliance with section 135, 136, 137 or 137B of the SFA, furnishes any information which he knows is false or misleading in any material particular or is reckless as to whether it is, shall be guilty of an offense and shall (a) in the case of an individual, be liable on conviction to a fine not exceeding S\$250,000.00 or to imprisonment for a term not exceeding two years or both, and in the case of a continuing offense, to a further fine not exceeding S\$25,000.00 for every day or part thereof during which the offense continues after conviction, or (b) in the case of a corporation, be liable on conviction to a fine not exceeding S\$250,000.00, and in the case of a continuing offense, to a further fine not exceeding S\$25,000.00 for every day or part thereof during which the offense continues after conviction.

Section 134 of the SFA

Directors and chief executive officers of corporations if found to have (i) intentionally or recklessly contravened the disclosure requirements or intentionally or recklessly provided any information which he knows is false or misleading in a material particular, he could, upon conviction, be liable to a fine not exceeding S\$250,000 or to imprisonment for a term not exceeding two years or both and in the case of a continuing offense, and to a further fine of S\$25,000 for every day (or part thereof) during which the offense continues after conviction and (ii) contravened the disclosure requirements or provided any information which is false or misleading in a material particular, could, upon conviction, be liable to a fine not exceeding S\$25,000, and in the case of a continuing offense, to a further fine of S\$2,500 for every day (or part thereof) during which the offense continues after conviction.

Duty not to furnish false statements to securities exchange, futures exchange, designated clearing house and Securities Industry Council of Singapore

Section 330 of the SFA

Section 330 of the SFA provides that any person who, with intent to deceive, makes or furnishes, or knowingly and wilfully authorizes or permits the making or furnishing of, any false or misleading statement or report to a securities exchange, futures exchange, designated clearing

house or any officers thereof relating to dealing in securities shall be guilty of an offense and shall be liable on conviction to a fine not exceeding S\$50,000.00 or to imprisonment for a term not exceeding two years or to both. Section 330 further provides that any person who, with intent to deceive, makes or furnishes or knowingly and willfully authorizes or permits the making or furnishing of, any false or misleading statement or report to the Securities Industry Council or any of its officers, relating to any matter or thing required by the Securities Industry Council in the exercise of its functions under the SFA shall be guilty of an offense and shall be liable on conviction to a fine not exceeding S\$50,000.00 or to imprisonment for a term not exceeding two years or to both.

Prohibited conduct in relation to trading in the securities of the company

Prohibitions against false trading and market manipulation

Section 197 of the SFA

Section 197(1) of the SFA prohibits (i) the creation of a false or misleading appearance of active trading in any securities on a securities exchange; and (ii) the creation of a false or misleading appearance with respect to the market for, or price of, any securities on a securities exchange.

Section 197(1A) of the SFA prohibits a person from doing anything or causing any thing to be done or engaging in any course of conduct that creates or is likely to create a false or misleading appearance of active trading in any securities on a securities market, or with respect to the market for, or the price of, such securities, if (i) he knows that doing that thing, causing that thing to be done or engaging in that course of conduct, as the case may be, will create, or will be likely to create, that false or misleading appearance; or (ii) he is reckless as to whether doing that thing, causing that thing to be done or engaging in that course of conduct, as the case may be, will create, or will be likely to create, that false or misleading appearance.

Section 197(3) of the SFA provides that a person is deemed to have created a false or misleading appearance of active trading in securities on a securities market if he does any of the following acts:

(A) if he effects, takes part in, is concerned in or carries out, directly or indirectly, any transaction of purchase or sale of any securities, which does not involve any change in the beneficial ownership of the securities;

(B) if he makes or causes to be made an offer to sell any securities at a specified price where he has made or caused to be made or proposes to make or to cause to be made, or knows that a person associated with him has made or caused to be made or proposes to make or to cause to be made, an offer to purchase the same number, or substantially the same number, of securities at a price that is substantially the same as the first-mentioned price; or

(C) if he makes or causes to be made an offer to purchase any securities at a specified price where he has made or caused to be made or proposes to make or to cause to be made, or knows that a person associated with him has made or caused to be made or proposes to make or to cause to be made, an offer to sell the same number, or substantially the same number, of securities at a price that is substantially the same as the first-mentioned price, unless he establishes that the purpose or purposes for which he did the act was not, or did not include, the purpose of creating a false or misleading appearance of active trading in securities on a securities market.

Section 197(5) of the SFA provides that a purchase or sale of securities does not involve a change in the beneficial ownership if a person who had an interest in the securities before the purchase or sale, or a person associated with the first-mentioned person in relation to those securities, has an interest in the securities after the purchase or sale.

Section 197(6) of the SFA provides a defense to proceedings against a person in relation to a purchase or sale of securities that did not involve a change in the beneficial ownership of those securities. It is a defense if the defendant establishes that the purpose or purposes for which he purchased or sold the securities was not, or did not include, the purpose of creating a false or misleading appearance with respect to the market for, or the price of, securities.

Prohibition against securities market manipulation

Section 198 of the SFA

Section 198(1) of the SFA provides that no person shall carry out directly or indirectly, two or more transactions in securities of a corporation, being transactions that have, or likely to have, the effect of raising, lowering, maintaining or stabilizing the price of the securities with intent to induce other persons to purchase them. Section 198(2) of the SFA provides that transactions in securities of a corporation includes (i) the making of an offer to purchase or sell such securities of the corporation; and (ii) the making of an invitation, however expressed, that directly or indirectly invites a person to offer to purchase or sell such securities of the corporation.

Prohibition against the manipulation of the market price of securities by the dissemination of misleading information

Sections 199 and 202 of the SFA

Section 199 of the SFA prohibits the making of false or misleading statements. Under this provision, a person shall not make a statement, or disseminate information, that is false or misleading in a material particular and is likely (a) to induce other persons to subscribe for securities; (b) to induce the sale or purchase of securities by other persons; or (c) to have the effect of raising, lowering, maintaining or stabilizing the market price of securities, if, when he makes the statement or disseminates the information, he either does not care whether the statement or information is true or false, or knows or ought reasonably to have known that the statement or information is false or misleading in a material particular.

Section 202 of the SFA prohibits the dissemination of information about illegal transactions. This provision prohibits the circulation or dissemination of any statement or information to the effect that the price of any securities of a corporation will rise, fall or be maintained by reason of transactions entered into in contravention of sections 197 to 201 of the SFA. This prohibition applies where the person who is circulating or disseminating the information or statements (i) is the person who entered into the illegal transaction; or (ii) is associated with the person who entered into the illegal transaction; or (iii) is the person, or associated with the person, who has received or expects to receive (whether directly or indirectly) any consideration or benefit for circulating or disseminating the information or statements.

Prohibition against fraudulently inducing persons to deal in securities

Section 200 of the SFA

Section 200 of the SFA prohibits a person from inducing or attempting to induce another person to deal in securities, (a) by making or publishing any statement, promise or forecast that he knows or ought reasonably to have known to be misleading, false or deceptive; (b) by any dishonest concealment of material facts; (c) by the reckless making or publishing of any statement, promise or forecast that is misleading, false or deceptive; or (d) by recording or storing in, or by means of, any mechanical, electronic or other device information that he knows to be false or misleading in a material particular, unless it is established that, at the time when the defendant so recorded or stored the information, he had no reasonable grounds for expecting that the information would be available to any other person.

Prohibition against employment of manipulative and deceptive devices

Section 201 of the SFA

Section 201 of the SFA prohibits (i) the employment of any device, scheme or artifice to defraud; (ii) engaging in any act, practice or course of business which operates as a fraud or deception, or is likely to operate as a fraud or deception, upon any person; and (iii) making any statement known to be false in a material particular or (iv) omitting to state a material fact necessary to make statements made not misleading, in connection with the subscription, purchase or sale of any securities.

Prohibition against the dissemination of information about illegal transactions

Section 202 of the SFA

Section 202 of the SFA prohibits the circulation or dissemination of any statement or information to the effect that the price of any securities of a corporation will rise, fall or be maintained by reason of any transaction entered into or to be entered into in contravention of sections 197 to 201 of the SFA. This prohibition applies where the person who is circulating or disseminating the information or statements (i) is the person who entered into the illegal transaction; or (ii) is associated with the person who entered into the illegal transaction; or (iii) is the person, or associated with the person, who has received or expects to receive (whether directly or indirectly) any consideration or benefit of circulating or disseminating the information or statements.

Prohibition against insider trading

Sections 218 and 219 of the SFA

Sections 218 and 219 of the SFA prohibit persons from dealing in securities of a corporation if the person knows or reasonably ought to know that he is in possession of information that is not generally available, which is expected to have a material effect on the price or value of securities of that corporation. Such persons include substantial shareholders of a corporation or a related corporation, and persons who occupy a position reasonably expected to give him access to inside information by virtue of professional or business relationship by being an officer or a substantial shareholder of the corporation or a related corporation, or any other person in possession of inside information. For an alleged contravention of section 218 or 219, section 220 makes it clear that it is not necessary for the prosecution or plaintiff to prove that the accused person or defendant

intended to use the information referred to in section 218(1)(a) or (1A)(a) or 219(1)(a) in contravention of section 218 or 219, as the case may be.

Section 216 of the SFA

Section 216 of the SFA provides that a reasonable person would be taken to expect information to have a material effect on the price or value of securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell the first-mentioned securities.

Penalties

Section 232 of the SFA

Section 232 of the SFA provides that the Monetary Authority of Singapore may, with the consent of the Public Prosecutor, bring an action in a court against the offender to seek an order for a civil penalty in respect of any contravention. If the court is satisfied on the balance of probabilities that the contravention resulted in the gain of a profit or avoidance of a loss by the offender, the offender may have to pay a civil penalty of a sum (a) not exceeding three times the amount of the profit that the person gained; or the amount of the loss that he avoided, as a result of the contravention; or (b) equal to S\$50,000.00 if the person is not a corporation, or S\$100,000.00 if the person is a corporation, whichever is the greater. If the court is satisfied on a balance of probabilities that the contravention did not result in the gain of a profit or avoidance of a loss by the offender, the court may make an order against him for the payment of a civil penalty of a sum not less than S\$50,000.00 and not more than S\$2 million.

Section 204 of the SFA

Any person who contravenes sections 197, 198, 201 or 202 of the SFA is guilty of an offense and shall be liable on conviction to a fine not exceeding S\$250,000 or to imprisonment for a term not exceeding seven years or to both under section 204 of the SFA. Section 204 of the SFA further provides that no proceedings shall be instituted against a person for the offense after a court has made an order against him for the payment of a civil penalty under section 232 in respect of the contravention.

Section 221 of the SFA

Any person who contravenes section 218 or 219 of the SFA, is guilty of an offense and shall be liable on conviction to a fine not exceeding S\$250,000 or to imprisonment for a term not exceeding seven years or to both under section 221 of the SFA. Section 221 of the SFA further provides that no proceedings shall be instituted against a person for an offense in respect of a contravention of section 218 or 219 of the SFA after a court has made an order against him for the payment of a civil penalty under section 232 of the SFA in respect of that contravention.

COMPARATIVE SUMMARY OF THE HIGHLIGHTS OF THE LISTING AND DISCLOSURE RULES OF THE PSE AND CERTAIN APPLICABLE SINGAPORE LAWS AND REGULATIONS

This sets out extracts of the SGX Listing Manual and the PSE Revised Listing and Disclosure Rules, (“**PSE Rules**”) certain applicable laws and regulations of Singapore and the Philippines, and the takeover rules under the Singapore Code, the SRC and certain relevant legislation

concerning companies with listed securities. These extracts are not comprehensive and may not be the only laws or regulations that will apply to the identified matters.

These extracts are not and shall not be relied on as legal advice or any other advice to shareholders of the Company. The Company shall comply with the SGX Listing Manual as its primary listing is on the SGX-ST, and in the event where additional requirements are imposed on the Company by the PSE Rules, the Company shall also comply with such additional requirements unless an exemption is available or waiver has been obtained. The Company will inform shareholders in the event any waiver from the applicable laws and regulations of the Philippines including the PSE Rules and SRC is obtained.

NO.	SGX Listing Manual and Singapore Laws
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Reporting Requirements

1. **Section 2, PSE Rules on Disclosure**

Issuers must comply with the continuing disclosure requirements of the PSE. The Issuer must promptly make available all information, through the submission of structured and unstructured disclosures, that would enable a reasonable investor to determine whether to buy, sell or hold securities, or in connection with the exercise of related voting rights. It must take reasonable steps to ensure that all investors have equal access to such information.

Section 4, PSE Rules on Disclosure: Unstructured Continuing Disclosure Requirements

The purpose of requiring unstructured disclosures is for the Issuer to update the investing public with any material fact or event that occurs which would reasonably be expected to affect investors' decision in relation to trading of its securities.

Section 4.1, PSE Rules on Disclosure: Disclosure of Material Information

In addition to the reportorial requirements under the Securities Regulation Code, Issuers are required to disclose to the PSE once they become aware of any material information or corporate act, development or event, within ten (10) minutes from the receipt of such information or the happening or occurrence of said act, development or event. Disclosure must be made to the PSE prior to its release to the news media.

The original copy of the disclosure must be delivered to the PSE within twenty four hours from the time of initial disclosure.

Any disclosure pursuant to the foregoing must be addressed to the attention of the Disclosure Department of the PSE.

Should the act, development or event occur

Issuers in Singapore are required to comply with disclosure obligations under the SGX Listing Manual upon the occurrence of the events which are prescribed in the SGX Listing Manual.

In the case that the Company makes a disclosure pursuant to Singapore laws, it will make the same disclosure in Philippines.

Chapter 7 of the SGX Listing Manual (Continuing Obligations) Rule 703, SGX Listing Manual: Disclosure of Material Information

- (1) An issuer must announce any information known to the issuer concerning it or any of its subsidiaries or associated companies which:-
 - (a) is necessary to avoid the establishment of a false market in the issuer's securities; or
 - (b) would be likely to materially affect the price or value of its securities.
- (2) Rule 703(1) does not apply to information which it would be a breach of law to disclose.
- (3) Rule 703(1) does not apply to particular information while each of the following conditions applies:-

Condition 1: a reasonable person would not expect the information to be disclosed;

Condition 2: the information is confidential; and

Condition 3: one or more of the following applies:

 - (i) the information concerns an incomplete proposal or negotiation;

NO.

PSE Rules and Philippines Laws

during trading hours, the Issuer must request a halt in the trading of its shares in order to ensure that the investing public would have equal access to the information. If, however, the said act, development or event occurs after trading hours but the Issuer is unable to make a disclosure prior to the pre-open period of the next trading day, the Issuer must request a halt in the trading of its shares. In both cases, the trading halt shall be lifted one (1) hour after the information has been disseminated to enable the investing public to digest the information. If the information is disseminated one (1) hour or less prior to the close of market, the trading halt shall be lifted on the subsequent trading day.

However, the above rule shall not apply when the following instances are present:

- 4.1.1 The activity or development is still considered soft information.
- 4.1.2 The disclosure of the information would be in contravention to any existing laws of the land.

Section 4.2, PSE Rules on Disclosure: Selective Disclosure of Material Information

An Issuer is prohibited to communicate material non-public information about the Issuer to any person, unless the Issuer is ready to simultaneously disclose the material non-public information to the PSE. This Rule does not apply if the disclosure is made to:

- (a) A person who is bound by duty to maintain trust and confidence to the Issuer such as but not limited to its auditors, legal counsels, investment bankers, financial advisers; and
- (b) A person who agrees in writing to maintain in strict confidence the disclosed material information and will not take advantage of it for his personal gain.

The Issuer shall establish and implement internal controls that will ensure that its officers, staff and any other person who is privy to the material non-public information shall comply with the requirement of this rule.

Section 4.3, PSE Rules on Disclosure: Standard and Test in Determining Whether Disclosure is Necessary

A disclosure must be made promptly by the Issuer if it meets any of the following standards:

SGX Listing Manual and Singapore Laws

- (ii) the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
 - (iii) the information is generated for the internal management purposes of the entity;
 - (iv) the information is a trade secret.
- (4) In complying with the SGX-ST's disclosure requirements, an issuer must:
- (a) observe the Corporate Disclosure Policy set out in Appendix 7.1 of the SGX Listing Manual, and
 - (b) ensure that its directors and executive officers are familiar with the SGX-ST's disclosure requirements and Corporate Disclosure Policy.
- (5) The SGX-ST will not waive any requirements under this Rule.

NO.

PSE Rules and Philippines Laws

SGX Listing Manual and Singapore Laws

- a. Where the information is necessary to enable the Issuer and the public to appraise their position or standing, such as, but not limited to, those relating to the Issuer's financial condition, prospects, development projects, contracts entered into in the ordinary course of business or otherwise, mergers and acquisitions, dealings with employees, suppliers, customers and others, as well as information concerning a significant change in ownership of the Issuer's securities owned by insiders or those representing control of the Issuer; or
- b. Where such information is necessary to avoid the creation of a false market for its securities; or
- c. Where such information may reasonably be expected to materially affect market activity and the price of its securities.

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
	<p>Section 4.4, PSE Rules on Disclosure: Events Mandating Prompt Disclosure</p> <p>The following events, while not comprising a list of all the situations must be disclosed to the PSE in compliance with Section 4.1, PSE Rules on Disclosure:</p> <ol style="list-style-type: none"> a. A change in control of the Issuer; b. The filing of any legal proceeding by or against the Issuer and/or its subsidiaries, involving a claim amounting to 10% or more of the Issuer's total current assets or any legal proceeding against its President and/or any member of its board of directors in their capacity as such; c. Changes in the Issuer's corporate purpose and any material alterations in the issuer's activities or operations or the initiation of new ones; d. Resignation or removal of directors, officers or senior management and their replacements and the reasons for such; e. Any decision taken to carry out extraordinary investments or the entering into financial or commercial transactions that might have a material impact on the Issuer's situation; f. Losses or potential losses, the aggregate of which amounts to at least ten percent (10%) of the consolidated total assets of the Issuer; g. Occurrence of any event of dissolution with details in respect thereto; h. Acts and facts of any nature that might seriously obstruct the development of corporate activities, specifying its implications on the Issuer's business; i. Any licensing or franchising agreement or its cancellation which may materially affect the Issuer's operations; j. Any delay in the payment of debentures, negotiable obligations, bonds or any other publicly traded security; k. Creation of mortgages or pledges on assets exceeding ten percent (10%) or more of the Issuer's total assets; l. Any purchase or sale of stock or convertible debt securities of other companies when the amount is ten percent (10%) or more of the 	<p>Rule 704, SGX Listing Manual: Announcement of Specific Information</p> <p>In addition to Rule 703, an issuer must immediately announce the following:-</p> <p>General</p> <ol style="list-style-type: none"> (1) Any change of address of the registered office of the issuer or of any office at which the register of members or any other register of securities of the issuer is kept. (2) Any proposed alteration to the memorandum of association or articles of association or constitution of the issuer. (3) [Deleted] (4) Any call to be made on partly paid securities of the issuer or of any of its principal subsidiaries. (5) Any qualification or emphasis of a matter by the auditors on the financial statements of:- <ol style="list-style-type: none"> (a) the issuer; or (b) any of the issuer's subsidiaries or associated companies, if the qualification or emphasis of a matter has a material impact on the issuer's consolidated accounts or the group's financial position. (6) If an issuer has previously announced its preliminary full-year results, any material adjustment to the issuer's preliminary full year results made subsequently by auditors. <p>Appointment or cessation of service</p> <ol style="list-style-type: none"> (7) <ol style="list-style-type: none"> (a) Any appointment or cessation of service of key persons such as director, chief executive officer, chief financial officer, chief operating officer, general manager or other executive officer of equivalent authority, company secretary, registrar or auditors of the issuer. The announcement of an appointment or cessation of service of key persons such as director, chief executive officer, chief financial officer, chief operating officer, general manager or other executive officer of equivalent authority must contain the information contained in Appendix 7.4.1 or Appendix 7.4.2 of the SGX Listing Manual, as the case may be.

<u>NO.</u>	<u>PSE Rules and Philippines Laws</u>	<u>SGX Listing Manual and Singapore Laws</u>
	Issuer's total assets;	
m.	Contracts of any nature that might limit the distribution of profits with copies thereof;	(b) In the case of a cessation of service of any director, chief executive officer, chief financial officer, chief operating officer, general manager or other executive officer of equivalent authority, such persons must inform the SGX-ST in writing as soon as possible if he is aware of any irregularities in the issuer which would have a material impact on the group, including financial reporting.
n.	Facts of any nature that materially affect or might materially affect the economic, financial or equity situation of those companies controlling, or controlled by the Issuer including the sale of or the constitution of sureties/pledges on a substantial part of its assets;	
o.	Authorisation, suspension, retirement or cancellation of the listing of the Issuer's securities on an exchange or electronic marketplace domestically or abroad;	(8) Any appointment or reappointment of a director to the audit committee. The issuer must state in the announcement whether the board considers the director to be independent. The issuer must also provide such additional disclosure as may be appropriate in the circumstances to enable its shareholders to assess the independence or otherwise of the appointed director. In the event of any retirement or resignation which renders the audit committee unable to meet the minimum number (not less than three) the issuer should endeavour to fill the vacancy within two months, but in any case not later than three months.
p.	Fines of more than P50,000.00 and/or other penalties on the Issuer or on its subsidiaries by regulatory authorities and the reasons therefor;	(9) Any appointment of a person who is a relative of a director or chief executive officer or substantial shareholder of the issuer to a managerial position in the issuer or any of its principal subsidiaries. The announcement must state the job title, duties and responsibilities of the appointee, and the information required in Rule 704(7).
q.	Merger, consolidation or spin-off of the Issuer;	(10) Any promotion of an appointee referred to in Rule 704(9).
r.	Any modification in the rights of the holders of any class of securities issued by the Issuer and the corresponding effect of such modification upon the rights of the holders;	(11) Any appointment of, or change in legal representative(s) (or person(s) of equivalent authority, however described), appointed as required by any relevant law applicable to the issuer and/or any of its principal subsidiaries, with sole powers to represent, exercise rights on behalf of, the issuer and/or that principal subsidiary.
s.	Any declaration of cash dividend, stock dividend and pre-emptive rights by the board of directors;	(12) For issuers with principal subsidiaries based in jurisdictions other than Singapore, any of its independent directors' appointment or cessation of service from the boards of these principal subsidiaries.
t.	Any change in the Issuer's fiscal year and the reason(s) therefor;	(13) Within 60 days after each financial year, the issuer must make an announcement of each 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
u.	All resolutions, approving material acts or transactions, taken up in meetings of the board of directors and stockholders of the Issuer;	
v.	A joint venture, consolidation, acquisition, tender offer, take-over or reverse take-over and a merger;	
w.	Capitalisation issues, options, directors/officers/employee stock option plans, warrants, stock splits and reverse splits;	
x.	All calls to be made on unpaid subscriptions to the capital stock of the Issuer;	
y.	Any change of address and contact numbers of the registered office of the Issuer;	
z.	Any change in the auditors of the Issuer and the corresponding reason for such change;	

<u>NO.</u>	<u>PSE Rules and Philippines Laws</u>
	aa. Any proposed amendment to the Articles of Incorporation and By-Laws and its subsequent approval by the Securities and Exchange Commission;
	bb. Any action filed in court, or any application filed with the Securities and Exchange Commission, to dissolve or wind-up the Issuer or any of its subsidiaries, or any amendment to the Articles of Incorporation shortening its corporate term;
	cc. The appointment of a receiver or liquidator for the Issuer or any of its subsidiaries;
	dd. Any acquisition of shares of another corporation or any transaction resulting in such corporation becoming a subsidiary of the Issuer;
	ee. Any acquisition by the Issuer of shares resulting in its holding 10% or more of the issued and outstanding shares of another listed company or where the total value of its holdings exceed 5% of the net assets of an unlisted corporation;
	ff. Any sale made by the Issuer of its shareholdings in another listed or unlisted corporation: (1) resulting in such corporation ceasing to be its subsidiary; (2) resulting in its shareholding falling below 10% of the issued capital stock;
	gg. Firm evidence of significant improvement or deterioration in near-term earnings prospects;
	hh. The purchase or sale of significant assets amounting to ten percent (10%) or more of the Issuer's total assets otherwise than in the ordinary course of business;
	ii. A new product or discovery;
	jj. The public or private sale of additional securities;
	kk. A call for redemption of securities;
	ll. The borrowing of a significant amount of funds not in the ordinary course of business;
	mm. Default of financing or sale agreements;
	nn. Deviation from capital investment funds equivalent to twenty percent (20%) of the original amount appropriated;
	oo. Disputes with subcontractors, customers or suppliers or with any other parties;

<u>SGX Listing Manual and Singapore Laws</u>
the issuer as set out in Appendix 7.2 Part II of the SGX Listing Manual. If there are no such persons, the issuer must make an appropriate negative statement. The SGX-ST may require the issuer to provide additional information on any such person, including his remuneration, any changes to his duties, responsibilities and remuneration package.

Appointment of Special Auditors

(14) SGX-ST may require an issuer to appoint a special auditor to review or investigate the issuer's affairs and report its findings to SGX-ST or the issuer's audit committee or such other party as SGX-ST may direct. The issuer may be required by the SGX-ST to immediately announce the requirement, together with such other information as SGX-ST directs. The issuer may be required by SGX-ST to announce the findings of the special auditors.

<u>NO.</u>	<u>PSE Rules and Philippines Laws</u>	<u>SGX Listing Manual and Singapore Laws</u>
	<p>pp. An increase or decrease by 10% in the monthly, quarterly and annual revenues on a year-on-year basis.</p>	
	<p>Section 8, PSE Rules on Disclosure: Disclosure of the Amendments to the Articles of Incorporation and By-Laws</p>	
	<p>Upon approval by the Securities and Exchange Commission of the amendment to the Articles of Incorporation and By-Laws of an Issuer, the following should be submitted to the PSE within two (2) trading days:</p>	
	<ul style="list-style-type: none"> a. SEC Certified True Copy of the Amended Articles of Incorporation and By-Laws; and b. Detailed procedure to be undertaken by the Issuer in amending its stock certificates, if required. 	
	<p>Section 11, PSE Rules on Disclosure: Disclosure of Pending Release of Shares held under Voluntary Lock-Up</p>	
	<p>The Issuer must notify the PSE of the release of the shares held under escrow not earlier than fifteen (15) trading days but not later than ten (10) trading days before the end of the voluntary lock-up period.</p>	

General Meetings

Section 7, PSE Rules on Disclosure: Disclosure on Stockholders' Meeting

For the holding of any stockholders' meeting, the PSE must be given a written notice thereof at least Ten (10) trading days prior to the record date fixed by the Issuer. The notice must include all the necessary details including the time, venue, and agenda of the meeting and the inclusive dates when the stock and transfer books will be closed. The Issuer shall further submit within Five (5) trading days after the record date the list of stockholders who are entitled to notice and to vote at a regular or special stockholders' meeting.

- (15) The date, time and place of any general meeting. All notices convening meetings must be sent to shareholders at least 14 calendar days before the meeting (excluding the date of the notice and the date of meeting). For meetings to pass special resolution(s), the notice must be sent to shareholders at least 21 calendar days before the meeting (excluding the date of notice and the date of meeting).
- (16) All resolutions put to a general meeting of an issuer, and immediately after such meeting, whether or not the resolutions were passed.

Acquisitions and Realizations

Please refer to Section 4.4, PSE Rules on Disclosure at paragraph "Reporting Requirements" for further details.

Section 4.3, PSE Rules on Disclosure

a. Where the information is necessary to enable the Issuer and the public to appraise their position or standing, such as, but not limited to, those relating to the Issuer's financial condition, prospects, development projects, contracts entered into in the ordinary course of business or otherwise, mergers and acquisitions, dealings with employees, suppliers, customers and others, as well as information concerning a significant change in ownership of the Issuer's securities owned by insiders or those representing control of the Issuer; or

Section 4.4, PSE Rules on Disclosure

dd. any acquisition of shares of another corporation or any transaction resulting in such corporation becoming subsidiary of the Issuer.

ee. Any acquisition by the Issuer of shares resulting in its holding 10% or more of the issued and outstanding shares of another listed company or where the total value of its holdings exceed 5% of the net assets of an unlisted corporation;

Acquisitions and Realizations

- (17) Any acquisition of:-
 - (a) shares resulting in the issuer holding 10% or more of the total number of issued shares excluding treasury shares of a quoted company;
 - (b) except for an issuer which is a bank, finance company, securities dealing company or approved financial institution, quoted securities resulting in the issuer's aggregate cost of investment exceeding each multiple of 5% of the issuer's latest audited consolidated net tangible assets. The announcement must state:-
 - (i) the aggregate cost of the issuer's quoted investments before and after the acquisition, and such amounts as a percentage of the latest audited consolidated net tangible assets of the issuer;
 - (ii) the total market value of its quoted investments before and after the acquisition; and
 - (iii) the amount of any provision for diminution in value of investments;
 - (c) shares resulting in a company becoming a subsidiary or an associated company of the issuer (providing the information required by Rule 1010(3) and (5)); and
 - (d) shares resulting in the issuer increasing

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
		<p>its shareholding in a subsidiary or an associated company (providing the information required by Rule 1010(3) and (5)).</p> <p>(18) Any sale of:</p> <ul style="list-style-type: none"> (a) shares resulting in the issuer holding less than 10% of the total number of issued shares excluding treasury shares of a quoted company; (b) except for an issuer which is a bank, finance company, securities dealing company or an approved financial institution, quoted securities resulting in the issuer's aggregate cost of investment in quoted securities falling below each multiple of 5% of the issuer's latest audited consolidated net tangible assets. The announcement must contain the same information as required under Rule 704(17)(b)(i) to (iii), relating to a sale instead of an acquisition; (c) shares resulting in a company ceasing to be a subsidiary or an associated company of the issuer (providing the information required by Rule 1010(3) and (5)); and (d) shares resulting in the issuer reducing its share holding in a subsidiary or an associated company (providing the information required by Rule 1010(3) and (5)). <p>(19) Any acquisition or disposal of shares or other assets which is required to be announced under Chapter 10.</p>

Winding Up, Judicial Management, etc

Please refer to Section 4.4, PSE Rules on Disclosure at paragraph “Reporting Requirements” for further details.

- (20) Any application filed with a court to wind up the issuer or any of its subsidiaries, or to place the issuer or any of its subsidiaries under judicial management.
- (21) The appointment of a receiver, judicial manager or liquidator of the issuer or any of its subsidiaries.
- (22) Any breach of any loan covenants or any notice received from principal bankers or from the trustee of any debenture holders to demand repayment of loans granted to the issuer or any of its subsidiaries which, in the opinion of the issuer's directors, would result in the issuer facing a cash flow problem.

<u>NO.</u>	<u>PSE Rules and Philippines Laws</u>	<u>SGX Listing Manual and Singapore Laws</u>
		<p>(23) Where Rule 704(20), (21) or (22) applies, a monthly update must be announced regarding the issuer's financial situation, including:</p> <ul style="list-style-type: none"> (a) the state of any negotiations between the issuer and its principal bankers or trustee; and (b) the issuer's future direction, or other material development that may have a significant impact on the issuer's financial position. <p>If any material development occurs between the monthly updates, it must be announced immediately.</p>

Announcement of Results, Dividends, etc

Section 6, PSE Rules on Disclosure: Disclosure of Dividend Declarations

The Issuer must disclose to the PSE dividend declarations as approved by its board of directors and shareholders in accordance with Section 4.1, PSE Rules on Disclosure.

(24) Any recommendation or declaration of a dividend (including a bonus or special dividend, if any), the rate and amount per share and date of payment. If dividends are not taxable in the hands of shareholders, this must be stated in the announcement and in the dividend advice to shareholders. If there is a material variation in the interim or final dividend rate compared to that for the previous corresponding period, the directors must state the reasons for the variation at the time the dividend is recommended or declared. If the directors decide not to declare or recommend a dividend, this must be announced.

(25) After the end of each of the first three quarters of its financial year, half year or financial year, as the case may be, an issuer must not announce any:-

- (a) dividend;
- (b) capitalisation or rights issue;
- (c) closing of the books;
- (d) capital return;
- (e) passing of a dividend; or
- (f) sales or turnover

unless it is accompanied by the results of the quarter, half year or financial year, as the case may be, or the results have been announced.

Books Closure

Section 6.1, PSE Rules on Disclosure:

(26) Any intention to fix a books closure date,

NO. **PSE Rules and Philippines Laws**
Disclosure of Record Date

The Issuer must set the record date in accordance with the rules of the Securities and Exchange Commission and when appropriate, of the rules of the Bangko Sentral ng Pilipinas. The disclosure of the record date must not be less than ten (10) trading days from the said date.

Section 6.2, PSE Rules on Disclosure: Determination of Payment Date

The Issuer must set the payment date in accordance with the rules of the Commission and when appropriate, of the rules of the Bangko Sentral ng Pilipinas.

Section 7, PSE Rules on Disclosure: Disclosure on Stockholders' Meeting

Disclosure on Stockholder's Meeting: For the holding of any stockholders' meeting, the Exchange must be given a written notice thereof at least ten (10) trading days prior to the record date fixed by the Issuer. The notice must include all the necessary details including the time, venue, and agenda of the meeting and the inclusive dates when the stock and transfer books will be closed. The Issuer shall further submit within five (5) trading days after the record date the list of stockholders who are entitled to notice and to vote at a regular or special stockholders' meeting.

Treasury Shares

Please refer to Section 9, PSE Rules on Disclosure at paragraph "Restrictions on Repurchase of Shares" for further details.

SGX Listing Manual and Singapore Laws

stating the date, reason and address of the share registry at which the relevant documents will be accepted for registration. At least 5 market days of notice (excluding the date of announcement and the books closure date) must be given for any books closure date. Issuers could consider a longer notice period, where necessary. Subject to the provisions of the Singapore Companies Act, the SGX-ST may agree to a shorter books closure period. In fixing a books closure date, an issuer must ensure that the last day of trading on a cum basis falls at least 1 day after the general meeting, if a general meeting is required to be held.

- (27) The issuer must not close its books for any purpose until at least 8 market days after the last day of the previous books closure period. This rule does not prohibit identical books closure dates for different purposes.

Treasury Shares

- (28) Any sale, transfer, cancellation and/or use of treasury shares, stating the following:-
- (a) date of the sale, transfer, cancellation and/or use;
 - (b) purpose of such sale, transfer, cancellation and/or use;
 - (c) number of treasury shares sold, transferred, cancelled and/or used;
 - (d) number of treasury shares before and after such sale, transfer, cancellation and/or use;
 - (e) percentage of the number of treasury shares against the total number of shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and

<u>NO.</u>	<u>PSE Rules and Philippines Laws</u>	<u>SGX Listing Manual and Singapore Laws</u>
		(f) value of the treasury shares if they are used for a sale or transfer, or cancelled.

Share Option Scheme

Please refer to the sections under Part D, Article V, PSE Rules on Additional Listing at paragraph “Share Option Schemes or Share Schemes” for further details.

Section 4.4, PSE Rules on Disclosure

w. Capitalisation issues, options, directors/officers/employee stock option plans, warrants, stock splits and reverse splits;

(29) Any grant of options or shares. The announcement must be made on the date of the offer and provide details of the grant, including the following:-

- (a) Date of grant;
- (b) Exercise price of options granted;
- (c) Number of options or shares granted;
- (d) Market price of its securities on the date of grant;
- (e) Number of options or shares granted to each director and controlling shareholder (and each of their associates), if any;
- (f) Validity period of the options.

Loan agreements / Issue of Debt Securities

Sec. 4.4, PSE Rules on Disclosure

ll. the borrowing of a significant amount of funds not in the ordinary course of business;

mm. Default of financing or sale agreements;

(31) When the issuer or any of its subsidiaries enters into a loan agreement or issues debt securities that contain a condition making reference to shareholding interests of any controlling shareholder in the issuer, or places restrictions on any change in control of the issuer, and the breach of this condition or restriction will cause a default in respect of the loan agreement or debt securities, significantly affecting the operations of the issuer:

- (a) The details of the condition(s) making reference to shareholding interests of such controlling shareholder in the issuer or restrictions placed on any change in control of the issuer; and
- (b) The aggregate level of these facilities that may be affected by a breach of such condition or restriction.

(32) Any breach of the terms of loan agreements or debt issues which may have a significant impact on the operations of the issuer.

Notifiable Transactions

Section 4.3, PSE Rules on Disclosure:

Chapter 10 of the SGX Listing Manual

**NO. PSE Rules and Philippines Laws
Standard and Test in Determining Whether
Disclosure is Necessary**

A disclosure must be made promptly by the Issuer if it meets any of the following standards:

- a. Where the information is necessary to enable the Issuer and the public to appraise their position or standing, such as, but not limited to, those relating to the Issuer's financial condition, prospects, development projects, contracts entered into in the ordinary course of business or otherwise, mergers and acquisitions, dealings with employees, suppliers, customers and others, as well as information concerning a significant change in ownership of the Issuer's securities owned by insiders or those representing control of the Issuer; or
- b. Where such information is necessary to avoid the creation of a false market for its securities; or
- c. Where such information may reasonably be expected to materially affect market activity and the price of its securities;

Section 5, PSE Rules on Disclosure: Disclosure for Substantial Acquisitions and Reverse Takeovers

When an Issuer or its subsidiary has merged or consolidated with or otherwise acquires a direct or indirect interest in an unlisted company, person or group, and said interest is ten percent (10%) or more of the total book value of the listed company, the trading of the securities of the listed company shall be suspended until the terms and conditions of the transaction, and the details pertaining to the business or project acquired are actually disclosed and, if applicable, the latest audited financial statements of the unlisted company, are submitted to the PSE.

The foregoing, however, shall not apply to cases where the Issuer has merged or consolidated with or otherwise acquires an interest in its existing subsidiary(ies).

**SGX Listing Manual and Singapore Laws
(Acquisitions and Realizations)**

Rule 1004, SGX Listing Manual

Transactions are classified as:-

- (a) non-discloseable transactions,
- (b) discloseable transactions;
- (c) major transactions; and
- (d) very substantial acquisitions or reverse takeovers.

Rule 1005, SGX Listing Manual

In determining whether a transaction falls within category (a), (b), (c) or (d) of Rule 1004, SGX-ST may aggregate separate transactions completed within the last 12 months and treat them as if they were one transaction.

Rule 1006, SGX Listing Manual

A transaction may fall into category (a), (b), (c) or (d) of Rule 1004 depending on the size of the relative figures computed on the following bases:-

- (a) the net asset value of the assets to be disposed of, compared with the group's net asset value. This basis is not applicable to an acquisition of assets;
- (b) the net profits attributable to the assets acquired or disposed of, compared with the group's net profits;
- (c) the aggregate value of the consideration given or received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares;
- (d) the number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.

Transactions are categorized as follows:-

- non-discloseable transaction: where all of the relative figures computed on the bases set out in Rule 1006 amount to 5% or less;
- discloseable transaction: where any of the relative figures computed on the bases set out in Rule 1006 exceeds 5% but does not exceed 20%;
- major transaction: where any of the relative

<u>NO.</u>	<u>PSE Rules and Philippines Laws</u>	<u>SGX Listing Manual and Singapore Laws</u>
		<p>figures computed on the bases set out in Rule 1006 exceeds 20%; and</p> <ul style="list-style-type: none"> - very substantial acquisition or reverse takeover: Where any of the relative figures in Rule 1006 is 100% or more, or where there is a change in control of the issuer.
		<p>Rule 1008(1), SGX Listing Manual</p> <p>Where a transaction is classified as a non-discloseable transaction, unless Rule 703, 905 or 1009 of the SGX Listing Manual applies, no announcement of the transaction is required.</p>
		<p>Rule 1009, SGX Listing Manual</p> <p>If the consideration is satisfied wholly or partly in securities for which listing is being sought, the issuer must announce the transaction as soon as possible after the terms have been agreed, stating the information set out in Chapter 10 Part VI of the SGX Listing Manual.</p>
		<p>Rule 1010, Rule 1014(1) and Rule 1015(1), SGX Listing Manual</p> <p>Where a transaction is classified as a discloseable transaction, major transaction or very substantial acquisition/reverse takeover, the Company must make an immediate announcement, which includes the details prescribed in Rule 1010 of the SGX Listing Manual (as set out below):-</p> <ul style="list-style-type: none"> (1) particulars of the assets acquired or disposed of, including the name of any company or business, where applicable; (2) a description of the trade carried on, if any; (3) the aggregate value of the consideration, stating the factors taken into account in arriving at it and how it will be satisfied, including the terms of payment; (4) whether there are any material conditions attaching to the transaction including a put, call or other option and details thereof; (5) the value (book value, net tangible asset value and the latest available open market value) of the assets being acquired or disposed of, and in respect of the latest available valuation, the value placed on the assets, the party who commissioned the valuation and the basis and date of such valuation; (6) in the case of a disposal, the excess or deficit of the proceeds over the book value, and the intended use of the sale proceeds. In the case

<u>NO.</u>	<u>PSE Rules and Philippines Laws</u>	<u>SGX Listing Manual and Singapore Laws</u>
		of an acquisition, the source(s) of funds for the acquisition;
		(7) the net profits attributable to the assets being acquired or disposed of. In the case of a disposal, the amount of any gain or loss on disposal;
		(8) the effect of the transaction on the net tangible assets per share of the issuer for the most recently completed financial year, assuming that the transaction had been effected at the end of that financial year;
		(9) the effect of the transaction on the earnings per share of the issuer for the most recently completed financial year, assuming that the transaction had been effected at the beginning of that financial year;
		(10) the rationale for the transaction including the benefits which are expected to accrue to the issuer as a result of the transaction;
		(11) whether any director or controlling shareholder has any interest, direct or indirect, in the transaction and the nature of such interests;
		(12) details of any service contracts of the directors proposed to be appointed to the issuer in connection with the transaction; and
		(13) the relative figures that were computed on the bases set out in Rule 1006.

Rule 1014(2) and Rule 1015(2), SGX Listing Manual

Further, transactions that are major transactions are conditional upon the prior approval of shareholders. Very substantial acquisitions/reverse takeovers transactions are conditional upon the approval of shareholders and the approval of the SGX-ST.

A circular to shareholders will need to be distributed to seek shareholders approval.

The disclosures required to be made in such circular for these types of transactions are prescribed in the SGX Listing Manual.

Rule 1015(1)(b) and Rule 1015(2), SGX Listing Manual

For very substantial acquisitions/reverse takeovers, the issuer must also immediately announce the latest three years of proforma financial information of the assets to be acquired and obtain the approval of the SGX-ST.

The enlarged group must also comply with the requirements in Rule 1015(3) of the SGX Listing Manual.

Announcement of financial results and annual reports

2. Section 17.2, PSE Rules on Disclosure: Submission of Periodic and Other Reports by Listed Companies to the PSE

Issuers shall file with the PSE the following periodic and other reports:

- a. Annual Report: An annual report using SEC Form 17-A within 105 days after the end of the fiscal year, or such other time as the Securities and Exchange Commission by rule shall prescribe.
- b. Three (3) Quarterly Reports, within 45 days from end of the first three quarters of the fiscal year, the SEC Form 17-Q format shall be used. Issuers must include a schedule of aging of accounts receivables in their SEC Form 17-Q submitted to the PSE.
- c. Other Periodical Reports Prescribed by the Securities and Exchange Commission: Such other periodical reports for interim fiscal periods and current reports on significant developments of the Issuer as the Securities and Exchange Commission may prescribe as necessary to update and keep current information on the operation of the business and financial condition of the Issuer.

Section 17.3, PSE Rules on Disclosure: Form of Periodic Report

All reports (including financial statements) required to be filed with the Securities and Exchange Commission and the PSE pursuant to Section 17.2, PSE Rules on Disclosure shall, be in such form, contain such information and be filed at such times as the Securities and Exchange Commission by rule shall prescribe, and in lieu of any periodical or current reports or financial statements otherwise required to be filed under the Corporation Code of the Philippines.

Section 17.4, PSE Rules on Disclosure: Furnishing of Annual Report to Shareholders

Every Issuer shall furnish to each holder of such equity security an annual report in such form and containing such information as the Securities and Exchange Commission by rule shall prescribe.

Rule 705, SGX Listing Manual: Financial Statements

- (1) An issuer must announce the financial statements for the full financial year (as set out in Appendix 7.2 of the SGX Listing Manual) immediately after the figures are available, but in any event not later than 60 days after the relevant financial period.
- (2) An issuer must announce the financial statements for each of the first three quarters of its financial year (as set out in Appendix 7.2 of the SGX Listing Manual) immediately after the figures are available, but in any event not later than 45 days after the quarter end if:-
 - (a) its market capitalization exceeded S\$75 million as at 31 March 2003; or
 - (b) it was listed after 31 March 2003 and its market capitalization exceeded S\$75 million at the time of listing (based on the IPO issue price); or
 - (c) its market capitalization is S\$75 million or higher on the last trading day of each calendar year commencing from 31 December 2006. An issuer whose obligation falls within this sub-section (c) will have a grace period of a year to prepare for quarterly reporting. As an illustration, an issuer whose market capitalization is S\$75 million or higher as at the end of the calendar year 31 December 2006 must announce its quarterly financial statements for any quarter of its financial year commencing in 2008.

Notwithstanding the grace period, all issuers whose obligation falls under this sub-section (c) are strongly encouraged to adopt quarterly reporting as soon as possible.

- (3) (a) An issuer who falls within the subsections in Rule 705(2) above must comply with Rule 705(2) even if its market capitalization subsequently

<u>NO.</u>	<u>PSE Rules and Philippines Laws</u>	<u>SGX Listing Manual and Singapore Laws</u>
	<p>Section 17, Securities Regulation Code: Reportorial Requirements</p> <p>Section 17.1, Securities Regulation Code</p> <p>Every Issuer satisfying the requirements in Section 17.2 of the Securities Regulation Code shall file with the Securities and Exchange Commission:</p> <p>a) Within one hundred thirty-five (135) days, after the end of the issuer's fiscal year, or such other time as the Securities and Exchange Commission may prescribe, an annual report which shall include, among others, a balance sheet, profit and loss statement and statement of cash flows, for such last fiscal year, certified by an independent certified public accountant, and a management discussion and analysis of results of operations; and</p> <p>b) Such other periodical reports for interim fiscal periods and current reports on significant developments of the issuer as the Securities and Exchange Commission may prescribe as necessary to keep current information on the operation of the business and financial condition of the issuer.</p> <p>Section 17.2, Securities Regulation Code</p> <p>The reportorial requirements of Section 17.1 of the Securities Regulation Code shall apply to the following:</p> <p>a) An issuer which has sold a class of its securities pursuant to a registration under Section 12 of the Securities Regulation Code: Provided, however, That the obligation of such issuer to file reports shall be suspended for any fiscal year after the year such registration became effective if such issuer, as of the first day of any such fiscal year, has less than one hundred (100) holders of such class of securities or such other number as the Securities and Exchange Commission shall prescribe and it notifies the Securities and Exchange Commission of such;</p> <p>b) An issuer with a class of securities listed for trading on an organised marketplace or facility that brings together buyers and sellers and executes trades of securities and/or commodities; and</p> <p>c) An issuer with assets of at least Fifty million pesos (P50,000,000.00) or such other amount as the Securities and Exchange Commission shall prescribe, and having Two hundred</p>	<p>decreases below S\$75 million.</p> <p>(b) An issuer who does not fall within the sub-sections in Rule 705(2) above must announce its first half financial statements (as set out in Appendix 7.2 of the SGX Listing Manual) immediately after the figures are available, but in any event not later than 45 days after the relevant financial period.</p> <p>(4) Notwithstanding the foregoing, with respect to the first announcement to be made by the issuer pursuant to Rules 705(1) or (2) following its listing on the SGX-ST, where the time period between the date of its listing and the final date for the issuer to make the relevant announcement pursuant to Rule 705(1) or (2) above is less than 30 days, the issuer shall have 30 days from the relevant deadline to make the relevant announcement of the financial statements provided that the following conditions are satisfied:</p> <p>(a) the extension is announced by the issuer at the time of the issuer's listing; and</p> <p>(b) in the announcement referred to in paragraph (a), the issuer must confirm that there is no material adverse change to the financial position of the issuer since the date of its prospectus in connection with its listing on SGX-ST.</p> <p>(5) In the case of an announcement of interim financial statements (quarterly or half-yearly, as applicable, but excluding full year financial statements), an issuer's directors must provide a confirmation that, to the best of their knowledge, nothing has come to the attention of the board of directors which may render the interim financial statements to be false or misleading in any material aspect. In order to make this confirmation, directors would not be expected to commission an audit of these financial statements. The confirmation may be signed by 2 directors on behalf of the board of directors.</p> <p>Rule 707, SGX Listing Manual</p> <p>(1) The time between the end of an issuer's financial year and the date of its annual general meeting (if any) must not exceed four months.</p> <p>(2) An issuer must issue its annual report to shareholders and the SGX-ST at least 14 days before the date of its annual general meeting.</p>

NO.

PSE Rules and Philippines Laws

(200) or more holders each holding at least One hundred (100) shares of a class of its equity securities: Provided, however, That the obligation of such issuer to file reports shall be terminated ninety (90) days after notification to the Securities and Exchange Commission by the issuer that the number of its holders holding at least one hundred (100) shares is reduced to less than One hundred (100).

SGX Listing Manual and Singapore Laws

Appointment of Auditors

Article 5, SEC Memorandum Circular No. 6 Series of 2009, Revised Code of Corporate Governance

Accountability and Audit

A) The board is primarily accountable to the stockholders. It should provide them with a balanced and comprehensible assessment of the corporation's performance, position and prospects on a quarterly basis, including interim and other reports that could adversely affect its business, as well as reports to regulators that are required by law.

Thus, it is essential that management provide all members of the board with accurate and timely information that would enable the board to comply with its responsibilities to the stockholders.

Management should formulate, under the supervision of the Audit Committee, the rules and procedures on financial reporting and internal control in accordance with the following guidelines:

- (i) The extent of its responsibility in the preparation of the financial statements of the corporation, with the corresponding delineation of the responsibilities that pertain to the external auditor, should be clearly explained;
- (ii) An effective system of internal control that will ensure the integrity of the financial reports and protection of the assets of the corporation should be maintained;
- (iii) On the basis of the approved audit plans, internal audit examinations should cover, at the minimum, the evaluation of the adequacy and effectiveness of controls that cover the corporation's governance, operations and information systems, including the reliability and integrity of financial and operational information, effectiveness and efficiency of operations, protection of assets, and compliance with contracts, laws, rules and, regulations;
- (iv) The corporation should consistently comply with the financial reporting requirements of the Commission;

Rule 712, SGX Listing Manual: Appointment of Auditors

- (1) An issuer must appoint a suitable accounting firm to meet its audit obligations, having regard to the adequacy of the resources and experience of the accounting firm and the persons assigned to the audit, the firm's audit engagements, the size and complexity of the listed group being audited, and the number and experience of supervisory and professional staff assigned to the particular audit.
- (2) The auditing firm appointed by the issuer must be:-
 - (a) Registered with the Accounting and Corporate Regulatory Authority;
 - (b) Registered with and/or regulated by an independent audit oversight body acceptable to the SGX-ST. Such oversight bodies should be members of the International Forum of Independent Audit Regulators, independent of the accounting profession and directly responsible for the system of recurring inspection of accounting firms or are able to exercise oversight of inspections undertaken by professional bodies; or
 - (c) Any other auditing firm acceptable by the SGX-ST.
- (3) A change in auditors must be specifically approved by shareholders in a general meeting.

Rule 713, SGX Listing Manual

- (1) An issuer must disclose in its annual report the date of appointment and the name of the audit partner in charge of auditing the issuer and its group of companies. The audit partner must not be in charge of more than 5 consecutive audits for a full financial year, the first audit being for the financial year beginning on or after 1 January 1997, regardless of the date of listing. The audit partner may return after 2 years.
- (2) If the listing of an issuer occurs after 5 consecutive audits by the same audit partner in charge, the same audit partner may complete the audit of the financial year in

NO.**PSE Rules and Philippines Laws**

- (v) The external auditor should be rotated or changed every five (5) years or earlier, or the signing partner of the external auditing firm assigned to the corporation, should be changed with the same frequency. The Internal Auditor should submit to the Audit Committee and management an annual report on the internal audit department's activities, responsibilities and performance relative to the audit plans and strategies as approved by the Audit Committee. The annual report should include significant risk exposures, control issues and such other matters as may be needed or requested by the Board and Management. The Internal Auditor should certify that he conducts his activities in accordance with the International Standards on the Professional Practice of Internal Auditing. If he does not, he shall disclose to the Board and Management the reasons why he has not fully complied with the said standards.

- B) The board, after consultations with the Audit Committee, shall recommend to the stockholders an external auditor duly accredited by the Securities and Exchange Commission who shall undertake an independent audit of the corporation, and shall provide an objective assurance on the manner by which the financial statements shall be prepared and presented to the stockholders. The external auditor shall not, at the same time, provide internal audit services to the corporation. Non-audit work may be given to the external auditor, provided it does not conflict with his duties as an independent auditor, or does not pose a threat to his independence.

If the external auditor resigns, is dismissed or ceases to perform his services, the reason/s for and the date of effectivity of such action shall be reported in the corporation's annual and current reports. The report shall include a discussion of any disagreement between him and the corporation on accounting principles or practices, financial disclosures or audit procedures which the former auditor and the corporation failed to resolve satisfactorily. A preliminary copy of the said report shall be given by the corporation to the external auditor before its submission.

If the external auditor believes that any statement made in an annual report, information statement or any report filed with the Commission or any regulatory body

SGX Listing Manual and Singapore Laws

which the issuer lists.

NO. **PSE Rules and Philippines Laws**
during the period of his engagement is incorrect or incomplete, he shall give his comments or views on the matter in the said reports.

Public Float Requirement

3. **Section 3, Article XVIII, Continuing Listing Requirements of the Listing and Disclosure Rules**

(a) Listed companies shall, at all times, maintain a minimum percentage of listed securities held by the public of ten percent (10%) of the listed companies' issued and outstanding shares, exclusive of any treasury shares, or as such percentage that may be prescribed by the Exchange. The Exchange may impose a higher percentage effective upon receipt by the Commission of written notice of such increase. The Exchange may decrease the percentage or suspend or remove the same only with prior approval from the Commission.

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(c) A listed company shall immediately disclose to the Exchange if it becomes aware that the number of listed securities which are in the hands of the public has fallen below the prescribed minimum percentage.

(d) Once the listed company becomes aware that the number of its listed securities in the hands of the public has fallen below the prescribed minimum percentage, the listed company shall take steps to ensure compliance at the earliest possible time, and shall immediately disclose to the Exchange such steps.

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(f) Listed companies shall disclose within fifteen (15) calendar days after the end of each quarter a public ownership report.

(g) Companies which are non-compliant with the minimum public ownership ("MPO") as of December 31, 2011, may be allowed a grace period to comply with the MPO requirement. The grace period shall be reckoned from the date of effectivity of these amendments and shall not exceed twelve (12) months but not beyond December 31, 2012.

(h) Listed companies other than those under paragraph (g) that are non-compliant with the MPO requirement may be allowed a grace period to comply with the MPO requirement to be reckoned from either: (i) the date when the

SGX Listing Manual and Singapore Laws

Rule 723, SGX Listing Manual

An issuer must ensure that at least 10% of the total number of issued shares excluding treasury shares (excluding preference shares and convertible equity securities) in a class that is listed is at all times held by the public.

Rule 724, SGX Listing Manual

If the percentage of securities in public hands falls below 10%, the issuer must, as soon as practicable, make an announcement and the SGX-ST may suspend trading of the class, or all of the securities of the issuer.

The SGX-ST may allow the issuer a period of 3 months, or such longer period as the SGX-ST may agree, to raise the percentage of securities in public hands to at least 10%. The issuer may be delisted if it fails to restore the percentage of securities in public hands to at least 10% after the period.

NO.

PSE Rules and Philippines Laws

listed company makes a disclosure that its public ownership level has fallen below the MPO requirement prescribed by the Exchange; or (ii) when the listed company submits its quarterly Public Ownership Report which shows that the listed company has not complied with the MPO requirement, whichever comes earlier, and such grace period shall not exceed twelve (12) months but not beyond December 31, 2012.

(i) Immediately after the grace period, the Exchange shall impose a trading suspension for a period of not more than six (6) months. If after the lapse of the suspension period, a listed company remains non-compliant with the MPO requirement, it shall be automatically delisted.

(j) Listed companies which become non-compliant with the MPO on or after January 1, 2013 shall be suspended from trading for a period of not more than six (6) months and shall be automatically delisted if it remains non-compliant with the MPO after the lapse of the suspension period.

SGX Listing Manual and Singapore Laws

Shareholders' Reporting Obligations

4. Section 13, PSE Rules on Disclosure: Disclosure on Transactions of Directors and Principal Officers in the Issuer's Securities

Notwithstanding Section 17.5 of the PSE Rules on Disclosure, Issuers must disclose to the PSE the direct and indirect ownership of its directors and principal officers in its securities within five (5) trading days after:

- a. The Issuer's securities is first admitted in the Official Registry of the PSE;
- b. a Director is first elected or an Officer is appointed;
- c. any acquisition, disposal, or change in the shareholdings of the Directors and Officers.

A Director or a Principal Officer of an Issuer must not deal in the Issuer's securities during the period within which a material non-public information is obtained and up to two full trading days after the price sensitive information is disclosed.

Section 17.5, PSE Rules on Disclosure: Reports on Beneficial Ownership

Obligation to notify the Company of substantial shareholding and change in substantial shareholding

Section 81 of the Singapore Companies Act

A person has a substantial shareholding in a company being a company the share capital of which is divided into two or more classes of shares, if (a) he has an "interest" in or interest in one or more voting shares included in one of those classes; and (b) the total votes attached to that share, or those shares is not less than 5 percent of the total votes attached to all the voting shares included in that class.

"voting shares" exclude treasury shares and a person who has a substantial shareholding in a company is a substantial shareholder in that company.

A person has a substantial shareholding in a company if he has an "interest" in one or more voting shares in the company, and the total votes attached to those shares is not less than 5 per cent of the total votes attached to all the voting shares in the company.

Section 82 of the Singapore Companies Act

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PSE Rules and Philippines Laws

Any person who is directly or indirectly the beneficial owner of any equity security of a listed Issuer or is a director, officer or principal stockholder thereof shall submit the necessary reports in accordance with the requirements of Sections 18 and 23, as the case may be, of the Securities Regulation Code.

Section 18, Securities Regulation Code: Reports by Five per centum Holders of Equity Securities

Section 18.1, Securities Regulation Code

In every case in which an issuer satisfies the requirements of Section 17.2 of the Securities Regulation Code, any person who acquires directly or indirectly the beneficial ownership of more than five per centum (5%) of such class or in excess of such lesser per centum as the Securities and Exchange Commission by rule may prescribe, shall, within ten (10) days after such acquisition or such reasonable time as fixed by the Securities and Exchange Commission, submit to the issuer of the security, to the exchange where the security is traded, and to the Securities and Exchange Commission a sworn statement containing the following information and such other information as the Securities and Exchange Commission may require in the public interest or for the protection of investors:

- a) The personal background, identity, residence, and citizenship of, and the nature of such beneficial ownership by, such person and all other persons by whom or on whose behalf the purchases are effected; in the event the beneficial owner is a juridical person, the lines of business of the beneficial owner shall also be reported;
- b) If the purpose of the purchases or prospective purchases is to acquire control of the business of the issuer of the securities, any plans or proposals which such persons may have that will effect a major change in its business or corporate structure;
- c) The number of shares of such security which are beneficially owned, and the number of shares concerning which there is a right to acquire, directly or indirectly, by: (i) such person, and (ii) each associate of such person, giving the background, identity, residence, and citizenship of each such associate; and
- d) Information as to any contracts, arrangements, or understanding with any person with respect to any securities of the issuer including but not limited to transfer, joint ventures, loan or option arrangements,

SGX Listing Manual and Singapore Laws

A substantial shareholder of a company is required to notify the company in writing of his “interests” in the voting shares in the company within two business days after becoming a substantial shareholder, stating his name and address and full particulars (including unless the interest or interests cannot be related to a particular share or shares the name of the person who is registered as the holder) of the voting shares in the company in which he has an interest or interests and full particulars of each such interest and of the circumstances by reason of which he has that interest.

The notice shall be so given notwithstanding that the person has ceased to be a substantial shareholder before the expiration of the two business days.

Sections 83 and 84 of the Singapore Companies Act

A substantial shareholder is required to notify the company in writing of changes in the “percentage level” of his shareholding or his ceasing to be a substantial shareholder, again within two business days after he is aware of such changes.

The reference to changes in “percentage level” means the percentage figure ascertained by expressing the total votes attached to all the voting shares in which the substantial shareholder has an interest or interests immediately before or (as the case may be) immediately after the relevant time as a percentage of the total votes attached to:-

- (a) all the voting shares in the company; or
- (b) where the share capital of the company is divided into 2 or more classes of shares, all the voting shares included in the class concerned,

and, if it is not a whole number, rounding that figure down to the next whole number.

The notice must contain

- (a) the name and address of the substantial shareholder;
- (b) the date of the change and the circumstances leading to that change; and
- (c) such other particulars as may be prescribed.

**Disclosure to Corporations by Substantial Shareholders
Sections 135, 136 and 137, SFA**

NO. PSE Rules and Philippines Laws

puts or calls, guarantees or division of losses or profits, or proxies naming the persons with whom such contracts, arrangements, or understanding have been entered into, and giving the details thereof.

Section 18.2, Securities Regulation Code

If any change occurs in the facts set forth in the statements, an amendment shall be transmitted to the issuer, the PSE and the Securities and Exchange Commission.

Section 18.3, Securities Regulation Code

The Securities and Exchange Commission, may permit any person to file in lieu of the statement required by Section 17.1, Securities Regulation Code, a notice stating the name of such person, the shares of any equity securities subject to Section 17.1 which are owned by him, the date of their acquisition and such other information as the Securities and Exchange Commission may specify, if it appears to the Securities and Exchange Commission that such securities were acquired by such person in the ordinary course of his business and were not acquired for the purpose of and do not have the effect of changing or influencing the control of the issuer nor in connection with any transaction having such purpose or effect.

Section 23, Securities Regulation Code: Transactions of Directors, Officers and Principal Stockholders

Section 23.1, Securities Regulation Code

Every person who is directly or indirectly the beneficial owner of more than ten per centum (10%) of any class of any equity security which satisfies the requirements of Section 17.2, Securities Regulation Code, or who is a director or an officer of the issuer of such security, shall file, at the time either such requirement is first satisfied or within ten days after he becomes such a beneficial owner, director, or officer, a statement with the Securities and Exchange Commission and, if such security is listed for trading on an exchange, also with the exchange, of the amount of all equity securities of such issuer of which he is the beneficial owner, and within ten (10) days after the close of each calendar month thereafter, if there has been a change in such ownership during such month, shall file with the Securities and Exchange Commission, and if such security is listed for trading on an exchange, shall also file with the PSE, a statement indicating his ownership at the close of the calendar month and such changes in his ownership as have occurred during such

SGX Listing Manual and Singapore Laws

Any person who:

(i) is or (if he has ceased to be one) had been a "substantial shareholder",

(ii) has a change in the "percentage level" (within the meaning of the SFA) of his/its interest as a substantial shareholder,

(iii) ceases to be a substantial shareholder of a corporation (generally refers to: (a) a Singapore-incorporated company any or all of the shares in which are listed on the SGX-ST; or (b) a foreign-incorporated company any or all of the shares in which are primarily listed for quotation on the SGX-ST) (the "Corporation"), is required to give written notice to the Corporation of:

(i) the particulars of the voting shares in the Corporation and the nature and extent of the interests,

(ii) the change in interests; or

(iii) the cessation as substantial shareholder, as the case may be.

The notice shall be given in such form and contain such information as the MAS may prescribe and shall be given 2 business days after the person becomes aware that (i) he is or had been a substantial shareholder, (ii) there is a change of interest; or (iii) he has ceased to be a substantial shareholder, as the case may be.

Notification by and to Beneficial Owners

Sections 137A, SFA

Where a person authorises another person to hold, acquire or dispose of, on his behalf, voting shares or an interest or interest in voting shares in a Corporation, he shall take reasonable steps to ensure that the second-mentioned person notifies him as soon as practicable, and in any case, no later than 2 business days after any acquisition or disposal of any of those voting shares or interest or interests. In voting shares affected by the second-mentioned person on his behalf, which will or may give rise to any duty on the part of the first-mentioned person to give notice under the provisions of the SFA.

Sections 137B, SFA

Where a person holds voting shares in a Corporation, being voting shares in which another person has an interest, he shall give to the second-mentioned person a notice of an acquisition or disposal of any of those shares effected by him, in such form as the MAS may prescribe, as soon as practicable, and in any case, no later than 2 business days after acquiring or disposing of the shares.

Section 23.2, Securities Regulation Code

For the purpose of preventing the unfair use of information which may have been obtained by such beneficial owner, director, or officer by reason of his relationship to the issuer, any profit realized by him from any purchase and sale, or any sale and purchase, of any equity security of such issuer within any period of less than six (6) months, unless such security was acquired in good faith in connection with a debt previously contracted, shall inure to and be recoverable by the issuer, irrespective of any intention of holding the security purchased or of not repurchasing the security sold for a period exceeding six (6) months. Suit to recover such profit may be instituted before the Regional Trial Court by the issuer, or by the owner of any security of the issuer in the name and in behalf of the issuer if the issuer shall fail or refuse to bring such suit within sixty (60) days after request or shall fail diligently to prosecute the same thereafter, but no such suit shall be brought more than two (2) years after the date such profit was realized. This Section 23.2 shall not be construed to cover any transaction where such beneficial owner was not such both at the time of the purchase and sale, or the sale and purchase, of the security involved, or any transaction or transactions which the Securities and Exchange Commission by rules and regulations may exempt as not comprehended within the purpose of this section.

Section 23.3, Securities Regulation Code

It shall be unlawful for any such beneficial owner, director, or officer, directly or indirectly, to sell any equity security of such issuer if the person selling the security or his principal: (a) Does not own the security sold; or (b) If owning the security, does not deliver it against such sale within twenty (20) days thereafter, or does not within five (5) days after such sale deposit it in the mails or other usual channels of transportation; but no person shall be deemed to have violated this Section 23.2 if he proves that notwithstanding the exercise of good faith he was unable to make such delivery or deposit within such time, or that to do so would cause undue inconvenience or expense.

Section 23.4, Securities Regulation Code

The provisions of Section 23.2, Securities Regulation Code shall not apply to any purchase and sale, or sale and purchase, and the provisions of Section 23.3 shall not apply to any sale, of an equity security not then or thereafter held by him in an investment account, by a dealer in the

NO.

PSE Rules and Philippines Laws

ordinary course of his business and incident to the establishment or maintenance by him of a primary or secondary market, otherwise than on an exchange, for such security. The Securities and Exchange Commission may, by such rules and regulations as it deems necessary or appropriate in the public interest, define and prescribe terms and conditions with respect to securities held in an investment account and transactions made in the ordinary course of business and incident to the establishment or maintenance of a primary or secondary market.

SGX Listing Manual and Singapore Laws

Restrictions on Repurchase of Shares

5. Section 9, PSE Rules on Disclosure: Disclosure of Acquisition of Outstanding Shares and Sale of Treasury Shares

The Issuer must promptly disclose any planned acquisition of its shares or disposition of treasury shares. In addition, the Issuer must submit a disclosure regarding the actual number of shares and the transaction price for each acquisition or disposition of its own shares prior to the pre-open period of the next trading day after the transaction was executed. The planned acquisition or disposition must likewise be in accordance with the rules and regulations of the Securities and Exchange Commission.

Section 10, PSE Rules on Disclosure: Disclosure of Acquisition by the Issuer’s Subsidiaries, Affiliates and Others

The Issuer must submit a disclosure to the PSE regarding the actual number of shares and the transaction price for each acquisition or disposal of the Issuer’s shares by its subsidiaries, affiliates or entities controlled or managed by the Issuer prior to the pre-open period of the next trading day after the transaction was executed or such other related information that the PSE may require.

Section 41, Corporation Code of the Philippines

A stock corporation shall have the power to purchase or acquire its own shares for a legitimate corporate purpose or purposes, including but not limited to the following cases: Provided, That the corporation has unrestricted retained earnings in its books to cover the shares to be purchased or acquired:

1. To eliminate fractional shares arising out of stock dividends;
2. To collect or compromise an indebtedness to the corporation, arising out of unpaid subscription, in a delinquency sale, and to purchase delinquent shares sold during said sale; and
3. To pay dissenting or withdrawing stockholders entitled to payment for their shares under the provisions of the Corporation Code.

Share Buyback

(a) Shareholder Approval

Rule 881, SGX Listing Manual

An issuer may purchase its own shares (“**Share Buyback**”) if it has obtained the prior specific approval of shareholders in general meeting.

Rule 882, SGX Listing Manual

A share buy-back may only be made on the SGX-ST or on another stock exchange on which the issuer’s securities are listed (“**Market Purchases**”) or by way of an off-market acquisition in accordance with an equal access scheme as defined in section 76C of the Singapore Companies Act.

Rule 883, SGX Listing Manual

For the purpose of obtaining shareholder approval, the issuer must provide at least the following information to shareholders:-

- (1) the information required under the Singapore Companies Act;
- (2) the reasons for the proposed share buyback;
- (3) the consequences, if any, of share purchases by the issuer that will arise under the Singapore Takeover Code or other applicable takeover rules;
- (4) whether the share buy-back, if made, could affect the listing of the issuer’s equity securities on the SGX-ST;
- (5) details of any share buy-back made by the issuer in the previous 12 months, giving the total number of shares purchased, the purchase price per share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and
- (6) whether the shares purchased by the issuer will be cancelled or kept as treasury shares.

(b) Dealing Restrictions:

Rule 884, SGX Listing Manual

In the case of a Market Purchase, the purchase price must not exceed 105% of the average closing price (“**Average Closing Price**”).

"Average Closing Price" means the average of the closing market prices of a share over the last 5 market days preceding the day of the market purchase on which transactions in the shares were recorded and deemed to be adjusted for any corporate action that occurs after the relevant 5-day period.

Rule 885, SGX Listing Manual

In the case of off market acquisition in accordance with an equal access scheme, an issuer must issue an offer document to all shareholders containing at least the following information:-

- (1) terms and conditions of offer;
- (2) period and procedures for acceptances; and
- (3) information in Rule 883(2), (3), (4), (5) and (6) of the SGX Listing Manual.

(c) Reporting Requirements

Rule 886(1), SGX Listing Manual

Where an issuer purchases its shares by way of a market purchase, the issuer shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9:00 a.m. on the market day following the day of purchase of any of its shares.

In a case of an off market purchase under an equal access scheme, an issuer must notify the SGX-ST by 9:00 a.m. on the second market day after the close of acceptances of the offer.

Rule 886(2), SGX Listing Manual

Notification of a purchase by the issuer of its shares must be in the form of Appendix 8.3.2 of the SGX Listing Manual (for an issuer with a dual listing on another stock exchange).

Such notification would include, *inter alia*, the name of the overseas exchange on which the company's shares are also listed, the maximum number of shares authorized for purchase, details of the total number of shares authorized for purchase, the date of purchases, the total number of shares purchased, the purchase price per share, the highest and lowest prices paid for such shares, the total purchase consideration, the cumulative number of shares purchased to date and the number of issued shares after the purchase.

<u>NO.</u>	<u>PSE Rules and Philippines Laws</u>	<u>SGX Listing Manual and Singapore Laws</u>
6.	<p>Section 20, Securities Regulation Code: Proxy Solicitations</p> <p>Section 20.1, Securities Regulation Code</p> <p>Proxies must be issued and proxy solicitation must be made in accordance with rules and regulations to be issued by the Securities and Exchange Commission</p> <p>Section 20.2, Securities Regulation Code</p> <p>Proxies must be in writing, signed by the stockholder or his duly authorized representative and file before the scheduled meeting with the corporate secretary.</p> <p>Section 20.3, Securities Regulation Code</p> <p>Unless otherwise provided in the proxy, it shall be valid only for the meeting for which it is intended. No proxy shall be valid only for the meeting for which it is intended. No proxy shall be valid and effective for a period longer than five (5) years at one time.</p> <p>Section 20.4, Securities Regulation Code</p> <p>No broker or dealer shall give any proxy, consent or any authorization, in respect of any security carried for the account of the customer, to a person other than the customer, without written authorization of such customer.</p> <p>Section 20.5, Securities Regulation Code</p> <p>A broker or dealer who holds or acquire the proxy for at least ten percent (10%) or such percentage as the commission may prescribe of the outstanding share of such issuer, shall submit a report identifying the beneficial owner of ten days after such acquisition, for its own account or customer, to the issuer of security, to the exchange where the security is traded and to the Securities and Exchange Commission.</p>	<p>Depositors who wish to attend and vote at the extraordinary general meeting, and whose names are shown in the records of the Central Depository (Pte) Limited ("CDP") as at a time not earlier than 48 hours prior to the time of the extraordinary general meeting supplied by CDP to the company, may attend the extraordinary general meeting in person. Such depositors who are individuals and who wish to attend the extraordinary general meeting in person need not take any further action and can attend and vote at the extraordinary general meeting.</p>
Issuance of New Shares, Convertible Bonds or Bonds with Warrants		
7.	<p>Additional Listing of Securities</p> <p>General</p> <p>Section 1, Part A, Article V, PSE Rules on Additional Listing: Rule on Additional Listing of Shares</p> <p>This rule shall apply to transactions resulting in issuance by an issuer of new voting shares to any party or persons acting in concert ("subscribers") amounting to at least ten percent (10%) but not more than thirty-five percent</p>	<p>Issue of Shares, Company Warrants and Convertible Securities For Cash (Other than Rights Issues)</p> <p>Rule 811, SGX Listing Manual</p> <p>(1) An issue of shares must not be priced at more than 10% discount to the weighted average price for trades done on the SGX-ST for the full market day on which the placement or subscription agreement is signed. If trading in the issuer's shares is not available for a full</p>

NO.

PSE Rules and Philippines Laws

(35%) of the total issued and outstanding capital stock of the issuer through a single or creeping transactions within a period of twelve (12) months from the initial disclosure. Such transactions may include private placements, share swaps, property-for-share swaps, or conversion of securities into equity.

As a general rule, the PSE shall not permit the listing of shares subscribed by related parties unless a rights or public offering is first undertaken.

For the purposes of this rule, “related parties” shall mean affiliates of the listed issuer accounted for by the equity method of accounting; trusts for the benefit of employees such as pension and profit sharing plans that are managed by or under the trusteeship of the management; directors, major shareholders or principal owners of the listed issuer; and its management; members of the immediate families of major shareholders, principal owners and management of the listed issuer.

Section 4, Part A, Article V, PSE Rules on Additional Listing: Comprehensive Corporate Disclosure

The issuer shall submit within five (5) trading days from the initial disclosure the details of the transaction including but not limited to the following:

- a) copies of all agreements duly executed that are relevant to the transaction;
- b) description of the proposed transaction including the timetable for implementation, and related regulatory requirements;
- c) rationale for the transaction including the benefits which are expected to be accrued to the listed issuer as a result of the transaction;
- d) the aggregate value of the consideration, explaining how this is to be satisfied, including the terms of any arrangements for payment on a deferred basis;
- e) the basis upon which the consideration or the issue value was determined;
- f) detailed work program of the application of proceeds, the corresponding timetable of disbursements and status of each project included in the work program. For debt retirement application, state which projects were financed by debt being retired, the project cost, amount of project financed by debt and financing sources for the remaining

SGX Listing Manual and Singapore Laws

market day, the weighted average price must be based on the trades done on the preceding market day up to the time the placement agreement is signed.

- (2) An issue of company warrants or other convertible securities is subject to the following requirements:-
 - (a) if the conversion price is fixed, the price must not be more than 10% discount to the prevailing market price of the underlying shares prior to the signing of the placement or subscription agreement; and
 - (b) if the conversion price is based on a formula, any discount in the price-fixing formula must not be more than 10% of the prevailing market price of the underlying shares before conversion.
- (3) Rule 811 (1) and (2) is not applicable if specific shareholder approval is obtained for the issue of shares, company warrants or other convertible securities.
- (4) Where specific shareholders' approval is sought, the circular must include the following:-
 - (a) information required under Rule 810 of the SGX Listing Manual; and
 - (b) the basis upon which the discount was determined.

Issue of Company Warrants or other Convertible Securities, by way of a Rights Issue or Bought Deal or otherwise

Rule 821, SGX Listing Manual

No date must be fixed for the closing of books until the issue has been approved by the SGX-ST.

Please also refer to the paragraph “Books Closure Date” for further details.

Rule 824, SGX Listing Manual

Every issue of company warrants or other convertible securities not covered under a general mandate must be specifically approved by shareholders in general meeting.

Rule 825, SGX Listing Manual

In procuring the approval of shareholders in a general meeting, the circular to the shareholders must include the recommendations of the board of

NO. PSE Rules and Philippines Laws

- cost of the project;
- g) identity of the beneficial owner(s) of the share subscribed (for corporations: date of incorporation and nature of business, major projects and investments, capital structure, audited financial statements for the last three (3) fiscal years, list of subsidiaries and affiliates, board of directors and principal officers; for individuals: list of shareholdings in other companies with the issuer, list of companies where the individual is an officer or a director, and relationships with the existing directors and stockholders of all parties to the transaction);
- h) for subscribers with no track record or with no operating history: the subscriber must present a statement of active business pursuits and objectives which details the steps undertaken and proposed to be undertaken by the issuer in order to advance its business. Projected financial statements shall only be required should there be references made in the statements to forecasts or targets;
- i) identities of controlling and substantial stockholders of the parties to the transaction, accompanied by a structural chart depicting the structure of the subscriber and the issuer and the interests of such stockholders, both before and after the implementation of the proposed transaction;
- j) the interest which directors of the parties to the transaction have in the proposed transaction; and
- k) statement as to the steps to be taken, if any, to safeguard the interests of any independent shareholders.

Section 5, Part A, Article V, PSE Revised Listing Rules: Stockholders Approval

The issuer must submit a sworn corporate secretary's certification confirming the following:

- a) that the stockholders in a regular or special meeting approved the transaction;
- b) for related party transactions, in addition to the stockholders' approval of the transaction, the issuer must submit a sworn corporate secretary's certification confirming that a waiver of the requirement to conduct a rights or public offering of the shares subscribed has been granted by a majority vote representing the outstanding shares held by the minority stockholders present or

SGX Listing Manual and Singapore Laws

directors of the issuer on such an issue of company warrants or convertible securities and the basis for such recommendation(s).

Rule 826, SGX Listing Manual

If application is made for the listing of company warrants or other convertible securities, SGX-ST will normally require a sufficient spread of holdings to provide for an orderly market in the securities. As a guide, SGX-ST expects at least 100 warrant holders for a class of company warrants.

Rule 827, SGX Listing Manual

Company warrants or other convertible securities may be listed only if the underlying securities are (or will become at the same time) one of the following:-

- (1) a class of equity securities listed on the SGX-ST; or
- (2) a class of equity securities listed or dealt in on a stock market approved by the SGX-ST.

Rule 828, SGX Listing Manual

Each company warrant must:-

- (1) give the registered holder the right to subscribe for or buy one share in the total number of issued shares excluding treasury shares of the issuer; and
- (2) not be expressed in terms of dollar value.

Rule 829, SGX Listing Manual

The terms of the issue must provide for:-

- (1) adjustment to the exercise or conversion price and, where appropriate, the number of company warrants or other convertible securities, in the event of rights, bonus or other capitalization issues;
- (2) the expiry of the company warrants or other convertible securities to be announced, and notice of expiry to be sent to all holders of the company warrants or other convertible securities at least 1 month before the expiration date; and
- (3) any material alteration to the terms of company warrants or other convertible securities after issue to the advantage of the holders of such securities to be approved by shareholders, except where the alterations are made pursuant to the terms of the issue.

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
	<p>represented in the meeting.</p> <p>The foregoing sworn corporate secretary's certifications must be supported by a report on the tabulations of the votes of the stockholders indicating the number of shares and percentage to the total outstanding shares represented by the majority and minority stockholders in the meeting either in person or by proxy.</p> <p>In addition to the items required under the Disclosure on Stockholders' Meeting, section 7 of the Listings & Disclosures Rules, the notice of the meeting shall include:</p> <ol style="list-style-type: none"> 1) the number of voting shares to be issued to the subscriber(s); 2) a copy of the comprehensive corporate disclosure on the details of the transaction; and <p>the said notice must be published in the business sections of any two newspapers of general circulation.</p> <p>Section 6, Part A, Article V, PSE Revised Listing Rules: Rights or Public Offering Requirement</p> <p>Issuers who failed to obtain an approval from the stockholders as required under Section 5(b) of the PSE Rules on Additional Listing, must first file within 60 calendar days, unless extended by the issuer, an application for a rights or public offering, to be offered to all minority stockholders at an offer price equal to the agreed transaction price and at an offer ratio that would maintain the latter's ownership in the issuer prior to the implementation of the transaction. All major stockholders and directors must abstain from exercising their rights to the offer.</p> <p>The subscriber in the transaction must take up all the shares left unsubscribed during the offer, provided that such shares to be taken up shall only amount to the number of shares subscribed in the transaction and such subscriptions must be fully paid.</p> <p>Upon completion of the rights or public offering, the PSE shall proceed with the listing of the shares issued to the subscriber.</p> <p>Section 7, Part A, Article V, PSE Rules on Additional Listing: Lock-up of Subscribed Shares by Related Parties</p> <p>For related party transactions whereby the rights or public offering requirement has been waived by a majority vote of the minority stockholders,</p>	<p>Rule 830, SGX Listing Manual</p> <p>An issuer must announce any adjustment made pursuant to Rule 829(1) of the SGX Listing Manual.</p> <p>Rule 831, SGX Listing Manual</p> <p>Except where the alterations are made pursuant to the terms of an issue, an issuer must not:-</p> <ol style="list-style-type: none"> (i) extend the exercise period of an existing company warrant; (ii) issue a new company warrant to replace an existing company warrant; (iii) change the exercise price of an existing company warrant; or (iv) change the exercise ratio of an existing company warrant. <p>Rule 832, SGX Listing Manual</p> <p>A circular or notice to be sent to shareholders in connection with a general meeting to approve the issue of company warrants or other convertible securities must include at least the following information:-</p> <ol style="list-style-type: none"> (1) the maximum number of the underlying securities which would be issued or transferred on exercise or conversion of the company warrants or other convertible securities; (2) the period during which the company warrants or other convertible securities may be exercised and the dates when this right commences and expires; (3) the amount payable on the exercise of the company warrants or other convertible securities; (4) the arrangement for transfer or transmission of the company warrants or other convertible securities; (5) the rights of the holders on the liquidation of the issuer; (6) the arrangements for the variation in the subscription or purchase price and in the number of company warrants or other convertible securities in the event of alterations to the share capital of the issuer; (7) the rights (if any) of the holders to participate

NO.

PSE Rules and Philippines Laws

the subscriber must enter into an agreement with the PSE not to sell, assign, or in any manner dispose of their shares for a minimum period of one hundred eighty days after the listing of the shares subscribed in the transaction.

Section 8, Part A, Article V, PSE Rules on Additional Listing: Compliance with the Suitability Criteria and Continuing Listing Requirements

Prior to the approval of the listing application, the issuer must comply with the suitability criteria and continuing listing requirements under Section 3, Article III and XVIII, respectively, of the Listings and Disclosure Rules.

Section 9, Part A, Article V, PSE Rules on Additional Listing: Exceptions to the Rule

The PSE shall grant an exception to the rights or public offering requirement in the following cases:

- a) the transaction price for the shares subscribed is set at a premium over the prevailing market price. Market price shall mean the weighted average of the closing prices for a period of 30 trading days prior to the transaction;
- b) the requirement for a rights or public offer is waived by a majority vote representing the outstanding shares held by the minority stockholders present or represented in a special meeting of the transaction;
- c) issuers undergoing rehabilitation and bankruptcy shall be exempted from the application of this rule without prejudice to the provisions relating to delisting.

Rights Offering

Section 1, Part B, Article V, PSE Rules on Additional Listing: Period to File Application

Within ninety days from the date of approval by the board of directors of the company of the rights offering, the application for listing of the shares to cover the rights offering and the application for listing of the shares to cover the rights offering and the application for registration thereof shall be filed simultaneously.

Section 2, Part B, Article V, PSE Rules on Additional Listing: Limitation on Use of Funds

All funds received by the corporation from subscribers to an increase in authorised capital stock shall be properly receipted, deposited in

SGX Listing Manual and Singapore Laws

in any distributions and/or offers of further securities made by the issuer;

- (8) a summary of any other material terms of the company warrants or other convertible securities;
- (9) the purpose for and use of proceeds of the issue, including the use of future proceeds arising from the conversion/exercise of the company warrants or other convertible securities; and
- (10) the financial effects of the issue to the issuer.

Rule 833, SGX Listing Manual

The following additional requirements apply to an offer of company warrants or other convertible securities by way of a rights issue or bought deal:-

- (1) The issuer's announcement of the rights issue or bought deal must include either;
 - (a) the exercise or conversion price of the company warrants or other convertible securities; or
 - (b) a price-fixing formula to determine the exercise or conversion price. The price-fixing formula must not contain any discretionary element and the amount of premium or discount (in relation to the underlying share price) must be specified
- (2) Where a price-fixing formula is adopted;
 - (a) if the issue is not underwritten, the issuer must fix and announce the exercise or conversion price before the close of the offer; or
 - (b) if the issue is underwritten, the issuer must fix and announce the exercise or conversion price before the commencement of nil-paid rights trading
- (3) An offer of company warrants or convertible securities by way of a bought deal must comply with Chapter 8 Part V of the SGX Listing Manual.

Rule 834, SGX Listing Manual

For the purpose of this Part, a "bought deal" is an issue of company warrants or other convertible securities to a financial institution which will in turn offer them to the issuer's shareholders on a pro-rata basis, usually in conjunction with a loan

NO.

PSE Rules and Philippines Laws

escrow in an independent banking institution until the approval of the increase in authorised capital stock is obtained from the Securities and Exchange Commission and shall be utilised exclusively in accordance with the work program submitted in relation to its application for increase or registration or for the purposes for which the increase or registration was made; Provided that the proposed project shall be related to the corporation's principal business. No amount shall be granted as loans or advances to subscribers, officers/directors of the corporation or any of its affiliated companies. Approval of the registration statement is obtained only after approval of the increase in authorised capital stock.

Section 3, Part B, Article V, PSE Rules on Additional Listing: Offering of Unexercised Rights

The corporation shall engage the services of an underwriter who shall underwrite the entire issue or shares not taken up by the existing shareholders after the second round of offering. The unexercised rights after the first round should first be offered to those shareholders who had previously exercised their rights.

Section 5, Part B, Article V, PSE Rules on Additional Listing: Certification on Amount of Shares Subscribed

The applicant listed company and/or its underwriter shall submit to the PSE, after an exercise of rights offering, a certification stating whether the issue was fully subscribed, oversubscribed, or under-subscribed.

- a) If the issue is under-subscribed, the underwriter must disclose the amount of shares not subscribed, and with whom they were placed or how they were disposed of.
- b) In all cases, a new list of stockholders shall be submitted to the PSE within fifteen (15) days from the last day of the offering period.

Section 6, Part B, Article V, PSE Rules on Additional Listing: Subscriptions Receivable

Notwithstanding the existence of subscriptions receivable from a previous rights offering, the PSE may allow the listing of shares of a new rights offering, provided that the unpaid portion of the total subscription to the previous rights offer does not exceed 10% thereof.

Provided further, that the listed company, in accordance with its by-laws and/or the relevant sections of the Corporation Code of the

SGX Listing Manual and Singapore Laws

facility provided by that financial institution to the issuer.

Rule 835, SGX Listing Manual

An issuer making a bonus issue of company warrants must also comply with Rules 836 and 837 of the SGX Listing Manual.

Philippines shall call for the payment of the subscriptions receivable from the previous rights offering referred to in the preceding paragraph and ensure that at least ninety percent (90%) has been paid.

Section 7, Part B, Article V, PSE Rules on Additional Listing: Instalment Payment Schemes

Rights shares declared by the listed company referred to in Section 6 hereof, may be allowed for listing in the PSE, provided that at least twenty-five percent (25%) of the total subscriptions are paid. The applicant listed company must disclose in the offering prospectus the schedule and terms of payment.

Payment of the unpaid portion of the subscribed shares has to be received within a reasonable period of time for the completion of the work program.

While listing is allowed, actual trading of the shares shall only be permitted once the said shares are fully paid. This shall be in accordance with the procedure relating to trading of rights shares.

Section 8, Part B, Article V, PSE Rules on Additional Listing: Record Date

The applicant listed company, subject to the approval of the PSE and the Securities and Exchange Commission, shall set the record date for any rights issue. Provided, that the proposed record date shall not be less than fifteen trading days from approval by the board of directors of the PSE.

Section 9, Part B, Article V, PSE Rules on Additional Listing: Offering Period

The offering period shall commence not more than thirty (30) calendar days from the record date. The applicant shall submit to the PSE for approval the final draft of its offering/information memorandum and subscription agreement at least seven (7) calendar days before the start of the offering period and prior to the printing of the final draft.

Underlying Shares of Convertible Securities

Section 1, Part C, Article V, PSE Rules on Additional Listing: Listing of Shares of Stock

As a general rule, issuers may apply for listing of shares of stock arising from conversions (e.g. bond conversion).

NO.

PSE Rules and Philippines Laws

The listing approval of all remaining underlying shares shall be effective until the end of the conversion and/or exercise period of the convertible securities.

Section 2, Part C, Article V, PSE Rules on Additional Listing: Monitoring of Conversions

The issuer is required to submit a monthly report on the number of convertible securities converted and the corresponding issuance of the underlying shares and the remaining number of unconverted securities, inclusive of information contained in an interim report filed during the reportable month pursuant to the second paragraph of this section, within the first five (5) trading days of the proceeding month.

SGX Listing Manual and Singapore Laws

Share Option Schemes or Share Schemes

Section 1, Part D, Article V, PSE Rules on Additional Listing: Listing Approval of Stock Option / Stock Purchase Plan

An Issuer which has a newly approved stock option or stock purchase plan by its board or has an existing stock option or stock purchase plan to its employees should inform the PSE as soon as possible of such fact, outlining therein the details of the plan.

The listing approval of all remaining and unexercised option shares shall be effective until the end of the option and/or holding period. These shares shall be removed from the Official Registry of the PSE after the said period.

Section 2, Part D, Article V, PSE Rules on Additional Listing: Board of Directors' and Shareholders' Approval

The Issuer is required to get an approval from the board of directors on any subsequent stock option plan provided however that in the following cases:

- (a) If the target beneficiaries are junior officers and employees of the company, the plan should be ratified by the majority of the stockholders;
- (b) If the target beneficiaries are the senior officers and directors and persons other than an employee, officer, and director (i.e. other stakeholders), the plan should be endorsed by the Remuneration Committees and ratified by 2/3 of the stockholders.
- (c) In instances wherein,
 - (i) The plan shall be used to induce first time employees;
 - (ii) The plan is the result of an existing and earlier approved plan due to merger and acquisition;
 - (iii) The plan is pursuant to a BIR-approved pension plan; and
 - (iv) Other such similar plan,

the subject plan shall only require approval of the company's Remuneration Committee and of the board of directors.

Section 3, Part D, Article V, PSE Rules on Additional Listing: Approval of Material

Rule 844, SGX Listing Manual

Participation in a scheme must be restricted to directors and employees of the issuer and its subsidiaries, except that:-

- (1) directors and employees of an associated company of the issuer may participate in the scheme if the issuer has control over the associated company; and
- (2) directors and employees of the issuer's parent company and its subsidiaries who have contributed to the success and development of the issuer may participate in the scheme.

Rule 845, SGX Listing Manual

A limit on the size of each scheme, the maximum entitlement for each class or category of participant (where applicable), and the maximum entitlement for anyone participant (where applicable) must be stated.

For SGX main board issuers, the following limits must not be exceeded:-

- (1) the aggregate number of shares available under all schemes must not exceed 15% of the total number of issued shares excluding treasury shares from time to time;
- (2) the aggregate number of shares available to controlling shareholders and their associates must not exceed 25% of the shares available under a scheme;
- (3) the number of shares available to each controlling shareholder or his associate must not exceed 10% of the shares available under a scheme;
- (4) the aggregate number of shares available to directors and employees of the issuer's parent company and its subsidiaries must not exceed 20% of the shares available under a scheme; and
- (5) the maximum discount under the scheme must not exceed 20%. The discount must have been approved by shareholders in a separate resolution.

Offering of Securities in Singapore

Section 240(1), SFA

NO. PSE Rules and Philippines Laws
Revision

Any alteration or revision to the terms and conditions of a scheme, which are of material nature, must be approved in accordance with Section 2, PSE Rules on Additional Listing, except where the alterations take effect automatically under the previously approved and existing terms of the scheme.

Following are instances, among others, that are considered as alteration or revision of material nature:

- (a) Increase in the number of shares made available under the scheme which is not a result of a previously approved formula;
- (b) Material expansion in the types of situation that qualifies under the scheme;
- (c) Material expansion in the class of employees, officers or directors or persons other than being an employee, officer, or director;
- (d) Material extension of the term;
- (e) Material change in the method of determining the exercise price.

Section 4, Part D, Article V, PSE Rules on Additional Listing: Filing of Stock Option Plan / Scheme

A detailed statement of the plan or scheme by which the option over the shares or securities shall be exercised must be filed with the PSE simultaneous with the filing of an application for approval of such plan or scheme with the Securities and Exchange Commission or other government agency, when applicable.

Section 5, Part D, Article V, PSE Rules on Additional Listing: Monitoring of Exercise of Stock Option

The issuer is required to submit a monthly report of the number of stock options exercised and the corresponding issuance of shares and the remaining number of unexercised stock option with the first five (5) trading days of the preceding month.

Power of Directors to Allot and Issue Shares

Please refer to the sections under Part A, Article V, PSE Rules on Additional Listing at paragraph “Issuance of New Shares, Convertible Bonds or Bonds with Warrants” for further details.

SGX Listing Manual and Singapore Laws

No person shall make an offer of securities in Singapore unless that offer is accompanied by a prospectus or falls within any of the exemptions provided under the SFA.

Power of Directors to Allot and Issue Shares

The power to issue shares in a company is usually vested with the directors of that company subject to any restrictions in the articles of association of

that company. However, notwithstanding anything to the contrary in the articles of association of a company, prior approval of the company at a general meeting is required to authorize the directors to exercise any power of the company to issue shares. Such approval need not be specific but may be general.

Rule 805, SGX Listing Manual

Except as provided in Rule 806 of the SGX Listing Manual, an issuer must obtain the prior approval of shareholders in general meeting for the following:-

- (1) the issue of shares or convertible securities or the grant of options carrying rights to subscribe for shares of the issuer; or
- (2) if a principal subsidiary of an issuer issues shares or convertible securities or options that will or may result in:-
 - (a) the principal subsidiary ceasing to be a subsidiary of the issuer; or
 - (b) a percentage reduction of 20% or more of the issuer's equity interest in the principal subsidiary.

Rule 806(1), SGX Listing Manual

A company need not obtain the prior approval of shareholders in a general meeting for the issue of securities if the shareholders had by ordinary resolution in a general meeting, given a general mandate to the directors of the issuer to issue:

- (i) shares; or
- (ii) convertible securities; or
- (iii) additional convertible securities issued pursuant to Rule 829 of the SGX Listing Manual, notwithstanding that the general mandate may have ceased to be in force at the time the securities are issued, provided that the adjustment does not give the holder a benefit that a shareholder does not receive; or
- (iv) shares arising from the conversion of the securities in (ii) and (iii) notwithstanding that the general mandate may have ceased to be in force at the time the shares are to be issued.

Rule 806(2), SGX Listing Manual

A general mandate must limit the aggregate number of shares and convertible securities that may be issued. The limit must be not more than 50% of the total number of issued shares

NO. PSE Rules and Philippines Laws

SGX Listing Manual and Singapore Laws

excluding treasury shares, of which the aggregate number of shares and convertible securities issued other than on a pro rata basis to existing shareholders must be not more than 20% of the total number of issued shares excluding treasury shares.

Unless prior shareholder approval is required under the SGX Listing Manual, an issue of treasury shares will not require further shareholder approval, and will not be included in the aforementioned limits.

Rule 806(6), SGX Listing Manual

A general mandate may remain in force until the earlier of the following:-

- (a) the conclusion of the first annual general meeting of the issuer following the passing of the resolution. By an ordinary resolution passed at that meeting, the mandate may be renewed, either unconditionally or subject to conditions; or
- (b) it is revoked or varied by ordinary resolution of the shareholders in general meeting.

Specific Mandate

Checklist of Documentary Requirements for Listing of Warrants / Underlying Shares of Warrants, No. 6

The PSE requires the submission of a certification that the board of directors and the stockholders of the issuer have approved the issuance of the warrants and the underlying shares.

Rule 824, SGX Listing Manual

Every issue of company warrants or other convertible securities not covered under a general mandate must be specifically approved by shareholders in general meeting.

Prohibition of Unfair Trading Activities

8. Section 27.1, Securities Regulation Code

It shall be unlawful for an insider to sell or buy a security of the issuer, while in possession of material information with respect to the issuer or the security that is not generally available to the public, unless:

- (a) The insider proves that the information was not gained from such relationship; or
- (b) If the other party selling to or buying from the insider (or his agent) is identified, the insider proves: (i) that he disclosed the information to the other party, or (ii) that he had reason to believe that the other party otherwise is also in possession of the

Sections 218 and 219, SFA

Sections 218 and 219 of the SFA prohibit persons from dealing in securities of a corporation if any such person knows or reasonably ought to know that he is in possession of information that is not generally available, which is expected to have a material effect on the price or value of securities of that corporation.

NO.**PSE Rules and Philippines Laws**

information. A purchase or sale of a security of the issuer made by an insider, or such insider's spouse or relatives by affinity or consanguinity within the second degree, legitimate or common-law, shall be presumed to have been effected while in possession of material non-public information if transacted after such information came into existence but prior to dissemination of such information to the public and the lapse of a reasonable time for market to absorb such information: Provided, however, That this presumption shall be rebutted upon a showing by the purchaser or seller that he was aware of the material non-public information at the time of the purchase or sale.

Section 27.2, Securities Regulation Code

Information is "material nonpublic" if: (a) It has not been generally disclosed to the public and would likely affect the market price of the security after being disseminated to the public and the lapse of a reasonable time for the market to absorb the information; or (b) would be considered by a reasonable person important under the circumstances in determining his course of action whether to buy, sell or hold a security.

Section 27.3, Securities Regulation Code

It shall be unlawful for any insider to communicate material nonpublic information about the issuer or the security to any person who, by virtue of the communication, becomes an insider, where the insider communicating the information knows or has reason to believe that such person will likely buy or sell a security of the issuer while in possession of such information.

Section 27.4, Securities Regulation Code

- (a) It shall be unlawful where a tender offer has commenced or is about to commence for:
 - (i) Any person (other than the tender offeror) who is in possession of material nonpublic information relating to such tender offer, to buy or sell the securities of the issuer that are sought or to be sought by such tender offer if such person knows or has reason to believe that the information is nonpublic and has been acquired directly or indirectly from the tender offeror, those acting on its behalf, the issuer of the securities sought or to be sought by such tender offer, or any insider of such issuer; and

SGX Listing Manual and Singapore Laws

- (ii) Any tender offeror, those acting on its behalf, the issuer of the securities sought or to be sought by such tender offer, and any insider of such issuer to communicate material nonpublic information relating to the tender offer to any other person where such communication is likely to result in a violation of Section 27.4 (a)(I).

- (b) For purposes of this Section 27, the term "securities of the issuer sought or to be sought by such tender offer" shall include any securities convertible or exchangeable into such securities or any options or rights in any of the foregoing securities.

Section 3.8, Securities Regulation Code

"Insider" means (a) the issuer; (b) a director or officer (or any person performing similar functions) of, or a person controlling the issuer; gives or gave him access to material information about the issuer or the security that is not generally available to the public; (d) A government employee, director, or officer of an exchange, clearing agency and/or self-regulatory organization who has access to material information about an issuer or a security that is not generally available to the public; or (e) a person who learns such information by a communication from any forgoing insiders.

Securities Market Manipulation

9. Section 24.1, Securities Regulation Code

It shall be unlawful for any person acting for himself or through a dealer or broker, directly or indirectly:

- (a) To create a false or misleading appearance of active trading in any listed security traded in an exchange of any other trading market: (i) By effecting any transaction in such security which involves no change in the beneficial ownership thereof; (ii) By entering an order or orders for the purchase or sale of such security with the knowledge that a simultaneous order or orders of substantially the same size, time and price, for the sale or purchase of any such security, has or will be entered by or for the same or different parties; or (iii) By performing similar act where there is no change in beneficial ownership.
- (b) To affect, alone or with others, a securities or transactions in securities that: (i) Raises their price to induce the purchase of a security, whether of the same or a different class of the same issuer or of controlling, controlled, or commonly controlled company by others; or (ii) Creates active trading to induce such a purchase or sale through manipulative devices such as marking the close, painting the tape, squeezing the float, hype and dump, boiler room operations and such other similar devices.
- (c) To circulate or disseminate information that the price of any security listed in an exchange will or is likely to rise or fall because of manipulative market operations of any one or more persons conducted for the purpose of raising or depressing the price of the security for the purpose of inducing the purpose of sale of such security.
- (d) To make false or misleading statement with respect to any material fact, which he knew or had reasonable ground to believe was so false or misleading, for the purpose of inducing the purchase or sale of any security listed or traded in an exchange.

To effect, either alone or others, any series of transactions for the purchase and/or sale of any security traded in an exchange for the purpose of pegging, fixing or stabilizing the price of such security; unless otherwise allowed by the Securities Regulation Code or by rules of the Securities and Exchange Commission.

Section 198(1), SFA

No person shall effect, take part in, be concerned in or carry out, directly or indirectly, 2 or more transactions in securities of a corporation, being transactions that have, or are likely to have, the effect of raising, lowering, maintaining or stabilising the price of securities of the corporation on a securities market, with intent to induce other person to subscribe for, purchase or sell securities of the corporation or of a related corporation.

Board Governance

10. **Article 3A, SEC Memorandum Circular No. 6 Series of 2009, Revised Code of Corporate Governance (“Revised Code of Corporate Governance”)**

Composition of Board

The board shall be composed of at least five (5), but not more than fifteen (15), members who are elected by the stockholders.

All companies covered by the Revised Code of Corporate Governance shall have at least two (2) independent directors or such number of independent directors that constitutes twenty percent (20%) of the members of the board, whichever is lesser, but in no case less than two (2). All other companies are encouraged to have independent directors in their boards.

The membership of the board may be a combination of executive and non-executive directors (which include independent directors) in order that no director or small group of directors can dominate the decision-making process.

The non-executive directors should possess such qualifications and stature that would enable them to effectively participate in the deliberations of the board.

Please also refer to the paragraph on "Reporting Requirements" for further details.

Rule 720 (read with Rule 221) SGX Listing Manual

- (1) An issuer must comply with Rule 210(5) and Rule 221 (if applicable) on a continuing basis.
- (2) Without limiting the generality of the foregoing, where a director is disqualified from acting as a director in any jurisdiction for reasons other than on technical grounds, he must immediately resign from the board of directors of the issuer. An announcement containing the details in Appendix 7.4.2 of the Listing Manual must be made.
- (3) (a) The SGX-ST may require an issuer to obtain the approval of the SGX-ST for the appointment of a director, a chief executive officer and chief financial officer (or its equivalent rank).

(b) The circumstances under which the SGX-ST may effect Rules 720(3)(a) include but are not limited to:-
 - (i) where the issuer is the subject of an investigation into the affairs of the issuer by a special auditor appointed under Rule 704(12), or a regulatory or enforcement agency;
 - (ii) where the integrity of the market may be adversely affected;
 - (iii) where the SGX-ST thinks it necessary in the interests of the public or for the protection of investors; and
 - (iv) where the issuer refused to extend cooperation to the SGX-ST on regulatory matters.
- (4) Where the SGX-ST is of the opinion that a director or key executive officer of an issuer has:
 - (a) wilfully contravened or wilfully caused the issuer to breach the Listing Rules;
 - (b) wilfully contravened any relevant laws, rules and regulations; or
 - (c) refused to extend cooperation to the SGX-ST or other regulatory agencies in an investigation of wrongdoing related

NO.

PSE Rules and Philippines Laws

SGX Listing Manual and Singapore Laws

to the issuer such that doubts are cast on the directors' ability to discharge their duties as directors,

the SGX-ST may take the necessary actions including but not limited to:

- (i) Publishing the names of the individual directors or key executive officers with relevant information about the contravention or failure to extend cooperation; and
- (ii) Objecting to appointments of the individual directors or key executive officers to the board of directors of other issuers.

Rule 21(5)(c), SGX Listing Manual

The issuer's board must have at least two non-executive directors who are independent and free of any material business or financial connection with the issuer.

Rule 221, SGX Listing Manual

Foreign issuers are required to have at least two independent directors who are Singapore residents on the board of directors on a continuing basis, and not just on listing.

NO.	PSE Rules and Philippines Laws	SGX Listing Manual and Singapore Laws
Audit Committee		
11.	Article 3F(2)(i), SEC Memorandum Circular No. 6 Series of 2009, Revised Code of Corporate Governance	Rule 11 of the Code of Corporate Governance ("COCG")
	To ensure a high standard of best practice for the corporation and its stockholders, the board should conduct itself with honesty and integrity in the performance of, among others, the following duties and functions:	The board of directors should establish an audit committee ("AC") with written terms of reference which clearly set out its authority and duties.
	i) Constitute an audit committee and such other committees it deems necessary to assist the board in the performance of its duties and responsibilities.	Rule 11.1, COCG
	Article 3K(i), SEC Memorandum Circular No. 6 Series of 2009, Revised Code of Corporate Governance	The AC should comprise at least three directors, all non-executive, the majority of whom including the chairman should be independent.
	The audit committee shall consist of at least three (3) directors, who shall preferably have accounting and finance backgrounds, one of whom shall be an independent director and another with audit experience. The chair of the audit committee should be an independent director.	Rule 11.2, COCG
		The board of directors should ensure that the members of the AC are appropriately qualified to discharge their responsibilities. At least 2 members of the AC should have accounting or related financial management expertise or experience, as the board of directors interprets such qualification in its business judgment.
Remuneration Committee		
12.	Article 3K(ii)(b), SEC Memorandum Circular No. 6 Series of 2009, Revised Code of Corporate Governance	Rule 7.1, COCG
	The Board may organise:	The board of directors should set up a remuneration committee ("RC") comprising a entirety of non-executive directors, the majority of whom, including the chairman should be independent
	b) A compensation or remuneration committee, which may be composed of at least three (3) members and one of whom should be an independent director, to establish a formal and transparent procedure for developing a policy on remuneration of directors and officers to ensure that their compensation is consistent with the corporation's culture, strategy and the business environment in which it operates.	
Nominating Committee		
13.	Article 3K(ii)(a), SEC Memorandum Circular No. 6 Series of 2009, Revised Code of Corporate Governance	Rule 4.1, COCG
	The Board may organise:	Companies should establish a nominating committee ("NC") to make recommendations to the board on all board appointments. The NC should comprise at least 3 directors, a
	a) A nomination committee, which may be	

NO.	PSE Rules and Philippines Laws
	composed of at least three (3) members and one of whom should be an independent director, to review and evaluate the qualifications of all persons nominated to the Board and other appointments that require Board approval, and to assess the effectiveness of the Board's processes and procedures in the election or replacement of directors.

SGX Listing Manual and Singapore Laws
majority of whom, including the chairman should be independent.

Interested Person Transactions or Connected Transactions

14. **Section 32, Corporation Code of the Philippines**

Dealings of directors, trustees or officers with the corporation

A contract of the corporation with one or more of its directors or trustees or officers is voidable, at the option of such corporation, unless all the following conditions are present:

1. That the presence of such director or trustee in the board meeting in which the contract was approved was not necessary to constitute a quorum for such meeting;
2. That the vote of such director or trustee was nor necessary for the approval of the contract;
3. That the contract is fair and reasonable under the circumstances; and
4. That in case of an officer, the contract has been previously authorized by the board of directors.

Where any of the first two conditions set forth in the preceding paragraph is absent, in the case of a contract with a director or trustee, such contract may be ratified by the vote of the stockholders representing at least two-thirds (2/3) of the outstanding capital stock or of at least two-thirds (2/3) of the members in a meeting called for the purpose: Provided, That full disclosure of the adverse interest of the directors or trustees involved is made at such meeting: Provided, however, That the contract is fair and reasonable under the circumstances.

Section 33, Corporation Code of the Philippines

Contracts between corporations with interlocking directors

Except in cases of fraud, and provided the contract is fair and reasonable under the circumstances, a contract between two or more corporations having interlocking directors shall not be invalidated on

Chapter 9, SGX Listing Manual

Chapter 9 of the SGX Listing Manual, which applies to the Company, prescribes situations in which transactions between entities at risk (as defined in the SGX Listing Manual) and interested persons (as defined in the SGX Listing Manual) are required to be disclosed or are subject to the prior approval of shareholders.

Rule 904, SGX Listing Manual

For the purposes of Chapter 9, the following definitions apply:-

- (1) "approved exchange" means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9;
- (2) "entity at risk" means:-
 - (a) the issuer;
 - (b) a subsidiary of the issuer that is not listed on the SGX-ST or an approved exchange; or
 - (c) an associated company of the issuer that is not listed on the SGX-ST or an approved exchange, provided that the listed group, or the listed group and its interested person(s), has control over the associated company.
- (3) "financial assistance" includes:-
 - (a) the lending or borrowing of money, the guaranteeing or providing security for a debt incurred or the indemnifying of a guarantor for guaranteeing or providing security; and
 - (b) the forgiving of a debt, the releasing of or neglect in enforcing an obligation of another, or the assuming of the obligations of another.

NO. **PSE Rules and Philippines Laws**
that ground alone: Provided, That if the interest of the interlocking director in one corporation is substantial and his interest in the other corporation or corporations is merely nominal, he shall be subject to the provisions of the preceding section (Dealings of directors, trustees or officers with the corporation) insofar as the latter corporation or corporations are concerned.

Stockholdings exceeding twenty (20%) percent of the outstanding capital stock shall be considered substantial for purposes of interlocking directors.

Please also refer to the paragraph "Issuance of New Shares, Convertible Bonds or Bonds with Warrants" for further details.

SGX Listing Manual and Singapore Laws

- (4) "interested person" means:-
- (a) a director, chief executive officer, or controlling shareholder of the issuer; or
 - (b) an associate of any such director, chief executive officer, or controlling shareholder.
- (5) "interested person transaction" means a transaction between an entity at risk and an interested person.
- (6) "transaction" includes:-
- (a) the provision or receipt of financial assistance;
 - (b) the acquisition, disposal or leasing of assets;
 - (c) the provision or receipt of services;
 - (d) the issuance or subscription of securities;
 - (e) the granting of or being granted options; and
 - (f) the establishment of joint ventures or joint investments;

whether or not in the ordinary course of business, and whether or not entered into directly or indirectly (for example, through one or more interposed entities).

When Announcement Required

Rule 905, SGX Listing Manual

- (1) An issuer must make an immediate announcement of any interested person transaction of a value equal to, or more than, 3% of the group's latest audited net tangible assets.
- (2) If the aggregate value of all transactions entered into with the same interested person during the same financial year amounts to 3% or more of the group's latest audited net tangible assets, the issuer must make an immediate announcement of the latest transaction and all future transactions entered into with that same interested person during that financial year.
- (3) Rule 905(1) and (2) does not apply to any transaction below S\$100,000.

Rule 906, SGX Listing Manual

- (1) An issuer must obtain shareholder approval for any interested person transaction of a value equal to, or more than:-
 - (a) 5% of the group's latest audited net tangible assets; or
 - (b) 5% of the group's latest audited net tangible assets, when aggregated with other transactions entered into with the same interested person during the same financial year. However, a transaction which has been approved by shareholders, or is the subject of aggregation with another transaction that has been approved by shareholders, need not be included in any subsequent aggregation.
- (2) Rule 906(1) does not apply to any transaction below S\$100,000.

Rule 907, SGX Listing Manual

An issuer must disclose the aggregate value of interested person transactions entered into during the financial year under review in its annual report. The name of the interested person and the corresponding aggregate value of the interested person transactions entered into with the same interested person must be presented in the prescribed format as set out in Rule 907 of the SGX Listing Manual.

Rule 908, SGX Listing Manual

In interpreting the term "same interested person" for the purpose of aggregation in Rules 905 and 906, the following applies:

- (1) Transactions between an entity at risk and interested persons who are members of the same group are deemed to be transactions between the entity at risk with the same interested person.
- (2) If an interested person, (which is a member of a group) is listed, its transactions with the entity at risk need not be aggregated with transactions between the entity at risk and other interested persons of the same group, provided that the listed interested person and other listed interested persons have boards the majority of whose directors are different and are not accustomed to act on the instructions of the other interested persons

and their associates and have audit committees whose members are completely different.

Rule 918, SGX Listing Manual

If a transaction requires shareholder approval, it must be obtained either prior to the transaction being entered into or, if the transaction is expressed to be conditional on such approval, prior to the completion of the transaction.

Exceptions

Rule 915, SGX Listing Manual

The following transactions are not required to comply with Rules 905, 906 and 907:

- (1) A payment of dividends, a subdivision of shares, an issue of securities by way of a bonus issue, a preferential offer, or an off-market acquisition of the issuer's shares, made to all shareholders on a pro-rata basis, including the exercise of rights, options or company warrants granted under the preferential offer.
- (2) The grant of options, and the issue of securities pursuant to the exercise of options, under an employees' share option scheme approved by the SGX-ST.
- (3) A transaction between an entity at risk and an investee company, where the interested person's interest in the investee company, other than that held through the issuer, is less than 5%.
- (4) A transaction in marketable securities carried out in the open market where the counterparty's identity is unknown to the issuer at the time of the transaction.
- (5) A transaction between an entity at risk and an interested person for the provision of goods or services if:
 - (a) the goods or services are sold or rendered based on a fixed or graduated scale, which is publicly quoted; and
 - (b) the sale prices are applied consistently to all customers or class of customers.

Such transactions include telecommunication and postal services, public utility services, and sale of fixed price goods at retail outlets.

- (6) The provision of financial assistance or services by a financial institution that is licensed or approved by the Monetary Authority of Singapore, on normal commercial terms and in the ordinary course of business.

- (7) The receipt of financial assistance or services from a financial institution that is licensed or approved by the Monetary Authority of Singapore, on normal commercial terms and in the ordinary course of business.
- (8) Director's fees and remuneration, and employment remuneration (excluding "golden parachute" payments).

Rule 916, SGX Listing Manual

The following transactions are not required to comply with Rule 906:-

- (1) the entering into, or renewal of a lease or tenancy of real property of not more than 3 years if the terms are supported by independent valuation;
- (2) investment in a joint venture with an interested person if:-
 - (a) the risks and rewards are in proportion to the equity of each joint venture partner;
 - (b) the issuer confirms by an announcement that its audit committee is of the view that the risks and rewards of the joint venture are in proportion to the equity of each joint venture partner and the terms of the joint venture are not prejudicial to the interests of the issuer and its minority shareholders; and
 - (c) the interested person does not have an existing equity interest in the joint venture prior to the participation of the entity at risk in the joint venture.
- (3) The provision of a loan to a joint venture with an interested person if:-
 - (a) the loan is extended by all joint venture partners in proportion to their equity and on the same terms;
 - (b) the interested person does not have an existing equity interest in the joint venture prior to the participation of the entity at risk in the joint venture; and
 - (c) the issuer confirms by an announcement that its audit committee is of the view that:-
 - (i) the provision of the loan is not prejudicial to the interests of the issuer and its minority shareholders; and

<u>NO.</u>	<u>PSE Rules and Philippines Laws</u>	<u>SGX Listing Manual and Singapore Laws</u>
		<ul style="list-style-type: none"> (ii) the risks and rewards of the joint venture are in proportion to the equity of each joint venture partner and the terms of the joint venture are not prejudicial to the interests of the issuer and its minority shareholders.
		<ul style="list-style-type: none"> (4) the award of a contract by way of public tender to an interested person if:- <ul style="list-style-type: none"> (a) the awarder entity at risk announces the following information:- <ul style="list-style-type: none"> (i) the prices of all bids submitted; (ii) an explanation of the basis for selection of the winning bid; and (b) both the listed bidder (or if the bidder is unlisted, its listed parent company) and listed awarder (or if the awarder is unlisted, its listed parent company) have boards, the majority of whose directors are different and are not accustomed to act on the instructions of the interested person or its associates and have audit committees whose members are completely different.
		<ul style="list-style-type: none"> (5) the receipt of a contract which was awarded by way of public tender, by an interested person if:- <ul style="list-style-type: none"> (a) the bidder entity at risk announces the prices of all bids submitted; and (b) both the listed bidder (or if the bidder is unlisted, its listed parent company) and listed awarder (or if the awarder is unlisted, its listed parent company) have boards, the majority of whose directors are different and are not accustomed to act on the instructions of the interested person or its associates and have audit committees whose members are completely different.

TAKE OVER OBLIGATIONS

The Singapore Code

The Singapore Code regulates the acquisition of ordinary shares of public companies and contains certain provisions that may delay, deter or prevent a future takeover or change in control of the Company. Any person acquiring an interest, either on his own or together with parties acting in concert with him, in 30.0% or more of our voting Shares, or, if such person holds, either on his own or together with parties acting in concert with him, between 30.0% and 50.0% (both

inclusive) of our voting Shares, and if he (or parties acting in concert with him) acquires additional voting Shares representing more than 1.0% of our voting Shares in any six-month period, must, except with the consent of the Securities Industry Council in Singapore, extend a takeover offer for the remaining voting Shares in accordance with the provisions of the Singapore Code.

“Parties acting in concert” comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of Shares in a company, to obtain or consolidate effective control of that company. Certain persons are presumed (unless the presumption is rebutted) to be acting in concert with each other. They are as follows:

- a company and its related companies, the associated companies of any of the company and its related companies, companies whose associated companies include any of these companies and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing for the purchase of voting rights;
- a company and its directors (including their close relatives, related trusts and companies controlled by any of the directors, their close relatives and related trusts);
- a company and its pension funds and employee share schemes;
- a person with any investment company, unit trust or other fund whose investments such person manages on a discretionary basis;
- a financial or other professional adviser and its clients in respect of Shares held by the adviser and persons controlling, controlled by or under the same control as the adviser and all the funds managed by the adviser on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total 10.0% or more of the client’s equity share capital;
- directors of a company (including their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts) which is subject to an offer or where the directors have reason to believe a bona fide offer for the company may be imminent;
- partners; and
- an individual and his close relatives, related trusts, any person who is accustomed to act in accordance with his instructions and companies controlled by the individual, his close relatives, his related trusts or any person who is accustomed to act in accordance with his instructions and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing for the purchase of voting rights.

A mandatory offer must be in cash or be accompanied by a cash alternative at not less than the highest price paid by the offeror or parties acting in concert with the offeror within the six months preceding the acquisition of Shares that triggered the mandatory offer obligation.

Under the Singapore Code, where effective control of a company is acquired or consolidated by a person, or persons acting in concert, a general offer to all other shareholders is normally required. An offeror must treat all shareholders of the same class in an offeree company equally. A fundamental requirement is that shareholders in the company subject to the takeover offer must be given sufficient information, advice and time to consider and decide on the offer.

The Securities Regulation Code

The Philippines has no similar code regulating takeovers specifically, although Section 19 of its SRC sets out the law on tender offers. Under Section 19, any person or group of persons acting in concert who intends to acquire at least 15% of any class of any equity security of a listed corporation of any class of any equity security of a corporation with assets of at least ₱50,000,000 and having 200 or more stockholders at least one hundred shares each or who intends to acquire at least 30% of such equity over a period of 12 months shall make a tender offer to stockholders.

The thresholds of 15% or more for a single acquisition or 30% for creeping acquisition as provided for in Section 19 of the SRC have been increased to 35% under Rule 19 of the Amended Implementing Rules and Regulations of the SRC. Hence:

- any person or group of persons acting in concert who intends to acquire 35% or more of equity stakes in a public company shall disclose such intention and contemporaneously make a tender offer for the percent sought to all holders of such class. In the event that the tender offer is oversubscribed, the aggregate amount of securities to be acquired at the close of such tender offer shall be proportionately distributed across both selling shareholder with whom the acquirer may have been in private negotiations and minority shareholders; and
- any person or group of persons acting in concert, who intends to acquire 35% or more of equity shares in a public company in one or more transactions within a period of 12 months, shall be required to make a tender offer to all holders of such class for the number of shares so acquired within the said period.

If any acquisition of even less than 35% would result in ownership of over 51% of the total outstanding equity securities of a public company, the acquirer shall be required to make a tender offer for all the outstanding equity securities to all remaining stockholders of the company at a price supported by a fairness opinion provided by an independent financial advisor or equivalent third party. The acquirer in such a tender offer shall be required to accept any and all securities thus tendered. If a transaction is covered by Rule 19, the sale of the shares pursuant to the private transaction shall not be completed prior to the closing and completion of the tender offer. Transactions with any of the seller(s) of significant blocks of shares with whom the acquirers may have been in private negotiations shall close at the same time and upon the same terms as the tender offer made to the public under Rule 19.

However, the mandatory tender offer requirement shall not apply to the following:

- any purchase of shares from the unissued capital stock provided that the acquisition will not result to a 50% or more ownership of shares by the purchaser;
- any purchase of shares from an increase in authorised capital stock;
- purchase in connection with foreclosure proceedings involving a duly constituted pledge or security arrangement where the acquisition is made by the debtor or creditor;
- purchases in connection with privatisation undertaken by the government of the Philippines;
- purchases in connection with corporate rehabilitation under court supervision;
- purchases through an open market at the prevailing market price; and
- merger or consolidation.

When a mandatory tender offer is required, the bidder is compelled to offer the highest price paid by him for such shares during the past sixmonths. Where the offer involves payment by transfer or allotment of securities, such securities must be valued on an equitable basis.

The mandatory tender offer requirement has been judicially interpreted to apply both to direct and indirect acquisitions.

PHILIPPINE TAXATION

The statements made regarding taxation in the Philippines are based on the laws in force at the date hereof and are subject to any changes in law occurring after such date. Subsequent legislative, judicial or administrative changes or interpretations may be retroactive and could affect the tax consequences to the prospective investor.

The tax treatment of a prospective investor may vary depending on such investor's particular situation and certain investors may be subject to special rules not discussed below. The following summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to invest in the Offer Shares and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities) may be subject to special rates. This summary does not purport to address all tax aspects that may be important to a holder of the Series A Preference Shares.

Prospective purchasers of the Offer Shares are advised to consult their own tax advisers concerning the tax consequences of their investment in the Offer Shares.

As used in this section, the term “resident alien” refers to an individual whose residence is within the Philippines and who is not a citizen thereof; a “non-resident alien” is an individual whose residence is not within the Philippines and who is not a citizen of the Philippines; a non-resident alien who is actually within the Philippines for an aggregate period of more than 180 days during any calendar year is considered a “non-resident alien engaged in trade or business in the Philippines”; otherwise, such non-resident alien who is actually within the Philippines for an aggregate period of 180 days or less during any calendar year is considered a “non-resident alien not engaged in trade or business in the Philippines.” A “domestic corporation” is a corporation created or organized in the Philippines under its laws; and a “foreign corporation” means a corporation that is not a domestic corporation. A “resident foreign corporation” is a foreign corporation engaged in trade or business within the Philippines; and a “non-resident foreign corporation” is a foreign corporation not engaged in trade or business within the Philippines.

TAX ON DIVIDENDS

Cash and property dividends received from a foreign corporation by:

1. individual shareholders who are citizens and residents of the Philippines and resident aliens shall form part of gross income, which, less personal and additional exemptions, are subject to income tax at progressive rates of between 5% and 32%;
2. individual shareholders who are citizens of the Philippines not residing therein, non-resident aliens engaged in trade or business in the Philippines, and non-resident aliens not engaged in trade or business in the Philippines are not subject to Philippine tax; and
3. domestic corporations shall form part of their gross income, which, less deductions, is subject to income tax at the rate of 30%.

Where the recipient of the cash or property dividends is a resident foreign corporation or a non-resident foreign corporation, whether the cash or property dividends will be subject to Philippine tax depends on whether the dividends will be considered as income from a Philippine source. Dividends received from a foreign corporation are, as a rule, considered Philippine source income and therefore taxable in the Philippines unless the income from the Philippines of the foreign corporation declaring dividends, for the three year period preceding the declaration of the dividends, constitutes less than 50% of its entire gross income in said years. If the dividends are

taxable applying the preceding rule, then (a) if the recipient is a resident foreign corporation, such dividends shall form part of its gross income, which, less deductions, is subject to income tax at the rate of 30% and (b) if the recipient is a non-resident foreign corporation, such dividends shall form part of its gross income, which, without deductions, is subject to income tax at the rate of 30%.

The holders of the Preference Shares shall be responsible for declaring the amount they received as dividend in their respective income tax returns and paying the applicable taxes.

SALE, EXCHANGE OR DISPOSITION OF OFFER SHARES

If Sale Was Made Outside the PSE

Income received from the sale in the Philippines, outside the facilities of the PSE, of shares of stock of a foreign corporation by:

1. individual shareholders who are citizens of the Philippines, resident aliens, and non-resident aliens engaged in trade or business in the Philippines shall form part of gross income, which, less personal and additional exemptions, is subject to income tax at progressive rates of between 5% and 32%;
2. non-resident aliens not engaged in trade or business in the Philippines shall form part of their gross income, which, without deductions, is subject to income tax at the rate of 25%;
3. domestic corporations and resident foreign corporations shall form part of gross income, which, less deductions, is subject to income tax at the rate of 30%; and
4. non-resident foreign corporations shall form part of their gross income, which, without deductions, is subject to income tax at the rate of 30%.

Taxes on Transfer of Offer Shares Listed and Traded at the PSE

A sale or other disposition of shares of stock through the facilities of the PSE by a resident or a non-resident holder, other than a dealer in securities, is subject to a stock transaction tax at the rate of 0.5% of the gross selling price or gross value in money of the shares of stock sold or otherwise disposed, unless an applicable treaty exempts such sale from said tax. This tax is required to be collected by and paid to the Government by the selling stockbroker on behalf of his client. The stock transaction tax is classified as a percentage tax in lieu of a capital gains tax. Under certain tax treaties, the exemptions from capital gains tax discussed herein may not be applicable to stock transaction tax.

In addition, VAT of 12.0% is imposed on the commission earned by the PSE-registered broker, and is generally passed on to the client.

However, under BIR Revenue Regulations No. 16-12, the sale, barter, transfer and or assignment of shares of stock in publicly-listed companies that fail to meet the 10% minimum public ownership requirement beginning January 1, 2013 shall be subject to final tax as if the sale were sold outside the PSE.

DOCUMENTARY STAMP TAX

The transfer of shares of stock is subject to a documentary stamp tax of ₱0.75 for each ₱200 par value or a fractional part thereof of the share of stock transferred.

The sale, barter or exchange of shares of stock listed and traded at the PSE is exempt from documentary stamp tax.

In addition, the borrowing and lending of securities executed under the securities borrowing and lending program of a registered exchange, or in accordance with regulations prescribed by the appropriate regulatory authority, are likewise exempt from documentary stamp tax. However, the securities borrowing and lending agreement should be duly covered by a master securities borrowing and lending agreement acceptable to the appropriate regulatory authority, and should be duly registered and approved by the BIR.

ESTATE AND GIFT TAXES

The transfer of shares of stock upon the death of an individual holder to his heirs by way of succession, whether such holder was a citizen of the Philippines or an alien, regardless of residence, is subject to Philippine taxes at progressive rates ranging from 5.0% to 20.0%, if the net estate is over ₱200,000. Individual and corporate holders, whether or not citizens or residents of the Philippines, who transfer shares of stock by way of gift or donation are liable to pay Philippine donors' tax on such transfer of shares ranging from 2.0% to 15.0% of the net gifts during the year exceeding ₱100,000. The rate of tax with respect to net gifts made to a stranger (*i.e.*, one who is not a brother, sister, spouse, ancestor, lineal descendant or relative by consanguinity within the fourth degree of relationship) is a flat rate of 30.0%.

Estate and donors' taxes, however, shall not be collected in respect of intangible personal property, such as shares of stock: (a) if the decedent at the time of his death or the donor at the time of the donation was a citizen and resident of a foreign country which at the time of his death or donation did not impose a transfer tax of any character, in respect of intangible personal property of citizens of the Philippines not residing in that foreign country, or (b) if the laws of the foreign country of which the decedent or donor was a citizen and resident at the time of his death or donation allows a similar exemption from transfer or death taxes of every character or description in respect of intangible personal property owned by citizens of the Philippines not residing in that foreign country.

TAXATION OUTSIDE THE PHILIPPINES

The tax treatment of a non-resident holder of shares of stock in jurisdictions outside the Philippines may vary depending on the tax laws applicable to such holder by reason of domicile or business activities and such holder's particular situation.

This Prospectus does not discuss the tax considerations of non-resident holders of shares of stock under laws other than those of the Philippines.

British Virgin Islands Taxation

No stamp or other issuance or transfer taxes or duties and no income, withholding or other taxes are payable in the British Virgin Islands to any political subdivision or taxing authority thereof or therein in connection with any dividend or other distribution made to a holder of Offer Shares or the sale, exchange or redemption of Offer Shares.

THE COMMENTS ABOVE ARE OF A GENERAL NATURE AND, A SUMMARY OF CERTAIN PHILIPPINE TAX CONSEQUENCES OF THE ACQUISITION, OWNERSHIP AND DISPOSAL OF THE SHARES. THEY ARE NOT INTENDED TO BE AND DO NOT CONSTITUTE LEGAL OR TAX ADVICE. EACH PROSPECTIVE HOLDER SHOULD CONSULT WITH HIS OWN TAX ADVISER AS TO THE PARTICULAR TAX CONSEQUENCES TO SUCH HOLDER OF PURCHASING, OWNING AND DISPOSING OF THE OFFER SHARES, INCLUDING THE APPLICABILITY AND EFFECT OF ANY STATE, LOCAL AND NATIONAL TAX LAWS.

LEGAL MATTERS

Certain legal matters as to Philippine law relating to the Offer will be passed upon by SyCip Salazar Hernandez & Gatmaitan, transaction counsel for the Offer, while legal matters as to BVI law relating to the Offer will be passed upon by Conyers Dill & Pearman Pte. Ltd.

The foregoing legal counsels have neither shareholdings in the Company nor any right, whether legally enforceable or not, to nominate persons or to subscribe for securities in the Company. None of the legal counsels will receive any direct or indirect interest in the Company or in any securities thereof (including options, warrants or rights thereto) pursuant to or in connection with the Offer.

INDEPENDENT AUDITORS

The Company has appointed SyCip Gorres Velayo & Co. (“**SGV**”), a member firm of Ernst & Young Global Limited, as the Group’s Philippine independent auditors for fiscal year ending 30 April 2016.

The consolidated financial statements of the Company as at 30 April 2015 and 2014 and for the year ended 30 April 2015, for the four month period ended 30 April 2014, and for the year ended 31 December 2013 appearing in this Prospectus have been audited by R.G. Manabat & Co., its previous auditor, in accordance with Philippine Standards on Auditing.

The Company has not had any material disagreements on accounting and financial disclosures with its previous and current external auditors for the same periods or any subsequent interim period. R.G. Manabat & Co. and SGV have neither shareholdings in the Company nor any right, whether legally enforceable or not, to nominate persons or to subscribe for the securities of the Company. R.G. Manabat & Co. and SGV will not receive any direct or indirect interest in the Company or its securities (including options, warrants or rights thereto) pursuant to or in connection with the Offer.

The following table sets out the aggregate fees for 2015 and 2014 for professional services rendered by KPMG LLP, excluding fees directly related to the Offer.

	FY2015	SY2014
	in U.S.\$	
Audit and Audit-Related Fees ⁽¹⁾	322,000	246,000
Tax Fees	3,968	-
Non-Audit Fees	218,032	546,000
Total	322,000	246,000

Note:

(1) *Audit and Audit-Related Fees. This category includes the audit of annual financial statements, review of interim financial statements and services that are normally provided by the independent auditor in connection with statutory and regulatory filings or engagements for those calendar years.*

The fees presented above include out-of-pocket expenses incidental to the independent auditors’ work, the amounts of which do not exceed [15]% of the agreed-upon engagement fees.

In relation to the audit of the Company’s annual financial statements, pursuant to the Company’s corporate governance policies and practices, the Code of Corporate Governance issued on 14 July 2005 by the Council on Corporate Disclosure and Governance, and the 2012 Code, the Company’s ARC:

- reviews significant financial reporting issues so as to ensure the integrity of the Company’s financial statements and any announcements relating to the Company’s financial performance and conducts periodic reviews of all interested persons transactions;
- monitors the adequacy and effectiveness of the Group’s internal controls system and internal audit function; and has set in place arrangements to ensure independent investigation of matters such as improprieties in financial reporting;

- makes recommendations to the Board on the appointment, re-appointment and removal of the external auditors including the remuneration and terms of engagement of the external auditors; and
- meets with the Group's external auditors and with the head of the Internal Audit department without the presence of Management at least once a year.

The ARC was set up on 9 July 1999 and currently comprises four members, who are all independent Directors.

**INDEX TO FINANCIAL STATEMENTS AND
THE FINANCIAL STATEMENTS**

**Unaudited Interim Condensed Consolidated Financial Statements as at January 31, 2016
and for the nine months ended January 31, 2015 of the Issuer and its Subsidiaries**

Unaudited Interim Consolidated Statement of Financial Position as at January 31, 2016

Unaudited Interim Consolidated Statements of Income for the nine months period ended January 31, 2016

Unaudited Interim Consolidated Statement of Comprehensive Income for the nine months period ended January 31, 2016

Unaudited Interim Consolidated Statement of Changes in Equity for the nine months period ended January 31, 2016

Unaudited Interim Consolidated Statement of Cash Flows for the nine months period ended January 31, 2016

Unaudited Interim Notes to the Interim Condensed Consolidated Financial Statements

**Audited Consolidated Financial Statements as at April 30, 2015 and 2014 and for the year
ended April 30, 2015, for the four months period ended April 30, 2014 and for the year
ended December 31, 2013 of the Issuer and its Subsidiaries**

Independent Auditors' Report

Consolidated Statement of Financial Position as at April 30, 2015 and 2014

Consolidated Statements of Income for the year ended April 30, 2015, for the four months period ended 30 April 2014 and for the year ended December 31, 2013

Consolidated Statement of Comprehensive Income for the year ended April 30, 2015, for the four months period ended April 30, 2014 and for the year ended December 31, 2013

Consolidated Statements of Changes in Equity for the year ended April 30, 2015, for the four months period ended April 30, 2014 and for the year ended December 31, 2013

Consolidated Statements of Cash Flows for the year ended April 30, 2015, for the four months period ended April 30, 2014 and for the year ended December 31, 2013

Notes to Consolidated Financial Statements